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Repositioning Armenian Security and Foreign Policy Within a Region at Risk

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Abstract

Since the emergence of Armenia independence in the wake of the collapse of the Soviet Union, the Nagorno Karabagh conflict has largely been seen as the main determinant of Armenian security and foreign policy. While this focus holds obvious relevance to understanding and interpreting the early stages of Armenian national security and the formulation of its foreign policy, there has been a serious lack of attention to several subsequent trends and factors, however. There is also a continued reliance on an inherently outdated analytical approach limited to a focus on "ethnic conflict" and on a nationalism generally defined by identity politics.

More specifically, it is the failure to incorporate more recent dynamic shifts in security that has failed to recognize the new trajectory of Armenian security and changes in its foreign policy. This paper contends that there are three significant trends driving the course of Armenian security and foreign policy, with each demonstrating an underlying linkage to domestic Armenian considerations.

The first trend is rooted in the dynamic shifts in security in the wake of 9/11 and the subsequent U.S.-led "global war on terrorism." Two of the more notable reflections of this post-9/11 shifts stem from the facts that the United States can now be accurately defined as a Central Asian military power and, for the first time in history, is militarily present and engaged in each country in the South Caucasus.

The second trend can be defined as the "militarization" of the Armenian state, which has fostered the dominance of "militancy over moderation" in Armenian politics. In this context, the parameters of political discourse have been increasingly restricted and narrowed, with little tolerance for opposition or dissent. This has further hindered Armenian foreign policy by imposing ever increasingly limits on policy options and opportunities and has tended to constrain national security policy by making it hostage to the Nagorno Karabagh issue.

The third trend is marked by the widening divide between the rhetoric and reality of Armenian national power. Despite the inflated confidence in Armenia's still impressive military power, Armenia's position as the dominant military power in the region is clearly temporary. The medium-term outlook for Armenian power is not promising, with its military might already in decline, outpaced by Azerbaijan's upward trajectory. Yet even more troubling for Armenia is its failure to develop national power, with serious deficiencies in five key sectors: demographics, resources, science & technology, globalization & economics, and governance.

Thus, this paper further argues that, in light of the new threats challenging security and stability in Armenia, there is an urgent necessity for a "repositioning" of Armenian security and foreign policy.

Introduction

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More specifically, it is the failure to incorporate more recent dynamic shifts in security that has failed to recognize the new trajectory of Armenian security and changes in its foreign policy. This paper contends that there are three significant trends driving the course of Armenian security and foreign policy, with each demonstrating an underlying linkage to domestic Armenian considerations.

This paper further argues that, in light of the new threats challenging security and stability in Armenia, there is an urgent necessity for a "repositioning" of Armenian security and foreign policy.

There are three significant trends driving the course of Armenian security and foreign policy:

First, the dynamic shifts in security in the wake of 9/11 and the subsequent U.S.-led "global war on terrorism" have both abruptly altered the geopolitical landscape and forged a new U.S. military presence and posture in the region. This is seen most clearly in the elevation and enhancement of the strategic importance of each of the three states of the South Caucasus, with the region now defined by Georgia's role as the "center of gravity" for the U.S. military, Azerbaijan's importance as a vital partner for U.S. efforts to bolster Caspian security, and by a new American recognition of Armenia's strategic position.

The second trend can be defined as the "militarization" of the Armenian state, which has fostered the dominance of "militancy over moderation" in Armenian politics. In this context, the parameters of political discourse have been increasingly restricted and

narrowed, with little tolerance for opposition or dissent. This has further hindered Armenian foreign policy by imposing ever increasingly limits on policy options and opportunities and has tended to constrain national security policy by making it hostage to the Nagorno Karabagh issue.

The third trend is marked by the widening divide between the rhetoric and reality of Armenian national power. Despite the inflated confidence in Armenia's still impressive military power, Armenia's position as the dominant military power in the region is clearly temporary. The medium-term outlook for Armenian power is not promising, with its military might already in decline, outpaced by Azerbaijan's upward trajectory. Yet even more troubling for Armenia is its failure to develop national power, with serious deficiencies in five key sectors: demographics, resources, science & technology, globalization & economics, and governance.

