FACTORS DEFINING SUCCESSFUL POLICE REFORM: CASES OF GEORGIA AND ARMENIA

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Abstract

This study is dedicated to the cases of police reform aimed at elimination of corruption, being one of the crucial to the security of the society. It considers two cases, which shared similar problems with corruption in the past but show different outcomes after the undertaken police reform, - Georgia and Armenia. The study answers the question why the police reform is more successful in Georgia than in Armenia. It includes analysis of legal documents, external reports, as well as academic studies. The main conclusion is that the primary factor which defined the outcome of the undertaken police reform is a change of elite which took place in Georgia during the Rose Revolution, but failed to do so in a revolutionary movement in Armenia, and relations with the losers of the reforms. Other factors also contributed to the outcome of the police reform, but could not be considered primary as they could be explained by the change of the elites and lack of constraints posed by the losers of the police reform; among them: involvement of foreign actors, content of the reform and the severity of corruption before the reform.

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1. INTRODUCTION

The question of corruption has been on the agenda of such organizations as UNDP since the early 1990-s. Corruption can distort operation of public service and can also reduce efficiency of the companies, when they become specialized in bribe-giving. "The most devastating forms of corruption include the diversion and outright theft of funds for public programs and the damage caused by firms and individuals that pay bribes to avoid health and safety regulations intended to benefit the public" (Svensson, 2005:19). Fighting corruption is on the agenda of such organizations as UN, Council of Europe, OSCE, OECD and many others. All around the world countries have been fighting with corruption and only a small part of anti-corruption programs succeeded. Singapore and Taiwan are among the famous examples. As Transparency International (2010) notes it, corruption is especially dangerous when it is a feature of the police, which are supposed to be guardians of the society. One country which reached a significant progress in fighting corruption in police is Georgia. World Bank writes: "Georgia's experience shows that the vicious cycle of endemic corruption can be broken and, with appropriate and decisive reforms, can be turned into a virtuous cycle" (OCCRP, 2012). On the other hand, anti-corruption efforts were also been taken in Armenia since the beginning of the 2000-s, and one of the steps was police reform. Nevertheless, the reform does not bring significant results. Transparency International index (Transparency International, 2011) demonstrates that in public opinion the police is among the institutions perceived as the most affected by corruption. This study intends to discover why the police reform in Armenia is less successful than in Georgia.

Police reform has become one of the most important issues on the agenda of post-Soviet countries. It is considered to be one of the main steps towards development. All Caucasian states have made attempts in improving the security sector, nevertheless, only some of their actions can be considered successful. This study answers the question why the reforms in Georgia have achieved more success in fighting corruption in the police. It does not claim that the reforms completely eradicated it; nor does it argue that the regime created by Saakashvili can be called corruption-free. It is unarguable that the success can be called only relative, and there are more steps to be taken to increase the level of public service, nevertheless, the pace and progress of the improvement deserves attention given in this study to its defining factors. The study touches upon only police reform and considers only changes and progress made only in this sector in Armenia and Georgia, therefore, the conclusions can be inferred only to other cases of police reforms in similar countries.

The efforts in fighting corruption started taking place in Georgia with a new government of Mikhail Saakashvili in 2004. The reforms touched upon different issues of the police – from rules on public procurement, increase of salaries of the officers, renewal of the equipment and rebranding of the police itself, as well as restructuring the Ministry of the Internal Affairs. Similar moves were also taken by the Armenian government. According to RIA Novosti (2005), the salaries improved, while the legal documents issued by the Parliament of the Republic of Armenia include actions aimed at modernization of the equipment, rebranding and raising awareness among the citizens about the undergoing reform (OSCE, 2010). The similarities between the two countries, as well as in the actions taken in the framework of the police reform make it especially interesting to investigate why the reforms led to different outcomes.

Lower corruption is used in this paper as an indicator of the successful outcome as it was one of the major objectives of the implementation of the reforms. The concept of corruption used in this study will be taken as one by Svensson: "the misuse of public office for private gain" (2005: 20). The school of organization effectiveness says that "goals set the criteria for the evaluation of organizations, and effectiveness is equated with the quality and/or quantity of actual performance relative to desired goals" (Jobson and Schnek, 1982:28). Even though this study is not about the notion of effectiveness, using this concept, one can make conclusions on the quality of police, if among its goals are "protection of people, their rights, freedom and legal interests" (INTERPOL, 2013), but in practice it abuses the power in personal interests, according to the levels of corruption by Transparency International's Index (TI, 2012). There could be used different indicators for assessing the police reform in Armenia and Georgia, Sun (2002) suggest such ones as the number of registered crimes, or a number of cleared cases. Though such statistics exist, various reports are stating that the data in Georgia before the reform was not reflecting the reality, as population did not have enough trust to police to apply for help. Therefore, due to this, and to the fact that the reforms were clearly directed at eliminating corruption, such indicator was chosen in this study. The pre-reform situation in both Georgia and Armenia can be described as having a public sector "specialized in corruption" (Wade, 1982) due to widespread bribing on different levels, involvement of police officers in criminal acts, *kryshevaniye* (a Russian word which originally means "roofing", and used as a term for business and other kinds of protection) and drugs trafficking.

1.1. Brief literature overview

The literature on anti-corruption reforms introduces several criteria, which the reform should respond to. For example, Rousso and Steves (2007) list such parts of the reform

process as national strategy plan and action plan to it, several laws and cooperation with GRECO. These criteria served as a basis for evaluation and exploring the content of the reform in Armenia and Georgia.

There are several studies on the difference in anti-corruption reforms in the post-Soviet region, and one of the considered cases is Russia in comparison with Georgia. Kakachia and O'Shea (2012) argue that difference between the outcomes of the police reforms in Russia and Georgia is connected to the measures which were taken by the reformers in eliminating predatory state behavior, connections to criminals and barriers in recruiting and promotion of police officers. First, through the drastic rise in the salaries, decentralization in public services provided by the police Georgian reformers reached far better results, comparing to Russia, where "predation has survived wage increases and may well continue despite recent increases because the interior ministry (the MVD) is still run by corrupt elements within the police and state leadership" (Kakachia and O'Shea, 2012:18). Second, organized crime, comparing to the level of the criminality in the 90-s in Russia, has been defeated, but as Kakachia and O'Shea argue, their place is taken over by the police. And third, in Russia, unlikely Georgia, there is still a need in paying kick-backs to the superior positions in order to receive promotion or to enter the public service. They also argue that in Georgia the success was due to the unity of the elite, nevertheless, the authors ignore that even though the government can be still renewed there can be bureaucrats who are restricting the reformers. This thesis does consider this dimension and explains why relations between the government and the losers of the reform are so important.

Di Puppo (2010) also argues that one of the major reasons of the success of the reforms in Georgia was support from the West: "Three donor organizations were involved in providing advice on police reform after the Rose Revolution: the European Commission (EC), the Organization for Security and Cooperation in Europe (OSCE) and USAID. In addition to

sponsoring the democratic policing conference, the EC together with the OSCE has provided expert advisors to assist the Ministry of Internal Affairs. The United States, meanwhile, supported reform of the Police Academy with USD 500,000 in 2004". The factor of involvement of foreign actors is discussed in Chapter 4, nevertheless, it is argued that it did not play a major role, though contributed to the outcomes of the police reform in Armenia and Georgia.

Peter Nasuti (2012) focuses on the factors which determine whether the reforms will be successful or not in case of Georgia. He makes a suggestion that state capacity can be such determinant. However, in opposite, this study suggests that higher state capacity is an achievement of the reforms, not the factor which defines their successful implementation. Nasuti makes a case study on anti-corruption reforms and makes a comparison with the case of Ukraine, while this study focuses on less broad area of the reforms and investigates only police reforms and makes a more coherent comparison with Armenia, which is a more similar case to Georgia.

Shahnazarian (2012) makes a brief memo on the same research question and includes into consideration Nagorno-Karabakh, apart from Georgia and Armenia. Her conclusion is that police reform in Armenia did not have the same success as it did in Georgia due to the structure of political and economic elites. She argues that in Georgia the political and economic elites were separated, while in Armenia they were consolidated and it did not allow the opposition to form and to stand against the old regime. This study's main argument also focuses on the elites, but from a different point of view, considering its interests and relations with the losers from the reform. In general, the literature on the anti-corruption reforms does point out to the importance of the Rose Revolution and focuses on the age and Western education of the new government. Nevertheless, it ignores the fact that despite of personal characteristics of the reformers, they can be restricted by the losers of the reform, who can

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constrain the government from reform implementation. Therefore, this study aims at filling this gap and applies theories on losers of the reforms and partial reforms to this problem.

1.2. Research question and the variables

The research question of this paper is why the police reform in Armenia is less successful than in Georgia. The hypothesis of the research is that the major reason for success of the reforms in Georgia and lack of success in Armenia is a change of the elites and, consequently, their relations with the losers of the reform.

The dependent variable is *success/lack of success of the police reform*. It will be operationalized through expert evaluations by various institutions, both domestic and international in both Armenia and Georgia, and public opinion indices (Such as Corruption Perception Index by TI).

Independent variable is a *change/lack of change of the elites,* which will be operationalized through various academic studies evaluating the events of the Rose Revolution in Georgia and of attempt for a Revolution in Armenia.

Among the controlling variables there are *involvement of foreign actors* and *content of the reforms and severity of corruption before the reforms, which* will be analyzed using governmental documents, projects official documents of involved NGOs, reports and academic studies.

1.3. Case selection and methodology

This is a comparative study of two cases: Armenia and Georgia. The cases were chosen because both countries shared similar problems with corruption in the police and due to shared historical past, corruption should take similar ways, which should solve the problem

of cultural differences in perceiving what corruption is and what its level is, as well. The paper would contribute to the major debate on how to fight corruption and would suggest policy recommendations for countries with similar characteristics as Armenia and Georgia.

This research design, which includes choosing cases from both ends of the dependent variable, is described by Barbara Geddes (2003) as the one of the persuasive ones. She refers to a Scocpol's study and argues that "examination of contrasting cases is a solid step in the right direction, and one of the reasons that Scocpol's study has been considered so persuasive" (Geddes: 2003. 107-108).

The research consists of analysis of legal documents, which were parts of the reform process, issued by the governments, its special committees on police and corruption, parliament, etc. The analysis also includes reports by the non-governmental organizations, and special attention is given to the international organizations, such as the Council of Europe. In addition, various academic papers are used for analyzing the activities made during the police reform process. For the evaluation of the corruption various indices are used, including Transparency International and World Bank indicators.

Of course this research design may contain several pitfalls. For example, as Geddes (2003) argues, choosing several time points of the same case can "have the effect of holding constant or near constant some of the true causes of the outcomes of interest, even if the dependent variable spans a considerable range <…> Either way he [researcher] will be tricked into focusing on these factors while giving short shrift to causal factors that may be changing slowly and not very noticeably during the time under study but that nevertheless explain the general trend in the outcome" (Geddes, 2003: 118). Selection on the dependent variable (even though strengthening the argument by choosing cases at the opposite sides of dependent variable) can be, indeed, considered as a limitation. It is partially solved by choosing similar

in various dimensions cases, controlling for many variables, as well as inferring only to countries with similar characteristics as Georgia and Armenia. As Geddes (2003) puts it, selection on the dependent variable can be a tool for finding plausible explanations for the considered phenomena, as well, as it can propose the theories and further testing, but "by themselves, however, they cannot test the theories they propose" (Geddes, 2003: 129). Therefore, the conclusions of this study cannot propose generalizable explanations for any kind of police reform, but only to the countries, which are similar to Georgia and Armenia, because each case of police reform can be happening in particular historical and cultural environment, which can affect the outcome.

