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Richard Giragosian

Richard Giragosian is a Founding Director of the Regional Studies Center (RSC) and guest lecturer at the NATO Defense College in Rome. His expertise lies in security studies and international relations.

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Introduction

In a rare victory for non-violent people power, an opposition movement led by Nikol Pashinyan came to power in Armenia in 2018, on an agenda dominated by domestic demands. In what became known as Armenia's "Velvet Revolution," Pashinyan quickly forced the incumbent Armenian government of Serzh Sargsyan from power, ushering in a new stage of democratic governance. One of the more impressive characteristics of Pashinyan's rise to power was rooted in the discipline of his movement: strictly non-violent, it focused instead on an effective exercise in civil disobedience rather than any primary reliance on the traditional, yet increasingly ineffective, Armenian tactics of mass rallies and protests.

Yet it was a second element of this political discipline that proved far more significant over the longer term: the rigid enforcement of a political agenda that was solely limited to domestic demands, with no emphasis on geopolitics or foreign policy. This move not only avoided defining the opposition protests as a geopolitical context between Russia and the West, but also bolstered Pashinyan's leadership as a novel repudiation of the politics of Armenian nationalism. This context not only allowed Pashinyan to differentiate himself from previous leaders, but also articulated a new political posture that offered a welcome change to the increasingly stale and rather tired Armenian discourse of the past two decades.

Once in power, however, there was no escape from geopolitics. Despite the Pashinyan government's desire to focus on domestic priorities, the power of geopolitical pressure was both inevitable and irresistible. The policy response to this intrusion of geopolitical pressure was shaped through a new strategy aimed at breaking with the past, seeking to strike a balance between addressing present challenges and making deliberate choices for the future. This innovative strategy sought to diversify Armenia's partners in terms of political partnerships, security ties and alliances, and relations in economics and trade.

However, after seven years under Pashinyan's leadership, assessing this strategy of diversification remains particularly challenging due to the constantly shifting landscape of threats and opportunities facing Armenia today. Against the backdrop of dynamic developments, the only clear conclusion is that there is no viable way to resist the influence and impact

of geopolitics on Armenia. Thus, this paper will assess the implementation of Armenia's strategy of diversification, while also presenting precise policy recommendations and proposals.

Seeking Strategic Balance

From the moment Armenia gained independence following the collapse of the Soviet Union, geopolitics has shaped the strategic context for the development of Armenian statehood. The country was already engaged in a war with Azerbaijan over Nagorno Karabakh, and, consequently, the early years of the modern Republic of Armenia were dominated by security concerns, which became the foremost policy priority. Even the country's declaration of independence in August 1990 was a strategic response to a geopolitical opportunity, coming after the clear demise of Soviet power. From that historical perspective, Armenia was destined to adopt a "small state strategy," making it capable of charting a course between and among much larger regional powers, such as Russia, Türkiye and Iran.

Armenia's response to geopolitical challenges has been to craft a diplomatic strategy and foreign policy in pursuit of "complementarity," a policy objective of attaining a strategic "balance" between its security partnership with Russia, and its natural Western orientation. As an inherently contradictory policy, the pursuit of such strategic balancing between Russia and the West has been increasingly difficult to maintain, and has been largely dependent on Russia. Over time, the asymmetrical relationship has also led to a pronounced trend of weaker Armenia becoming dangerously over-dependent on Russia for security and military capabilities.

For the past decade, however, the limits and costs of Armenia's policy of complementarity have steadily eroded any security benefits from its partnership with Russia. The inherent limitations of Russian security promises for Armenia was first demonstrated during the brief five-day war with Azerbaijan in April 2016.[1] That short conflict, triggered by a surprise offensive from Azerbaijani forces, was an important lesson for Armenia for two reasons. First, it marked the first outward demonstration of Azerbaijan's new military power. After years of surging defense spending, this marked

1 Giragosian, Richard, *The Nagorno-Karabakh conflict: Ceasing fire is not a ceasefire*, London School of Economics (LSE), 11 April 2016. https://blogs.lse.ac.uk/europpblog/2016/04/11/the-nagorno-karabakh-conflict-ceasing-fire-is-not-a-ceasefire/

the first display of its modern combat capabilities, and displayed a new, more assertive posture from the Azerbaijani armed forces. A second significant factor of the 2016 fighting was the failure of Russia to do more to either assist in the defense of Armenia, or to deter Azerbaijan. Despite these clear signals, Armenian leaders at the time failed to fully absorb the lessons, partly due to overconfidence, and in part because of their belief that Russia's capability to impose a unilateral ceasefire was sufficient to contain the crisis.