1. Shifts in Security

In terms of Armenian national security, there are specific aspects of the trend of shifting security. First, Russia now holds a fairly well-entrenched position in the region following a steady reassertion of power and influence. After the incoherence of the Yeltsin period, Russian strategy under Putin has been of a regaining and restoring Russia's traditional influence along its southern periphery. This has been largely accomplished through the application of a more sophisticated strategy of exerting influence by using energy as leverage, with an economic dependence constituting a new "soft power" over the more traditional Russian "hard power" emphasis on blunt military force or localized, low-intensity conflict.

Against this backdrop of a re-assertive Russia, Armenia's vulnerability to a mounting over-dependence on Russia has only deepened. Specifically, Armenia's strategic relationship with Russia has been transformed from that of a partnership based on bilateral interests to a platform serving to project Russian interests. This Armenian role as a platform for Russian interests has had a cumulative effect of a steady mortgaging of Armenian national security. The clearest demonstration of this trend can be seen in the "debt-for-equity" agreements of 2002 and 2003, a series of questionable deals granting Russia control over key strategic enterprises and consolidating its dominance over the country's vulnerable energy sector. Through early-2006, for example, Russia has been able to secure, with the assent of an overly compliant Armenian government, control or

outright ownership of much of the country's energy network, including its hydroelectric plants, national electricity network, and its sole nuclear power plant.

Yet the key deficiency here is the fact that Armenia commits two grave errors: in *underestimating* Armenia's strategic importance to Russia, while simultaneously *overestimating* Russia's strategic importance to Armenia.

Second, one of the most active powers in the South Caucasus, Turkey, is currently undergoing its deepest and most historically significant degree of internal change. Arguably as profound and powerful as the birth pains of the modern Turkish state in 1923, Turkey is engaged in a battle with itself, redefining itself and its identity. It is struggling to come to terms with three burdens: its legacy, from the obligation to recognize the Armenian genocide of 1915; its more recent history, regarding its 1974 invasion and continued occupation of the Republic of Cyprus; and its present, as demonstrated in its difficult and damaging approach to its large Kurdish minority. The course of this Turkish transition is particularly important for the region, as it represents both promise and peril in new relations with its large Turkish neighbor.

The current Turkish transition is dominated by its desire to join the European Union (EU), which serves to drive the Turkish strategic orientation westward, toward Europe, thereby weakening the attraction to an eastward, pan-Turkic national interest. At the same time, the loss of Turkey's traditional role as a proxy regional power for the United States, exacerbated by the sharp decline in Turkish-U.S. military relations, has also weakened Turkey's position and influence in both the South Caucasus and Central Asia. But the true test for regional security lies in the outcome of the Turkish bid for EU membership. At this point, an outright rejection of the Turkish application or the imposition of an unreasonable delayed will only fuel Turkish frustration, perhaps resulting in a dangerous backlash where Turkey returns to an aggressive, eastward vision of pan-Turkic (or even pan-Islamic) power.

The third aspect of this trend is composed of a set of new dynamics, marked by a three-direction trajectory. This three-direction trajectory features Georgia being pulled closer to Europe by the gravitational pull of Ukraine, on a track to closer integration with the EU and even NATO much faster than its two neighbors in the region. Similarly, Azerbaijan is also drawing away from the South Caucasus and moving closer, both in terms of energy and politics, to Central Asia. Both directions in this trajectory leave tiny,

landlocked Armenia as a prisoner to the region and, increasingly, as a hostage to its overreliance on Russia. The most serious danger for Armenia in this sense is the danger of becoming little more than a Russian garrison state.

Amid this three-direction trajectory, the European Union has also emerged as a major out-of-the-region power, crafting a new role in the South Caucasus as part of its EU Greater Neighborhood Policy. It is this Greater Neighborhood policy, however, that reflects a strategic view of the region (and the Mediterranean) as a new security buffer. Without a comprehensive and balanced strategy of engagement, however, this approach to the region as a dangerous periphery may be as short-sighted and self-defeating strategy.

The European Union also holds the key to long term stability and security in the broader Middle East, but only as long as the EU engages in the region in coordination with, and not in competition with, the United States. It is, therefore, further imperative for the United States to rebuild a more constructive and even more equal partnership with the Europeans in crafting and implementing a common policy toward both the Middle East and the regions of Central Asia and the South Caucasus. A serious European-American rivalry would be not only destructive for both the U.S. and Europe, but would be profoundly destabilizing for these already vulnerable, yet valuable regions.