1.4. Structure of the study and the findings

The study, first, defines what could be possible theoretical explanations of the success of the police reform in Georgia and lack of success in Armenian case as well as introduces the cases selected. The third chapter discusses the factors which are, according to the framework chosen for this study, the most important for the success of the police reform in Armenia and Georgia: content of the reform, change of the elite, foreign actors and severity of corruption. The first section on the content of the reform is dedicated to the police and corruption. It includes comparison of the level and type of the corruption in the police of Armenia and Georgia in the second point of time – before the reforms, namely during the 90-s. This second point in time allows demonstrating that both countries were similar and shared the same problems and challenges, but, nevertheless, after some years reached different outcomes in the reform implementation. This also eliminates various possible explanatory factors, such as some predetermined variables, as geographical location or culture, for example. The section also compares the level of corruption reached after the reforms and then goes in an analysis of the police reform undertaken in Armenia and Georgia. Next

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subsections discuss other explanations and define which of them played the most important role in defining the outcome of the police reform.

The general explanation of the different outcomes of the reform falls into rational choice theory framework. The politicians are playing different games in various playfields, which complicates their motivations. But when a politician is a newbie in the field and they are not connected yet to the old elites and are not involved in various "games". It can be applied to the Georgian and Armenian cases. In Georgia the elites have changed during the Rose Revolution and the police reform implementation became easier as the newly appointed bureaucrats and elected politicians, such as Saakashvili came to power. The main argument is that in Georgia, unlikely Armenia, the new elite was able not tied down to the losers of the reforms through corruption schemes, and, therefore, were able to implement the reforms as well as dismiss old officers, the losers from the reform, who had ties with the organized crime and were corrupt. In this way, the elite was insulated from the influence of the old inner politics and managed to implement the reform and avoid losers' influence. This is the broad explanation of the success and lack of success in different cases of police reform in Armenia and Georgia. The elite explanation will be supported later on in the study, and even though it is emphasized as the most important in defining the success of the reforms, the other factors are also significant. The structure of the argument concerning the possible explanations is borrowed from the Frieden (1991) as there is an emphasis on one important factor, while others have been highlighted in a smaller extent. The other factors will be analyzed in the last chapter as a part of the discussion on the issues which were the most defining for the success of the reforms.

The main conclusions of this study is that the outcome of the police reform in reducing corruption in Armenia and Georgia was determined by the results of the Revolution

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movement in 2003-2004. In Georgia, the Rose Revolution brought the change of the elite which was not involved in the old corruption schemes and, therefore, was able to effectively eliminate the losers from the reform (the corrupt bureaucrats and the police officers themselves), recruiting new ones. The lack of connections with the old elite helped the reformers in decreasing corruption levels in police, and eased the sacking process. In Armenia, in opposite, the reformers were from the old team, which did not change due to failure of the attempt of the Revolution. Therefore, the government was still involved in the old corruptions schemes and could not avoid the influence of the losers form the reforms, though applying very similar measures in the framework of the police reform. Other explanations, such as involvement of the foreign actors, severity of crisis and the reform's package are though important but are inferior to the main argument. The conclusions propose an explanation, which can be further tested on the cases similar to Armenia and Georgia, such as   Azerbaijan.

2. MAIN THEORETICAL APPROACHES AND METHODOLOGY

First, this chapter aims at presenting major notions which are going to be used in this study. It introduces the notion of a state capacity and argues that the police reform was aimed at improving it. It also presents the major framework of rational choice theory, through the lenses of which the study was implemented. Therefore, in this study the bureaucrats and politicians are considered as rational actors, who seek their interests. The chapter then follows by describing from theoretical point of view the issues, which will be tested afterwards in the study in the empirical part. The first approach to explaining successful police reform puts emphasis on the costs of the reform implementation. High costs can restrict reformers because it means political losses, pressure from the losers of the reforms and difficulty with recruiting new people. Second is the approach which argues that in the states after a period of high political instability the rulers' main goal is to remain in office and to gain wide public support. And the last is an approach which explains the presence of the losers which can distort reform-implementation process and are interested in keeping the status quo. All of the approaches are applied to the considered problem at some point of the study. Nevertheless, the main argument of this study is that the successful police reform in the two considered countries is possible due to the change of the elite and break with the losers of the reform, discussed above. The alternative explanations of the study are the content of the reform (full or partial implementation), involvement of foreign actors and severity of corruption before the reforms. Brief theoretical explanation for each of these alternative explanations will be placed at the end of this chapter. After each theoretical approach there are also brief references to the cases of Armenia and Georgia, which will be discussed in detail in other chapters.

Secondly, it presents the two cases that will be analyzed in the next chapter with the aim of identifying potential causal factors that stand behind successful police reforms.

Georgia and Armenia are countries which share common problems related to the police and corruption, as well as similar conflicts over the territories with neighboring countries. These are two countries which had a very similar and comparable past and before the reforms were in analogous situations. It includes general description of why these cases are comparable and then describes similar conflicts in which Armenia and Georgia were involved, following the description on the situation with police and corruption.

2.1. Theoretical approaches

The reforms which took place in Georgia and Armenia can be considered as a step towards increasing the state capacity and are an example of an attempt at institutional building. State capacity can be defined as "the ability of a state to ensure the reliable implementation of its decisions by its own personnel" (Taylor, 2011: 16). Then the police reform in Georgia and Armenia can be considered as a move to improve the state capacity and organizational efficiency. There have been various examples of a change brought by governments alone, while other factors remained approximately the same, for example, in Taiwan (Wu, 2000), Brazil (Geddes, 1994).

The question of why this happens can be answered with the help of rational choice theory. It makes the choices made by government members and the public officers in a broad sense a priority in this analysis. Within the framework of rational choice, Tullock and Buchanan (1965) define the objectives of an individual as "maximizing power in a collective process" (Tullock and Buchanan, 1965: 23), which means that the individual is self-interested and seeks own benefits. Therefore in this study, politicians and bureaucrats are considered as rational individuals who are acting out of their interests in the reform-making and implementation process. According to Goodin (1982), "this model emphasizes that the real actors are natural individuals — politicians, bureaucrats, voters, bankers, etc. — and that the

'choices' of collectivities such as governments or nations must be analyzed as the aggregate of the choices of these individuals" (Goodin, 1982: 24). As the theory considers the whole scope of the relations within a government and collective decision-making, it allows considering events occurring in Armenia and Georgia in a lower level, studying the relations between the bureaucrats and politicians involved in the reforms. According to this approach, individuals make their decisions on the basis of the information which is made available to them, even if it is incomplete. On the ground of it, they make their own preference order and, taking into account the conditions in all the multiple arenas they are playing in, taking the best decision which brings them the most benefit (Tsebelis, 1990). Rational choice theory, as Riker (1990) notes, allows generalizing the individuals' intentions:

> "Many social critics have insisted that intentions are unique and to individuals and hence not the subject to generalization. For example, some have argued that the meanings of actions and decisions are to be found only in specific culture within which they occur – (what meaning can a witch's curse have outside the community of believers?). As another example, others have argued that intentions are necessarily rooted in concrete circumstances. Hence, the outcomes from actors' intentional actions are to be understood only in terms the efforts of individuals to grapple with these circumstances" (Riker, 1990: 175).

Nevertheless, as Riker himself argues, people in similar conditions act the same. Therefore, choosing analogous cases for this study allows first, control for various variables as geography, and, second, according to this theory, to make sure that the individuals would act in an analogous way.

After setting the major theoretical framework, it is possible to return to the main argument of this study, namely, the change of the elite and, consequently, break from relations with the losers of the reform. New elites are more prone to implementing full reforms, as they have more credibility due to recent elections/revolution, as well as popular support. They are also less influenced by the internal constraints. However, it is first, necessary to clarify why the elite explanation is so important to the cases of Armenia and

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Georgia. There have been various studies on the elites in post-Soviet countries. A common point among them is that the elites in a major role are a driving force for the changes and, as Kopczyński (2000) states, there are some common characteristics described for these countries: "(1) elites are universal; (2) elites are the main creators of the political system; (3) the sources of differences between political systems can be traced back, above all, to differences in elite structures, commitments and behavioral patterns; (4) rather than being aggregates of key position holders, elites are integrated social groups; (5) elites shape not only the political system but also, albeit not exclusively, the collective consciousness, identity and behavior of the masses"(Kopczyński, 2000:130). Gelman (2003) also underlines that in the post-Soviet states major decisions are driven by the elites: "mass attitudes and behavior in post-Soviet societies are still too dependent upon (and determined by) various segments of the elite. Thus, 'civil society', in the normative sense of democratic theory, is present in post-Soviet areas only to the extent allowed by the dominant elites" (Gelman, 2003: 90). Therefore, elite explanation is especially relevant to ex-Soviet countries, including Armenia and Georgia.

To provide theoretical background for the elite argument, it is necessary to turn to the question of insulation and influence of the interest groups. Successful reforms can be caused by institutional vacuum and political insulation, while partial reforms in other cases can be due to existing losers or winners of the partial reforms. An example of the lack of insulation was described perfectly by Geddes (1994). In Brazil there were reforms of the civil service in order to improve their competence and enhance modernization of the country in the 40-s. "Each of these proposals advocating reducing but not eliminating, the role of patronage in recruitment and promotion. Each attempted reform, however, was blocked by the Finance Ministry and/or Congress. Politicians were accustomed to using bureaucratic jobs as a

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political resource, and a majority of them could not be persuaded to give up a significant part of that resource" (Geddes, 1994: 52). In this case the reforms were impossible to implement due to lack of insulation of the government and the presence of influential losers of the reforms. The Brazilian president, Janio Quadros, appeared to be very successful in implementing administrative reforms and can be compared to Saakashvili with his police reform. As Geddes (1994: 59) points out, it was due to the fact that the president was an independent politician, and his bureaucratic cleaning served as a discrediting of the regime of the preceding government. Saakashvili was also politically independent from the old system, building his campaign around opposition to the old Shevardnadze's regime.

Independence is especially important when dealing with politicians and other public servants which were holding positions before the reforms. As Hellman (1998) argued in his research that the reforms in post-Communist countries, most of the opposition to the continued reforms in economic sphere came from insiders:

> "from enterprise insiders who have become new owners only to strip their firms' assets; from commercial bankers who have opposed macroeconomic stabilization to preserve their enormously profitable arbitrage opportunities in distorted financial markets; from local officials who have prevented market entry into their regions to protect their share of local monopoly rents; and from so-called Mafiosi who have undermined the creation of a stable legal foundation for the market economy" (Hellman, 1998: 204).

This shows that the reform-making process can be distorted by interest groups. Fernandez and Rodrik (1991) also argue that "the gains from the status quo may be concentrated on a small number of individuals while the losses are diffuse" (Fernandez and Rodrik, 1991: 1146), therefore, the presence of the losers from the reform can keep the reforms from being undertaken. This turns to be a question of lack or presence of insulation of the reforms from the influences of interest groups of different kind. Even though his study is on transition economic reforms, this approach can be applicable in this thesis. In the context

of Georgia and Armenia, this aspect could play a role, in terms of implementing the reforms after the period of transition. As will be indicated later, among the main losers from the reform are the bureaucrats and police officers who are involved in bribing. Therefore, according to this theory, their interest would be to not allow the reform to be implemented. In this way the reformers should have been either insulated from the losers or should have eliminated them.

