

**Testimony of Daniel Ioannisian to the U.S. Helsinki Commission Hearing on
“Reform in Armenia: Assessing Progress and Opportunities for U.S. Policy”
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For decades democratic institutions were being systematically destroyed in Armenia. All the state bodies forcefully served a group of people who kept power in their hands through rigged elections, extensive propaganda and total apathy. This situation was an example of a state capture.

Expressing their discontent towards yet another attempt to violate democracy and desiring to counteract corruption, the people of Armenia made a democratic and peaceful revolution last year.

As a result of the revolution, people who lost power did not lose the enormous financial and media resources they had. With the obvious support from Russia, they started active propaganda against liberal democracy, setting liberal democracy against security.

That propaganda is so active that it makes the authorities step back from the ideology of liberal democracy and thus prove that they do respect the importance of security. And here I don't mean real security, I mean nationalistic and hoorah-patriotic rhetorics.

Currently, Armenia needs to consolidate its democracy so that the values of liberal democracy are not compromised. For that reason, support to the development of democratic institutes is important but not sufficient.

As I already noted, the representatives of the former corrupt system hinder democratic transformation in all possible ways. These groups continue to own huge financial resources obtained by corruption, and they act very efficiently in the cyber and information space together with Russia.

I should note that in this respect it will be very efficient to freeze the illegally obtained assets of those who have committed corruption related crimes in Armenia. To freeze it everywhere in the world, including in the US. Of course, this all should be done with due respect towards human rights and fundamental freedoms.

But neutralisation of corrupt representatives of the former government is not enough. It is also important to support making democratic transition in Armenia to make it more complete and comprehensive.

It is crucial that the independent judicial system and efficient law enforcement develop in Armenia. One of the weaknesses of the law enforcement system in this respect are the lack of capacities to fight against corruption, cyber crimes and organized crime.

The capacities of the law enforcement and judicial systems in this sector are so weak that very often they are not able to institute criminal prosecution based on the investigations already conducted by investigative journalists or other watchdogs.

As a result, the representatives of the former corrupt government violate laws, commit financial and cyber crimes, conduct large-scale campaigns against democratic reforms but remain largely unpunished only because the capacities of the law enforcement system and the

Prosecutor's Office, and the independence of the courts are not enough to respond to these criminal activities.

Although Armenian authorities largely share democratic values, they are quite inexperienced. And due to this factor the former corrupt regime manages to force the authorities to slow down the institutional reforms by setting security against liberal democracy and affecting public opinion.

It is also important to note that with respect to higher efficiency of reforms and not compromising the ideas of liberal democracy, it is crucial that the process of reforms should be inclusive and non-profit organizations which have promoted democratic values for years are actively involved in it.

Today Armenia has the exclusive and unique opportunity to put the principles of liberal democracy on institutional bases. To reach that end, support should be provided to Armenia in terms of becoming independent from Russia to the extent possible. It is no secret to anybody here that Russia does not like any democratization process in its neighbourhood.

And independence from Russia can grow if non-natural gas based generation of electricity and other infrastructures will develop in Armenia. The first will assist in reducing the influence of Russian gas, and the second will help in bringing back Armenian working-migrants from Russia since they also serve as a pressure-exerting lever for Kremlin.