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Democracy building and the link between public trust and corruption perception: Comparative analysis before and after the Armenian Velvet Revolution in 2018

ABSTRACT: *Eastern European post-communist countries inherited pervasive corruption after the breakup of the USSR. Public trust was the crucial factor in tackling corruption and democracy building in these countries. This article takes Armenia as a case to study the antecedents and evolution of trust in Eastern European post-communist countries that went through a government coup in the 21st century. By comparing the corruption situation in Armenia before and after the Velvet Revolution 2018, we scrutinise how trust was and is critical to combating corruption and democracy building. We argue that in transition governments, one can distinguish two sources of creating public trust. The first wave generates when the government is newly established, and people trust the leader and his persona. Arguably, in this stage, the level of trust generated is based on expectations. The second wave of trust comes with the government's actual performance, measured partly based on corruption perception.*

KEYWORDS: Corruption, Public trust, Democracy building, Revolution, Armenia

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INTRODUCTION

Corruption was a pandemic problem in the USSR (Kramer 1977; Willerton 1992). This corruption included bribery, special treatment for party leaders and members, the inefficiency of governing institutions, patronage and other forms of self-dealing. Research studies suggest that the political corruption was a contributing cause to the eventual breakup of the Soviet Union in 1991 (Leitner and Meissner 2018; Liebert, Condrey, and Goncharov 2013). It did that by undermining the performance of the economy and the legitimacy of the regime.

However, this political corruption did not disappear with the breakup of the USSR. Instead, as its former republics secured independence, the political corruption from the Soviet era and institutions carried over into all the new states (Dudwick 1997; Schultz 2008; Holmes 2013; Leitner and Meissner 2018). These states faced common problems such as building their own political institutions, including independent judicial systems, establishing free and fair election systems, strengthening civil society and engaging in public administration reform (Diamond 1999; Dowley and Silver 2002; Howard 2003; Liebert, Condrey, and Goncharov 2013; Luo 2005). These countries also faced common problem of trust and legitimacy. In part because of the entrenched corruption, the regimes had to gain initial support from their people, convincing them that the governments were serving the people and not self-dealing, as was often the criticism during the communist era.

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Critical to the battle to address corruption or its perception was the issue of trust. As Robert Putnam (1993; 2000) argued, the creation of trust and its related concept of social capital are essential building blocks in the construction of democracies. Trust, for Putnam, is essential among citizens to facilitate the relationships necessary to work together economically and in civil society with such skills paralleling or reinforcing those necessary in politics. His focus for trust, though, was among citizens or among members of a political community. There is also a different type of trust, i.e., public perception regarding political or governmental institutions. Many factors can influence this trust, including their performance in delivering on policy promises or addressing the needs of its members (Gilbreath and Balasanyan. 2017). Trust is also arguably connected to perceptions of corruption and the fairness of governmental institutions. Yet, in seeking to understand how trust is related to politics and corruption, we scrutinise one of many emerging questions, such as does trust in government change as perceptions of corruption evolve? Additionally, we study whether the quality of trust towards the government changes after a government coup and in which way.

This article looks at what are the antecedents and evolution of trust in Armenia during the transition up to 2019 and before the 2020 renewed conflict over Nagorno-Karabakh with Azerbaijan. Armenia is an emerging economy that became independent along with 15 other countries after the collapse of the USSR. The state had a deep transformation of ruling elites after the breakdown of the Soviet Union, which led to a slow process of establishing democratic institutions and managing the links of oligarchs in politics. Specifically, using Armenia as an initial case study and as part of a larger project on the role of trust and institutional change in post-communist states, it looks at how the building of trust was and is critical to combating corruption and democracy building. Moreover, Armenia was among the post-communist countries to go through a revolution in 2018 to replace the governing elites because of the lack of trust due to the high corruption level in the country. This paper seeks to elucidate how various colour revolutions in the post-communist world have been a product of and impacted trust and corruption perception. Specifically, this article focuses on Armenia and its Velvet Revolution in 2018. The article seeks to comprehend how institutional trust is generated after a critical juncture and how it ramifies in society.

What this article hopes to accomplish is an analysis of the relationship between trust and perceptions of corruption, and how both may be related to democracy building. To do that, the article describes the perception of corruption in Armenia before and after the 2018 Velvet Revolution. We specifically limit the time frame of the analysis to 2020, 2 years after the revolution. We do so for two reasons.

First, the 2020 war with Azerbaijan and the 2020 pandemic and now the war in Ukraine and migration of Russian nationals to Armenia were major disruptions to the Armenian political system and regime. Examination of any survey research or data that includes dates after 2020 will not be able to untangle the impact these events had on trust and corruption perception related to Velvet Revolution in Armenia. Thus, we isolate or narrow our frame of post-coup trust analysis to be able to assess, although short term, the impact of the coup. Second, there is a limited survey research looking at changing public attitudes in Armenia since the 2018 coup. The studies that do exist provide limited analysis regarding attitudes towards the coup and how it affects trust. In effect, examination of trust beyond 2020 is limited by the inability to untangle other major disruptions to the regime and simply by a paucity of data.