The main argument can be also theoretically supported by the fact that the unchanged elites can face various high costs of the reform implementation, while new governments have bigger political support and, therefore, can easier implement the reform. Geddes (1994) argues that administrative reform is an example of a prisoner's dilemma case. The benefits of the reform, she says, can be enjoyed by everyone, as they are non-excludable. But there are the costs which can be brought by the reformers: "for the administrator or a politician involved, choosing the applicant most likely to contribute to improving the administration often involves a certain and immediate loss of either personal or political benefits" (Geddes, 1994: 27). Therefore, the reforms tend not to be implemented. This can be applicable to the case of Armenia, which will be discussed in detail later. In a few words, the reform would be hardly implemented when there are existing high political costs for appointing new, not corrupt bureaucrats, though who can bring anti-corruption reform to a successful outcome, which can be caused by resistance of the losers of the reforms. Therefore, the remaining government of Armenia, which did not change during the attempt at Revolution, had difficulties, according to this approach, with reform implementation due to potential loss of personal or political benefits.

Returning to the alternative explanations, there are three major ones, which cannot be considered as major factors, but still contributed to the outcome of the police reform, as well as are linked to the main argument. The first alternative explanation is the content of the

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reform. Though on the paper the reforms were the same, in reality in Armenia many of the planned activities were not implemented, which makes it possible to describe it as a partial reform. The above-mentioned theory by Hellman (1998) points out at the interest groups which can resist the reforms implementation process, which can lead to partial reforms, as full police reform implementation can be non-benefiting them. While the explanation can be valid for defining why the reform in Armenia were not as successful as in Georgia, it is closely related to the main argument, as without the change of the elite, the reformers in Georgia would not be able to implement full reforms, avoiding influence of the losers of the reform.

One more alternative explanation is an involvement of foreign actors. The theoretical background of this argument goes back to Jacoby's argument (2006) on coalition approach. He argues: "My central point is that we should see outside actors as striving to influence the choices of existing domestic actors with whom they can be seen to form a kind of informal coalition" (Jacoby, 2006: 625). The involvement of the foreign actors − NGOs, foreign government sponsorship, can be considered as such an informal coalition due to cooperation in the policy-formation, financing from the abroad and accountability of the reforming governments to the consulting bodies. Nevertheless, this argument is also closely related to the main one, and higher interest and funding of Georgian reforms can be explained by the change of the elites, which provided popular support to the reformers, and more credibility in the eyes of the foreign actors.

And the last alternative explanation is the severity of corruption before the reform. The theory (mentioned, for example in Alesina (2006)) says that the reforms tend to be implemented when the crisis reaches certain threshold. As Georgian level of corruption was higher before the reforms (Transparency International, 2011), it may be a relevant explanation of why the reforms took place. Nevertheless, the full reform implementation is also related to

the major argument, as lack of internal constraints helped Georgian government to implement the police reform in a full extent, comparing to Armenia.

There is also one issue which has to be considered here in regards to the question why the new elites did not created their own corruption schemes after eliminating the old ones. Geddes (1994) shows in the example of Latin American countries in the case of political instability, the main interest of politicians is to remain in office and to have popular support. This approach can be applicable also for Georgia after the Rose Revolution. As will be discussed in the Chapter 4, the main reason for the revolution to appear and to gather so many people opposing Shevardnadze was corruption and fraudulent elections, and as a newly elected president Saakashvili was interested in obtaining popular support to be able to remain in power, therefore, implementing the reforms in the sector which were among the most corrupted and visible to the population was a predictable move. "The police, particularly the traffic police, were a visible sign of how corrupt the Shevardnadze regime had become. Even brief visitors to Georgia encountered the ubiquitous traffic police whose sole responsibility seemed to be to stop seemingly randomly selected and harass them until they produced a bribe" (Mitchell, 2008: 176-177). In Armenia, in contrast, there was no such period of major political instability or change of the government, as Kocharian managed to oppress the attempt for a Revolution. Therefore, with all the taken measures, it was possible to obtain control over the situation and there was no need for gaining popularity. The actions of Saakashvili in this situation, therefore, can be called politically motivated, and clearance of police was politically strategic move, which is also related to the events of the Rose Revolution and the change of the elites.

The theoretical framework used in this paper helps to understand the processes happening in Armenia and Georgia, as well as explain the outcomes of the reforms.

Nevertheless, it is important to also indicate why Armenia and Georgia are comparable cases and fit into this framework.

2.2. Introduction into the Cases and Methodology

The case selection was made on a most-similar basis. Georgia and Armenia are two neighboring countries in the North Caucasus. The countries are similar in their size (Figure 2.1). Both were a part of the Russian Empire and the Soviet Union before the 90-s.

Figure 2.1. Armenia and Georgia map. Source: massispost.com

The countries share similar past and have a lot in common in their culture (De Waal, 2010). The cases were chosen this way so that the perception of the concept of corruption was similar in both countries and the results of the CPI index of the Transparency International were valid.

Gallina (2010) demonstrates that both countries faced the same type of corruption and territorial disputes. In the case of Georgia there are two territories Abkhazia and Ossetia, which since the beginning of the 90-s were under separatist influence. In 2008 the frozen conflict regained its urgency again. As Suny (1995) points out, "although Abkhaz were a minority in Abkhazia (17 percent with 46 percent of the population Georgians), Osetins had a

clear majority (66 percent) in the South Osetin Autonomous District" (1995:156). In this way the conflict became even more apparent in the latter. The conflict in Armenia is over the Nagorny Karabakh territory with Azerbaijan, where the Armenian minority is living. Gallina underlines other similarities between the two states which were chosen for this research: "Both have to face post-communist political realities, i.e. economic decline, state structures that do not function for the public's well-being and questions of territorial inclusion and exclusion. Unresolved issues of territoriality stand beside the necessity for the development of the institutional system and the state as a whole" (Gallina, 2010: 25). Gallina argues that the main difference between Georgia and Armenia was the fact that in Georgia citizens did not agree with the state development trajectory, which was destroying the country and removed the government during the Rose Revolution. Also, she emphasizes that in both countries after the collapse of the Soviet Union the role of the parliament and the parties remained weak. Most of the political power was concentrated in the hands of the executives, which ruled in a semi-authoritarian way. In other words, the selected cases have much in common in questions of political power distribution, regime, level of development and territorial disputes.

Considering closer the disputes in each country, as Cornell and Starr (2006) point out, there are several similarities between the conflicts in which Armenia and Georgia were involved: first is that both conflicts were territorial with involvement of ethnic minorities. Second, they underline that the size of ethnic minorities was small relatively to the size of the population of the countries. Among the other similarities mentioned by Cornell and Starr are large military and financial support to the rebels from abroad, failure of negotiation processes, the presence of gender violence and a "devastating" impact on the economy in both countries: "the conflicts contributed to weakening or reversing democratic movements and reform, instead increasing the authoritarian character of government in the name of stability" (Cornel and Starr, 2006: 27). The fact that both countries faced the territorial conflicts and had to deal

with military issues did not allow both of them to concentrate their forces on state-building after the collapse of the Soviet Union, which had an impact on the quality of the police service and the level of corruption. This shows that Armenia and Georgia experienced similar problems and their situation in the 90-s before the reforms was very much alike.

Country/Year	'98	'99	'01	'02	'03	'04
Armenia	4	4	4	4	4	4
Georgia	3,5	4	4	4	4	4

Table 2.1(A) Freedom House scores of Armenia and Georgia in 1998-2004. Score ranges from 1-"free" to 7 "not free". Source: Freedom House (2013).

There is almost no difference in the level of democracy in Armenia and Georgia. As Freedom House reports it, Georgia had improved the level of freedom only after 2005, which can be considered as a consequence of the Rose Revolution. Before that, the scores were almost the same in both Georgia and Armenia (Table 2.1. A), which make it possible to control in this study for various factors related to the regime and civil society.

Overall, the cases of Armenia and Georgia were chosen for their similarity. Their political, economic and social scenarios most likely were supposed to bring the same results of the reforms in the police sector. The countries are similar in their size, their region, regime, they share culture and historic past. Both have been involved in territorial disputes after the collapse of the Soviet Union. In general, the situation in Armenia and Georgia before the anti-corruption reforms, and, in particular, the police reform was very similar. Both countries experienced economic decline and influence of organized criminal groups, corruption in the police, and poor quality of the public service in general.

The method applied in this study is comparative with most similar cases: "In its purest form, the chosen pair of cases is similar on all the measured independent variables, except the independent variable of interest" (Seawright and Gerring, 2008: 304). Above it was demonstrated how similar the cases of Armenia and Georgia are, and in Chapters 3 and 4 the reform content and events of the revolution movements will also be analyzed. This

Most Similar Analysis with Two Cases

Case	Variable		
	X_1	X_2	Y
1	+	+	+
2	–	+	–

Note: Plusses and minuses represent the score demonstrated by a case on a particular dimension (variable), coded dichotomously. X_1 = the variable of theoretical interest; X_2 = the background/ control variable or vector; Y = the outcome.

Table 2.1(B) Most Similar Analysis with Two Cases. Source: Seawright and Gerring, 2008: 305.

method allows controlling for various variables, holding them constant, while explaining the differences in the outcome of the reforms by the remaining variables, which are different in those two cases (Table 2.1. B).

This chapter described the major approaches used in this study. The main framework chosen for answering the research question lies within rational choice school. It includes approaches on the presence of the losers, costs related to the implementation of the reforms, as well as the interests of politicians in politically unstable systems. It also gave a brief overview of the empirics behind the chosen theoretical approaches.

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3. EMPIRICAL ANALYSIS: FACTORS DEFINING SUCCESS OF THE POLICE REFORM IN ARMENIA AND GEORGIA

This chapter aims to consider what factors can be seen as major for the outcome of the police reforms in Armenia and Georgia. It considers four explanations: content of the reform, change of the elite, involvement of foreign actors and the severity of corruption. It starts with the content of the reform as it also provides an overview of the reforms themselves, as well as includes description of the situation with corruption and police in the 90-s and allows controlling for various other factors.

3.1. Content of the reforms

3.1.1. Armenia and Georgia in the 90-s

This section discusses the similarities in the conditions of Georgia and Armenia in the 90-s, because it is a period when the countries had already obtained independence and were able to enjoy autonomy in their policy-making process, and it is also a period where neither of the countries had yet started developing anti-corruption polices, including police reform. Choosing the second time point also allows holding some factors constant. The main argument of this section is that before the reform the situation was so similar that it is extremely puzzling why the anti-corruption reform and, particularly, police reform in these two countries had such different outcomes.

As a result of limited statehood and political instability, according to Cornell and Starr, new interest groups appeared after the collapse of the Soviet Union: "These forces were leading in appropriating the assets liberated through privatization; sought to achieve controlling stakes in the largest industries in the region; and supervise and informally 'tax' trade and investments. As the 1990s progressed, these forces hence developed into virtual

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shadow economic conglomerates" (Cornel and Starr, 2006: 41). Before the reforms both countries had similar issues related to organized crime, corruption and low state capacity, which were present in the police as well and which did not allow the government to manage the situation and avoid the involvement of other groups.