Post-War Weakness & Accommodation

For Prime Minister Nikol Pashinyan's government, the defining moment—and a clear turning point in recognizing the limitations of Russian security guarantees came when Azerbaijan launched a dramatic 44-day war in 2020. The surprise Azerbaijani offensive began on 27 September 2020, and was aimed at retaking seven districts of Azerbaijan held by Armenian forces. After 44 days of combat and tactical advances, the war ended in a resounding strategic defeat for Armenian forces. This was followed by the imposition of a Russian-crafted agreement for a cessation of hostilities in December 2020.[2]

As Armenia struggled to adapt to its new post-war weakness, the wider implications were profound. While Armenia's defeat ended a troubling degree of Armenian arrogance and complacency, it also resulted in the demise of deterrence. Moreover, Azerbaijan's victory validated its reliance on the use of force, and further encouraged Azerbaijan to target Nagorno Karabakh. With Russia's invasion of Ukraine in February 2022, Moscow became increasingly distracted, and lacked both the capacity and willingness to manage the situation in the South Caucasus. As Russian military losses mounted and the initially optimistic invasion faltered, Moscow became overwhelmed, abandoning Armenia and emboldening Azerbaijan.

With the combination of a weaker, more compliant Armenia, and a more assertive, emboldened Azerbaijan, the fragility of the post-war landscape was directly threatened. Faced with no restraint or deterrence, Armenia was forced to agree to a set of painful concessions to Azerbaijan in tense

2 Giragosian, Richard, David G. Lewis and Graeme P. Herd, *Russian Crisis Behavior, Nagorno-Karabakh and Turkey?* Marshall Center Security Perspectives, No. 19, January 2021, https://www.marshallcenter.org/en/publications/perspectives/russian-crisis-behavior-nagorno-karabakh-and-turkey-0.

diplomatic negotiations through 2021-2022. Armenia's weakness was further exacerbated by Azerbaijan's imposition of a virtual siege of Nagorno Karabakh, which culminated in the forced expulsion of the Armenian population in September 2023.

Russia as an Unreliable Partner

Given the developments of recent years, Russia has emerged as a serious challenge for Armenia—no longer a reliable security partner or guarantor. In this post-war period marked by insecurity and uncertainty, one reality has become unmistakable: Russia can no longer be counted on. Today's Russia poses a deadly new challenge not just to its enemies and rivals, but apparently also to its partners. And since Moscow's failed invasion of Ukraine, the logic and expectations of Russia's security obligations to Armenia no longer apply.

As Armenia struggles to overcome years of dangerous overdependence on Russia, the question of how far and how fast Armenia can move closer to the West is a strategically critical question. Even beyond challenging Russia, Armenia's strategy is rooted in the defense of its national interests—and, more fundamentally, in a renewed commitment to reclaiming its independence and sovereignty.

Armenia seeks to resist the "gravitational pull" of the "Russian orbit." Timing is essential for two reasons. First, Russia remains distracted and overwhelmed by its failed invasion of Ukraine, creating a temporary window of opportunity for strategic realignment. Second, Armenia is currently benefiting from an unprecedented level of Western (and European) interest. In this context, Armenia is increasingly seen as a more reliable democratic partner, and as a country of growing strategic importance.

The key is not to try to "replace" Russia with the West, but rather to offset Russia through a diversification of security partners and allies. This requires a more sophisticated transactional strategy from Armenia, with a policy approach of bartering and bargaining with both the West and Russia, and, where and when possible, by playing both power centers against each other. This is a difficult and even dangerous challenge, but it is even more dangerous not to try.

Redefining Armenian Statehood

Faced with this new painful post-war reality, the Armenian strategy was further revised to reflect a much narrower interpretation of the country's statehood, one which redefined the national interest by excluding Nagorno-Karabakh from the government's defense reforms and national security strategy. This was not only a significant shift in the geopolitical vision for Armenia, but also represented a final confirmation of the new strategy of diversification. The sole imperative for the Armenian government was the prioritization of the defense and development of Armenian statehood, based on the premise that all territorial losses, including Nagorno Karabakh, were final and irretrievable.

