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Chairman Burton, Ranking Member Meeks, I wish to thank you and the members of the Committee for conducting this hearing and for inviting me to testify on an extremely important part of the world. We are all cognizant of the fact that much attention is currently placed on North Africa and sections of the Middle East. However, Europe and Eurasia remain of great strategic importance for the United States, and developments, particularly in the area of democracy, are critical to the United States' interests globally.

The democratic record in Eastern Europe and Eurasia is a mixed one – in the Baltic states and in most of Eastern Europe, there is democratic consolidation. In Turkey, despite having made significant progress in a number of areas, in particular with regard to electoral politics, the country continues to face challenges with media freedom, judicial reform and civil-military relations. In the Balkans the record is similarly uneven. While in a number of countries political parties are able to run sophisticated, modern campaigns, the institutions of democracy remain weak. Constitutions are in need of revision, judicial systems perform unevenly, and the rights of ethnic minorities are often ignored. Among the former Soviet Republics, since their independence, some have moved forward in developing democratic institutions, processes and values, while others still struggle. My testimony today will focus on four specific countries: Two – Belarus and Ukraine – from the category of countries where democratic practices are either absent or under siege, and two countries – Georgia and Moldova – where notable strides in developing democratic societies are occurring.

BELARUS

While many of the countries of the former Soviet Union have made steps toward democracy since gaining independence, Belarus has experienced complete stagnation under the dictatorship of President Aleksander Lukashenka. Since 1994, “Europe’s last dictator” has ruled Belarus with an iron fist, using tactics common under the Soviet rule – a large state security apparatus, harassment, arrests, beatings and, in some cases, murders of regime opponents.

According to the Freedom House’s 2011 [Freedom in the World](#) report, basic political rights do not exist in Belarus and basic civil liberties are widely and systematically denied. The state of democracy and freedom in Belarus continues to deteriorate. The government has a track record of denying its people their fundamental right to have their voices heard through the ballot box, and the December 19, 2010 presidential election, proved this point. President Lukashenka “won” a new term with an astonishing 80 percent of the vote. International and domestic observers called the election flawed. On the night between December 19 and 20, when protesters filled the streets of Minsk to demonstrate against the falsified presidential election,

Lukashenka ordered a massive police crackdown, sneering that [“there will be no more mindless democracy in this country.”](#)

Police and security forces launched violent attacks against protesters, causing severe injuries to hundreds. More than 700 opposition demonstrators, political and civil society activists, and prominent journalists were arrested. Among those arrested were the seven opposition leaders who challenged Lukashenka in the presidential election. Officers of the intelligence agency and police raided party headquarters and activists’ homes, seizing office equipment, personal computers and campaign materials.

Since the crackdown, a total of 45 opposition leaders and activists have been sentenced to jail during post-election trials that have been deemed unfair. Thirty-three political prisoners are still held in jail. The fraudulent December 2010 presidential election, the brutal crackdown initiated by Lukashenka against those who dared to oppose the regime and the unfair post-election trials follow the pattern of repression that has characterized Lukashenka’s 17-year rule.

A subway bombing that occurred in Minsk on April 11, 2011, killing at least 14 people and injuring more than 200, set-off another round of harassment and intimidation of opposition and civic activists. Opposition leaders and activists, human rights organizations and journalists were subjected to searches and investigations. Regardless of who was responsible for the attack, the authorities used the event to further instill fear in society in an effort to keep order, prevent possible uprisings and further clamp down on opposition leaders, activists and organizations. The Prosecutor’s Office launched a criminal investigation. Two suspects arrested few days later confessed to the bombing according to a statement by Lukashenka. A common response heard in Minsk after the metro explosion was *y nas v strane est terrorist odin* (there is one terrorist in the country).

Economic Situation

Belarus is facing a debilitating economic crisis. Currency problems over the last five months and the sharp devaluation of the Belarusian Ruble (60 percent loss in value in May 2011 alone) have been felt nationwide, touching all sectors of the economy and leaving no one unaffected. The severe trade imbalance and reduced capital flow from Russia has led to a lack of foreign currency which negatively affected the entire Belarusian economy, as businesses no longer have access to foreign capital. Printing excess Rubles before the election to artificially raise salaries and benefits also contributed to the currency’s devaluation, and a run on all consumer goods and foodstuffs, leaving store shelves empty. These economic missteps have hastened the shortage of foreign currency and diminished the country’s gold reserves. In a recent survey, 78 percent of Belarusians polled stated that their country was suffering from an economic crisis.

The populist tactics Lukashenka used prior to the presidential elections – raising salaries and pensions – may have helped maintain short-term support for him, but his promise of raising the average salary to \$500 per person is no longer possible. The average salary in Belarus is \$300 per month by official exchange rates and \$230-\$250 per month by black market rates. The country stands in need of a bailout worth billions of dollars.

Belarus must make fundamental, systemic economic reforms if it is to recover from its current situation. The regime now faces a dilemma: To recover economically, the government has to dramatically change its current economic model, which is the foundation of its political control over the country. Economic reform would mean giving up political control. Without complete control, Lukashenka and his cronies cannot remain in power. The economic crisis may force the Belarus government to sell many state-owned enterprises, most likely to Russian interests, as Lukashenka has shown no willingness to work with the West productively.

Lukashenka has no interest in transparency, establishing markets or creating a society based on the rule of law. This helps to explain why much of the so-called privatization will most likely occur with Russia. Lukashenka and others can take funds they have stolen and hide them from Western sanctions, and still maintain some control and leverage over future business deals. It is expected that the ruling structures – *nomenklatura*, the security forces, known as *siloviki*, presidential administration and high ranking apparatchiks will make off with billions during privatization. Some money will be pumped back into the economy, but without serious implementation of market reforms it will serve to only temporarily stabilize the economy without addressing the underlying problems. Belarus has already received \$800 million in stabilization funding from the Russia-led Eurasian Economic Community, but Moscow has tied additional support to Minsk's willingness to privatize nearly \$8 billion in state-held assets.