The larger thesis this article seeks to advance is that the road to democracy requires the development of trust in political institutions, and the latter is connected to perceptions of corruption.

POLITICAL CORRUPTION AND THE TRANSITION TO POST-COMMUNIST STATES

The road of post-communist states to stable democracies has been rocky. Collectively, all former Soviet or communist states faced challenges in rooting out political corruption, with varying levels of intentionality and success, while attempting to transition to democracy (Rose-Ackerman 1999; Steve and Rousso 2003; Worth 2015; Schultz and Harutyunyan 2016). In the case of the three Baltic states of Estonia, Latvia and Lithuania, they were more successful in combating corruption and establishing democracy (Holmes and Krastev 2020). Whereas other newly independent states such as Armenia, Georgia and Ukraine have had less success and have continued to endure higher levels of corruption or its perception (Dudwick 1997; Danielyan 2001; Stefes 2008; Gallina 2010; Kuzio 2015; Leitner and Meissner 2018).

In these latter three countries, often referred to by colours, revolutions have been undertaken to root out political corruption and initiate democratic reforms (Mitchell 2012).

Post-independence, Georgia's president was Eduard Shevardnadze who had served as the Minister of Foreign Affairs in the USSR from 1985 until its breakup in 1991. His tenure as president mostly meant that the politics of Georgia after 1991 continued the path of Soviet-style control that had been in place. However, in 2003, a pro-western movement called the Rose Revolution took place across the country with protests that challenged the parliamentary election results. Eduard Shevardnadze was forced out of office after protests that occurred when he tried to convene the disputed new parliament. This led to the eventual election in 2004 of Mikheil Saakashvili as president, who then in 2004 had to deal with a mini-Rose Revolution in Batumi and Adjara.

This second Rose Revolution challenged the nearly dictatorial power of Aslan Abashidze, who served as the head of the Adjara region. Then in 2019–2020, street protests in the capital took place and were launched after Sergei Gavrilov, a Communist Party member of the Russian Duma, sat in a chair reserved by protocol for the Head of Parliament. He delivered a speech in Russian praising Russian–Georgian relations, even though he had voted in favour of the independence of Abkhazia, a region that is part of Georgia but not recognised by Russia.

In 2004, Ukraine had its “Orange Revolution” to protest significant fraud in its presidential elections. It resulted in a new election that selected Viktor Yushchenko who pledged to address political reform in that country. But then, in 2014, the Euromaidan Revolution erupted over the failure of President Viktor Yanukovich to sign an agreement with the European Union that would have moved Ukraine in closer alignment with it. Among the concerns was the perception that Yanukovich was too closely aligned with Russia and was also politically corrupt (Hale and Orttung 2016). Finally, in 2019 on a campaign promise to address persistent corruption, Volodymyr Zelensky was elected president.

Post-independent Armenia, too, has had several revolutions or mass political protests. Levon Ter-Petrosyan was the first president of post-Soviet Armenia who was forced to step down in 1998 after allegations of fraud and corruption. He was replaced by Robert Kocharyan, who in his first two elections too faced claims of fraud. In 2008, there were mass protests in Armenia, challenging the results of a disputed presidential election between Kocharyan and Ter-Petrosyan. Supporters of the unsuccessful Ter-Petrosyan alleged electoral fraud, resulting in widespread demonstrations in Yerevan and across the nation. On 1 March, Kocharyan, with the approval of the Armenian parliament, declared a 20-day state of emergency. He banned future demonstrations and censored the media from broadcasting any political news except that issued by official state press releases. Domestic and international criticism of the bans were significant.

Then in 2018, there were anti-government protests in Armenia from April to May 2018, which have been called the Velvet Revolution. They were led in part by Nikol Pashinyan, who was the head of the Civil Contract party. They were in response to President Serzh Sargsyan's effective repudiation of his pledge not to return to office as prime minister after his term as president ended. At one point, Pashinyan was arrested and held in solitary confinement overnight. Protests ensued. Eventually, the National Assembly elected Pashinyan Prime Minister after Sargsyan was forced out of the race. His government was fortified when in December 2018, the “My step” bloc led by Pashinyan entered the parliament with 88% of electoral voices (Grigoryan, 2018).

After eliminating the old governing elites, in 2019, the new established government's main tasks became strengthening the democracy in the country and developing a balanced diplomatic relationship with the EU, Russia and neighbouring countries. Nevertheless, the following year turned out more challenging for Pashinyan's government. In Spring 2020, the lockdown was introduced all over the country and the corona pandemic adversely impacted the implementation of economic and political reforms. Yet, the worse for the Pashinyan's government happened on 27 October when Azerbaijani military forces backed with support from Turkey and recruited fighters from Syria attacked the disputed territory of Artsakh (Nagorno Karabakh) inhabited with Armenians (McKernan, 2020). After the disadvantageous ceasefire for Armenia, anger was followed by protests against the prime minister (*BBC News*, 2020). The protests continued into the beginning of 2021, accusing Pashinyan of betrayal.