Avagyan and Hiscock (2005) argue that in Armenia since independence in 1991 the police sector in the government has been very vulnerable and experienced various changes of heads of the Ministry of the Internal Affairs due to corruption. Corruption in the police and connections with organized crime, according to Avagyan and Hiscock, was claimed to be one of the biggest problems and was even called to be a focus of the policies by Sargsyan, newly appointed Minister of Internal Affairs in 1996. As researchers point out, one of the problems related to the Ministry of Internal Affairs in general is the economic and political interests not related to the activities of the Ministry:

> "As Siradegian's reign went on, the Ministry became increasingly unpopular. It became apparent that rather than simply attempting to prevent crime and keep order, the Ministry of Internal Affairs was also pursuing other interests. In particular, it seemed that the Ministry of Internal Affairs was aiming to control some of the most profitable sections of the economy. In one example, in 1996 a close relative of Siradegian benefited from a monopoly to supply public transport with first aid kits, following a directive from Siradegian's office. This economic interference was echoed on the political front. As it later became clear, in 1993 the Ministry of Internal Affairs formed special units to assassinate political dissidents, which also began to attack people who caused them economic problems" (Avagyan and Hiscock, 2005: 27).

Similar problems were experienced in Georgia as well. Kakachia and O'Shea describe the situation in several countries, including Georgia: "Thus, regardless of involvement in predatory policing or organized crime, the political elite in each country operates on the basis of organizational cultures where recruitment and, especially promotion, are determined by adherence to principles such as personal loyalty and discipline rather than the performance of ones' duties according to the principles of some sort of democratic governance" (Kakachia and O'Shea, 2012). This means that Georgia before the reforms faced

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similar problems as Armenia with police having close ties to the organized crime and different kinds of incentives from the official responsibilities of the police officers. As Papava (2006) points out, the state was working ineffectively during the Shevardnadze rule and in 1999 it was only able to collect around 70 percent of the budget: "Unfortunately, in 1999 President Eduard Shevardnadze began disregarding common sense and expert advice, especially in his government appointments. This period was characterized by the escalation of a budget crisis, the first symptoms of which became noticeable as early as 1998, when actual national budget revenues started lagging behind projections" (Papava, 2006:659-660). This shows that the state capacity before the reforms in Georgia was extremely low and the government was unable to operate with the help of its personnel.

Similarity of the problems with corruption in police and generally in public administration in Armenia and Georgia in the 90-s makes it puzzling how the reform of the police brought different results in each case. The next section will, first, demonstrate what change in the level of corruption took place in Armenia and Georgia after the implemented reforms, as well as it will afterwards consider the actual reforms which were undertaken in both countries, testing if the reform content could serve as an explanation of the different results of the reforms.

3.1.2. Police Reform's Outcomes in Armenia and Georgia

The reforms in Armenia and Georgia started in the very beginning of the 2000-s. The reforms in both countries are still on-going and evolve with time. And even though the reforms have not yet reached the end of the process, it is already clear that reforms in Georgia are bringing positive results in fighting corruption. This and the next two sections aim to follow the police reform process in Armenia and Georgia and to compare the activities

undergone by each state through analysis of the legal acts, reports by national and international bodies.

First, it is important to demonstrate that the reforms in Georgia brought a significant change in elimination of corruption in the police sector, comparing to Armenia.
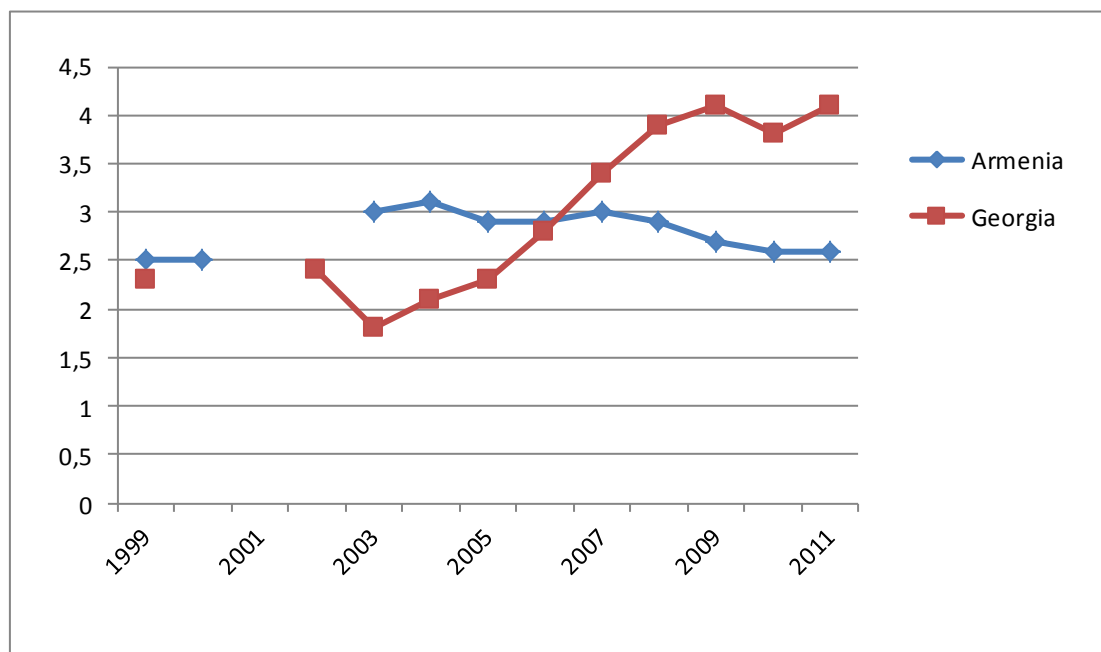

Figure 3.2(A) Corruption Perception Index in Armenia and Georgia in 1999-2011 ("0 means that a country is perceived as highly corrupt and a 10 means that a country is perceived as very clean"). Source: Transparency International (2011).

Two figures below demonstrate general decrease in the level of corruption and improvement of a state capacity in Georgia, while staying nearly the same in Armenia. Figure 3.2.(A) demonstrates the increase in the Corruption Perception Index by Transparency International over the years in Georgia. The data for the diagram was collected over 22 years and includes level of perceived corruption by Georgians and Armenians in the 90-s before the reforms, in the second time point chosen in this study, as well as in the period after reform. Remarkable is the sudden improvement in Georgia after 2004, which is a year when Saakashvili was elected and a new government was formed after the Rose Revolution. It is also important to draw attention to the level of corruption before 2004, where it drastically dropped. As noted by such researchers as Abiad and Mody (2005), and Alesina, Ardagna and Trebbi (2006), the

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reforms can be triggered by a severe crisis. The studies are dedicated to problem of economic reform implementation, and largely discuss the "crisis hypothesis": "namely with the idea that it is easier to stabilize more decisively in times of crisis than in times of more "moderate" economic problems" (Alesina, Ardagna and Trebbi, 2006:2). And it is possible to conclude that in Georgia complete reforms were inevitable with the level of corruption present in the country, which distorted collection of revenues for the budget, etc. Nevertheless, in particular the change of the elite and lack of tight relations with the losers from the reform through existing corruptions schemes enabled the reformers to have, first, legitimacy to implement such reform from the recent Revolution and elections, and, second, less ways of how the losers can constrain them.

Figure 3.2.(B) below demonstrates the dynamics which were made by Georgia and Armenia among other countries in building state capacity. The horizontal line shows the level of state capacity in the first post-communist years while the vertical line shows the level of state capacity in 2006, already after various anti-corruption reforms, including the police reform. Fortin's (2010) measurement of state capacity includes tax revenues, level of corruption, property rights and contract enforcement. It shows that Georgia made a big leap in increasing its state capacity from the first post-Soviet year where Georgia lagged far behind Armenia and the level of 2006, where Georgia scores a little higher than Armenia.
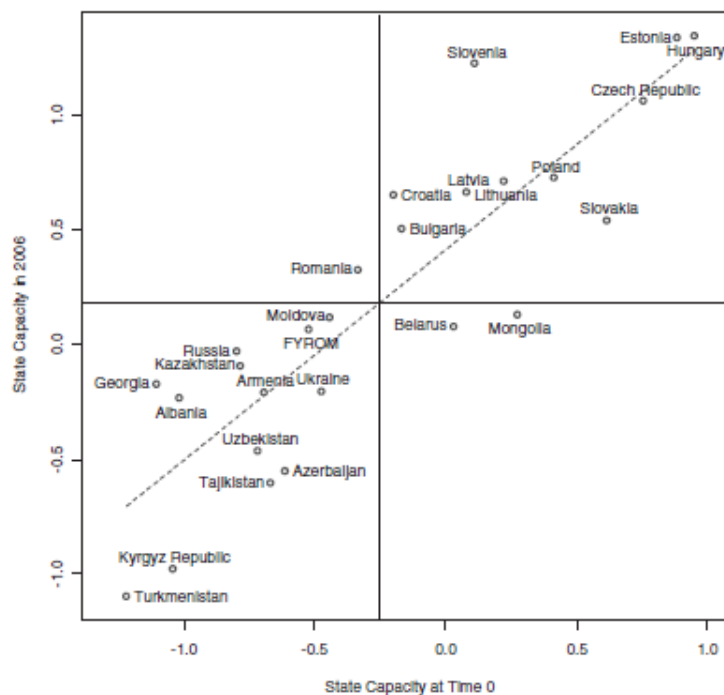
Figure 3.2(B) Comparison of state capacity scores from post-communist year to 2006. Source: Fortin, 2010.

To demonstrate the fact that the corruption had generally decreased, another corruption indicator has been chosen - World Bank CPIA transparency, accountability, and corruption in the public sector rating (World Bank, 2013), which ranges from "1" - low to "6" as high. According to this index, for example, in 2005 Armenia had a score of 2,5, comparing to 3,5 of Georgia. It is common for the politicians to get rid of the old corruption schemes, eliminating the competitors from the old governments, but to create new ones, securing the benefits for themselves. Whether it is the case with Georgia is a question, but the indicators demonstrate lower levels of corruption, while the indicators (such as Corruption Perception Index by Transparency International) include public opinion, entrepreneurs' surveys and expert evaluations. Nevertheless, it is clear that for Georgians police become one of the most trustable institutions in the country, and, as was cited before, the explanation can lie in the fact that the new elite which has come to power during the revolution was in need of obtaining the popular support to be able to stand against the losers from the reform and to be

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able to continue the political course. Therefore, the police sector was strategically important as one of the most visible to the public. Thus, it did not become influenced by new corruption schemes created by the new government, according to the corruption indices.

To consider the level of corruption in the police only there is a Global Corruption Barometer Survey (Transparency International, 2013), conducted by the Transparency International. It is a public opinion survey that demonstrates through one of the questions the sectors which are perceived to be the most corrupt. Analyzing the results of the survey from 2001 to 2011, it is possible to make the conclusion that Georgia's police have got twice lower scores in the level of perceived corruption, while in Armenia the police remained one of the most corrupt sectors in the state (4,1, altogether with 4,2 for education and 4,2 for judiciary (Transparency, 2013)). Another evidence of decrease of corruption in Georgian police is a report by the World Bank. They state: "Corruption in the police force has fallen sharply, as several surveys reveal. A 2010 survey indicates that only 1 percent of Georgia's population reported having paid a bribe to the road police"(World Bank, 2012).