“Silent” Protests: A Democratic Opposition Survives

Lukashenka's post-election plan was to discourage further political activity on the opposition front and the general population from becoming active through trials against opposition leaders and activists. This plan is not succeeding. During the months of June and July, thousands of people have expressed discontent with the economic situation in Belarus and Lukashenka's policies through “silent protests”. The protests are based upon an online campaign, “Revolution through Social Networks,” which encourages people to come to their localities' central squares every Wednesday as a way to express discontent with Lukashenka's regime and support for change. Participants are urged not to chant any slogans or display any banners, but express solidarity and unity by coming together at the same time and place to show that the people want change in the country.

The first anti-government protest was held in Minsk on June 8. Protests continued on June 15, 22, 29, July 6, 13 and 20. Thousands of people gathered in Minsk and other cities around the country. Clapping became a popular way of expressing a desire for change. Soon the authorities blocked off town squares and arrested anyone who clapped, demonstrating that fear, paranoia and anxiety are driving the authorities' actions. As a result, approximately 1,800 opposition activists, journalists and ordinary people were arrested – dozens of those who were arrested were merely passersby. Police and security forces continue to arrest youth activists and journalists on a weekly basis. Courts in Belarus have begun hearing cases and imposing short jail sentences and fines against some of the hundreds of people who were detained during these peaceful demonstrations. The average jail sentence ranges from five to 15 days. Despite the government's reaction, it is increasingly clear to the authorities that they can no longer control the “silent” protests, which are expanding throughout the country.

The State of the Media

Immediately following the December 2010 presidential election, the government's desire to suppress the free flow of information became even more evident. The authorities also launched distributed denial of service attacks on opposition websites which extensively covered the demonstrations. The main social media website targeted is the Russian social network *Vkontakte* that is hosting the "Movement for the Future – Revolution through Social Network" group, where public actions and protests are announced, reported and commented on. Security services in Belarus are very aggressive in targeting this group. The government created mirror websites to divert users from accessing independent news sources. On June 22, an announcement was posted on the web site informing users that the group page was infected by a virus which is collecting information about their identity. On July 4, the group's main page was closed for all visitors by the administration of *Vkontakte*, supposedly for violations of the rules by the group. As a result, the group's page was then reopened with 10 times fewer viewers. During the July 13 "silent" protest, access to the *Vkontakte* website was blocked for several hours before and during the protest action. The website of the United Pro-Democratic Forces – Charter 97 and European Radio for Belarus were attacked as well, with the Charter 97 website being redirected to the Belarusian president's webpage. Suppression of freedom of speech continues, especially against any group which seeks to mobilize support for any opinion other than approved by the regime.

IRI Work in Belarus

The International Republican Institute (IRI) has assisted pro-democratic forces in Belarus in their struggle for democratic change since 1997 through political party strengthening, coalition building and youth leadership development programming. These programs are the foundation of IRI's mission to support democratic organizations and help their leaders and activists prepare for public policy roles in a future democratic Belarus.

In 2010, IRI assisted pro-democratic forces in their preparations for the pre-election campaign period through message development and dissemination, and voter's issue-identification. IRI consulted and trained individual campaigns, political parties and nongovernmental organizations (NGO) on campaign messaging, strategies and plans. Prior to the country's 2010 presidential election, the pro-democratic opposition forces developed a message that reflected the attitudes of the voters, campaigned arduously and gained the support of public, even at great personal risk.

Immediately following the government crackdown on the opposition in December 2010, IRI, with its longstanding relationships with political opposition groups/parties, shifted its focus to the humanitarian support of imprisoned opposition activists and their families in obtaining legal services. IRI supports the needs of political opposition parties through training activities as well as commodities assistance in order to supplement the losses suffered due to large scale government confiscation of equipment and other property. IRI will continue to monitor the limited democratic space in Belarus and work with the opposition to find ways to continue their struggle for democratic change in Belarus.

Next Steps

The political, economic and human rights situation in Belarus has significantly deteriorated. Politically-motivated harassment, arrests, detentions and unfair trials of representatives of the democratic opposition and civil society continue. The entire series of events over the past seven months, starting with the post-election crackdown, the metro station bombing, the onset of the financial and currency crisis, the authorities' inability to respond to it, and the ongoing "silent" protests in Belarus, have captured the attention of the international community. These events clearly demonstrate a regime which is required to change and reform but is incapable of doing so. However, with the onset of the crisis we are seeing segments of the entire population becoming active and protesting, not just the political opposition. Such levels of activism have not been witnessed since the early 1990s. More and more people are finding the courage to stand up to the regime.

It is abundantly clear there is no more gray area, only black and white, when dealing with a Lukashenka-led Belarus. The Lukashenka regime has shown no serious interest in cooperating with the West despite the country's European heritage. Further it does not espouse democratic values, has repeatedly rebuffed U.S. and European Union efforts at engagement, does not respect the rights and freedoms of its citizens, and has not held an internationally recognized free and fair election since 1995. The government's crackdown and harassment on opposition groups, youth activists and independent media must not be forgiven. The people of Belarus deserve better.

The European Union has expanded asset freezes and travel bans on Belarusians linked to President Lukashenka's regime. For the first time, the 27 European Union foreign ministers decided to impose economic sanctions against Belarusian companies (the arms maker Beltechexport, telecoms provider BT Telecommunications and gambling company Sport-Pari) which belong to the country's second-richest man and economic adviser to Lukashenka, Vladimir Peftiev. Four people, including Peftiev, were added to the blacklist of Belarusian individuals targeted by the European Union over Minsk's crackdown on government opponents. The list has been updated on numerous occasions throughout 2011 as a direct response to Minsk's post-election crackdown.