The political demonstrations or so-called revolutions in Armenia, Georgia and Ukraine share several commonalities. All shared concerns and perceptions among voters that there was to a different extent political or electoral corruption or fraud (Gilbreath & Balasanyan 2017; Iskandaryan 2014; Dominioni 2017; Kovalov 2014). There were fears of democratic backsliding and a demand for reforms. Agitation over the degree of alignment with the West or Russia also seemed critical. All three countries having a territorial proximity with Russia were challenged in their efforts for economic and military independence. These three countries had historically “disputed” territories. But the demand to address political corruption clearly was a dominant theme (Baev, 2018; Galstyan, 2018; Gricius, 2019). There was also among these three countries a problem when it came to trust.

After the Soviet Union's collapse, the level of institutional trust in three transition economies decreased, yet there was increasing interpersonal trust (Habibov & Afandi 2015). Personal ties became more reliable and made it quicker or easier to get things done.

In these countries where interpersonal trust was high and institutional trust was low, the corruption perception level was high (Tonoyan, 2005; Transparency International, Corruption Perception Index 2003). Although all three countries were facing challenges in building democratic political institutions, Armenia had additional economic and historical challenges with its two neighbours. Closed borders with Turkey and Azerbaijan were blocking the economic development of Armenia. After the collapse of the Union, Azerbaijan became governed by Aliyev's family clan, and Aliyev was nominated as a person of the year in 2012 in organised crime and corruption (OCCRP, 2012). However, Turkey's dictatorship under Erdogan's government left little hope for the Armenian government to establish cooperative relationships with neighbours and become less economically dependent on Russia.

TRUST AND DEMOCRACY

The notion of trust has been extensively researched among social scientists during recent decades. According to political scientists, trust is a slowly established habit among people at the interface or overlapping of both commercial and civic activities (Putnam 1993; Fukuyama 1995). Psychological research defines it closer to morality and in contrast to unethical behaviour (Rotter 1980). Economist Albert Hirschman suggests that trust is "a moral good that grows with use and decays with disuse" (Hirschman 1984). Trust, in terms of how Putnam employs the concept, is mostly about trust among members of a community, and it is tied to market transactions or behaviour that takes place in civil society. But trust is also connected to attitudes towards government (Almond and Verba 1963). If individuals trust their government, then they are more likely to support it, its laws or its institutions because of a perception or belief that it is serving them or their needs. Trust is thus connected to regime legitimacy and eventually to democracy (Almond and Verba 1963; Mischler and Rose 1997; Zmerli and Newton. 2008).

Scholars use trust to study its association with corruption level or its perception in a country (Bouckaert and van de Walle 2003; Warren 2004; Wroe, Allen, and Birch 2012). Empirical research displays trust to be both a cause and consequence of perceptions of corruption. Generalised trust creates reciprocity and nurtures social relations (Fukuyama, 2005). High levels of personalised trust can have adverse effects on the corruption level. In countries where generalised trust is higher, the perception of corruption is lower and vice versa. Arguably, countries with higher perceived corruption level among individuals have lower institutional trust level (Anderson & Tverdova 2003; Tonoyan 2005; Chang & Chu, 2006). Generalised or institutional trust has been historically low in post-communist Eastern and Central European countries (Paxton, 1999; Wallace & Latcheva, 2006). In the Armenian society, where family and kin comprise one of the essential parts of life, people heavily rely on these ties in everyday transactions. Thus, in Armenia, because of high levels of particularised trust, non-market corruption was more common, and illicit activities were mainly committed through created networks (Scott, 1972; Jar-Der Luo 2005; Tan, Yang, and Veliyath 2009). However, following the collapse of the Soviet Union, economic recession and the half-established public institutions, one did not see a high level of political trust. Thus, the high level of the perception of corruption persisted for decades in the country after the breakdown of the Soviet Union.

Two main theories tend to explain what impacts the trust level in public institutions. Cultural theories of trust argue that trust in public institutions originates outside the political sphere (Jackman & Miller, 1996; Foley & Edwards, 1999). They argue that political and economic performance is not strongly related to political trust. The former changes very slowly in time and hence has a low impact on the latter. They claim that trust towards governmental institutions is instead an outcome of prevailing social norms and culture in a country.

Hetherington (1998), advocating for the institutional theory of trust, argues that the performance of political institutions is decisive in establishing a trust level. Governments performing more satisfactorily can generate higher trust. At first glance, one would assume that improving socio-economic conditions would be the only key to increasing the trust in government in emerging economies. However, after the Velvet Revolution in Armenia when Pashinyan started to lead the government, he possessed a very high level of trust (in the first survey that we cite in this article, 91% had a favourable opinion about Nikol Pashinyan as a politician and person). However, at this point, he had not introduced significant socio-economic improvements in the country yet.