There have been several attempts to adapt single legal acts in both countries, as for example in Georgia: "The Law on Conflict of Interests and Corruption in the Public Service was adopted in 1997 and deals with the prevention and suppression of corruption" (GRECO, 2001). Nevertheless, the level of corruption in Georgia remained approximately the same long until the Rose Revolution, which, first, raises a question of why did it happen only after the Revolution and the elections and what measures were taken by the new government which decreased the level of corruption. Further sections will deal with the question of what activities were undertaken by the Armenian and Georgian governments to be able to draw possible explanations for the success and lack of success of the reforms in the two countries.

3.1.3. Georgia: What Was in the Package?

First of all, it is important to note that most of the activities of the police reform both in Armenia and Georgia were built into larger anti-corruption reforms, which were taking place simultaneously. The reforms transformed several sectors, and to have a wider picture it makes sense to present a brief overview of the activities done by the Georgian government.

Year	A Program
2005	National Anti-Corruption Strategy
2005	Anti-Corruption Strategy Action Plan (2005-2006)
2010	National Anti-corruption Strategy
2010	National Action Plan for the Implementation of Anti-Corruption Strategy (2010-2013)

Table 3.3(A) Major Anti-corruption Programs in Georgia. Source: Transparency International; Ministry of Justice of Georgia.

Nevertheless, there are some particularities to the Georgian case, as it started by activities which were not reflected in any legal act from the larger anti-corruption framework. One can see in a Table 3.3(A) the major programs which determined anti-corruption measures in various sectors.

The Strategy adapted in 2005 was the first major document which aimed at sketching major directions of the reforms and setting their priorities. Its focus is collaboration of the international experience on what is considered to be a crime and exploring sectors in Georgia affected by corruption. These initial measures aimed at creating new legislation which can assure accountability of public servants, including the police. The document

suggests clear division of responsibilities: "Establish a clear distribution of functions in order to set up a management system divided into policy-making and policy implementation -- taking into account concrete examples from pilot ministries". It also underlines involvement of international organizations and joining UN conventions.

To understand better what activities were in the anti-corruption package implemented by Saakashvili's government later on, one can take a look at the "National Action Plan for the Implementation of Anti-Corruption Strategy for 2010-2013" adopted in 2010. Examples of the proposed activities can be found in Table 1 in the Appendix of the study. The main emphasis of this package of reforms is enhancing transparency. The proposed actions are precise and focus on improving accountability by extending opportunities for auditing public authorities by citizens and other public bodies, as well as increased measures of punishment for corruption in public service. It is intended to be done through mechanisms of income declaration, media control, integration of e-platforms, conferences increasing awareness of new electronic procurement systems which allow tracking tenders and competition. Among involved institutions there are the Ministries of Finance, Internal Affairs, Civil Bureau, Anti-Corruption Interagency council, etc. The goals of this Action Plan clarified by the "Anti-Corruption Strategy" itself: "establishment of effective state governance system, as well as increasing law enforcement response and public alertness toward corruption, and focusing on prevention of corruption" (Parliament of Georgia, 2010). The document argues that previous measures allowed drastically decreasing the level of corruption but it needs extra-provision to keep the situation under control and to continue fight against corruption.

Shahnazarian (2012) lists the following reform areas as the main ones implemented by Georgia:

- Restructuring the police, dismissing corrupt officers, improving salaries and training.

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- Reducing taxes and fees associated with business registration (a gateway for corruption).
- Privatizing major government assets (such as railways and mines).
- Encouraging foreign direct investment.

Therefore, the police reform was done from different perspectives, because reforms in most of the listed sectors touched upon the police too. The government did not just restructure the police and gave out a new uniform but also made larger changes, such as ensuring transparency of public servants' incomes and developing a more accountable system of public procurement.

According to Karosanidze (2007), these documents were created under supervision of various NGOs. She points out that in 2005 there was a Working Group created, which was "comprised of government and three NGO representatives (TI Georgia, Young Lawyers' Association and Young Economists' Association)" (Karosanidze, 2007: 2). Apart from these major legal acts there were also several ministerial ones, as pointed out by Karosanidze: "The National Security Council requested that the ministries submit strategies for fighting corruption within their particular institution or sector. The NGOs planned to then comment on ways in which their strategies could be improved. But only a few ministries submitted internal strategies. None of these documents were longer than three pages. Overall, they provided almost no useful information for further development of the national anti-corruption strategy" (Karosanidze, 2007: 2). It is important that the process of document development included non-governmental actors; nevertheless, the acts do not specify direct involvement of any international actors. Therefore, the influence of foreign actors was quiet restricted, and remained in the level of recommendations and assistance in the policy-formation.

Even though involvement of the international actors was not specified in these documents, GRECO (CoE) was supervising Georgian reformers with recommendations and evaluations. GRECO's activities include three evaluation rounds with the forth planned in the

near future. The last published report dates back to 2011, and focuses on two major issues: incrimination and transparency of party funding (GRECO, 2011). Previous reports vary from recommendations on creating more efficient legal framework to recommendations on concrete measures against corruption. Overall, the anti-corruption program by the Georgian government draws in various sectors and demonstrates consistency.

A part of a larger anti-corruption strategy – the police reform itself started out with firing the whole Traffic Police Department (Table 3.3.B). As Slade (2011) argues, about 15,000 people were fired overnight. It was done in order to make a radical change and renew the whole image and perception of police by Georgians. Saakashvili said in one of the interviews: "So then we had new guys recruited. And it took us two to three months to find good guys and to give them initial training at an academy which is sponsored by the US. But what we also did, we gave them new, nice uniforms that look very much unlike the old Soviet ones. We gave them new, nice German cars, American radios, the US kind of looking badges and painting which we gave them" (Mikhail Saakashvili, 2005). Devlin (2007) calls attention to the fact that apart from hiring new personnel, a new department of Patrol Police was created instead of the old Traffic Police; apart from new equipment mentioned by Saakashvili, freshly recruited policemen also went through additional training in a Police Academy and got increased paychecks (funded vastly by foreign foundations). Devlin underlines that the government also launched a public media campaign to raise awareness among the population about the renewal of the police, its improvements and new rules of public service: "The force's public profile was also bolstered when the MIA (Ministry of Internal Affairs) began to produce its own television show, "Patrol", that would run every day for 15 minutes during evening primetime, covering the crimes of the day" (Devlin, 2007: 7).

The most prominent changes were made within the newly created Patrol Police Department; nevertheless, the reforms also affected other departments. As pointed out by

Devlin (2007), there was no legal institutionalized framework behind this restructuring. According to the researcher, other important departments, such as Criminal Police's personnel were not fired, but amnestied for the past corruption and received new instructions for their work, as well as the Protection Police, which "provided security for government installations such as the Ministry of Culture's museums, private buildings and international assistance missions of the United Nations, the European Union, the OSCE, and other groups" (Devlin, 2007: 8) was now freely competing on the market.

Date	Activity
July 2004	Dismissal of the Traffic Police and creation of Patrol Police
End of 2004	Dissolution of the Ministry of the State Security and renewal of the Ministry of the Internal Affairs
End of 2004-2005	Renewal of police equipment
2005	Payment of salaries in bank checks instead of cash

Table 3.3(B) Police Reform Activities by the Georgian government. Source: Devlin (2010), Saakashvili (2005).

Another important issue connected with the reforms of the police in Georgia are measures taken to decentralize functions which previously belonged to the Ministry of Internal Affairs. Some of the functions were delegated to other public bodies. Boda and Kakachia (2005) list the following changes in duties of the Ministry of Internal Affairs, apart from the already above-mentioned:

- "The National Bureau of Passport-Visa and Citizens Registration was transferred to the Ministry of Justice.
- The Main Administrative Board of Highway Patrol was established.
- The Ministry of Internal Affairs eliminated the Main Administrative Boards of Protection of Public Order, Ecology Police and the Transport Department.
- The Financial Police was established within the Ministry of Finance. However, the criminal offences in regard to money laundering and forged money remained within the structure of the Ministry of Internal Affairs, as they are mostly connected to other types of organized crime.
- The Central Telephone dispatch system is at least functioning in the capital Tbilisi and in all regional capitals".

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As Boda and Kakachia point out, this brought a positive change as due to decentralization regional offices started receiving more financing and are now able to pay off salaries, which increases the efficiency of the police officers.

In the last years the primary focus of the mission of OSCE in Georgia in the field of the Police Reforms was to enhance the creation of the practice of community policing, which "is the most important factor in improving community safety and police culture" (OSCE, 2008). Similar measures were also taken in Armenia.

3.1.4. Police Reform in Armenia

Unlike Georgia, police reforms in Armenia did not include such radical measures as firing the police department, though most of the measures also took place simultaneously with the major anti-corruption reforms. It is important to overview the major anti-corruption measures taken in the country in other sectors.

Year	Program
2003	Republic of Armenia Anti-Corruption Strategy (2003-2007)
2003	Implementation Action Plan of the Anti-Corruption Strategy of the Republic of Armenia
2009	Republic of Armenia Anti-Corruption Strategy (2009-2012)
2009	Implementation Action Plan of the Anti-Corruption Strategy of the Republic of Armenia

Table 3.4(A) Major Anti-corruption Programs in Armenia. Source: Government of the Republic of Armenia.

The first anti-corruption strategy (Government of the Republic of Armenia, 2003; See Table 3.4.A) underlines that Armenia is at a good place in the corruption rating relatively

to the countries in the region. It also encounters among the problems that the number of bureaucrats is constantly growing even though the government is trying to reverse the trend, firing some personnel. As well as in Georgia, authors of the document identify presence of such issues as privatization process, public finance, etc. Therefore, the reforms content was similar to Georgian due to the involvement of similar advising bodies. Major principles which guided the reformers, according to the document, are "the rule of law and impartiality; consistency and continuity; and publicity and transparency". The Implementation Action plan (Table 3.4.A) following the Strategy focuses on creation of national legislation and adapting international conventions on corruption and harmonizing different kinds of legislation in various sectors (such as health, education spheres). Though to a less extent, it also contains numerous measures on raising awareness of the undergoing campaign with the public and providing trainings for public officers. In other words, the reforms program of Armenia and Georgia resemble in various ways – from the issues they address (the need for privatization, establishing the rule of law, rebranding and raising awareness of the on-going reforms) to the ways of implementation (modernization of the equipment, creation of the e-databases, etc. The more extensive list of the specific reform activities can be found in the appendix of this study).

As stated in the Anti-Corruption Strategy of 2009, "On the whole, more than fifty laws and bylaws were passed as part of anti-corruption measures included in the 2003-2007 ACSIAP" (Government of the Republic of Armenia, 2009). The 2009 document contains a separate chapter on police reform. Among the provisions are:

- Improve traffic rules and norms prescribing sanctions for violating these rules
- Increase the transparency, openness and accountability of traffic police activities
- Ensure adequate situation with organizing traffic furnishings and road markings
- Increase the effectiveness and usefulness of the state register of population
- Introduce legal norms to ensure inviolability of personal information

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- Ensure the lawfulness and increase the responsibility of police activities
- Ensure proper quality of police organs' work and service to the public

Nevertheless, the concrete measures, stated in the Implementation Plan of Action for the Strategy, behind these provisions are not very strong. For example, by a goal of ensuring transparency of the traffic police activities, reformers mean an activity in raising awareness of the public about traffic rules, as well as access to the traffic police statistics on traffic accidents. Lack of the radical measures and partial implementation of the reforms can be related to the presence of the losers of the reforms who benefit from the existing situation. Therefore, on the paper and for the international community involved the measures are equal to the ones which were taken in Georgia, nevertheless, as the elites did not change during the Revolution movement, the reforms and bureaucrats did not obtain any interest in eliminating old corrupt system.