This vision was articulated in a televised address to the nation on 18 August, 2025, which saw Armenian Prime Minister Nikol Pashinyan presenting his vision of Armenia, one marked by a notable renunciation of the Armenian return to Nagorno Karabakh. In the 30-minute address, Pashinyan noted that since the 8 August "peace summit" in Washington with Azerbaijani President Aliyev, "peace has been established between the Republic of Armenia and the Republic of Azerbaijan." He added that, for the Karabakh Armenians, "I do not consider their ideas about return to be realistic," warning that such an idea of return would be "a dangerous factor that undermines the peace established between Armenia and Azerbaijan." Instead, the Armenian prime minister explained, "they should settle in Armenia and live, create, and establish themselves as full citizens of Armenia."[3] Going even further, Pashinyan stated that "peace is impossible without closing the Karabakh issue. The Karabakh issue has been used by certain forces as a tool to prevent Armenia's independence, sovereignty, and the establishment and development of statehood."[4]

Aside from the rather inflammatory and confrontational context of Pashinyan's address, his points conformed to his own vision for post-war Armenia, dismissing any policies advocating the return of Nagorno Karabakh. Thus, with Armenia entering a new election year in 2026, the Armenian leader remains confident and convinced of the success of his policies in pursuing peace. Meanwhile, the country's opposition

3 *Pashinian Tells Karabakh Armenians to Forget About Repatriation*, Radio Free Europe/Radio Liberty's (RFE/RL) Armenian Service, 18 August 2025, https://www.azatutyun.am/a/33506563.html.

4 Ibid.

parties have experienced a decline in popularity, becoming increasingly discredited and divided, due to their failure to articulate or defend any credible alternative strategy of their own.

For the Karabakh Armenians, there is a pronounced perception of abandonment and betrayal by the Armenian government, though they were as disappointed by the opposition as by Pashinyan, and, as such, there is little likelihood of any political mobilization or organization. Rather, their sense of painful resignation only suggests their distancing from the Armenian leadership and a reluctance, if not a refusal, to re-engage in Armenian politics.

Gains for Armenia

This narrow strategic vision defined Armenian diplomatic negotiations with Azerbaijan, culminating in the 8 August White House "peace summit" between the Armenian and Azerbaijani leaders. Hosted by U.S. President Donald Trump, the two sides initialed a bilateral Armenian-Azerbaijan peace treaty, and signed an ambitious declaration committing to the framework for the "Trump Route for International Peace and Prosperity" (TRIPP), a plan which envisions the establishment of a twin road and rail connection through southern Armenia.

The "TRIPP" project is important for securing Armenian sovereignty and supporting territorial integrity, rejecting as it does Azerbaijan's prior demands for an extraterritorial "corridor" through Armenia. By rejecting any acceptance of the "corridor" concept, the "TRIPP" project instead focuses on establishing road and rail connections under full and uncontested Armenian sovereign control. Another key gain for Armenia is the guarantee for reciprocity: the transport links are not solely for Azerbaijani access, but are designed to also provide Armenia with vital outlets to overcome its East-West isolation.

Armenia-Türkiye Normalization

The broader second stage of regional trade and transport encompasses a more expansive (and significantly more expensive) strategy that includes the reopening of the closed border between Türkiye and Armenia, the restoration of the Soviet-era railway line between Kars and Gyumri, as well as the eventual extension of the Azerbaijani railway network to allow Armenian rolling stock from southern Armenia in a north-eastern

direction through Baku and on to southern Russia. The issue of the restoration of regional trade and transport stands out as the only clear "win-win" scenario for post-war stability, offering meaningful economic and trade opportunities important for all countries in the region. It is also crucial to regain deterrence by forging economic interdependence so as to prevent any renewed hostilities. In this way, economic incentives and trade opportunities have been elevated to a new and unprecedented degree of importance that has been long missing from the region.

As part of the larger project of regional trade and transport, the process of Armenia-Türkiye "normalization" is also essential. While it is crucial to sustain the momentum, there are grounds for optimism, and Armenia-Türkiye normalization stands out as a rare positive "game changer" for the troubled South Caucasus. To be clear, the normalization of relations is far more modest than full rapprochement or reconciliation. However, it also represents a more pragmatic and realistic approach compared to earlier rounds of engagement. Overall, the complex path of Armenia–Türkiye normalization has never been smooth, marked consistently by a cycle of progress and setback. But the breakthrough agreement setting the foundation for regional transit now provides Ankara with a new opportunity to fulfill its own "normalization" with Yerevan. The progress in Armenia–Azerbaijan relations provides the political cover the Erdoğan government has long sought in order to advance its own engagement, while also removing any remaining justification for Ankara to keep the border with Armenia closed or to withhold diplomatic relations with Yerevan.