The question remains: What is the U.S. position with regard to the Lukashenka regime and towards the opposition? The U.S. House of Representatives approved the Belarus Democracy and Human Rights Act of 2011, which calls for the immediate and unconditional release of all political prisoners in Belarus, including those detained in the post-election crackdown, and refuses to recognize the results of the flawed recent elections. The U.S. government has condemned human rights abuses in Belarus and has extended economic sanctions on Belarus for another year.

The economic situation in Belarus is critical. For this reason, the U.S., the European Union and international financial organizations must continue to completely isolate Lukashenka's regime. The U.S. and the European Union must no longer deal with the last dictator in Europe and should continue with existing sanctions, as well as impose new sanctions that bolster the Belarus democratic opposition.

More importantly, the U.S. and the European Union must think strategically about Belarus post-Lukashenka, when the people of Belarus are finally able to establish a democratic society based on principles of free-market economy. U.S. assistance should be directed toward increasing the effectiveness and capacity of democratic political parties and activists inside the country first and foremost. They are the ones who constitute the alternative to Lukashenka and are capable of bringing about needed economic and social reforms. The political opposition needs both technical and commodities assistance. Freedom and democracy should be the common cause uniting the European Union and U.S. with those inside Belarus who are fighting for a better future and more democratic country. It is clearly time for a change in Belarus.

UKRAINE

This year marks the 20th anniversary of Ukraine's independence. The past 20 years exemplify the difficulty most post-Soviet countries face in building democratic institutions. In its first decade of independence, Ukraine evolved into a corrupt, semi-authoritarian state. The 2004 Orange Revolution, a public protest against fraudulent presidential elections, suspended Ukraine's progression toward autocracy. The Ukrainian people elected Viktor Yushenko as President in elections recognized as meeting international standards. His government sought to institutionalize the pillars of democracy, including respect for a free press and greater protection of human rights.

However, constant political in-fighting thwarted significant economic and political reforms. It was in this context that Viktor Yanukovich was elected president in February 2010. Yanukovich ran on a platform of economic reform after Ukraine had lost 15 percent of its gross domestic product in the 2009 economic crisis. Although government officials continue to prioritize the economy and claim a return to stability, many international organizations have questioned whether Ukraine's economy is moving in the right direction. In its [2011 Economic Freedom Index](#), the Heritage Foundation ranked Ukraine 164, two positions down from the previous year. In the [Global Competitiveness Report](#) by the World Economic Forum, Ukraine dropped seven spots, down to 89, from its ranking of 82 the previous year.

In addition to undertaking economic reforms, the Yanukovich government also states that it is in the process of unprecedented governmental and institutional reforms. However, many international organizations have not positively assessed these reforms, and have even criticized Ukraine's current trajectory on democratization. In the year since Yanukovich became president, Freedom House, in its annual report, downgraded Ukraine from being free to being partly free. In addition, [Freedom House published a report](#) at the one year anniversary of Yanukovich's government, in which it stated that "Ukraine has experienced a disturbing decline in democratic practices and human rights that, if unchecked, threatens a return to the authoritarianism of the country's pre-Orange Revolution period."

[In the report](#), the authors say Ukraine is characterized by: "...consolidation of power, with a narrow ruling group under Yanukovich intent on restoring political order and implementing policy using a more intrusive and visible SBU [Sluzhba Bezpeky Ukrayiny – security services of Ukraine] presence as well as an increasingly malleable judicial system; a ruling group that is equally interested in dividing spoils and protecting its own (though egregious corrupt behavior

has also been associated with prior governments); lingering resentment over the failure of the Orange Revolution leaders, in power from 2005 through 2009, and the continued fragmentation of the political opposition; the effects of the financial crisis, the International Monetary Fund (IMF) bailout, and ensuing economic reforms; and enervated civil society groups and independent media that are increasingly under pressure from government authorities, including the security services, with particularly difficult conditions in the regions.”

In May 2011, Transparency International released its [National Integrity System report](#), a comprehensive independent assessment of 13 key pillars of Ukrainian society responsible for good governance and counteracting corruption. The report determined that all 13 governance institutions – legislature, executive, judiciary, public sector, law enforcement agencies, electoral management body, ombudsman, supreme audit institution, anti-corruption agencies, political parties, media, civil society organizations, and business – are exceedingly weak in Ukraine.

In its annual [press freedom index](#), Reporters without Borders evaluated that Ukraine had dropped 42 points in press freedom to number 131 out of 178 countries.

On October 31, 2010, Ukraine held nationwide local elections, which international and domestic observers widely recognized as failing to meet international standards. A controversial local election law led to a problematic campaign environment, in which one of the major opposition parties was not allowed to compete in two regions. The United States government released an official statement noting that Ukraine failed to meet the international democratic standards which had been met in the 2010 presidential election. In addition to having held flawed elections, Ukraine is experiencing a curtailment of media freedoms, increased pressure on civil society and targeted political prosecution of the opposition.

The State of Media

One of the preeminent legacies of the Orange Revolution was a free and vibrant media. Very soon after assuming the presidency in 2010, Yanukovich’s government directly and indirectly pressured the media to limit critical coverage and report more positively on the government. In addition, the current head of the SBU is the owner of the largest media conglomerate in Ukraine, Inter.

In a July 2011 visit to Ukraine, United States Deputy Assistant Secretary of State Thomas Melia gave an interview to the *Zerkalo Nedeli* weekly in which he described increasing pressure on opposition media. “It is obvious that pressure on the opposition and independently-tuned mass media has increased. And this also stirs particular worries because, indisputably, narrows the space for political debates and the voters’ chances to see the whole spectrum of political views.”

According to a June 2011 [Ukrainian Press Academy news report](#), 74 percent of the leading seven television channels in Ukraine cover government authorities, 20 percent cover the opposition, and six percent other. Coverage on the First National Channel was 94 percent on governmental officials and four percent on the opposition and other.

A weather forecaster for Ukrainian state radio Lyudmyla Savchenko was taken off the air after telling listeners in May that warm spring days and blooming flowers were a compensation [“for the disorder, lawlessness and injustice that are taking place in our country.”](#) Consequently, a decision was taken to pre-tape weather forecasts in the future.