2. The Militarization of the Armenian State

The second trend of note is evident in the militarization of the Armenian state. As with Armenia's very concept of national security, it is the Nagorno Karabagh conflict that is the core of this militarization. Yet given the complex record of the Karabakh conflict and its role as the primary issue of modern Armenian nationalism, such militarization was initially both natural and not particularly dangerous. The current threat of this trend of militarization, however, stems from its devolution from an agent of national security into a defender of regime security. For that reason, this devolution was allowed to transform the military and internal security forces from an instrument of the state into an institution within the state.

The course of the militarization of the Armenian state is largely rooted in Armenian history, heavily influenced by the tragic narrative of Armenians as eternal victims. It is first driven by the most basic and essential mission of survival. The sole driving force of

this mission has been to ensure the physical survival of the Armenian nation and, for much of Armenian history, has emanated not from the imperatives of statehood but from the response of a vibrant nationalism. Most dramatically, it was the history of Ottoman period, with its sporadic threat of *pogrom* and massacre that culminated in the 1915 Armenian Genocide, which forged this militant nationalism.

This historical influence also incorporated a second element, marked by the brief record of Armenian statehood. With the emergence of the first Republic of Armenia of 1918, the historically defensive concept of a militant nationalism adopted new elements of state security and military strategy. Although the short duration of modern Armenian statehood ended abruptly with its Sovietization, there was a pronounced parallel between the sudden and rather unexpected independence of both 1918 and 1991. Such a parallel between 1918 and 1991 was also seen in the perception of the conflict with Azerbaijan over Nagorno Karabagh as intrinsically linked to the historical threat of Turkey. This perception fostered an emotional and exaggerated identification of Turkey as an eternal enemy, an equation that continues to distort Armenia's concept of military and national security.

The Institutionalization of the Military

In addition to the historical influence, the institutionalization of the military has also served to consolidate this trend of a militarization of the Armenian state. Unlike many of the other post-Soviet states, the development of the Armenian military has its origins on a trajectory separate from the state. Both the emergence of the Nagorno Karabagh issue preceded the birth of the Armenian independent state. It also preceded the collapse of the Soviet Union when, as early as 1988, within the context of the Gorbachev reform period, self-determination for Nagorno Karabagh emerged as the core element of a new, vibrant Armenian nationalism. With the outbreak of *pogroms*, or a campaign of targeted ethnic violence against Armenians in several Azerbaijani cities, the Karabakh issue rapidly descended into open hostilities between Armenia and Azerbaijan proper. As a result, the Karabakh conflict was elevated as the pillar of Armenian unification and mobilization.

Militarily, the conflict was well beyond the control of the then Soviet Armenian state, with military action in Karabakh dominated by small, guerilla-type bands of paramilitary units operating under autonomous command by a varied set of Armenian commanders. Although the unification of these paramilitary groups into a new "national army" was one

of the more understated achievements of the first post-Soviet government of former President Ter Petrosian, the powerful appeal of the military was already becoming wellentrenched in Armenia.

Politically, the lack of legitimacy inherent in the Soviet Armenian state only strengthened the appeal of those bold enough to challenge the regime. Led by a new, emerging group of dynamic individuals, the so-called "Karabakh Committee" was able to astutely outflank the Soviet Armenian leadership, maximizing the Karabakh issue and garnering both popular appeal and legitimacy. Thus, the Karabakh conflict, in both military and political terms, was the first and only source for legitimacy and power outside of the confines of the collapsing Soviet system. This initial disparity between the development of the military and the emergence of the state within the post-Soviet context further served as the foundation for the subsequent militarization of the state.

By 1993, the newly unified Armenian military secured a series of significant victories over Azerbaijan. The success in the latter stages of the conflict, as Armenian forces consolidated control over most of Nagorno Karabagh and seized several districts of Azerbaijan proper beyond the Karabakh borders, led to a sense of invincibility. With both military victory and the seizure of territory rare achievements in Armenian history, there was also a pronounced hardening of Armenian public opinion, with an adoption of a general militancy which increasingly rejected any degree of moderation or realism. Such general feeling, emboldened by a renewed sense of militant nationalism and a new military superiority, only encouraged the militarization of Armenian society. ¹

Armenian Civil-Military Relations

As a result of the institutionalization of the military, Armenia's civil-military relations have also exhibited a disturbing sign of an improper role. Similar to other post-Soviet states in transition, the Armenian military has held an essential role in state-building. Overall, civil-military relations are both sound and stable. But more than most countries, the Armenian military is more than a fundamental pillar of the state; it has become a foundational agent of the state.

