

STRATEGIC BALANCING IN TRANSITION: REASSESSING ARMENIA'S FOREIGN AND SECURITY POLICY PARADIGM

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Abstract: *This article examines the transformation of Armenia's foreign and security policy in the context of the post-2020 regional order in the South Caucasus. It argues that Armenia is transitioning from a model of single-patron security dependence toward a strategy of diversification, driven by the erosion of alliance reliability and growing asymmetric threats. The study demonstrates that this shift represents a structural adaptation rather than an ideological realignment, as Armenia seeks to expand its strategic autonomy without fully abandoning existing institutional ties. Using neorealist balance-of-power theory and small-state behavior literature as its theoretical framework, the article employs qualitative case-study analysis, process tracing, and document analysis covering the period 2020–2025. The findings highlight both the opportunities created by diversified partnerships and the constraints imposed by continued economic dependence and regional isolation. The article's originality lies in conceptualising Armenia's policy change as adaptive balancing under constraint, offering analytical utility for understanding small-state strategies in volatile security environments.*

Keywords: *Armenia; foreign and security policy; strategic diversification; small-state balancing; South Caucasus.*

Introduction

The South Caucasus has entered a period of profound geopolitical transformation marked by the erosion of established security architectures, the resurgence of regional power competition, and the reconfiguration of external influence. The combined impact of the 2020 Nagorno-Karabakh war, Russia-Ukraine war, Azerbaijan's post-war coercive diplomacy, and the collapse of Russia's role as a credible security guarantor has dismantled the foundational assumptions that governed Armenia's foreign and security policy for more than three decades.

Within this context, Armenia is undergoing a paradigmatic shift from a model of single-patron security dependence toward a strategy of diversification, hedging, and limited external balancing. This transition is not the result of ideological realignment or Westernisation but of structural compulsion. Russia's growing alignment with Azerbaijan, its failure to deter or reverse Azerbaijani military coercion against Armenia, and its acquiescence in the 2023 ethnic cleansing of Nagorno-Karabakh have fundamentally undermined the credibility of Armenia's traditional security framework. Simultaneously, Türkiye's expanded regional role and Azerbaijan's revisionist posture have created a hostile security environment in which Armenia must seek new instruments of deterrence, diplomacy, and resilience.

Against this backdrop, Armenia's intensified engagement with the European Union, the United States, France, India, alongside initiatives such as TRIPP (Trump Route for International Peace and Prosperity), and emerging connectivity frameworks, signals the emergence of a new foreign and security policy paradigm. Rather than replacing one alliance with another, Armenia is attempting to widen its strategic space by embedding itself in multiple overlapping diplomatic, economic, and security networks. This strategy reflects a classical small-state response to asymmetric threat environments: maximizing autonomy by diversifying external ties while avoiding irreversible geopolitical commitments.

Yet, this transformation is neither complete nor uncontested. Armenia remains deeply embedded in Russian-centered economic, energy, and institutional structures, while its security environment continues to be shaped by military asymmetries and geographic isolation. The coexistence of military diversification and economic dependence creates structural tension within Armenia's foreign policy, raising fundamental questions about the sustainability, coherence, and limits of its new strategic orientation.

The central research question guiding this study is: How and to what extent is Armenia transitioning from a Russia-centered security dependence model to a diversified balancing strategy, and what are the structural opportunities and constraints shaping this transformation? The study is grounded in the neorealist balance-of-power theory, particularly the concepts of external balancing, hedging, and alliance reliability, as developed by Kenneth Waltz and subsequent scholarship on small-state behaviour. This framework enables a systematic assessment of how shifts in alliance credibility and regional power configurations shape the strategic choices of vulnerable states.

Methodologically, the paper employs a qualitative case-study approach combining process tracing of key geopolitical events from 2020 to 2025, document analysis of Armenian, Russian, EU, and U.S. policy statements and security agreements, and a comparative assessment of Armenia's military, diplomatic, and economic alignments before and after the erosion of the Russian security guarantee. By integrating empirical evidence with theoretical analysis, the study demonstrates that Armenia's foreign policy is not drifting opportunistically between power centers but is undergoing a systemic reconfiguration driven by alliance failure and regional power realignment.