Thus, in transition governments, one can distinguish two sources of creating public trust. The first wave generates when the government is newly established, and people trust the leader and his persona. We suggest that in this stage, the level of trust generated is based on the expectations. If individuals expect reforms to be successful, then initial trust will go up. The second wave of trust comes later, according to the government's actual performance, as measured in part based on perceptions of corruption. Here, if the government performs up to expectations, then trust goes up; if it fails expectations, then trust goes down.

METHODOLOGY

What we aim to test is the relationship between trust and perceptions of corruption. Specifically, as suggested above, we argue that there is a two-stage model or hypotheses being proposed. The first stage is where post-regime change trust in government goes up based on expectations of positive reform. If these expectations are met, then initial trust rises. The second stage looks at the actual performance of the government in office. If the government lives up to expectations, then trust increases; if it fails, then trust goes down. However, with the second wave of trust, a critical barometer of trust is corruption perception. By that, if the public believes the government to be corrupt or operating in a corrupt fashion, then trust goes down. Conversely, if the public perceives the government to be addressing corruption, then trust goes up. As noted above, building institutional trust is one of the several components critical to post-communist regime change to democracy. This article tests the second stage of trust and how it is related to perceptions by the Armenian people in terms of how well the government is addressing the corruption.

For the purposes of this article, we follow the definition of corruption provided by Transparency International (*Transparency International*). They define it as “abuse of entrusted power for private gain.” Their definition includes acts such as:

- Public servants demanding or taking money or favours in exchange for services
- Politicians misusing public money or granting public jobs or contracts to their sponsors, friends and families
- Corporations bribing officials to get lucrative deals

In constructing their yearly global ranking of corruption, they have constructed a corruption perception index survey which is derived from many sources that seek to ascertain how corrupt a population perceives its government. Since it is impossible to directly detect all forms of corruption in society and even to classify whether a specific act constitutes corruption, this article accepts the fundamental premise that it is a perception of corruption that is critical to the sense of trust.

Using this definition of corruption, we link surveys that measure trust in various institutions in the Armenian government to perceptions of corruption by the Armenian people. The article uses a “before and after” methodology, seeking to determine how the 2018 Revolution was a product of changing perceptions of corruption and trust and, subsequently, how it changed both. Unfortunately, the scantiness of longitudinal survey data during the time of this research limits the possibility of deep statistical analysis in this paper.

TRUST AND POLITICAL REFORM IN ARMENIA

Armenia continues to have relatively high levels of corruption or its perception after decades of the collapse of the Soviet Union. According to Transparency International, in 2002, Armenia’s highest rank was 78, among 133 countries. The comparative stage ranking dropped to its lowest of 129 in 2011 when Serzh Sargsyan was the president and mass protests were occurring in Yerevan for political reform in the country. After introducing the new methodology by Transparency International in 2012, Armenia scored on average 35 from 2012 to 2018. According to Transparency International 0 means highly perceived corruption level in the country, and 100 indicates free from corruption. After the Velvet Revolution in 2018, Armenia’s corruption perception index in 2018 was 42, demonstrating a notable seven-point improvement compared with the previous year (*Transparency International*, 2020). This improvement continued in 2019, scoring another seven-point improvement on the corruption perception index.

Contrary, in 2016, according to Global Corruption Barometer, the highest number of representatives involved in corruption were those in governmental institutions (45%), the president and his staff (44%) and tax officials (43%) (*Transparency International*, 2016).

After the revolution, the Center for Insights in Survey Research conducted three consecutive surveys among the Armenian residents comprising 1,200 respondents each. The survey covered all the regions in Armenia and Yerevan. The first wave was conducted from 23 July to 15 August 2018, the second from 9 to 29 October 2018 and the third from 6 to 31 May 2019. Interestingly, the first survey is called “High Expectations for Pashinyan’s Government,” the second “Expectations for Political and Economic Reform” and the last one “Public Expectations.” As one can note from the titles, the expectations went down during that time.

One explanation is that one after another, the high-ranked officials prosecuted for corruption were let free. Onerous and inefficient legal proceedings became more like vendetta performed by Pashinyan for personal offences when he was in opposition. (Later, we will discuss that those futile prosecutions could negatively impact the trust in courts and the judiciary system.) The second explanation for diminishing expectations might lie in unmet socio-economic conditions. Indeed, in the first survey, respondents listed unemployment/jobs (21%⁴), Artsakh (Nagorno-Karabakh) conflict (10%) and socio-economic problems (9%) as the main problems Armenia was facing then. In the successive surveys, social and economic conditions remained primary. Namely, in the second survey, socio-economic problems (12%) were in the second position after unemployment/jobs (14%) and before the Nagorno-Karabakh conflict (7%). In the last survey, the poverty/financial condition of people (8%) was in the top three main problems after unemployment/jobs (15%) and socio-economic problems (9%). Apparently, the survey respondents did not believe the new government was meeting the socio-economic and fiscal expectations of the population.