Conclusion

As Armenia is now committed to transforming its post-war weakness into resilience and a redefined sense of statehood, the country possesses several long-term advantages. More broadly, these advantages stem from Armenia's growing strategic significance, an increasing degree of internal stability and resilience, and a rare asset in the region: democratic legitimacy. From the EU deployment of a special monitoring mission to Armenia to the direct engagement by the Trump Administration in backing Armenian diplomacy with Azerbaijan, Armenia has garnered a much greater degree of strategic significance to the West.

Following on from the hard-fought gains in Armenia's democratic credentials, including two back-to-back genuinely free and fair elections, there is an impressive degree of internal stability. Even in the face of

Azerbaijan's pressure and maximalist demands since 2020, Armenian resiliency has rested on durable domestic stability. And despite sporadic setbacks to political discourse and occasional shortcomings in governance, there is still no credible alternative to the Armenian leadership: the government of Prime Minster Nikol Pashinyan remains in a politically strong and secure position.

Of course, a second key reason for the absence of any real threat from the opposition lies in the opposition itself, which has become increasingly discredited and unpopular in recent years. Its main failure stems from its inability to present a credible alternative strategy or vision capable of challenging the incumbent government. Moreover, there has been no viable alternative to the difficult but necessary concessions made to Azerbaijan in the post-war period. As a result, Armenia continues to stand out as a vibrant democracy, endowed with the rare commodity of political legitimacy, and institutional democracy in the country is growing stronger and more inclusive, especially in the post-war context.

Policy Recommendations

To sustain the momentum in implementing Armenia's new strategy of diversifying its partnerships, several key policy recommendations emerge. These recommendations center on several distinct areas of public policy, with an emphasis on strengthening the process as much as the outcome of the Armenian strategy.

Diplomatic Innovation

For Armenia to continue to expand its partnerships and tactical alliances, there is a need to deepen its diplomatic innovation beyond the traditional context. While this innovative outreach has already yielded results, such as Armenia's first arms procurement deal with India since the 2020 war, more needs to be done to consolidate ties to non-transitional partners, including Japan, South Korea and Taiwan. This approach will help to offset the risk of being locked in the zero-sum paradigm of the conflict between Russia and the West—forging a "third way" forward.

Restoring Regional Identity

A second recommendation is to restore regional identity in the South Caucasus, with policies designed to bridge the delicate and difficult obstacles presented in dealing with Armenia's immediate neighbors. In

order to truly regain a "neighborhood" perspective, there is a need is to engage effectively with today's Georgia, which continues to recklessly turn away from the West in favor of accommodating Russia—an approach that openly undermines Georgia's own national interests. The best way to engage Georgia is to embrace Georgian civil society, and to provide assistance and refuge for that country's beleaguered democratic activists and Western-leaning politicians.

Defense Reform & National Security

After the "initialing" of the Armenian-Azerbaijan bilateral peace treaty, Armenia's priorities for defense reform and security include the need for developing capabilities for territorial defense, improving military readiness, and introducing more modern training programs for security forces engaged in border policing. This should come with an added focus on transport security for the planned road and rail connections through southern Armenia.

Institutional Democracy

One of the more pressing problems for Armenia is rooted in the need to bolster its democratic institutions. From the parliament to the judiciary, accountability remains insufficient, accompanied by a reluctance to check the power of an over-centralized executive—specifically, the office of the prime minister. Free and fair elections are important, and do much to foster democratic credentials, yet lasting democracy depends on an institutional depth that has been missing in Armenia to date.

Economics of Trade & Transit

A final recommendation, especially relevant given recent plans for the road and rail connectivity project, centers on addressing the limitations imposed by Armenia's membership in the Russian-dominated Eurasian Economic Union. While this membership directly contradicts Armenia's aspirations for EU membership, the country can still leverage the Eurasian Economic Union to position itself as a transit hub and platform for re-export and trade facilitation between Iran and Turkey with the Russian and Central Asian markets. In this context, Armenia's small domestic market becomes less of a limitation, allowing the country to develop into a key regional trade hub.