¹ This feeling is also reflected in the definition of the Armenian-held areas of Azerbaijan proper as "liberated" rather than "occupied" territory.

The domestic aspect of the Armenian military, however, also raises some concerns. The concern is not the traditional worry of distorted civil-military relations, as there is no current danger of the Armenian military from directly intervening in the country's political arena. Nor is there any real danger of it disregarding its role as protector of the state and defender of the constitution. The concern rests more with the country's *civilian*-military relations or, more precisely, with the civilians that see the military as instruments of their power. In this way, the civilian control over the Armenian military, and its defense policy and procurement, are directed by the distribution of power within the state rather than by the military needs of the state. As some scholars have established, "military doctrine is about state survival, but military policy is also about the allocation of power within society." ² In the case of Armenia, this is particularly true, and dangerous, given its role within the broader trend of a militarization of the Armenian state.

Armenian Politics: Militancy over Moderation

A related aspect of the trend of Armenian militarization can now be seen in Armenian politics marked by the emergence of clan-based elites and defined by an "arrogance of power." More specifically, there has been a growing tendency for "militancy over moderation" in Armenian politics. In this context, the parameters of political discourse have been increasingly restricted and narrowed, with little tolerance for opposition or dissent. This has further hindered Armenian foreign policy by imposing ever increasingly limits on policy options and opportunities and has tended to constrain national security policy by making it hostage to the Nagorno Karabagh issue.

This is also matched by a rule of law that has degenerated into a "law of the rulers." In this sense, Armenian politics resembles the "managed democracy" of its unworthy Russian idol, with little or no toleration for opposition and even less for an independent media.

Structurally, the closed nature of the Armenian political system, which constitutes the architecture of Armenian politics, has been policed by a narrow, clan-based elite through rigid control over discourse and democracy. Although the emergence of powerful clans has formed a pattern of politics in many of the former Soviet states, Armenia differed in

² Peter Katzenstein, Ed., *The Culture of National Security. Norms and Identity in World Politics.* (NY: Columbia University Press, 1996), 200.

one critical area. Specifically, the avenue to political and economic power for the Armenian elite was the Nagorno Karabagh conflict. During the first stage of Armenian independence, this new elite emerged during the virtual "state of war" in Nagorno Karabagh that served as the primary determinant of Armenian politics. This period not only established a preference for emotional militancy over rational democracy, but hampered the emergence of more moderate political leaders amid the rhetoric of Armenian nationalism.

With a ceasefire in 1994 that halted hostilities but merely "froze" the underlying conflict, the uneasy period of "neither peace nor war" that resulted only allowed this new political elite to accumulate and consolidate greater power. Steadily securing power from even within the Ter Petrosian government, this elite was quickly dominated by Defense Minister Serge Sarkisian and Prime Minister Robert Kocharian. Both men were natives of Nagorno Karabagh, Sarkisian having led the small but impressive Karabakh armed forces and Kocharian previously serving as the Karabakh head of state. As their power and ambition grew, both men came to be seen as a new political force and, by 1996, combined with others to force the resignation of President Ter Petrosian.

The most revealing aspect of the end of the Ter Petrosian government was not the resignation itself, but the context in which it occurred. The ouster of Ter Petrosian was orchestrated allegedly for his moderate approach to the Karabakh issue and justified by the pretext of Armenian national security. Assuming the presidency in subsequent elections, the rise of Kocharian demonstrated the ascendancy of this Karabakh elite and set forth to consolidate much of the country's networks of crime and corruption. The end result was a new government dominated by political figures who gained both political and economic power from the Karabakh conflict, constituting a significant "vested interest." It can also be argued that a significant degree of the power of this vested interest is derived from the unresolved nature of the conflict as well from the conflict itself.