1. The paradigmatic shift in the Armenian foreign and security policy

The increasing instability in the South Caucasus and its neighboring regions has significantly impacted the paradigm of Armenia's foreign and security policy. The 2020 Nagorno-Karabakh war and Russia-Ukraine war established a new status quo in the South Caucasus, resulting in a new balance of power in which Türkiye's role has notably increased. During the 2020 Nagorno-Karabakh war, Türkiye was the primary regional power providing military and political support to Azerbaijan, while the Armenian-Russian allied relations were ineffective in restraining the actions of the Turkish-Azerbaijani alliance. This exposed growing vulnerabilities in Armenia's traditional reliance on Russia for security.

To *de jure* capitalise on its influence in the post-war South Caucasus, Türkiye signed a declaration with Azerbaijan on June 15, 2021, elevating Turkish-Azerbaijani cooperation to unprecedented levels. According to the declaration, Türkiye and Azerbaijan embarked on a new phase of close cooperation in mutual military assistance and defence industry (Press Service of the President of the Republic of Azerbaijan 16 June 2021). This development raises serious concerns for Armenia, as the declaration is practically directed against it. Armenia's Ministry of Foreign Affairs has expressed its apprehension, noting that the declaration is founded neither on the UN Charter nor the OSCE's principle of comprehensive and indivisible security, but on a 'kinship security' approach aimed at unifying the 'Turkic world' (Ministry of Foreign Affairs of the Republic of Armenia 17 June 2021).

The need to shift the paradigm of Armenia's foreign and security policy became particularly evident with the onset of the war in Ukraine and the establishment of alliance relations between Russia and Azerbaijan. As Russia, the state historically guaranteeing Armenia's security, began aligning

more closely with Azerbaijan, this created a fundamental dilemma for Armenia's security strategy. On February 22, 2022, Russia signed a declaration 'On Allied Cooperation' with Azerbaijan (Press Service of the President of the Republic of Azerbaijan 22 February 2022), signaling a further erosion of Armenia's reliance on Russia as its primary security guarantor. This marked a turning point, as Russia's strategic alignment with Azerbaijan raised new questions about the viability of the Armenian-Russian security partnership, especially in light of Azerbaijan's ongoing threats to Armenia's sovereignty.

The need to change the paradigm of Armenia's foreign and security policy became increasingly urgent following Azerbaijan's aggression towards Armenia's sovereign territory. In September 2022, Azerbaijan's military operations in the south-eastern border areas resulted in significant territorial losses for Armenia. Russia and the CSTO failed to fulfill their contractual obligations and did not provide adequate support to Armenia, prompting the country to seek additional mechanisms to preserve its territorial integrity. This contributed to a strategic rebalancing of Armenia's foreign policy, as decision-makers increasingly sought additional mechanisms to ensure territorial integrity while avoiding overdependence on a single security provider.

Armenia's policy pivot became most evident following the statement made in Prague, on October 6, 2022, when Armenia aligned itself more closely with Western agendas. In a significant move, Armenia agreed that the basis for the delimitation of the Armenian-Azerbaijani border would be the Alma-Ata Declaration of 1991, thereby recognising Azerbaijan's territorial integrity (The Office to the Prime Minister of the Republic of Armenia 7 October 2022). This agreement contributed to the political conditions enabling the deployment of a European Union civilian mission on the Armenian side of the border, aimed at balancing Russia's role in the settlement of Armenian-Azerbaijani border issues. This pivot to the West marked a key moment in Armenia's foreign policy, signaling a departure from its traditional alignment with Russia.

In the wake of these developments, Russia's role as a mediator in the Nagorno-Karabakh conflict has further weakened. Even before the Prague statement, Russia had failed to fully adhere to its peacekeeping responsibilities in Nagorno-Karabakh. Following the signing of the Russian-Azerbaijani alliance agreement, Azerbaijani forces occupied strategic positions in Nagorno-Karabakh with Russia's tacit approval. This culminated in Azerbaijan's closure of the Lachin corridor in December 2022, violating the 2020 Ceasefire Agreement and effectively isolating Nagorno-Karabakh. The failure of Russian peacekeepers to prevent Azerbaijan's September 2023 actions, which led to the forced displacement of over 100,000 ethnic Armenians, further undermined Armenia's confidence in Russia as a security guarantor. During this period, Russian peacekeepers did not fulfill their mandated obligations and failed to prevent the ethnic cleansing by expulsion of the Armenian population of Nagorno-Karabakh. Moreover, Russian officials attributed responsibility for these events to the Armenian authorities, arguing that Armenia's recognition of Azerbaijan's territorial integrity contributed to the outcome (TASS 12 January, 2024).

