

# SNAP ELECTIONS IN ARMENIA

## Nikol Pashinyan re-elected Prime Minister amid vote contested by opposition

**June 2021**

On June 20<sup>th</sup>, 2021, Armenian voters went to the polls for the second time in three years to elect the country's new Parliament for the next legislative term. Defying the appearance of new opposition formations and the emergence of new-old figures in Armenian politics, Prime Minister Nikol Pashinyan and his ruling Civil Contract party has emerged victorious with 54% of the vote. While the ruling party looks set to gain another constitutional majority and the country appears to have avoided major post-election turmoil, preserving political stability in the wake of a more polarized social environment and ongoing tensions with Azerbaijan will be among the biggest challenges to overcome. Below we take a detailed look at the backdrop to the snap parliamentary vote, the results of the elections and likely scenarios for the upcoming period.

### PRE-ELECTION LANDSCAPE

The snap parliamentary elections on June 20<sup>th</sup> may potentially signal the end of a major domestic political crisis which erupted following a controversial peace treaty to end the Second Karabakh War<sup>1</sup> last autumn. Historically entrenched into a decades-long conflict over the disputed region of Nagorno Karabakh (Artsakh), Armenia and Azerbaijan fought a six-week-long war to regain control over the Armenia-allied territory. Having received previously unprecedented support from Turkey, Azerbaijan regained a considerable share of its territories lost during the First Karabakh War. Shortly after Armenia signed the peace treaty, mass protests broke out, demanding the resignation of Armenian Prime Minister Nikol Pashinyan and his Government over failing to secure the country's territorial integrity.

The post-war protests, combined with subsequent calls from top military officials for the PM to step down and the resignation of senior government officials, created unprecedented pressure on Pashinyan, who as the leader of the 2018 Velvet Revolution has governed on an anti-corruption platform with a super-majority of the now former ruling My Step Alliance. With pressure mounting, Pashinyan eventually announced snap elections, to try and put an end to the crisis.

The following period saw the acceleration of political competition, the formation of new political alliances and the electoral comeback of former high-profile Armenian politicians, including the Hayastan Alliance of former President Robert Kocharyan (1998-2008). As the attention of the public shifted from corruption and reforms – key topics during and after the 2018 Velvet Revolution – to security and territorial integrity, Kocharyan, who

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<sup>1</sup> Click [here](#) to read our previous memo about the Second Karabakh War

ran on a nationalist platform and vowed to take a tougher stand against Azerbaijan, has emerged as the leading opposition force. Standing against Pashinyan’s Civil Contract party, 23 other parties and/or alliances participated in the election.

## ELECTION RESULTS AND REACTION

While pre-election polls showed<sup>2</sup> a tighter race between the ruling party and the opposition, signalling the possibility of the need for a coalition government, the vote on June 20<sup>th</sup> resulted in a landslide victory for Pashinyan. With most of the votes counted by the country’s Central Election Commission, the Civil Contract party secured 54% of the vote and gained at least 72 of the 105 seats in Armenia’s unicameral National Assembly. Kocharyan’s Hayastan alliance came in a distant second, gaining 21% of the vote, followed by the I Have Honor Alliance of former Prime Minister Serzh Sargsyan, receiving 5.2%.

Despite the high number of parties participating in the elections, none of the remaining formations have reached the 5% threshold for parties and the 7% threshold for coalitions (Sargsyan also led a coalition and failed to garner 7%, however the Armenian electoral system requires a minimum of three parliamentary parties, which has secured the parliamentary status of his alliance.) Aside from the ruling party, none of the two previous former parliamentary formations – the Prosperous Armenia Party of businessman Gagik Tsarukyan and the pro-European Bright Armenia Party – managed to enter Parliament.

Popular support for Pashinyan’s Civil Contract was down by 17% on his landslide victory during the 2018 parliamentary elections that followed the Velvet Revolution. Still, the party managed to preserve most of its voters, allowing Pashinyan to control another super-majority in the National Assembly. Turnout, which many feared would be low due to post-war apathy, was 49.4%, slightly higher than in 2018.

While a share of opposition parties congratulated Pashinyan, the Hayastan bloc has accused the Government and authorities of committing election fraud in favour of the acting PM. Kocharyan’s alliance is now seeking to challenge the election results with an appeal to Armenia’s Constitutional Court. However, contradicting claims made by the main opposition formation, international observers gave a highly positive assessment of the vote. The Organization for Security in Cooperation in Europe described the elections as “generally well-managed” and “competitive”, citing only “minor irregularities.” In addition, Pashinyan received congratulations from the European Union, the US and Russia.

Party	Popular Vote (%)	Number of MPs	Share of MPs (%)
Civil Contract (centrist, headed by Acting PM Pashinyan)	54	72	66.3
Armenia Alliance – Hayastan (nationalist, led by former President Robert Kocharyan)	21	27	27.2
I Have Honor Alliance (nationalist, led by former PM Serzh Sargsyan and former intelligence head Artur Vanetsyan)	5.2	6	6.5
<b>Total</b>		<b>105</b>	<b>100</b>

(Source: CEC Armenia, Turnout: 49.4%, Number of parties/alliances participating: 25)

<sup>2</sup> See [here](#) for further details

## LOOKING AHEAD

As the Hayastan alliance of former President Kocharyan is vowing to challenge the election results in court, the upcoming period indicates escalating tensions between Pashinyan's Civil Contract and – at least part of – the opposition with a potential impact on the functioning of the National Assembly. The aftermath of the snap parliamentary vote will prove crucial for political and governmental stability, one of the top concerns for Armenia's future in the short term.