Finally, juxtaposing the results with the 2016 Global corruption barometer post-revolution survey, residents found as favourable the work of the prime minister's office (82%, 85% and 72%) and the president's office (72%, 78% and 81%). In terms of openness and transparency in all three surveys, the prime minister and the president's office were placed on the highest two ranks. Arguably Pashinyan's promise during the mass demonstrations to tackle corruption as a primary hindrance for the country's development and prosecuting high-level politicians for corrupt dealings shortly after becoming the prime minister inspired trust in his persona and office. Plausibly, young people appointed by Pashinyan in high-rank positions triggered trust in his administration and the fight against corruption. On the one hand, newly assigned statesmen were inexperienced in politics; on the other hand, they did not have a track record for corruption (Hauser, Simonyan, and Werner 2020).

The surveys mentioned above and data are non-inclusive, depicting the efforts of the Armenian government in addressing the corruption challenges and strengthening the democracy in the country. However, these are surveys and indicators represented by independent international organisations spanning the whole country. In addition, the analysed surveys had at least two or three waves, making them comparable and increasing their statistical power.

Before the Velvet Revolution, corruption has been a considerable hindrance to the Armenian business environment too. While ranking the Top Business Environment Obstacle for firms, 5.4% of firms chose corruption. Many firms, 28.3%, chose tax rates followed by tax administration, which was selected by 23.6% of the firms as an obstacle (*The World Bank*).

According to the Worldwide Governance Indicators' Control of Corruption Index, Armenia scores below 0, indicating low-level control of petty and grand corruption (Table 1). The index estimates range from approximately -2.5 (weak) to 2.5 (strong) governance performance. In 2018 which was the year of the Velvet Revolution, we noticed a notable improvement in the index, which is still below zero.

In three surveys conducted by the Center for Insights in Survey Research, the most popular response to the question "Why do you think the change in government is positive?" the answer was "decreased corruption," respectively 32%, 37% and 27%. Further, the first two highest responses, "the biggest failures of the previous government were corruption and robbery."⁵ This implies that corruption was one of the pivotal factors bringing people out to march in favour of a revolution (Lanskoy & Suthers 2019; Feldman & Alibasic 2018).

Increased trust in institutions along with anti-corruption reforms and strengthening the democracy of the public institutions decreased the corruption perception in the country. Thus, in the beginning, Pashinyan's government was very consistent in introducing policy reform fighting corruption, which he announced as one of the priorities as a new government leader. According to the public opinion polls, the two highest corruption reforms conducted by Pashinyan included National Security Service Disclosure (36%, 32% and 24%) and detention of oligarch leaders (23%, 19% and 19%) (*International Republican Institute*, 2022).

Fines and prosecution of corrupt politicians comprised an essential part of the newly formed government. Criminal cases were opened for abuses of power, financial losses and embezzlement on highly ranked politicians, such as retired army general Manvel Grigoryan (June 2018), third president Serzh Sargsyan (December 2019), former mayor of Yerevan Yervand Zakharyan (September 2019), former head of the State Revenue Committee and former Minister of Finance Gagik Khachatryan (August 2019), and finally the second President Robert Kocharyan who would later become his primary opponent in the snap parliamentary elections to be held on 20 June 2021, which was set after losing the Artsakh war against Azerbaijan and Turkey (Sargsyan, 2020).

⁴ First mentioned responses are depicted.

⁵ Missing for the third year.

Tab. 1: Worldwide Governance Indicators Control of Corruption in Armenia

Year	Armenia	Year	Armenia
1996	-0.473051	2007	-0.742384
1997	-	2008	-0.708098
1998	-0.861185	2009	-0.619758
1999	-	2010	-0.696304
2000	-0.759535	2011	-0.656885
2001	-	2012	-0.587787
2002	-0.746524	2013	-0.531947
2003	-0.570029	2014	-0.523999
2004	-0.610483	2015	-0.533811
2005	-0.674141	2016	-0.571971
2006	-0.670823	2017	-0.5601
		2018	-0.3491

Source: *Worldwide Governance Indicators*.

To increase trust in his government among the people and with foreign investors, Pashinyan introduced democratic changes to the public institutions acknowledged by the international community. According to the Economist's Democracy Index, Armenia scored 4.11 in 2017, 4.79 in 2018 and 5.54 in 2019; 4.0 is a threshold between authoritarian and hybrid regimes. Similarly, 6.0 is a threshold between a hybrid regime and flawed democracy (*Economist Intelligence*, 2020). According to Freedom House, Armenia's democracy score in 2018 was 2.57 and increased to 2.93 in 2019 and 3.00 in 2020 (*Freedom House*, 2019). Armenia's increasing score indicates the shift from a hybrid regime to strengthening democratic institutions in the country.

In May 2019, the Ministry of Justice of Armenia introduced the unified electronic platform for whistleblowing on corruption crimes. The platform was meant to create awareness among citizens to eradicate corruption and provided an opportunity to report a crime. Citizens can whistle blow in the www.azdararir.am platform anonymously, and the ministry of Justice of Armenia guarantees their protection. The name of the platform is a translation of the imperative form of the verb “to whistle-blow” (in Armenian ազդարարել) which also forms the noun whistleblower (in Armenian ազդարար).