By 2024, the erosion of Russian support, combined with Azerbaijan's anti-Armenian rhetoric and demands for an extraterritorial 'corridor', had fueled growing anti-Russian sentiment in Armenia. Azerbaijan's proposal for a corridor, envisaged to be secured by Russian forces, was perceived in Armenia as a direct threat to its territorial integrity. While expressing readiness to unblock regional transportation routes, Armenia consistently rejected any extraterritorial arrangements that would undermine its sovereignty.

The United States and the European Union supported Armenia in its efforts to preserve its territorial integrity and to unblock transport communications in the region by upholding state sovereignty. Notably, during the Granada meeting, in October 2023, which hosted the leaders of Armenia, France, Germany, and the President of the European Council, the parties reaffirmed their commitment to maintaining Armenia's territorial integrity and the inviolability of its borders (The Office to the Prime Minister of the Republic of Armenia 4 October 2023). Additionally, in April 2024, Armenian Prime Minister Pashinyan met with European Commission President Ursula von der Leyen, U.S. Secretary of

State Antony Blinken, and EU High Representative Josep Borrell. During this meeting, it was agreed that the European Union and the United States would provide more than \$300 million in aid for the development of Armenia's economy (An official website of the United States Government 5 April 2024). These developments highlight the deepening cooperation between Armenia and Western institutions, marking a significant balance in its foreign policy orientation. This transformation can be understood as a shift from a single-patron security dependence model to a hedging and diversification strategy, driven by alliance unreliability and systemic power reconfiguration in the South Caucasus.

2. Armenia's balancing act: opportunities and challenges

The security situation in the South Caucasus necessitates that Armenia pursue a carefully calibrated foreign and security policy in order to manage emerging risks and mitigate security threats. According to the Balance of Power Theory, smaller states such as Armenia seek to counter the ambitions of larger regional powers by diversifying their alliances and enhancing resilience. As Kenneth Waltz argues, balancing behavior manifests through internal and external balancing mechanisms (Waltz 1979, 118). Internal balancing involves strengthening a state's economic capacities, developing realistic strategic doctrines, and enhancing military capabilities. External balancing, by contrast, is pursued through the formation of alliances and partnerships with external actors in order to compensate for structural vulnerabilities and ensure security.

For Armenia, this has meant reducing its historical dependence on Russia while engaging new regional and global actors to protect its sovereignty. Since its declaration of independence, Armenia has faced existential threats, necessitating the creation of a combat-ready army to neutralise threats from Azerbaijan. The process of building the Armenian army followed the approaches typical of the Soviet military, resulting in near-total dependence on Russia for ammunition supplies. Before the 2020 Nagorno-Karabakh war, 90% of Armenia's ammunition came from Russia. However, in recent years, Armenia's balancing policy in ammunition procurement has significantly reduced its dependence on Russia to just 10% (First channel news 06 March 2024).

While Armenia remains institutionally tied to Russia through bilateral and multilateral agreements, including its participation in the CSTO, these arrangements have proven unreliable in safeguarding Armenia's territorial integrity. These include the 'Agreement between the Republic of Armenia and the Russian Federation on the Russian Military Base in the Territory of the Republic of Armenia' dated March 16, 1995, the 'Treaty on Friendship, Cooperation, and Mutual Assistance between the Republic of Armenia and the Russian Federation' dated August 29, 1997, and the collective security agreements within the CSTO (Ministry of Foreign Affairs of the Republic of Armenia 2026). The CSTO and Russia's failure to adequately respond to Azerbaijan's aggression has prompted Armenia to freeze its political participation in the organisation (Armenpress 23 February 2024). This highlights a broader challenge facing Armenia's security policy, where options are limited. Armenia must either seek to improve the existing Russia-centered security system, whose shortcomings have become particularly apparent in light of the war in Ukraine, or it must explore alternative balancing strategies to protect its security interests. In response to the changing nature of Russia's interests in the South Caucasus, Armenia was compelled to pursue the second option. It sought new avenues to balance regional powers and enhance its strategic resilience.