Given the electoral fraud claims, there is a possibility the opposition may not to take up their mandates in the National Assembly. Together with the I Have Honor Alliance of former PM Sargsyan, the Hayastan bloc could choose to boycott parliament for a period, however, at present, it is unclear which direction the opposition will move towards. Since the Armenian electoral system reserves at least one third of parliamentary mandates for opposition lawmakers, a potential boycott would negatively impact the functioning of Parliament, leading to legitimacy concerns. However, for Armenia's next Parliament to function a majority of MPs must be present during the opening session.

Prior to the elections and largely due to the increasing polarization between Pashinyan and his opponents, fears grew that the vote would result in post-election unrest or even violence should one of the two sides refuse to accept the result. Nonetheless, the overall positive assessment of the vote by international observers, endorsements from both the West and Russia, as well as Pashinyan's apparent ability to maintain majority support from the public, significantly reduce the chances of further conflict. On the other hand, a violent crackdown on any post-election protest could ultimately fuel risks of political instability. Accordingly, defying consultations on issues and in Parliament could also contribute to future political rifts. Thus far, Pashinyan has signalled he will consult with “healthy parties.”

In terms of majority support, current parliamentary conditions seem ideal for Pashinyan since both Kocharyan and Sargsyan are widely disliked among Armenian society. Both opposition leaders are ideological enemies to the acting PM. Pashinyan toppled Sargsyan's authoritarian rule with the 2018 Velvet Revolution, while one of his early steps as PM was to encourage investigations against Kocharyan over his alleged orders to launch deadly reprisals against anti-government protests in 2008. Although the former President was acquitted by the courts, his ability to reshape politics in Armenia in favour of the Hayatan bloc remains limited. Furthermore, the unexpectedly high turnout also boosts the de facto legitimacy of Pashinyan's upcoming term as PM.

In the long run, a key risk to our forecast is another potential confrontation with Azerbaijan. The aftermath of the Second Karabakh War suggests that the “new-old” PM remains committed to implementing the Russian-brokered ceasefire agreement and to avoiding escalating tensions with Baku, at least militarily. The latest indication of this is a Georgia- and US-brokered agreement between Baku and Yerevan from early June, according to which Azerbaijan released 15 Armenian detainees in exchange for land mine maps: a move welcomed by all regional and international sides observing the settlement. While a new Pashinyan government will likely aim to ease tensions further, an unexpected conflict between the two sides (and a subsequent failure to avoid further territorial loss) would ultimately result in further loss of public support.

Similarly to his stance on Nagorno Karabakh, Pashinyan is unlikely to change course on Armenia's relationship with Russia and the Eurasian Economic Union (EAEU), despite initial skepticism towards the regional economic bloc within his ranks at the beginning of his tenure. While Kocharyan positioned himself as the “pro-Russian candidate” throughout the election campaign, Pashinyan – during his term as both PM and acting PM – sought good relations with Moscow (as well as further support in the Karabakh process) and is likely to favour Russian political and economic support, as well as investment in the wake of Armenia's defeat last year.

Resulting from the outcome of the Second Karabakh War and the creation of new political formations, the snap parliamentary elections was almost entirely focused on security issues on the one hand and promises for stability on the other. While the incoming PM has made campaign promises on raising salaries, investing in infrastructure and stimulating economic growth, Pashinyan is yet to follow up with a detailed agenda for both the economy and business to support the pandemic recovery. Another element of uncertainty looms over

Pashinyan's leadership style: he has faced criticism<sup>3</sup> for excluding government officials from decision-making, the latest indication of which was the resignation of former Foreign Minister Ara Ayvazyan in May. Pashinyan also vowed a "personnel clean-up" against those in government who he claims have worked against him.

## CONCLUSION

The upcoming period will prove essential for Armenia's political stability and the functioning of the country's Parliament. Given the leading opposition Hayastan Alliance continues to defy the results of the election, speculation of a parliamentary boycott continues. Under such a scenario, the political legitimacy of the next Parliament and Pashinyan's incoming government would be seriously undermined. However, the positive evaluation of the elections by international observers and the majority support in favor of the re-elected PM are likely to reduce concerns over political stability. In the long term, investors in Armenia are advised to pay special attention to the country's relations with Azerbaijan: Pashinyan's re-election is likely to ease tensions with Baku, however a failure to prove commitment to the country's sovereignty will put enormous pressure on Pashinyan and his Government.

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## About Kesarev

Kesarev is the leading independent public affairs and government relations consultancy in Russia, Ukraine, the post-Soviet area, Central & Eastern Europe, Turkey and Israel, covering 25 countries and specializing in government and corporate affairs, risk management and corporate reputation services.

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<sup>3</sup> See [here](#) for further details