The set of particularly police reforms started off with the Law on police in April of 2001 (National Assembly of the Republic of Armenia, 2001). It outlines functions, responsibilities and rights of the police. Articles which highlight the importance of the human rights in police officers job are: "In each case of restriction of the rights and freedoms of a citizen, the Police employees shall be obliged to present immediately the grounds for restriction to him/her and explain to him/her his/her rights and duties" (National Assembly of the Republic of Armenia, 2001: Article 5). The document includes amendments for several years up to 2011, and the responsibilities of the police remain of a wide range. The police of the Republic of Armenia are responsible for the "safeguarding the public order", "ensuring traffic security", "supervision over keeping and use of arms", "Ensuring the passport regime" (National Assembly of the Republic of Armenia, 2001: Chapter 2). A law on the service in the police adapted the next year detailed responsibilities and rights related to the public service in police (National Assembly of the Republic of Armenia, 2002). Avagyan and Hiscock (2005)

emphasize that after adopting the law on police there was a downgrade of the Ministry of the National Security to the National Security Service under the Government of the Republic of Armenia and the Police of the Republic of Armenia under the government of the Republic of Armenia (National Security Service of the Republic of Armenia, 2013). Avagyan and Hiscock underline that "many commentators were suspicious, however, noting that in effect, the President had succeeded in bringing this important part of the security apparatus firmly under his own control, as the police are no longer answerable to anyone but him" (Avagyan and Hiscock, 2005: 27). Once again, the reform design in Armenia was very similar to Georgian one as it included Ministerial restructuring. Nevertheless, behind the façade, the government made it a controllable body, which can be explained by the interest of unchanged elite in remaining the body involved into corruption less transparent and controllable only to them.

Another important official document to be considered is the "Police reform program". It is available for the period 2010-2011. Table 2 in the appendix chapter illustrates the main areas of the reforms and examples of the activities. The planned strategy of the reform by the Police of Armenia includes a wide range of activities. It varies from traffic security to incorporation of new passports, issues related to the Police Education institutes and Drug trafficking. Nevertheless, the proposed measures lack precision and open a window for abuses of the state budget and can bring little result or, in opposite, more corruption. For example, the document is abundant with using the term "new" or "modern", though it can be interpreted in many ways and does not necessarily mean large improvement or real change in the issue. Another important issue related to this document is that it proposes involvement of various bodies, both domestic and international. Among the responsible agencies there are the Police themselves, their municipal bodies, Ministries of Education, Health, Central bank, NGOs, such as "Women's Rights Center", UNICEF, etc. The reforms involve international NGOs and attract funding from various sources.

Overall, the reforms which took place in Armenia and Georgia resemble each other. Both states implemented reforms with the help of such organizations as Council of Europe, European Union and OSCE. Both countries have had simultaneous reforms in other sectors directed to the improvement of the public service quality through increasing accountability and transparency. Such reforms included measures on privatization in other sectors, installation of the new equipment and creation of electronic databases in both Armenia and Georgia. It is possible to make the conclusion that similar legal acts and principles used during the reforms are the result of the involvement of the same international organizations. Among the main directions in both countries' reforms were modernization of the police equipment, its educational institutions and other police-related services, as well as creating and maintaining electronic databases, ensuring more transparent public procurement and public officers' incomes and increasing penalties for corruption crimes. Both countries indicated raising public awareness of their rights and improving public image of the police as one of the goals of their activities.

However, there were some dissimilarities, as, for example, the fact that Georgia dismissed its Patrol Police personnel entirely before the beginning of the reform and made several other radical steps, such as firing high-ranking police officials, who were accused in corruption. In Armenia, there have been attempts to decrease personnel, but nothing in comparison to the measures taken in Georgia. This raises the question of what could stop the reformers from making similar steps in Armenia, and what enabled Georgian government to make such a radical move. Another dissimilarity are evidential partial reforms in Armenia. There are studies which demonstrate that despite the call for modernization on paper, in reality the Armenian police remains a Soviet-type, with the same equipment, uniform and attitudes, and accordingly, the same level of corruption as in the Soviet Union. For example, Ivkovich and Khechumyan (2012) argue that even though new legal documents bring stricter

rules which should reduce corruption, such as increased punishment and better communication with the population, it does not work in reality: "Although rules for detection, investigation, and discipline of police misconduct are in place, critics – primarily various NGO reports – indicate that the enforcement of these rules is weak" (Ivkovich and Khechumyan, 2012: 75).   This calls in a question of why the Armenian government was not able to implement its planned activities and bring real "modernization" to the Armenian police. Both dissimilarities are stemmed from the main hypothesis of this study. The renewed Georgian government after the Rose Revolution consisted of bureaucrats who did not serve as ministers before, and had little to do with the old Shevardnadze's system. It allowed them being unconstrained by the losers of the reform – corrupt politicians and public servants in police, as well as eliminating the losers themselves by massive firings. In contrast in Armenia, the government went through the elections and the Revolution movement with its old team, who would be uninterested in resisting corruption, from which they are benefiting. Therefore, reductions in personnel as in Georgia, could not be possible, as well as partial reforms were endorsed by the losers of the reforms. Without the change of the elites, the Georgian government would not be able to consider firing personnel of the whole department, as well as completing vast reforms, due to the resistance of the losers form the reforms. The next section will go deeper into discussion of the revolution movement and will provide evidence for the main argument of this study.

3.2.   Change of the elite

This section discusses possible explanations of different reform outcomes in Georgia and Armenia. First, it argues that the change of the elites is the most important factor which defined the success of the police reform in Georgia, and not in Armenia. It overviews the events of the Rose Revolution and those happening at the same time in Armenia and links

them to the theoretical background to support this argument. Then, it goes into discussing some other possible explanations and arguments why they could not play a major role in the definition of the police reform success.

The main argument is that the change in the elites and their relations with the losers of the reform could be the main factor which brought a difference in the police reform outcomes in Armenia and Georgia. In Georgia, after the Rose Revolution a new group of young educated politicians came to power and were able to avoid the old traps of the system. Before, as several researchers point out and which will be discussed in detail below, the whole public administration system was corrupt and in order for *nomenklatura* to survive they could use *compromat*("incriminating evidence")against each other, sharing a piece of governmental cake. There were two types of changes brought by the Revolution in Georgia: eliminating the losers' channels of manipulating the reformers and part of the losers of the reforms were removed from public service. The change of old government administration brought by the revolution did not allow losers to act the same way as they had, and the new administration eliminated a vast part of the losers of the reform. The argument goes from indicating the losers of the reform to the brief description of the events of the Rose Revolution and the Armenian political events, which will demonstrate that the new elites in Georgia were distant from the old ones, unlike in Armenia.

To consider the losers of the reform, one should look at the groups which were directly involved in the corruption in Georgia and Armenia. Academia points to the police themselves. As was described in chapter 3, the Ministry of Internal Affairs was considered to be very corrupt in both countries and the police officers were involved in illegal activities with organized crime groups: "Badly paid law-enforcement bodies implemented racketeering functions and did not allow gangsters to compete – the police themselves controlled markets,

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small businesses and smuggling" (Kukhianidze, 2009: 221). Therefore, the argument assumes that the police officials and the bureaucrats related to police activities are the potential losers of the reform.

3.2.1. Georgia

The events of the Rose Revolution could be considered started from the creation of the reformers group within parliament with such politicians as Saakashvili and Noghaideli, who later were appointed as ministers of Justice and Finance accordingly. As Wheatley (2005) points out, the members of the reformer group in the parliament did not have anything in common with the Soviet politicians who still remained in power. In the aftermath Saakashvili continued surrounding himself with the alike-minded. Mitchell (2006) also points out the fact that some of the government members returned to Georgia after trainings in the West in order to serve in the government after Saakashvili's call. "When Saakashvili entered office in early 2004, he had just turned 36, making him one of the youngest presidents in the world at the time. Many of his cabinet and advisers were even younger. Like the president, several had attended universities in Western Europe or the United States before returning to Georgia to work in civil society organizations" (Devlin, 2010). According to Wheatley (2005), during the elections in Georgia various international observers were invited, such as "Global Strategy Group", who recorded an electoral fraud. The authorities reported, that a significant number of votes had gone to the pro-government bloc, which put it ahead of the opposition. As Wheatley reports, Saakashvili organized a movement on the streets and led the people to the parliament, and in a few days had brought a cortege of several kilometers of opposition supporters to Tbilisi, forcing Shevardnadze to resign. Saakashvili, says Wheatley, gained 96,24 percent of support during the elections in the following year, appointing new ministers who did not serve under Shevardnadze (with a few exceptions) (See Table 4.1.1.).

Ministry	Name	Served as a minister in (the previous) Shevardnadze's governments	Was part of reformers' group
Ministry of Defense	Gela Bezhuashvili		
Ministry of Finance	Zurab Noghaideli	X (before 2002, resigned)	X
Ministry of Justice	Giorgi Papuashvili		
Ministry of Internal Affairs	Giorgi Baramidze		

Table 4.1.1. Heads of the key Georgian ministries after the Rose Revolution (appointed February 2004). Source: www.civil.ge; Ministry of Justice.

As Saakashvili's political campaign was built on opposition to the Saakashvili regime, all his steps were directed to demonstrate his distinctiveness from Shevardnadze: "Fighting corruption, however, was not an isolated undertaking; it was part and parcel of a wider attempt to overhaul the old system" (Engvall, 2012: 22).

Regarding the change in the methods of how losers from the reform influenced the government, it is important to underline that, according to Whitley (2005), the internal politics within the public institutions was made through having "*compromat*" against each other, blackmailing and inclusion in corruption schemes as a way of solving problems (Whitley, 2005). This was a common feature of post-Soviet states: "Corruption and organized crime are rooted in Soviet rule and in cultural, traditional and psychological factors. From that point of view Georgia is not unique" (Kukhianidze, 2009: 215). As newly appointed government did not have experience of working in the old system, they were not rooted into the existing schemes of corruption and were able to start the police reform during the window of

opportunity and to avoid the influence of the losers. The system of the corruption schemes was nicely described by Engvall (2012):

> "The price for a job in the police is said to have been ranging from $2,000-$20,000, depending on the profitability of the position for sale. <…> Structured as a pyramid, revenue obtained from bribery and extortion would pass upward the pyramid. Thus, the system was more organized than what met the eye. Officials were not free to dispose of their collected proceeds as they wished, since they had to provide a regular supply of payments to their bosses, and there were strong informal sanctions in place to punish those who did not obey the informal rules – giving officials strong incentives to participate in the informal market" (Engvall, 2012:17-18).

Therefore, the whole system of police and bureaucrats related to the police were interconnected and they involved in the same corruption schemes and newly appointed ministers and reformers who did not serve in the government before did not have an interest in maintaining the system as they were not involved and, therefore, did not benefit from it. Therefore, it was possible to proceed to the massive firings, and further reforms which were described in the legal acts in chapter 3. An example of arrests and firings of high officials is the head of Georgian Railways: "He has been joined in detention by other high-profile violators, the former energy minister and the chairman of the Georgian Football Association" (The Christian Science Monitor, 2004).The distinctiveness of the new elite and unlikeliness of inclusion in the old system can be also be argued for by the common view in academia that Saakashvili was using the anti-corruption drive as a political tool to eliminate his political enemies and clean up the old system: "Saakashvili knew the political and public support-building benefits of anticorruption drives. He knew that exposure of the corruption in Shevardnadze's government would serve as a pretext to clean up the system" (Kupatadze, 2012: 23).