In sum, the media freedoms enjoyed during the Yushchenko administration are now under serious threat.

Civil Society Organizations

The Ukrainian government has begun to more closely monitor and regulate NGO activities, including those of IRI. A Cabinet of Ministers decree signed on January 19, 2011, amends the registration regulations in Ukraine, making it easier to deregister international civil society organizations and placing much higher reporting requirements on sub-grantees. SBU officials have also started to intimidate and exert pressure directly on more independent civil society groups. Most recently, members of parliament from the Party of Regions have suggested legislation which would ban foreign funding of civil society groups. In June 2011, IRI received a written request from a member of parliament for a detailed account of IRI activities in Ukraine from 1991 to be submitted within 10 days. The request is unprecedented in nature and scope for IRI's long history in Ukraine.

The national security doctrine of Ukraine adopted by the National Security and Defense Council was updated in March 2011 to declare as a national security threat “any international or domestic organization which provides financial or moral support to political parties or NGOs whose goal it is to discredit the government of Ukraine.”

This statement could be interpreted to apply to any number of organizations working in Ukraine.

Marginalization of the Opposition

The government and its allies apply economic and/or political pressure to coerce members of opposition parties to join the government on local, regional, and national levels. Ukrainian authorities have also targeted those who do not join the government or government-aligned parties with criminal prosecution. As a result, many of the most viable figures in the democratic Ukrainian opposition are currently under investigation or imprisoned. In spite of numerous European and U.S. government statements of concern about the application of selective justice in Ukraine, the Ukrainian government continues to prosecute and incarcerate the leading opposition figures.

As of today, the following opposition figures are under arrest and/or investigation in Ukraine:

- Yuriy Lutsenko – former Interior Minister, Leader of People's Self Defense Party.
- Volodymyr Ivashenko – former Acting Minister of Defense.
- Ihor Didenko – Deputy Head of Naftogas Ukrainian Energy Company.
- Mariya Kushnir – Chief Accountant at Naftogaz.
- Tatyana Grytsun – Deputy Head of State Treasury.

The following cases against opposition figures are currently being tried in courts:

- Yulia Tymoshenko – former Prime Minister, head of leading opposition party, Batkivshchyna. On June 24, 2011, a Kyiv Court began hearing on a criminal case against Yulia Tymoshenko for allegedly signing a disadvantageous gas agreement with Russia in 2009. The international community has criticized the proceedings. While Tymoshenko’s trial continues, SBU officials opened another case against her related to her involvement in the gas industry prior to her tenure as prime minister.
- Grigoriy Filipchuk – former Minister of Environmental Protection.
- Eugene Korniychuk – former Deputy Minister of Justice and head of the Social Democratic Party.
- Anatoliy Makarenko – former Head of Customs Service. He was being held in prison until July when he was released under a strict travel ban.
- Victor Bondar – former head of the Dnipropetrovsk State Administration, supported Tymoshenko in the 2010 presidential elections.
- Oleksandr Davydov – former Deputy Minister of Transportation and Communication.

The following opposition figures are on a wanted list:

- Bogdan Danylyshyn – former Minister of Economy. Danylyshyn was put on the state and international wanted list in August 2010. In October, he was detained in the Czech Republic and in January, was granted political asylum there.
- Tetyana Sluz – former head of the State Treasury.
- Mykhaylo Pozhyvanov – former head of the State Reserve.

In summary, there is a clear trend of prosecuting political opposition leaders and activists.

IRI Work in Ukraine

Since 1994, IRI has actively supported the promotion of democracy in Ukraine. To address the aforementioned challenges and respond to Ukraine’s rapidly deteriorating political environment, IRI is working to strengthen political parties, foster mechanisms for good governance, support the next generation of political activists, and develop a more transparent electoral system.

In order to ensure Ukraine has vibrant, democratic parties which reflect the needs of citizens, IRI trains parties on how to improve their structures and organization, coalesce, and recruit new members. Recently, IRI launched an innovative program to enhance communication between political parties and local civil society groups.

To encourage Ukraine’s elected officials to be responsive to citizens, IRI provides training to local elected officials on communications, constituent service, management and other skills necessary for effective and transparent governance.

One means to encourage government accountability is IRI’s public hearing program, which enables Ukrainian civil society, particularly in Crimea, to bridge the gap between citizens and elected officials. By selecting a local problem and addressing it through the mechanism of a public hearing, citizens are able to participate in the decision-making process.

To ensure democracy has a strong and stable future, IRI has been supporting four youth-oriented civil society groups, which established Youth Political Leadership Schools in Ukraine to teach political activism, particularly in Eastern Ukraine and Crimea. More than 920 students have graduated from these schools and more than 70 percent of whom have entered into some form of public service.

To assist in the development of Ukraine's electoral processes, IRI has conducted international election observation missions, observing every parliamentary and presidential election since Ukraine became independent in 1991. IRI also participated in a joint expert assessment team for the October 31, 2010 local elections.

In addition to observing elections, IRI has been assisting the country with electoral reform. In July, prior to the October 31 local elections, the parliament adopted an election law which IRI and many other international and domestic organizations criticized for falling short of international democratic standards. Consequently, IRI and the National Democratic Institute drafted a detailed election law analysis in August, which pointed out certain undemocratic aspects of the law and the non-transparent manner in which the law was adopted. As a result, the president ordered parliament to revise the election code. However, even though the law was slightly amended, international and domestic observers labeled the October 31, 2010, elections as not meeting international standards. In response to widespread international criticism, Ukraine's president created a working group tasked with developing recommendations for new elections laws. IRI was a member of the working group until March, when it suspended its membership, after IRI made the determination that it was not being allowed to substantively contribute to the process.

Next Steps

The current Ukrainian government has stated deeper and closer ties to Europe, with aspirations of eventual EU membership as a foreign policy priority. At present, the Ukrainian government is in the process of negotiating a deep and comprehensive free trade agreement with the European Union.