2.1. From Complementarity to Diversification

Historically, Armenia's foreign policy was based on complementarity, seeking balanced relations with both Russia and the West. Armenia's 2007 National Security Strategy stated that the country implemented its foreign security strategy based on the principles of 'complementarity' and 'engagement' (Ministry of Foreign Affairs of the Republic of Armenia 2007). Through the policy of complementarity, Armenia aimed to build relations on the basis of partnership, fostering effective relations with all regional actors. The engagement policy underscored Armenia's obligations as part

of the international community. The 2020 National Security Strategy reaffirmed this approach, emphasising the ‘principle of developing mutually beneficial and equal relations with all states’ as the foundation of Armenia’s foreign policy (The Government of Armenia 2020). This principle was maintained in the 2021 Government Programme of Armenia, which highlighted ‘enterprising and effective involvement in all directions’ as the main principle of Armenia’s foreign policy (The Government of Armenia 2021).

Armenia’s turn toward diversification reflects not merely a tactical adjustment but a structural response to the erosion of its traditional security framework. Russia’s deepening alignment with Azerbaijan, coupled with its inability to uphold security commitments toward Armenia, exposed the limitations of Armenia’s long-standing reliance on a single external guarantor. This deterioration accelerated after 2020 and became unmistakable after 2022, prompting Yerevan to reassess the sustainability of its security dependence.

Within this context, diversification has emerged as the central organising principle of Armenia’s foreign policy. Rather than constituting a full strategic realignment or alliance substitution, diversification represents a form of external balancing under constraint, aimed at expanding Armenia’s diplomatic, political, and institutional options while avoiding abrupt ruptures with existing security arrangements. This approach underscores Armenia’s recognition that disengagement from its traditional security system is neither immediate nor cost-free, necessitating a gradual and calibrated transition.

Engagement with the European Union occupies a pivotal place in this strategy. The Comprehensive and Enhanced Partnership Agreement (CEPA) institutionalised Armenia–EU relations by providing a legal and normative framework that enhanced Armenia’s international visibility, governance capacity, and reform credibility. While CEPA does not offer hard security guarantees, it strengthens Armenia’s strategic autonomy indirectly by embedding the country within EU regulatory, political, and economic networks. In this sense, EU engagement functions as a soft security multiplier, reinforcing state resilience, legitimacy, and bargaining power rather than substituting for military deterrence.

The adoption of the new Strategic Agenda for the EU-Armenia Partnership marks a qualitative deepening of this relationship. By replacing the 2017 Partnership Priorities with a more ambitious and comprehensive framework, the Strategic Agenda reflects both Armenia’s evolving security perceptions and the EU’s growing willingness to engage more substantively. Its inclusion of cooperation on connectivity, energy security, trade diversification, and – critically – security and defence signals a gradual expansion of the EU’s role in Armenia’s broader security environment. Although these dimensions remain limited in scope, they contribute to a layered security approach that complements Armenia’s diversification strategy.

From a theoretical perspective, Armenia’s evolving foreign policy aligns with limited external balancing and hedging behaviour, characteristic of small states operating under asymmetric power constraints. Rather than seeking immediate alliance replacement, Armenia leverages EU engagement to mitigate overdependence, reduce strategic vulnerability, and enhance policy flexibility. This incremental approach reflects an awareness of regional power asymmetries and the risks associated with rapid geopolitical reorientation.

Nevertheless, the EU track also faces structural limitations. The absence of binding security guarantees, the EU’s cautious approach to hard security in the South Caucasus, and Armenia’s ongoing exposure to military pressure constrain the transformative potential of EU engagement. As a result, diversification remains an adaptive strategy rather than a definitive solution, aimed at widening Armenia’s strategic margin rather than resolving its security dilemma.