Another side of this question is the elimination of a large number of losers themselves. As was mentioned above, and in the previous chapter, the whole personnel of the Traffic Police was fired, as well as were the low and middle rank heads of police regional

offices ("We are talking about 25 to 30,000 people" (Saakashvili, 2005)). Therefore, a large number of the losers of the reforms who were involved in the corruption and the links with the organized crime were eliminated from the public service.

3.2.2. Armenia

In Armenia, in contrast, the reform could not be implemented and achieve its goals as the old corruption schemes remained the same, and no power shift had happened. As Wheatley (2005) points out, a similar movement in Armenia which aimed to displace president Kocharian in early 2004 turned out to be unsuccessful. As well as in Georgia, the presidential and parliamentary elections in the first half of 2003 were also reported as fraudulent. The incumbent president Kocharian, who was in power since 1998 (and stayed until 2008), received more than 60% of votes. As Beachain and Polese (2009) put it, the events of the Rose Revolution in Georgia unified Armenian opposition and the conflict was started in the beginning of 2004 by "parliamentary boycott in response to the pro-Kocharian majority cutting off a debate to initiate a confidence plebiscite in the President" (Beachain and Polese, 2009: 21). The opposition brought more than 20,000 protesters on the streets and, as Beachain and Polese report, took measures used by Georgia, - brought people on a march from Freedom square to the parliament where they chanted calling for Kocharian to resign and stayed on the streets overnight. Nevertheless, as researchers put it, the protesters were met by the armed forces and were defeated which resulted in a hundred arrests and several injured.The main reason for the lack of success of the events, as Wheatley (2005) puts them, is that the movement lacked good leadership: "the most prominent opposition leader, StepanDemirchian, who stood against Kacharian in the 2003 presidential elections, had neither experience in government, nor widespread public support. His reputation was based

merely on the fact that he was the son of the former First Secretary of the Armenian Communist Party, Karen Demirchian" (Wheatley, 2005: 193).

Ministry	Name	Served under Kocharian's government before the reforms and the attempt for the revolution
Ministry of Defense	Serge Sargsian	X
Ministry of Finance and Economy	Vardan Hachatrian	X
Ministry of Justice	Davit Harutunian	X
Ministry of Internal Affairs	Haik Harutunian	x (from 2002 – Head of the Police of the Government of the republic of Armenia)

Table 4.1.2. Heads of the key Armenian ministries under prime-minister Andranik Margaryan (served from 2000 to 2007). Source: Adalian (2010), Parliament of Republic of Armenia (2013)

After the attempt for a revolution, Kocharian's government continued their anti-corruption reforms. Even having similar reforms on paper, the reformers in Armenia did not manage to achieve the same results as the elite did not change (Table 4.1.2) and even though the government made some reductions in the police personnel, it did not hit the corrupt officers and did not distort the corruption schemes, as the corruption remained on the same level and even grows according to Transparency International, as mentioned in the previous chapter. Therefore, the absence of the change of the elite did not allow implementing the reforms in the similar conditions as Georgia. Since the losers from the reform – corrupt politicians and, particularly, police officers, still held their positions after the police reform implementation, and as the officials who were implementing the reform were the same as before, they were able to maintain their corruption schemes, existence of which were described in previous chapters. The losers would not have any interests in increasing the transparency in the police, and this process is demonstrated in the worsening TI indices for

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Armenia. The Armenian government remained the same on several levels: Kocharian stayed in power through the attempt at Revolution as well as the elections, and the ministerial position holders remained the same too. It is especially important to note that the Minister of Internal Affairs (who became the Head of the police Department afterwards) continued holding office throughout the considered period. The main ruling Republican Party also did not have major changes in its structure, having the Prime Minister Margaryan as its head until his death in 2007 (The Republican Party of Armenia, 2013). Without a change of the officials, as a consequence of 2003 elections and the failure of the attempt of the Revolution, Armenia could not repeat the Georgian success and break out from the existing corruption schemes and sweep away the losers, who could resist the police reform.

Even though it is not directly related to the main topic of this study, it is interesting to note that in both countries the judicial system still remains among the most corrupt according to Eurobarometer (Transperancy International, 2013). The tables above have demonstrated that the Minister of Justice in Armenia remained during the beginning of the reforms, while in Georgia was replaced by a person who did not hold this position before. The same situation in , for example, Supreme Court (Supreme Court of Georgia, 2013 and Judiciary of Armenia, 2013). Nevertheless, it is important to underline the nature of the police as a highly hierarchical organization, which benefits on the lower levels from the change of the elites at the highest. And once again, this study aims to explain the (lack of) success of only the police reform in Armenia and Georgia, while the overall and some other parts of the anti-corruption reforms in both states may have different specificities and demand the presence of other factors in order to be successful.

3.3. Other Possible Explanations

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The change of the elite and their relations with the losers from the reform serve as a major explanation of the different outcomes of the reform in the two countries. Nevertheless, there are several other possible factors which are related to the main argument, and which all together create a critical mass which allowed the reform to succeed in Georgia and not in Armenia. Each of these explanations was enabled by the outcome of the Revolutionary movement, and without the change of the elites would not play their defining role.

3.3.1. Involvement of foreign actors

One of such possible alternative explanations is the presence of foreign actors in the reform process. Davison (2007), in discussing the "soft power" concept, emphasized by Keohane and Nye, argues that various international organizations have created regimes which made it possible to shape the policies of the targeted states through various norms, rules and sanctions. As Davison points out, there are several initiatives which played an important role in anti-corruption policies in the region. One of them is GRECO's activities, which include:

"a two-round evaluation procedure;

-a questionnaire;

-GRECO evaluation reports;

-GRECO Compliance Reports" (Davison, 2007:138). Such activities were not only undergone by GRECO, but also by organizations like Transparency International, OSCE and others. But all of them were practicing the activities, examples of which have been presented in the quote above, and which did not go beyond recommendations.

Involvement of the foreign actors could be considered as one of the reasons why the police reform did not achieve the planned results in Armenia but did in Georgia. Saakashvili, being a pro-Western politician, got words of support from abroad, especially the US (Welt, 2010). Nevertheless, GRECO, as well as other organizations, has been closely working with
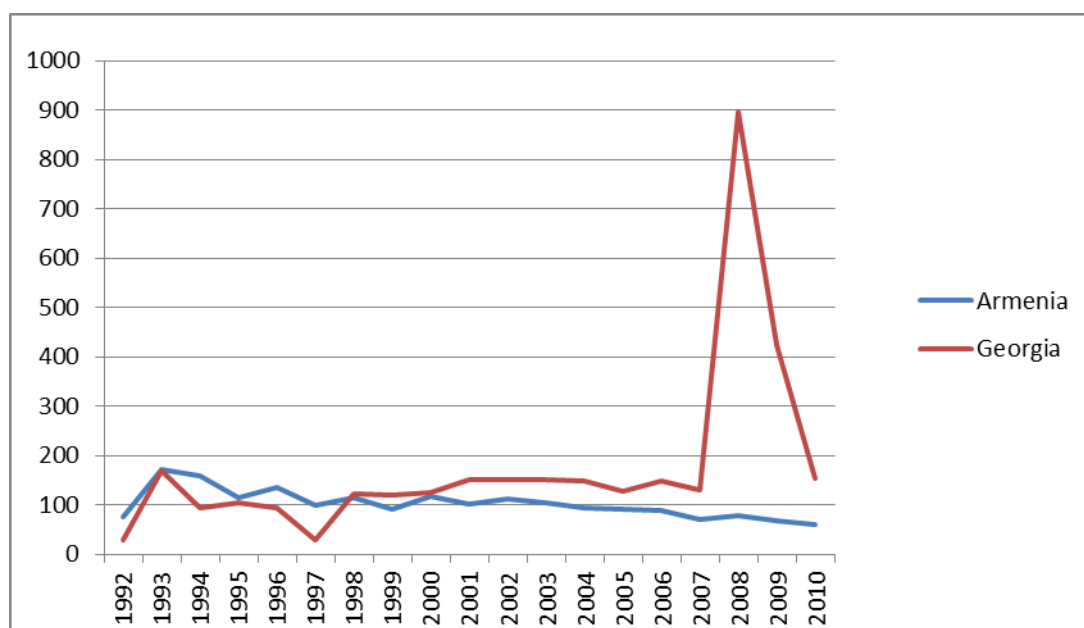

Figure 4.2. U.S. Assistance to the South Caucasus. (millions of current dollars) Source: Nichol (2013)

b

both countries and included similar recommendations to the countries. Both countries received recommendations on further activities. Therefore, the foreign actors' involvement though they can be an important part of the scope of causes of different outcomes of the reforms, but it was not the primary factor which influenced the outcome of the reforms. Moreover, as Davidson points out, the mechanisms implemented by the international organizations leave room for maneuver for the states, and therefore, states' internal reasons can play a bigger role in the reform process. He makes an example of the case of Macedonia, which also received recommendations from GRECO, but has "not enacted any legislation dealing with prevention of corruption. This exemplifies the gap between the ratification of international conventions and the implementation of the necessary legal instruments within

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domestic jurisdictions" (Davison, 2007: 141). Another dimension of foreign involvement is the amount of funding which the countries have received during the process of the police reform implementation. On the question of financing, there are different sources of aid which were directed to Georgia and Armenia. Among the biggest donors are the United States and European Union (Nichol, 2013:3). Analyzing the level of funding which became available to Georgia and Armenia (Figure 4.2.), for example in the case of the funding from the United States agencies, the amounts received by Armenia were bigger than those of Georgia during the 90-s, and though the level of aid to Armenia declined after the beginning of the 2000-s, the difference was not significant until 2008 and the events in Abkhazia and Ossetia.

It is true, that the level of funding directed to Georgia is slightly higher, though it is also explained by the change in the elite, and excitement of the West about changes and the future cooperation with Georgia. Referring to the level of corruption recorded in both Armenia and Georgia, if the funding played a major role in defining the outcome of the police reform, then after the beginning of the 2000-s Georgia having higher incomes (Figure 4.2.) from international donors should have achieved a decrease in corruption (Figure 3.2.A) earlier during the attempts of police reform by Shevardnadze's government (starting with the Law on Police discussed in the subchapter 3.4). As higher aid did not bring such results, it makes it possible to make the suggestion that there were more important factors than financial aid from the abroad in the question of the implementation of the reforms. In other words, the funding contributed to the successful reform implementation, but change of the elite and their relations with the losers were the major factor which, in fact, enabled the attractiveness of Georgia over Armenia due to the outcome of the Revolution and the possibility for the reformers to be free from the internal constraints set by the corrupt bureaucrats and police officers.

3.3.2. Severity of corruption

As Figure 3.2(A) demonstrated it, and it was discussed before in Chapter 3.2., the level of corruption in Armenia was lower than in Georgia before the reforms. According to Abiad and Mody (2005), and Alesina, Ardagna and Trebbi (2006), the reforms can be triggered by serious crisis. Though the "crisis hypothesis" is usually applied to the economic reforms, it can be useful in analyzing police reform as well. Therefore, the police reform in Georgia can be led by a serious corruption crisis, which was an obvious problem in the country, visible to everyone. Even though it is a plausible explanation, change of the elite still remain a superior factor which defined the outcome of the police reform because a new government has less constraints and more credibility from the population, as well as from the foreign actors involved, and therefore in Georgia the reformers could implement full reforms.