The United States has consistently supported Ukraine's Euro-Atlantic aspirations. In order to most effectively further these aspirations, Congress should be very direct with its Ukrainian colleagues. It should tell the Ukrainian authorities frankly when their actions, whether involving elections, civil society, rule of law or media, are in contradiction of Western standards. The implementation of a more balanced policy will be essential in the run-up to the 2012 parliamentary elections.

GEORGIA

The government of Georgia continues to build democratic institutions and in the past several years, there have been areas of notable progress. In 2010, the position of Tbilisi mayor became an elected position. Since the mayor has become answerable to the people, rather than reliant on appointment, the mayor's office has been increasingly responsive to citizens' needs. The mayor's office has been very progressive in using social media for this purpose, with Facebook

forums as well as using an [interactive website](#) where citizens can publicly complain about poor infrastructure and the mayor's office will send repair crews and publicly post the results online.

Georgia has undertaken constitutional reform, drafting and approving a document which will realign the system of governance toward a more parliamentary model and away from the current strong presidential system. These constitutional reforms will take effect following the presidential election in 2013. In preparation for this, the government and opposition parties again began meeting in November 2010 to discuss further reforms to the Election Code to insure that elections, scheduled for 2012 and 2013, would continue to meet international standards. Before negotiations started, eight opposition parties (called Opposition 8) came together to act as one voice during the negotiations.

The 2012 parliamentary elections will provide a great opportunity for Georgian democratic development. Opposition parties, no longer boycotting elections as they did in the past, are now engaged in the political process and eager to contest parliamentary seats. While shortcomings in Georgian governance exist, there is room for political parties to criticize and openly discuss divergent ideologies. But this space will only increase with effort, by political parties and activists exercising their rights and spreading their messages among Georgian society. In this way, the Georgian public will face real political choices and will be given the opportunity to see varying visions of their country's future.

Georgia also continues to progress in the integration of minority populations. A recent International Crisis Group report cited several areas of success in integrating the ethnic Armenian region of Samtskhe-Javakheti in the socio-political life of the country. Traditionally the region has been less developed than the rest of the country and the residents have not been involved in civil society processes. As this is changing, the marketplace of ideas in Georgia widens and the nation supports the diversity of its multicultural society. Ethnic diversity was further supported in July 2011 when parliament adopted law officially recognizing organized religions with historical connections to Georgia, including the Roman Catholic, Evangelical Baptist, and Armenian Apostolic churches, Islam, and Judaism. Previously, only Georgian Orthodoxy had been recognized by the state, making it the *de facto* state religion, while other religions were registered as NGOs. The recognition of these religions contributes to the idea that Georgia is a multi-ethnic, multi-faith state in the tradition of Europe and the United States, rather than a single-faith nation.

The government and ruling party continue to enjoy very strong approval numbers, and the president Mikheil Saakashvili remains the most popular politician in the country. Another political figure with strong approval rating is Giorgi Targamadze, the leader of the Christian Democratic Movement (CDM) and a possible candidate for president in 2013. The CDM also greatly increased its nationwide support since it was first formed in February 2008, and is now the second-most popular party in Georgia by a wide margin. It is clear that their gains have been a result of their focus on issues and constituent needs instead of anti-government protests.

According to [IRI's own polling data from April 2011](#), it is noteworthy that 71 percent of the population is against further street protests. However, it is particularly important for the government to continue its focus on economic and social reforms. Unemployment and economic

issues were mentioned by 70 percent of respondents as the issue of most importance to them, and 77 percent named it as one of the top three reform priorities of the government. The same number also named economic/social conditions as the primary reason for which they would go to the streets in protest.

Political party platforms need to be based on political ideologies and coherent views of how society and the economy should be managed. Party platforms should not be rooted in the whims and caprices of a particular personality. Many Georgian opposition parties have yet to escape the post-Soviet trend of leader-based parties, rather than philosophically-based parties. As some parties begin to emerge from this common trap, such as the CDM or the Georgian Republican Party, they are seeing results in increased interest in party positions, as well as, in increased membership. Overall, this increased interest in political parties, the growing focus on ideology rather than personalities, discussion and negotiation on the part of the government, all signal great opportunities for the 2012 election. For this reason, the freedom and fairness of the campaign and electoral system is vital for this forward momentum to continue.

While public trust in government institutions such as police and the army remain strong, trust in the Central Election Commission and political parties has been low. Georgia has made vast improvements in its elections systems, but it has failed to convince citizens that these improvements contribute to political change and progress. Continued strengthening of elections not only encourages voter participation, but strengthens participating parties by forcing them to define their message and reach out broadly to Georgian society.

Concern over human rights continues to be an issue after incidents such as the dispersal of the May 26 protests in Tbilisi. While Georgia's human rights record represents a substantial improvement from its past, several issues such as police abuse, treatment of prisoners, and aspects of freedom of speech remain. These issues will improve with increased strengthening of watchdog journalism and of civil society and advocacy groups. As local civil society groups become more independent and capable, they have taken over more of the role traditionally played by the international community.

IRI Work in Georgia

Political party development has been the main focus of IRI's work in Georgia since it began operations in Tbilisi in 1999. Political parties should act as a bridge between citizens and their government, as well as advocates for specific ideologies and representatives of citizens that support those philosophies. IRI has trained parties to develop more positive, issue-based campaigns, while also developing the skills to represent needs more effectively by engaging citizens. IRI trainings focus on building congruent party platforms and communicating them to the public, rather than a centralized leader-focused party which serves a small cohort of personalities rather than the larger polity. In particular, IRI has encouraged political actors to think strategically and stop acting reactively.

IRI training programs also strive to provide a format where activists could learn and experience the intricacies and technical aspects of working in a democratic political environment. A key component of IRI's programming in Georgia is to teach local political parties about the

importance of messaging. IRI assists the local parties as they develop messages that will actually resonate with the electorate, including encouraging them to use polling as they attempt to discern what is of interest to voters and what motivates voters.