2.2. Opportunities in Geopolitical Engagement

The displacement of Armenians from Nagorno-Karabakh in 2023 and the withdrawal of Russian peacekeepers have accelerated Armenia’s rapprochement with the West, offering new opportunities to

balance Russian influence. Armenia's growing alignment with the European Union, demonstrated by the deepening of diplomatic ties and the Prime Minister's call for closer cooperation (European Parliament 17 October 2023), reflects its strategic pivot toward the West. In addition to relations with the EU, Armenia has restored diplomatic ties with Hungary, initiated strategic dialogues with the United States and United Kingdom, and signed a strategic partnership agreement with Georgia.

In the process of defending Armenia's territorial integrity, establishing a strategic partnership with the Trump administration has played a particularly important role. U.S. President Donald Trump, by supporting the Armenia – Azerbaijan peace process, initiated the unblocking of regional communication and transit routes, creating opportunities for Armenia to position itself as a regional transit and cooperation hub. This recalibration has intersected with emerging geopolitical and connectivity initiatives, most notably the Trump Route for International Peace and Prosperity (TRIPP). Within Armenia's strategic discourse, TRIPP is increasingly viewed not as a formal military alliance but as a geo-economic and connectivity framework capable of enhancing Armenia's role as a transit and cooperation node linking Europe, the South Caucasus, and broader regional trade corridors. By emphasising infrastructure, trade, and regional connectivity, TRIPP complements Armenia's broader diversification strategy and reinforces the country's efforts to strengthen its security and autonomy through external engagement.

In the defence sector, Armenia's partnership with France has been particularly significant. The agreements signed between Armenia and France in 2024 have introduced much-needed military reforms and equipment supplies (RFI 23 February 2024), further reducing Armenia's reliance on Russia. These defence partnerships allow Armenia to strengthen its military capabilities through external support, thus maintaining a degree of autonomy and resilience in a region dominated by larger powers.

The balancing of Armenia's foreign and security policy is not limited to cooperation with Western countries. In recent years, Armenia has also intensified its cooperation with Arab states. Historically, Armenia has always maintained good relations with Arab nations and has been an observer state of the Arab League since 2004. A significant event for Armenia was the establishment of diplomatic relations with the Kingdom of Saudi Arabia on November 25, 2023 (Ministry of Foreign Affairs of the Republic of Armenia 12 May 2023). This development may contribute to the diversification of Armenia's foreign and security policy, as Saudi Arabia is not only a major regional power in the Middle East but also a leading state in the Organization of Islamic Cooperation and a member of the G20 (Alrmizan 2020, 19). In recent years, Armenia has also been towards strengthening its relations with Egypt. In March 2024, the Prime Minister of Armenia visited Egypt and signed agreements with the President of Egypt to deepen cooperation in various fields. In addition to expressing its support for the cessation of the war in Gaza, Armenia sent humanitarian aid to Gaza's residents. Armenia has officially recognized a Palestinian state and explicitly supports the application of the "two states" principle in the Israeli-Palestinian conflict (The Office to the Prime Minister of the Republic of Armenia 05 March 2024).

Following the 2020 Karabakh war, Armenia significantly recalibrated its engagement with the United Arab Emirates (UAE), elevating bilateral relations from a largely secondary partnership to an increasingly important component of its diversification strategy between 2020 and 2025. This shift was reflected in intensified high-level political dialogue, with Armenia conducting eight official visits to the UAE at the presidential and foreign ministerial levels during this period (Ministry of Foreign Affairs of the Republic of Armenia, 7 February 2024). These interactions resulted in the signing of a series of agreements aimed at expanding cooperation across multiple sectors. With this strengthening of relations, Armenia-UAE cooperation especially in the trade and economic sectors has notably expanded. In 2023, the UAE became Armenia's second largest trade partner. Within a year, Armenia's trade with the UAE increased nearly fourfold, amounting to approximately \$2.3 billion, or 11.1% of Armenia's foreign trade (ArmStat 2024).