4. CONCLUSION

This study has addressed the problem of implementing the police reform in two Caucasian countries – Armenia and Georgia. The countries share a similar historical and cultural past and have similar levels of corruption in the past. The reforms, started in both countries in the early 2000-s, despite the similarities of the actions taken by both governments, led to different outcomes. While in Georgia the reforms increased the trust of the population in the police and decreased levels of corruption, its level in Armenia stayed approximately the same. The research question of this study is why the reforms in Armenia re less successful than in Georgia. The hypothesis is that the major reason for success of the reforms in Georgia and lack of success in Armenia is a change of the elites and, consequently, their relations with the losers of the reform, which found support in this comparative case study. The question of fighting corruption in the post-Soviet region has been widely discussed in the literature, and this study analyzed the question in the framework of the elite continuity and internal constraints related to the reform implementation.

The study first looked into the theoretical explanations of the relative success of the reform in Georgia and lack of such in Armenia. The study included insights by Hellman (1998) who argues that the reforms are often distorted by the involvement of insiders, who put constraints on the reformers' actions. The research also used Rodrik's approach (1991), who argued that the reform process can meet resistance from the losers of the reform, while afterwards the outcome can be for to the benefit of the general population. The study also includes the comparison of the reforms undertaken in Georgia and Armenia, both police reforms and types of reforms in other sectors, as well as the background of both countries in the field of police and corruption.

The main finding of this study is that the success of the police reform in Armenia and Georgia was defined by the outcomes of the revolutionary movements which took place in 2003-2004 years in both states. The main argument is that the change in the elites which took place in Georgia allowed the reformers, who did not hold their positions in the government before, to be free from the internal constraints put by the corrupt bureaucrats of the Ministry of Internal Affairs and the police officers. In Armenia, in contrast, the failure of the revolutionary movement allowed the government of Kocharian to stay in power and ministers to continue holding their positions. Therefore, even though the actions indicated in the reform action plan and strategies were similar to the ones made by Georgia (due to involvement of the same international consulting bodies), their implementation was restricted by the losers from the reforms – the corrupt bureaucrats.

New governments are not bound by the old connections and existing corruption schemes and, therefore, are more able to implement the reforms. It also happens due to gained higher credibility and recent legitimization of their power and their proposed course of action during the Revolution. With all the received support, the reformers were able to go through the series of measures in Georgia. This study emphasizes the importance of the elite change for the successful police reform in Georgia and Armenia. Nevertheless, it does not claim that other factors are unimportant. Indeed, it states that all together, they created a critical mass, which allowed the police reform in Georgia to bring such a successful result and allowed the situation to remain the same in Armenia. However, without the change of the elites and their break of the relations with the losers of the reforms this success in Georgia would be impossible.

There are three alternative explanations to the outcome of the reform which were also related to the change of the elite were: foreign actors, content of the reforms and severity of corruption. The first is the involvement of international actors into reform implementation

process. The funding received by the government was used for the increase in salaries, installing new equipment and so on. Though the difference was small, Georgia, for example, received slightly more funds than Armenia from the US in the form of the assistance, which could be a partial explanation of the success of the reforms in Georgia and the remaining level of corruption in Armenia. However, this explanation also leads us to the events of the revolution movements, because foreign donors welcomed the change of the government and new perspectives for cooperation, therefore higher investments could be caused by higher expectations of a new government established in Georgia.

Other alternative explanation is the content of the reform. Both governments have done much work on developing anti-corruption framework which extended much farther than the police sector. Both countries considered undergoing privatization, modernization of police equipment, creation of a single electronic database and increasing transparency and accountability in general. Armenia and Georgia undertook activities directed to the rebranding of the police, raising awareness in the society through a public campaign, restructured the Ministries of Internal Affairs, as well as the main principles of the reforms in both countries became accountability and transparency. Nevertheless, there are existing studies which demonstrate that the actions taken by Armenia are not as deep as those in Georgia. Therefore, the reform in Armenia can be called only partial as the planned activities were not fully implemented. This factor also relates to the main argument of the study, as in Armenia the continuity of the government could not resist the internal constraints, causing partial reforms and difficulty with reductions in police personnel.

It is also important to draw attention to the third explanatory factor that the level of corruption in Georgia was higher than in Armenia before the reforms and it could contribute to why it was so important for the reforms to be completed, though the very change of the elites and lack of internal constraints were decisive for why the reforms managed to be

completed in Georgia. They enabled the new government to be empowered with the legitimacy obtained during the Revolution and the elections in order stand against the losers during the reform implementation. In Armenia, the corruption was at a lower level and the elites did not change, and though the reforms still took place, the losers of the reform could restrain the reformers, which led to the partial reform implementation. All the mentioned alternative explanations contributed to the outcome of the police reform, though were only enabled due to the main argument of the study – lack change of the elite and remaining connections with the losers of the reform did not allow Armenia to make the same progress in anti-corruption measures as Georgia did.

A major limitation of such an argument is the complexity of the issue and difficulty of credible testing of a large number of variables on a set of two cases. This is why only one factor was chosen as of a primary importance while others serve as additional. The cases were also selected on the dependent variable and, therefore, the conclusions have to be considered with the greatest care for further inferences. The finding of this study can only serve as generalizable to the countries which are similar to Georgia and Armenia in various ways: size, political regime, culture, history, economic development, etc. The problem with selecting the dependent variable also can result in unobserved variables which vary slowly over time, which was partly solved by comparing countries in the second point in time (during the 90-s), as well as picking countries which are similar in various dimensions. Azerbaijan can be considered among such countries. The state also had made steps in implementing the police reform, and though having a different political regime, can serve as a case for further studies. Another drawback is a limited availability of information on corruption schemes and internal governmental relations. Even though there are academic studies which describe the nature of relations (such as using *compromat*, e.g.), expending the scope of the availability of the data would advance this study.

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Discussing the future of the police reform and the level of the corruption, one can expect that the effect of the changes done by Georgia, and which lacked in Armenia, may be not permanent. Following from the main argument of the study, the police reform succeeded due to the change of the elite, who were not influenced by the insiders and were not involved into existing corruption schemes. It was important for Saakashvili to gain popular support in the conditions of political instability after the Rose Revolution, and therefore, the police reform was chosen as the forefront of the new government's policies. Nevertheless, as time passes the new government members and public servants can create new corruption schemes, and, as the government is not anymore under political pressure of instability. It also can be so due to elimination of excitement around the international community about Georgia, and, particularly, Georgia after the events of August 2008 (Spiegel, 2008), popular rallies for Saakashvili resignation (BBC, 2007) and various reports on abuses (International Crisis Group, 2007) and, consequently, due decrease of funding. Nevertheless, the fact that in Georgia the reforms were relatively fully implemented (comparing to Armenia, the police department has through real rebranding, as well as received new equipment and the transparency has been increased through electronic systems installed) it is not likely that the level of corruption will return to the where it was before the reforms.

The study addressed a widely discussed problem of corruption in the police and implementation of reforms in this sector. The study contributes to the major debate on the factors which are necessary for the successful police reform and decrease in corruption by considering a different theoretical approach. Defining factors which are needed for the reform to be completed with positive results can help increase efficiency of policy-making, and consequently improve the public service and level of security in a particular country.

5. APPENDIX

Table 6 (A). Action Plan for Anti-Corruption Strategy of Georgia. Source: Ministry of Justice of Georgia

Purposes	Examples of the activities
Modernization of Civil Service	"Implementation and monitoring of Electronic Asset Declaration System", "Staff (including interns) of Public Service is recruited completely on the basis of competition"
Improvement of Public and Administrative Service	"Permanent Monitoring of service quality; carrying out surveys on consumer satisfaction", "Organizing trainings for enhancing service quality"
Development of Public Procurement	"Management of tenders through e-system", "Public awareness raising in respect of e-procurement system(trainings and seminars)"
Reform of Public Finance System	"Insuring accountability and transparency in accordance with standard ISSAI 20"
Improvement of Tax and Customs Systems	"Elaboration of mechanism for electronic management of tax invoices",
Competitive and Corruption-Free Private Sector	"Simplification of procedures concerning the construction licenses, licenses to obtain natural resources and license to export, re-export, import and transit product of double-use"
Improvement of Justice Administration	"Inclusion of courts in the unified computer system"
Interagency Coordination for Prevention of Corruption	"Conduct conferences on the issues of implementation of National Action Plan"
Improved System of political party Financing; Prevention of Political Corruption	"Elaboration of the mechanisms of quality control for election campaign of election subjects, annual financial reporting of political parties and audit"

Table 6 (B) Police Reform Program for 2010-2011. Source: OSCE

Types of the reforms	Examples of activities
Structural and Organizational Reforms	"Establishment of internal disciplinary rules of civil servants", "computerization of registration sin police, establishment of e-databases", "Establishment of a State Register of Population Fingertip", "Provision of the Patrol Service with necessary uniform, special means and weapons"
Educational Reform	"application of new criteria for testing the knowledge and skills of applicants to the Police Educational Institution", "re-equipment of specialized classrooms", "update of the library stock"
Reform of the Traffic Security	"construction in Yerevan of an autodrome for road testing", "installation of GPS locators for tracking traffic police vehicles", "development of an RA Draft Law "On Amendments to the RA Law "On ensuring traffic security"
Reforms for Protection of Citizens' Rights and freedoms	"Regular public discussion of the findings of the prisons civic monitoring groups reports", "Development of a new RA Draft Law 'On Weapons'."
Reforms For Adjustment Of The Procedures For Granting (Terminating) Citizenship, Exit And Entry Of Foreigners And For Improvement Of The Migration Administration Of The Police	"Introduction of new working methods in the process of citizenship acquisition (termination), foreigners' exit and entry; application of the 'single-room' principle of citizens' reception", "Providing access through e-networks to information on the procedure of application for citizenship and residential status"
Reforms for Introduction of a New Passport System	"Sum up of the international organizations' recommendations concerning the introduction of the system.", "Automation of the information provision process for incorporation of the voters list in the Internet information system.",
Reforms for Increasing the Effectiveness of the Combat Against Trafficking and Illicit Drug Circulation	"Acquisition and installation of drug detection devices at border checkpoints.", "Medical rehabilitation of drug addicts identified among prison population."
Reforms for Increasing the Effectiveness of Combating Organized Crime, Corruption, Money Laundering, Cyber Crimes	"Signing agreements on combating organized crime with police agencies of EU member states.", "Development of a package of legal acts on regulating cooperation between internet and communication service providers and law enforcement bodies aimed at prevention of cyber-crimes."

Reforms for Improvement of the Cooperation with other Agencies and Organizations	"Integration of the databases of law enforcement and other concerned agencies into a single environment, creation of a consolidated information system.", "Trainings in Yerevan, Vanadzor, Kapan and Gavar of the RA Police staff dealing with juvenile matters on cooperation with crisis centers for legal protection of women and children victims of domestic violence."
Reforms for Building-up Public Confidence in the Police	"Reconstruction of the police official website to set up a public forum.", "Elaboration of guidelines for police officers' contacts with the mass media."
Reforms for Improvement of Police Officers' Social and Legal Protection	"Capacity building of healthcare services and expansion of the scope of the services."

Figure 6(A) Georgia Police structure. Source: Ministry of Internal Affairs

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