Hence, the anti-corruption measures resulting in higher trust in the newly formed government could have influenced the corruption perception of individuals. Consequently, the development of institutional trust and decreased perceived corruption were cornerstones in strengthening the democracy of the public institutions. Thus, after coming to the government, Pashinyan leveraged institutional and legal anti-corruption mechanisms for yielding lower corruption levels in the country.

Trust in Armenian Institutions

Perceptions of corruption remain relatively high in Armenia, although they did fall after the 2018 revolution from 35 to 49, recording the best improvement worldwide in 2 years, as noted above. This suggests possibly that the revolution did change perceptions. Yet another way to map this out is to look at how trust in specific Armenian institutions have changed over time. Caucasus Barometer performs frequent surveys of the people in the three Caucasus states, asking, among other questions, about trust in various institutions. Figures 1–5 provide a time series evolution of popular senses of trust towards the courts, the executive government, parliament, the president and political parties.

In general, trust in the courts decreased slightly, while trust in the parties and parliament decreased significantly. Nevertheless, conversely, trust in the president and executive offices increased. There is a clear breaking point in the diagrams between before and after the Velvet Revolution. Two waves of trust fluctuation are evident in 2013 and 2018. First, in 2013, Serzh Sargsyan won in a fraudulent election (Grigorian, 2015). It produced extreme distrust towards the authorities (*Transparency International*, 2013).