All of IRI's political party training and message development is heavily informed by a robust public opinion polling program. IRI has been conducting and publishing semi-annual public opinion polls since May 2003, prior to the Rose Revolution. This wealth of historical data on issues, trends, and popularity and a reputation for fairness and impartiality has enabled IRI to deal credibly with parties from across the political spectrum. The political arena in Georgia has traditionally marginalized women, youth, and minorities. IRI has been working with women and youth wings of political parties to bring them into the political process.

In 2010 IRI began several multi-party youth projects such as a televised debate competition which encouraged pluralism, recruiting, and motivated youth to join in the political process. In many instances, these youth leadership projects have yielded more results than projects with party leadership. Parties are also strongly encouraged to reach out to minority regions, listening to their concerns, as well as involving them in the political process.

Next Steps

The United States Congress has consistently supported Georgia's sovereignty and territorial integrity, and should continue to do so. In the meantime, the United States should continue to support Georgia's efforts to build democratic institutions.

MOLDOVA

After years of political stagnation since achieving independence from the Soviet Union in 1991, Moldova has reached a historic and transformative point in its democratic development. In July 2009, voters ended eight years of Communist Party rule and elected a coalition of reform-minded, pro-Western parties to a parliamentary majority. Since then, the new government has made impressive progress in implementing democratic reforms, showing greater respect for human rights and moving towards its ultimate goal of European integration. While the government has solicited help from organizations like IRI, the Millennium Challenge Corporation and partners in Europe, the United States government has also been a valuable partner in helping the new government achieve its objectives. With additional U.S. support, Moldova has great potential to move in a more prosperous and democratic direction.

Gradual Transition

Moldova's initial transition out of the Soviet Union has been difficult for its largely agrarian population. The initial economic liberalization and reforms in the early 1990s disproportionately benefitted Moldova's urban population and a handful of well-connected elites who took control of state assets and were able to substantially increase their wealth. The young Moldovan state also experienced an armed conflict with the breakaway region of Transnistria, which contains most of Moldova's industry and manufacturing. A ceasefire was declared in 1992, but Moldova

has lost effective control over this territory, which is now ruled by an unrecognized *de-facto* government supported by Russia.

Enduring poverty in Moldova's largely agricultural society, rising social inequality and the inability of early Moldovan governments to deliver basic services resulted in a popular backlash against the reformist parties and a groundswell of support for the Communist Party. During the parliamentary elections of 2001, the Communists won control of the parliament and presidency.

The Communist Party dominated Moldova's political sphere from 2001 to 2009. Despite election promises to fight for the people, the Communist leadership largely sought to protect their own interests while in power and Moldova's democratic progress stagnated. Under President Vladimir Voronin, Moldova faced criticism and condemnation both at home and abroad for human rights abuses, including torturing prisoners and unfair detentions. The government maintained control over much of the nation's media and interfered with the free speech of its critics.

The quality of elections also declined during the Communist Party's time in power. International observers of the 2001 parliamentary elections claimed that they did not reach the standards set in previous years, and each subsequent election elicited slightly more negative assessments. According to observer reports, the same problems plagued each election – heavily biased media coverage, problems with voter lists, and coercion and intimidation of opposition campaigners and voters. The Communists sought to cement their hold on power by erecting barriers to the opposition gaining office, including raising the threshold for parties to enter parliament.

The Moldovan public grew increasingly frustrated with the government's lack of progress in reforming the country, with most people seeing no change in their lives under the Communist regime. Despite government attempts to limit political competition and silence critics, this time period saw an explosion of grassroots activism throughout the country.

The development of a credible opposition in the country gave voters convincing alternatives to the ruling party. Starting with parliamentary elections in 2005, the electoral trends began to shift, showing the ruling Communists slowly losing popular support. During local elections in 2007, the liberal opposition parties were able to gain control in 23 out of 32 regions, as well as winning the coveted mayor's office of Chisinau, Moldova's capital. These gains were significant, as the Communists had previously held 31 out of 32 regions. The Communists responded to the opposition's victory by clamping down further on media coverage and cutting funding for some regions held by opposition figures. As the 2009 parliamentary elections approached, the political environment became increasingly volatile.

Historic Elections in 2009

Parliamentary elections were held on April 5, 2009, with the Communist Party winning a majority of seats. However, reports of extensive and systematic fraud with voter lists soon surfaced, and the days after the election saw mounting dissatisfaction among voters, especially youth. On April 6, a massive demonstration against the Communist's victory began, drawing up to 20,000 youth, and continuing throughout the week.

These protests rapidly turned violent, with protestors breaking into the presidential and parliamentary buildings, smashing windows, looting and setting fires. The Communist government blamed the opposition parties for this event, while the opposition parties blamed Communist provocateurs. The police later regained the buildings and arrested about 200 people. Additional arrests of Moldovan citizens, including journalists and school directors, followed, and some of those detained claimed to have been tortured by the police. Four deaths were linked to the election-related violence.

The government's brutal crackdown on protestors drew criticism from around the world. The European Parliament adopted a resolution condemning the government's conduct during April's parliamentary elections and post-election period. Members of the European Parliament specifically condemned the massive campaign of harassment, grave violations of human rights and all other illegal actions carried out by the Moldovan Government. In parliament, the opposition parties protested by refusing to vote for the Communist's choice for president. Falling short of the majority necessary to elect a president, the Communist leadership was forced to dissolve parliament and call for snap parliamentary elections on July 29, 2009.

The July 2009 parliamentary elections dramatically altered the Moldovan political landscape, ending almost a decade of Communist Party rule and sweeping new, reform-minded parties into power. Angered by the human rights abuses and violence committed by the government in April, and attracted to the opposition's united call for reform, voters granted the opposition coalition a slim majority in parliament. This coalition called itself the Alliance for European Integration, as they shared a commitment to move Moldova closer to Europe and the West and to eventually achieve full accession to the European Union. Since gaining power, the Alliance has moved rapidly to implement democratic reforms and has steadily gained the support of the electorate.