With the strengthening of bilateral relations, Armenia-UAE cooperation – particularly in the trade and economic spheres – expanded markedly. In 2023, the UAE emerged as Armenia's second-

largest trade partner, with bilateral trade increasing nearly fourfold within a single year to approximately USD 2.3 billion, accounting for 11.1 percent of Armenia's total foreign trade turnover (ArmStat, 2024). This surge was driven largely by the UAE's role as a key destination for the re-export of gold and diamonds. Despite a broader moderation in Armenia's foreign trade dynamics thereafter, the UAE retained its position as Armenia's second-largest trading partner in 2025. Between January and August 2025, Armenia exported goods worth USD 1.26 billion to the UAE while importing USD 0.25 billion, resulting in a substantial trade surplus (Council of the European Union 2025). These figures underscore the sustained importance of the UAE within Armenia's external economic diversification strategy, even as the composition and intensity of trade evolved beyond the peak levels observed in 2023.

For the purpose of diversifying Armenia's foreign and security policy, deepening the military-political cooperation with India is also crucial. Following the 2020 Karabakh war, the strengthening of Türkiye-Azerbaijan-Pakistan strategic cooperation, Azerbaijan's ambitions to control Armenian sovereign territory, and changes in the geopolitics of transport communications in Eastern Europe and the Middle East have created a new impetus for increasing India's influence in the South Caucasus. It must be noted that before the war in Ukraine, India was able to export its goods to European markets through Russia, which became impossible after the war began. Consequently, India is seeking to fill this gap by cooperating with the South Caucasian countries, particularly through the 'Persian Gulf-Black Sea' multimodal route. In this context, India supports establishing stability in the region and is contributing to Armenia's efforts to achieve a military balance. India condemned Azerbaijan's aggression against Armenia during the UN Security Council meetings on September 15, 2022 (UN Meetings Coverage and Press Releases 15 September 2022). In 2023, Armenia and India signed contracts for the supply of Indian military equipment, including rocket artillery systems.

These relationships not only diversify Armenia's military capabilities, such as its acquisition of Indian military equipment, but also enhance its strategic position in the broader geopolitical landscape. Armenia's engagement with India, particularly in military cooperation, aligns with the principles of external balancing, helping Armenia counterbalance the influence of Türkiye and Azerbaijan in the region.

2.3. Challenges in Economic Diversification

While Armenia has made progress in diversifying its military and diplomatic relations, economic diversification remains a significant challenge. The 2021 Government Programme of Armenia emphasises the importance of diversifying export markets as a key aspect of its foreign economic policy (The Government of Armenia 2021). This means reducing dependence on a single center by diversifying export and import markets and expanding investments and economic partnerships. Armenia also places great importance on energy security, particularly the diversification of imports of gas, oil and petroleum products. Additionally, Armenia emphasises the significance of participating in emerging international transport programs in the region.

In recent years, Armenia has not only failed to reduce its dependence on the Russian market, but Russia's influence on Armenia's economic development has further intensified, shaped in large part by Western sanctions on Russia and Armenia's continued engagement within the Eurasian Economic Union (EEU). According to the Armenian National Statistical Committee and external trade analyses, Armenia's foreign trade turnover experienced robust growth in 2024, reaching over \$26 billion in the first ten months of the year, with Russia remaining the country's largest trade partner and accounting for more than 40 % of total trade; bilateral trade turnover with Russia exceeded \$10.8 billion, underpinned by a sharp increase in imports from Russia even as Armenian exports to Russia declined modestly (Business media 6 December 2025).

Despite this high level of trade with Russia in 2024, the trend in 2025 shows a contraction in Armenia's overall foreign trade turnover, which fell by roughly 39 % in the first nine months of the year compared to 2024, with Russia still ranking among the top sources of imports (ARKA 6 November 2025). These dynamics underscore that Armenia's recent economic performance remains

closely tied to trade flows tied to Russia and the broader post-sanctions Eurasian market, with much of the export growth linked to re-exports and integration within the EEU rather than diversification toward Western markets. Consequently, it can be concluded that Armenia's recent economic growth and external trade orientation continue to reflect the structural effects of Western sanctions on Russia and Armenia's economic orientation within the Eurasian Economic Union rather than a successful reduction of its economic dependence on Moscow.