The New Oligarchic Elite

There is a smaller element of this new clan-based elite that has attained significant political power in recent years. Although not as outwardly visible as the ruling elite, a new, wealthy political elite, so-called "oligarchs," have managed to secure a sizable number of seats in the May 2003 Armenian parliamentary elections. Their election as

deputies demonstrates a convergence of corporate, state, and in some case, even criminal, interests. In addition to gaining serious influence over the formulation of public policy and garnering substantial leverage over the course of governmental policies, this new oligarchic elite has come to embody the difference between the power to rule and the responsibility to govern.

In the case of the other former Soviet economies, this new class of oligarchs has tended to exploit the privatization process to gain economic power first, but has exhibited a subsequent appetite for political power. It is that political role that inherently threatens the course of democratization and political reform. In Armenia, these oligarchs have been able to extend their informal networks of political power through informal cartels and commodity-based semi-monopolies, and now wield significant economic and political power.

The key to defeating the power of the oligarchs is to attack the economic monopolies and cartels that fuel and finance the oligarchic system. Generally, such cartels and monopolies flourish within "closed" economies, averting the transparency and competition that dominate the more open marketplace. But in addition to the need for greater anti-trust legislation and stronger state regulatory bodies empowered to limit or breakup monopolies, it is the rule of law and political will that is needed to overcome this "cronyism."

Thus, the closed nature of the Armenian political system, utilized by a new dual clanbased and oligarchic elite, has significantly eroded the state's most important asset of legitimacy. This has also been matched by a steady decline in "good governance," with a tendency for both public policy and national security formulated by self-interest over national interest.

3. National Insecurity: Measuring National Power

The third trend is marked by the widening divide between the rhetoric and reality of Armenian national power. Despite the inflated confidence in Armenia's still impressive military power, Armenia's position as the dominant military power in the region is clearly temporary. The medium-term outlook for Armenian power is not promising, with its military might already in decline, outpaced by Azerbaijan's upward trajectory. Yet even more troubling for Armenia is its failure to develop national power, with serious

deficiencies in five key sectors: demographics, resources, science & technology, globalization & economics, and governance.

Key Drivers & Determinants

Governance

- 1. *Demographics*: positive or negative? through the metric of job creation and educational opportunity;
- 2. *Natural resources & environment*: scarcity or abundance? through the metric of energy production, access and usage;
- 3. *Science & technology*: innovative or resistant? through the metric of key industries of nanotechnology and biotechnology;
- 4. *Globalization & economics*: engaged or isolated? through the metric of Thomas Friedman's concept of connectivity;
- 5. *Governance*: citizen as actor or spectator? through the metric of the social contract.

Measuring Armenian National Power

Key Drivers & Determinants Key Drivers & Determinants Key Questions Metrics Demographics Positive or negative? Job creation & educational opportunity Natural Resources & Environment Abundance or scarcity? Energy production, access and usage Science & Technology Innovative or resistant? Key industries of nanotechnology and biotechnology Globalization & Economics Engaged or isolated? Concept of connectivity (Friedman)

Citizen as actor or spectator?

the state of the social

contract

In addition to these key drivers and determinants, assessing Armenian national power also requires and examination based on three levels: (1) transition, (2) isolation, and (3) transformation.

1. Transition

Since gaining independence in the wake of the collapse of the Soviet Union, Armenia has struggled with a daunting set of fundamental economic and political challenges. The course of the country's transition to a market economy and a pluralistic democracy has been particularly difficult in recent years, and exacerbated by two shared obstacles. First, it is burdened by the need to bolster statehood and sovereignty in the face of the political and economic legacy of seven decades of Soviet rule. Second, it is further beset by the limitations imposed by its still infant institutions. In this context, *institutions*, *not individuals*, *are key*.

The Political Transition

There are two main components of this transition: the political and economic. The political transition is marked by a daunting set of internal challenges, ranging from a deficit of democracy to a still weak rule of law. Armenia is largely afflicted with a disabled democracy stemming from the closed nature of its political systems and political institutions that are still too weak and fragile to support and sustain a fuller democracy. Moreover, the population is marginalized within this closed political system, demonstrated by the fact that the Armenian citizen is more a spectator than an actor in representative democracy and has limited choice, and even less voice, in governance.

The Rule of Law or the Law of Ruler?