Political & Economic Crisis

The July 2011 election results clearly demonstrated Moldovan voters' desire for dramatic change, and one of the Alliance's first actions was to produce a detailed plan for tackling the numerous problems facing Moldova. Specifically, the Alliance promised to curb state corruption, further liberalize the economy and accelerate Moldova's progress towards European Union membership. Unfortunately, reforming Moldova is a daunting challenge. The poorest country in Europe, Moldova's infrastructure ranks as one of the world's worst, and large swathes of the population have little access to clean water or sanitation.

The economic crisis has battered Moldova's fragile economy, which depends heavily on remittances from abroad and the volatile agricultural sector. Diversifying Moldova's markets and encouraging business investment and job creation are urgent priorities, but addressing these issues has proven extraordinarily difficult. Rampant corruption, poor infrastructure and red tape repel business investment, and there is only a dwindling pool of skilled workers as Moldovan youth leave in droves to pursue better opportunities elsewhere. Having inherited a budget deficit and tangled, bloated bureaucracy, the government has struggled to provide even basic services to

its aging population and lack the funds to undertake dramatic economic reforms or invest in infrastructure projects.

In addition, momentum on many of the Alliance's reform initiatives was delayed when parliament again failed to elect a president and secure a four-year mandate. Moldova's constitution requires that if parliament fails to elect a president, it dissolves itself and new elections are held. After the Alliance's narrow July 2009 victory, the Communist Party boycotted the presidential votes, depriving the ruling coalition of the additional votes necessary to elect a president. This forced the Alliance to delay much of their reform agenda, as they concentrated on electing a president and achieving the political stability necessary to make such reform plausible. After months of heated political wrangling, the Alliance proposed a constitutional referendum that would allow for direct elections of the president by the people, to be held on September 5, 2010.

With polling data indicating that a substantial majority of the public supported direct presidential elections, the Alliance leaders felt confident that the measure would pass. As the referendum date approached, the Alliance parties neglected to run a campaign in its support, opting instead to publically squabble over potential presidential candidates. Meanwhile, the Communist Party ran a determined campaign against the referendum, calling on its supporters to boycott the measure. On September 5, the constitutional referendum failed to meet the turnout threshold of 33 percent, delivering a blow to the ruling Alliance and shattering their hopes of finally finding a way to elect a president. Acting President Mihai Ghimpu had no choice but to dissolve parliament and call for a fresh election to be held on November 28, 2010. The election itself posed a significant challenge for Moldova, further disrupting reform efforts as parties shifted concentration to the election campaign.

In the November parliamentary elections, the Alliance parties were again able to increase their share of seats to 59, though this was still short of the majority needed to elect a president. The Alliance needed the cooperation of two Communist parliamentarians to formally elect their candidate for president, but failed to convince any to do so. Intending to force an early election, the Communist Party asked the Constitutional Court to impose a term in which a new president must be elected. In early February, the Court refused to decide the case, claiming the matter fell under the jurisdiction of the Parliament. This was significant because the Court was acknowledging that the current situation is not addressed in Moldova's Constitution, and the government is therefore not constitutionally obligated to elect a president within any set time frame. This provides a modicum of stability for the ruling Alliance, as their candidate, Marian Lupu, may now technically serve as acting president for the full four-year term. Meanwhile, the Alliance is considering holding another referendum on direct election of the president, an initiative that continues to enjoy the support of a majority of the Moldovan population.

The resolution of the presidential crisis has allowed the Alliance to focus on its electoral promises of economic reform and closer relations with the European Union. During the next four years, they should be able to make substantial progress and they have a clear mandate for change from the population. IRI's surveys have consistently shown growing public trust and support for the Alliance leadership, and more importantly, for their ideas.

Moldova's Road to Reform

The Alliance leadership has expressed a genuine commitment to democratic reform and the adoption of Western values. Despite facing many challenges during their short time in power, the government has brought about noticeable differences in the country in terms of freedom and respect for human rights. The 2010 State Department Human Rights Report has noted some of these changes, including the decline in police violence, more free and fair elections and less pressure and control of the national media.

European integration has been one of the most cherished goals of the ruling Alliance coalition, and they have already taken significant steps to bring the country closer to Europe. IRI has helped in this regard, conducting legislative exchanges in Lithuania to aid Moldova's parliamentarians in the implementation and development of European Union accession-related legislation. Despite progress in building relationships with key European allies and moving forward on important reforms, the Moldovan government still faces many challenges ahead as it works to bring itself in line with European values.

One of the Alliance's most immediate actions was to reverse discriminatory measures in the Electoral Code that reduced competition and disenfranchised voters, and to support the further development of an independent media. The two elections held under Alliance leadership – the November 2010 parliamentary elections and the June 2011 local elections, were notable for the absence of government-sponsored intimidation of rival political parties and the relative freedom of the media in reporting on the elections.

As the 2010 Human Rights Report points out, biased media coverage has been an enduring problem in Moldova, especially during election cycles. Election coverage in 2009 was infamous for the lack of objectivity in news reporting, selective coverage and failures to fact-check negative or sensational reports on the opposition. However, since the Alliance came to power, two new independent television stations have opened and reports of government harassment of reporters and news stations have dramatically declined. In 2009, Reporters without Borders ranked Moldova a dismal 114th in its world press freedom index. In 2010, Moldova has leaped to a more respectable 75th. These trends are encouraging and have allowed many Moldovan voters increased exposure to a more diverse array of coverage and opinions, leaving them better informed of party positions and issues affecting their country.