Fig. 1: Trust towards Armenia courts

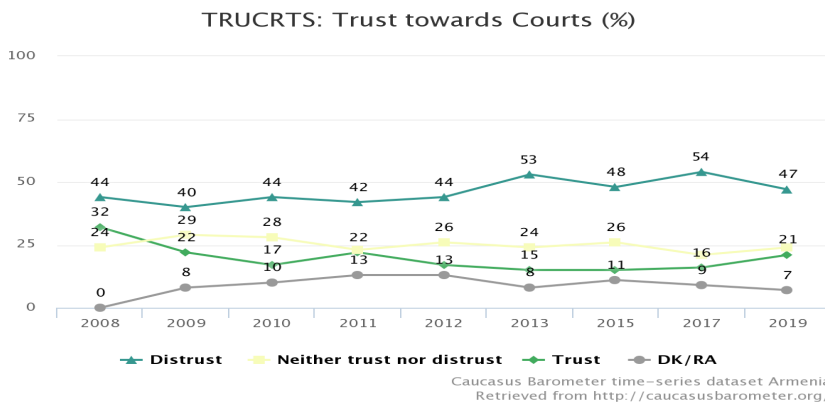


Fig. 2: Trust towards executive government

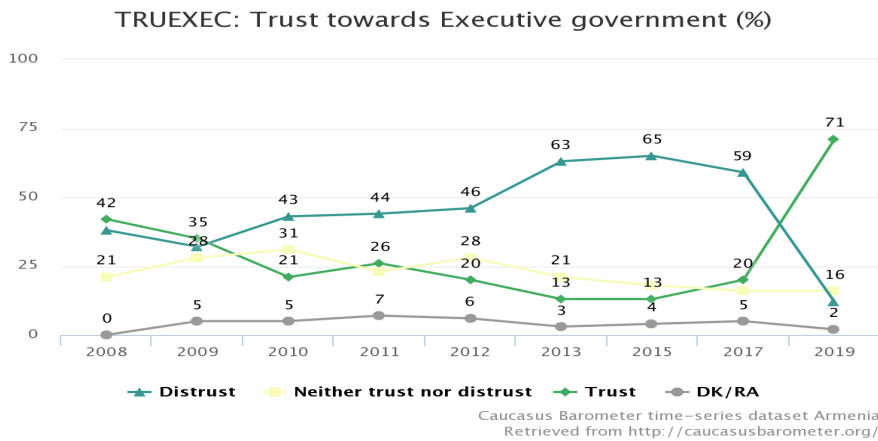


Fig. 3: Trust towards president

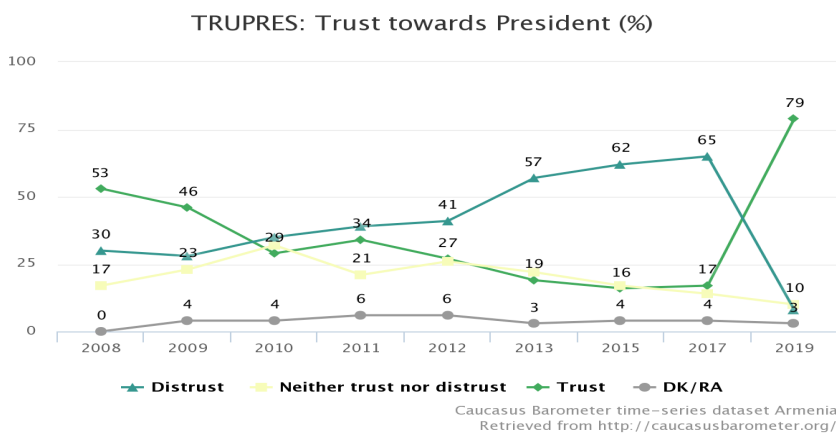


Fig. 4: Trust towards parliament

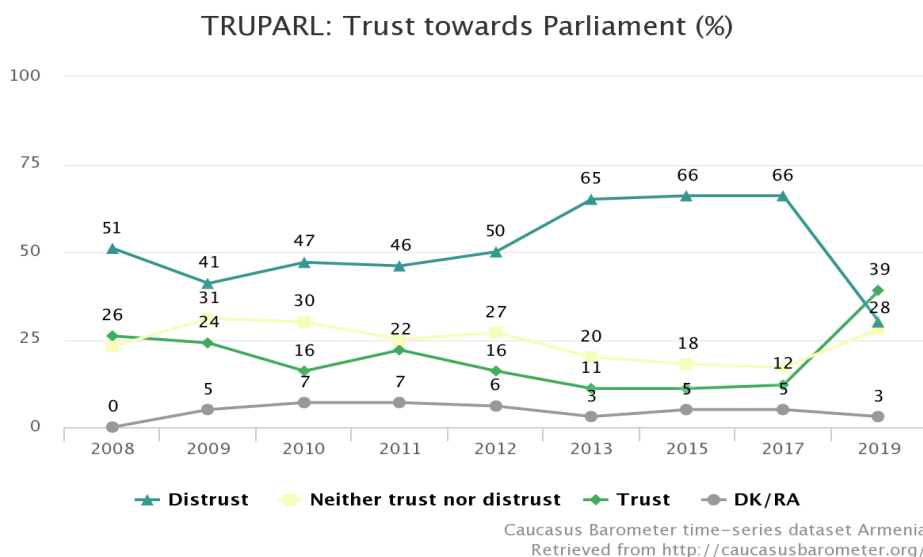
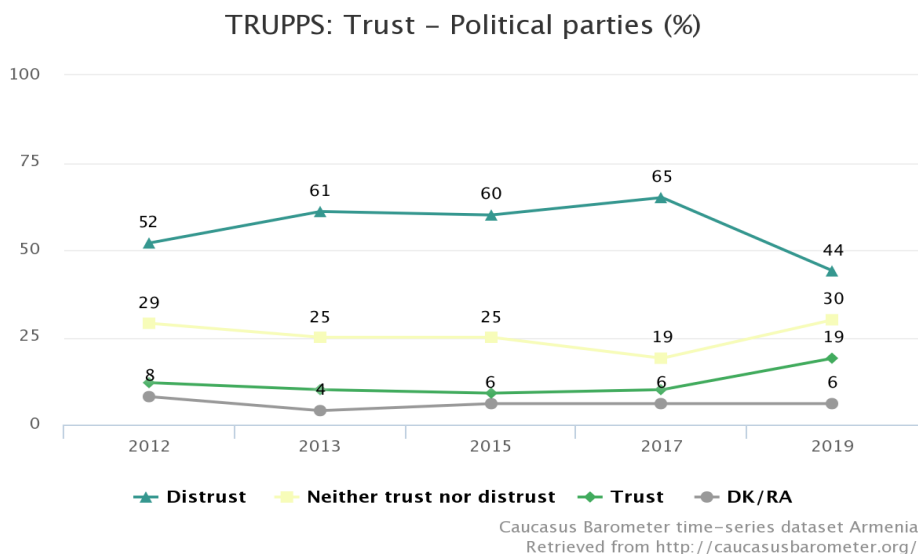


Fig. 5: Trust in political parties



Diminishing trust in public institutions led to an increased likelihood of protest actions (Jolobe, 2017). This contributed to more declining public trust in Sargsyan’s government. Subsequently, his aspirations to become prime minister in 2018 prepared a “fertile soil” for mass demonstrations in the country. Thus, the second alteration of the curves commenced following the Velvet Revolution in 2018. Active participation in the revolution and high expectations of citizens may be the reason for increased trust in public institutions.

If we combine these trust measures with Transparency International rankings for corruption perception, the results can be plotted in the next chart. There are only nine dates or data lines between 2008 and 2019 to perform statistically meaningful tests. However, if the hypothesis of this article is correct, then there ought to be some inverse relationship between trust in political institutions and perceptions of corruption. This chart graphically demonstrates that. It also shows that after the 2018 Revolution, trust in many of

Fig. 6: Trust and perceptions of corruption in Armenia: 2008–2019



the Armenian political institutions went up. It did so because of the perception among Armenians that the government was seeking to tackle the corruption problems, as it promised it would. If the 2018 Revolution was about anything, then it was a protest against corruption, and the new government took steps to honour its promise to address it.