There is also a serious problem related to the rule of law in Armenia. In general, the rather arbitrary and incomplete state of the rule of law has fostered an atmosphere of corruption, crime and complicity. The rule of law is now more of a "law of ruler" in this context. This is matched by a lack of good governance, as demonstrated by the tendency for Armenian leaders *to rule rather than govern*. Public policy is also formulated more from self-interest than from national interest. Thus, within this political stage of

transition, the predominance of individuals over institutions, of personality over platform, poses one of the more fundamental challenges to the Armenian infant state.

The Economic Transition

In terms of the economic transition, there are two underlying factors that constitute the most significant obstacles to sustainable growth and sound development. First, the widening disparities in wealth and income (as well as power) foster a growing divide within Armenian society. This divide is seen in both the urban-rural context and in the concentration of economic and political power in the capital.

Second, the sheer scope and scale of socio-economic injustice in the country can not be fully obscured by the past few years of statistical economic growth or by a dependence on foreign aid and remittances. Moreover, these factors further impede the emergence of a vibrant middle class in Armenia. And most importantly, there can be no real democracy without such a middle class. Therefore, the sum of these political and economic considerations results in a very real challenge to the legitimacy of the Armenian government.

2. Isolation

The second level that merits scrutiny is the danger of isolation. This threat of isolation from the globalized world economy is only exacerbated by the disruption of natural trade and transport links in the region, as most clearly evident in the imposition of long-standing blockades and embargoes by Azerbaijan and Turkey. It is also compounded by the dynamic rapidity of change in the post-9/11 world, with profound shifts in the geopolitical landscape and a redefinition of international security.

3. Transformation

Beyond transition and isolation, transformation represents the third significant test for Armenia. There are four, region-based components of transformation. First, in terms of regional politics, we clearly see that stability and security in the region for the coming three years will be largely driven by politics, with a round of elections heralding dynamic generational change against the backdrop of the recent "revolutions of fruits and flowers" throughout much of the former Soviet Union.

The second factor stems from the geopolitical "windows of opportunity" covered earlier that offer the region a new set of options and opportunities to open and expand the region's borders. A third, but related factor, is the economic, whereby the future of the South Caucasus (and Central Asia) is tied less to a revival of a historic "Silk Road" and more to a vital "Silicon Highway."

This focus on the need to (re)position oneself for the future rather than the past is further demonstrated in the strategic recognition that the most important pipelines for the region are not those that will transport oil or gas supplies, but fiber optics, with broadband technology offering a literally new spectrum.

Finally, the fourth factor in the trend of transformation for this region is one of nationalism. As with the political, geopolitical or economic, nationalism is a significant element within this context of transformation. It has also been nationalism that has underscored the devolution of power from the statesmen to the strongmen, and has reinforced the downward spiral of ethnic-driven conflict, however.

Moreover, what is needed now is a new sense of Armenian nationalism, with an emphasis on the one missing element of today's nationalism: *patriotism*. It is patriotism that can herald a new sense of national pride over national prejudice in this region. And it is such patriotism that may reward and restore governance that is guided by public interest over self-interest, where the practice of state graft is replaced by the practice of statecraft.

Thus, although these three trends of transition, isolation and transformation define the South Caucasus as a region still very much at risk, there is still significantly more promise than peril. But the real test for these three countries will undoubtedly center on their ability and flexibility to keep pace with these dynamic changes in order to not be left behind, locked into isolation and marginalization.

Conclusion

For Armenia, there are four main considerations that are essential to forging an effective and comprehensive "repositioning" of Armenian security and foreign policy:

- ➤ Elections have been driven by power not politics, with leadership determined more by selection than election;
- **Legitimacy is the key** determinant of durable security and stability;
- Armenia's strategic reality is **defined less by geopolitics**, and more by politics and economics, and local issues and concerns are dominant;
- ➤ Institutions matter, individuals are helpful but not enough for real democratization; do not look for another outwardly pro-Western reformist figure to promote (the Saakashvili model in Georgia, for example, is not necessarily applicable for Armenia);

Consequently, it is the Armenian government itself that holds the key to the future. This is marked by an inverse relationship between a strong state and a vulnerable state, whereby the measures taken to strengthen state power and security are the very measures that may foster greater insecurity and instability, i.e. an actual weakening of the state, in the face of an absence of legitimacy.

Thus, the urgent need for Armenia is to preempt and prevent its isolation. Engagement, both external and internal, is key, but real stability and security depends on legitimacy, and on local economics and politics, not grand geopolitics.