The increase in Armenia's economic dependence on Russia and the failures in its economic diversification efforts are primarily attributable to the isolation policy implemented by Türkiye and Azerbaijan. Since the 1990s, Armenia's eastern and western land borders have remained closed. The southern border, connecting Armenia to Iran, offers no opportunities for completely free economic activity due to the economic sanctions against Iran. Furthermore, access to European markets via Georgia's Black Sea ports has been significantly restricted because of the war in Ukraine.

While Armenia has successfully diversified its defence partnerships, its economic dependence on Russia limits its ability to fully execute a balanced foreign policy. Armenia's foreign and security policy reflects both successes and challenges in its pursuit of a balanced approach to managing regional threats. The expansion of military and diplomatic partnerships with Western and regional powers has allowed Armenia to reduce its political and military dependence on Russia. However, Armenia's economic dependence on Russia continues to pose significant challenges to its diversification efforts. To enhance its sovereignty and resilience, Armenia must continue to pursue a balanced foreign policy, leveraging its new partnerships while addressing the economic limitations imposed by its reliance on Russia. If these dynamics persist, the likelihood increases that, upon the resolution of the Ukrainian conflict, Russia may leverage its growing economic influence to exert renewed political pressure on Armenia's foreign policy decisions. By capitalising on its economic leverage, Russia could seek to reassert control over Armenia's geopolitical orientation, particularly as Armenia attempts to diversify its external partnerships. This potential shift underscores the delicate balance Armenia faces in navigating its foreign policy, as it seeks to reduce dependence on traditional alliances while maintaining sovereignty in a complex and evolving regional environment.

However, Armenia does not seek a radical change in its foreign policy. Maintaining stable relations with Russia remains a key element of its diplomatic agenda. The country does not aim to replace dependence on Russia with reliance on another state. Instead, Armenia pursues a balanced approach, navigating competing geopolitical pressures while protecting its national interests and strategic autonomy.

Conclusions

Armenia's foreign and security policy is undergoing a structural transformation driven not by ideological realignment but by the erosion of its traditional security architecture and the reconfiguration of power relations in the South Caucasus. The collapse of Russia's credibility as a security guarantor – exposed by its failure to deter Azerbaijani coercion against Armenia, and its inability or unwillingness to prevent the 2023 ethnic cleansing of Nagorno-Karabakh – has fundamentally altered the strategic assumptions that underpinned Armenia's post-independence security paradigm. In response, Armenia has moved away from a model of single-patron dependence and adopted a strategy of diversification, hedging, and limited external balancing. This shift is consistent with neorealist expectations of small-state behavior under conditions of alliance unreliability and asymmetric threat environments.

The analysis demonstrates that this shift does not constitute a wholesale geopolitical reorientation or alliance substitution. Rather, Armenia is pursuing a calibrated and incremental strategy aimed at widening its strategic space while avoiding abrupt ruptures with existing institutional and economic ties. Engagement with the European Union, the United States, France, UAE, India has enhanced Armenia's diplomatic visibility, military resilience, and international

embeddedness, while initiatives such as EU monitoring missions, defence cooperation with France and India, and geo-economic frameworks like TRIPP function as complementary layers of soft and hard security. From a theoretical perspective, Armenia's behaviour aligns with hedging and limited external balancing, whereby diversification serves to mitigate vulnerability and increase autonomy rather than to decisively shift the balance of power.

At the same time, the study highlights the structural constraints that limit the depth and sustainability of this transformation. Armenia's continued economic dependence on Russia, reinforced by geography, closed borders, and integration within the Eurasian Economic Union, creates a persistent asymmetry between military-political diversification and economic reliance. This imbalance generates internal tension within Armenia's foreign policy and leaves open the possibility of renewed Russian leverage in the future, particularly in a post-Ukraine war environment. Consequently, Armenia's emerging foreign and security policy paradigm should be understood as adaptive rather than resolved: a pragmatic effort to navigate a hostile regional environment by maximising flexibility, resilience, and autonomy under severe structural constraints. The durability of this strategy will ultimately depend on Armenia's ability to deepen economic diversification, consolidate new partnerships, and translate external engagement into sustainable deterrence and long-term strategic stability.

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