Beyond graphic analysis, we performed a simple correlation analysis that looked at the relationship between trust in the courts, parliament, political parties, the executive department and the president, respectively, and perception of corruption (Figure 6). What we found were correlations of -0.10 (courts), 0.835 (parliament), 0.267 (political parties), -0.535 (executive branch) and -0.465 (president). While the paucity of datapoints might make more robust conclusions impossible, the correlations do largely capture some relationships between trust in government and perceptions of corruption. Specifically, we find that in comparing trust in various institutions and tying it to perceptions of corruption after the 2018 Revolution, there were noticeable changes. Specifically, a decline in perception of corruption had a medium or definite relationship with increased trust in the executive departments and the president. This is not a surprise given the central role that the presidency and the executive branch had in the coup and the ouster of one president with another.

CONCLUSIONS

What this research sought to do was to examine first the factors influencing corruption perception among Armenians and how it changed over time, especially after the 2018 Revolution. We found that trust has gradually increased over time, especially after the 2018 Revolution, when perceptions of corruption decreased.

This research undertook a “before and after” approach. By that, to understand the factors that influenced corruption perceptions in Armenia, this article looks at events in this country from the end of the 2000s, when Serzh Sargsyan became the third president of Armenia, till the end of 2019, before the pandemic penetrated the globe. In 1998, the first wave of the post-Soviet Union independence transition happened. At that time, the war with Azerbaijan was finished, and the government could dedicate its efforts to economic and foreign policy reconstructions. Next, Kocharyan came to the power with differing views from Ter Petrosyan on the critical issues including resolution of the Artsakh conflict, Armeno-Turkish relations and tax collection (Astourian, 2000). Yet during Serzh Sargsyan’s government, the issue of corruption aggravated to an unbearable extent for ordinary citizens, bringing them out to street protest.

It was during Sargsyan’s tenure that among 42 European and Central Asian countries, Armenia ended among the seven countries facing the worst corruption issues (Pring 2016, p 29). During Sargsyan’s presidency, election fraud in Armenia flourished (Policy Forum Armenia 2013, p9). According to the Armenian Corruption Household Survey (2010), 39% of Armenians considered corruption as a fact of life. In the same survey, 69.7% of Armenians in response to the question “What is the primary reason that people justify their participation in corruption?” mentioned that there is no other way to get things done.

As discussed above, corruption perception changed rapidly among the Armenians just after the 2018 Velvet Revolution. Pashinyan's anti-corruption policy continued his pledge to curb corruption by replacing monopoly with competition and punishing government employees for demanding bribes from the business. This change in corruption perception and an increase in trust is consistent with our thesis regarding how the two are connected, especially for second-stage trust. However, we did not find similar changes in the relationship between perceptions of corruption and trust in other institutions. This lack of a relationship may be due to the central role of the presidency in the 2018 Revolution. It also might speak to how nuanced public perceptions of trust and corruption are and how institutionally specific they are.

We limited the research by the end of 2019 because the later developments in the country need separate attention, including the Coronavirus hit and handling in 2020 and the war with Azerbaijan backed up with Turkey's military forces in fall 2020. At the same time, this article leaves a lot of unanswered questions. Is Armenia unique in its experiences, or is it characteristic of other post-communist states in terms of how perceptions of corruption and trust are related, especially after the initial post-Soviet style of government regime change? Future research will situate Armenia's efforts to address corruption by comparing it with Georgia and Ukraine. It will also seek to understand changing perceptions of corruption by looking at them before and after the respective revolutions in these three countries. This research will ask the following questions: How did the revolutions lead to changes in elections, regime structures or political alignment among political parties? How did the revolutions lead to changes in international relations? What were the unique factors in each country that prompted revolutions, which have subsequently defined the capacity of the different regimes to change? How successful have the three countries been in abating real corruption or its appearance? What role did constitutional and legal changes have in addressing perceptions of corruption? These are questions that still need to be answered.

At this stage of the research, the article has shown a pattern of how trust and perceptions of corruption are connected and how specific events might trigger or connect the two. Specifically, it provides insights into how the various colour revolutions may be a product of trust and perception and how the two change afterwards. For policymakers, the finding suggests that shortly after the revolution, the perceived corruption level will decrease, and the populous might be ready to undertake crucial combats against fighting corruption at this stage. Similarly, for local and international anti-corruption organisations, it is an optimal time to introduce robust anti-corruption measures that might have a long-term effect and last longer even when the first wave of euphoria after the revolution is behind. Finally, it might suggest that trust and perceptions need to be untangled better and the focus needs to be on specific governmental institutions and not simply regime-wide.

Armenia provides an initial case study for a broader research design that seeks to understand the empirical connections between perceptions of corruption, trust and democracy building. After Armenia, Ukraine and Georgia are case studies contrasting to states such as Latvia, Lithuania and Estonia, which have completed the path from the Soviet era to stable western European-style democracies. Future research is needed to look at how the interrelationship between corruption perceptions and trust across states played out and what that means for a theory of democratic transitions and stability.

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