Moldovans, particularly in rural areas, lag behind their neighbors in measures of quality of life and suffer from underdevelopment of infrastructure, a lack of jobs, and a rampant culture of corruption. Burdensome business regulations and red tape shield the few elite businesses from competition and discourage investment in the country. With a lack of jobs, young Moldovans leave the country to find work, leaving behind broken households and desolate empty villages. Remittances account for about 30 percent of Moldova's gross domestic product and the large shadow economy loses the government tax revenues. Attracting business investment, job creation and building an atmosphere for growth are key for the government to improve the lives of its citizens.

Corruption is pervasive in the Moldovan government and society. Public servants often solicit bribes from citizens, and corrupt officials in law enforcement and the judiciary are free to violate citizen rights with impunity. This government has vowed to change the culture of corruption, and one of its first steps has been to investigate and prosecute those involved in the April 2009 violence. The government has also committed to a series of transparency measures to try to reduce corruption in state agencies, including an e-governance program currently in the works.

Russia dominates Moldova's export market and also controls Moldova's access to energy and gas supplies. Russia has used strategic tactics in the past such as placing bans on Moldovan products and cutting off gas in order to manipulate government actions or retaliate against Moldova over policy disagreements. Reducing Moldova's dependency on Russia is a key priority for the Moldovan government, and gaining a foothold in other markets around the world is an important step.

The Moldovan government has sought to create jobs and attract business investment by slashing burdensome regulations, improving vital business infrastructure and simplifying procedures for business registration by making an electronic one-stop-shop policy. The government has already committed significant resources to infrastructure investment, securing money from a wide array of sources to improve Moldovan roads, sewers and other vital public works.

IRI Work in Moldova

Moldovan political parties have historically suffered from many functional weaknesses – an inability to communicate effectively and mobilize voters, a lack of coordination between national and regional branches and poor campaign management techniques. IRI established an office in Moldova in 2003 and started implementing a political party strengthening program designed to address these problems.

IRI has conducted message development and door-to-door campaign training programs, quantitative public opinion research, informational election law seminars, training workshops targeted at women's political party activists, political and governance communications training for locally-elected officials, election monitoring and poll-watcher training and message-based media training. As a result of IRI's efforts, hundreds of political party activists are better equipped to communicate well-developed and substantive solutions to the challenges facing Moldovan citizens. Additionally, several parties that have worked with IRI to build their party organizations have now achieved leadership positions in the national government.

In July 2009, a coalition of liberal opposition parties won a slight majority in parliament. IRI had cultivated close relationships with these new leaders throughout the years through its party development program. For instance, IRI has worked closely with Vlad Filat in building and improving his Liberal Democratic Party ever since its formation in 2008. Now facing new challenges as a leader in the national government, Prime Minister Filat requested IRI's assistance in helping the new coalition achieve its reform agenda and effectively address the needs of Moldova's citizens.

In April 2010, IRI began its first governance program in the country. The focus has been on helping the national government to create more efficient internal structures so that the various ministries can function properly and communicate effectively. IRI also sought to increase the government's accountability to the public through quarterly polling, to keep government officials aware of the public mood and important issues facing citizens. IRI has also assisted the Moldovan parliament in the development and implementation of European Union-standard legislation through a parliamentary exchange in Lithuania, funded through a separate National Endowment for Democracy grant.

IRI Moldova's current governance focus is the reform of Moldova's public institutions, which have long failed to adequately serve Moldovan citizens. IRI conducted a public opinion survey, targeted focus groups and a detailed analysis on the failings of vital public institutions and is putting together a training program to address these issues.

Next Steps

The U.S. has made a commitment to support fledgling democracies and promoting greater freedom and human rights for people throughout the world. Moldova's Western-oriented, reform-minded government enjoys broad popular support and has an ambitious plan to truly transform the country and the lives of its citizens. The U.S. has a rare opportunity to help the government complete its transition to a full democracy by supporting Moldova's European Union aspirations.

Visits to Moldova by high-ranking members of the U.S. government enhance the legitimacy of the ruling Alliance and demonstrates to Moldovan citizens that the Alliance is serious in its commitment to bring Moldova closer to the West. Vice President Joe Biden and IRI Chairman Senator John McCain visited the country in 2011. Moldova could benefit from more exposure to top U.S. officials.

Moldova's economy would substantially benefit from greater access to global markets, including the U.S. The Moldovan government is committed to expanding the international market for its country's products, including world-class wine and cognac. The Jackson-Vanik Amendment hinders the government's ability to do so.

The breakaway region of Transnistria has been an enduring problem for Moldova. The unrecognized Transnistrian government presides over extensive illegal activity, including trafficking of weapons and people. Russia maintains a large troop presence in the territory and the authorities regularly violate the human rights of the people living there. A ceasefire has been in place for almost two decades, and the Moldovan government has been unable to exert control over the territory or help its citizens, and repeated attempts at negotiations to resolve the issue have gone nowhere. The resolution of this territorial dispute is critical as a continuation of the *status quo* will prevent Moldova from full European accession. The U.S. could take a more proactive role in the 5+1 talks, especially in pressuring Russia. Also, attention on human rights violations in Transnistria could help bring more pressure from the international community to the issue.

In the past several years, the Moldovan people have used democratic elections to turn a grim situation into a hopeful future. Moldova has the potential to be one of the brightest success stories in the Eastern European neighborhood. With the support of the United States, Moldova can continue to build on its momentum toward a more prosperous and democratic future.

CLOSING OBSERVATION

Finally, Mr. Chairman, let me close with an observation, the [Assistance for Europe, Eurasia and Central Asia Act](#), formerly known as Freedom Support Act and the [Support for East European Democracy Act](#) and the programs these pieces of legislation created, have provided essential support to those struggling to promote more free and democratic societies throughout Eastern Europe and the former Soviet Union. It is important that support continue from the United States to help those countries which are seeking to consolidate democratic institutions and practices, such as the citizens of Georgia and Moldova, as well as those continuing to struggle in places like Belarus and Ukraine to finally establish a path to a democratic future.

Again, thank you for this opportunity to appear before the Committee.

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