

**AMERICAN UNIVERSITY OF ARMENIA**

**COMPARATIVE ANALYSIS:  
UNITED STATES' AND RUSSIA'S PROGRAMS IN ARMENIA  
1991 - 2011**

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## **LIST OF ABBREVIATIONS**

ABA	American Bar Association
ALSP	Armenian Legislative Strengthening Program
ANRA	Armenian Nuclear Regulatory Authority
CIS	Commonwealth of Independent States
COE	Council of Europe
CSTO	Collective Security Treaty Organization
EU	European Union
FSU	Former Soviet Union
GIZ	Gesellschaft für Technische Zusammenarbeit (German Overseas Development Agency)
IPAP	Individual Partnership Action Plan
NA	National Assembly
NATO	North Atlantic Treaty Organization
NPP	Nuclear Power Plant
OPIC	Overseas Private Investment Corporation
OSCE	Organization for Security Cooperation in Europe
PfP	Partnership for Peace
RA	Republic of Armenia
RF	Russian Federation
ROLI	Rule of Law Initiative
UN	United Nations
US	United States of America
USAID	United States Agency for International Development
USG	Government of the United States of America
USNRC	United States' Nuclear Regulatory Commission

## **ABSTRACT**

This Master's Essay examines the role of two world powers, namely United States and Russia, in Armenia through a comparative analysis methodology from 1991 to 2011. The presence of both countries in Armenia is considered by mainly looking at the two sectors of operation: promotion of democracy and good governance, and promotion of peace and security. The sources for analysis are bilateral agreements and programs implemented in the fields to highlight the level of involvement as well as interests of the United States and Russia in their cooperation with Armenia on both bilateral and multilateral levels. For the purposes of this paper the research is conducted in chronological order to help define the gradual development of the cooperative structures of the two major powers with Armenia since its independence.

*...Whether we like it or not, the problem of the developing nations will remain one of the major irritants in Soviet-American relations, for the development of emergent nations is taking place in the context of an intense confrontation of the two world social systems.*

Henry Trofimenko  
1981

## **INTRODUCTION**

This paper is going to look at the United States' and Russia's foreign aid to and cooperation with the Republic of Armenia since 1991, as part of their foreign policy towards Armenia - to provide a better understanding of their interests. To reach that aim, the paper will analyze the bilateral cooperation agreements between Armenia on the one hand and United States and Russia on the other, as well as the American and Russian main programs and their implementation.

This paper aims at looking at United States and Russian foreign assistance to Armenia from a comparative perspective. Its aim is to highlight the interest both countries have in providing assistance to a former Soviet country, and the way they exercise influence in it. A comparative analysis framework will help in defining the major directions of the two world powers' foreign policy making aimed at cooperation with a developing country – Armenia.



Armenia became independent in 1991. Since then numerous agreements in different spheres, memorandums and protocols have been signed between the US and Armenian governments. Within the same period multiple bilateral agreements were signed between Russia and Armenia on cooperation in diverse spheres of operation. Huge amount of financial assistance was provided to Armenia during the twenty years of its independence by both countries. What are the dimensions leading to the bilateral relationship between the giving and recipient states, especially in a dialogue between a developed and powerful country with a newly-developing and a small state? What are the forms of aid or spheres of cooperation with a developing country in the South Caucasus? What are the grounds for cooperation in foreign policy of the world powers regarding the post-soviet country? These are the questions that the paper provokes interest in.

*Any effort to delineate the precise scope of security studies is somewhat arbitrary.*

**Stephen Walt**

Promotion of good governance and democracy, as well as promotion of peace and security are the two sectors of evaluation represented within the comparative analysis. Taken that both spheres represent a broader framework, the following dimensions were defined to outline the exact framework for the analysis. Good governance and democracy dimension will encompass the following zones of operation: rule of law, local governance and strengthening civil society. The Peace and Security sector will mainly include the military and defense cooperation, as well as strengthening (through technical and financial assistance) the internal and external security forces.

Stability, prosperity and democracy are the current goals set forth in the most of the world's countries' agenda. What are the costs, benefits, both positive and negative consequences for a newly-rising country within the game of stronger powers leading certain policies aimed at

achieving those goals? Geopolitical interest, strategic profitability, ideological victory and also a rare, but a true commitment may represent several among other options justifying certain policy implementations between states having common history or inevitable grounds and opportunities for cooperation.

South Caucasus can be considered as a region full of geopolitical implications. Significant foreign investments aimed at the maintenance of the vital functions and the abilities of governments of the South Caucasus to ensure social and political stability have solved a lot of problems, but unfortunately failed to overcome the regional conflicts. This is to show the necessity of investigating the grounds for cooperation and reasons for positive as well as failed outcomes within the framework of the most actual activity of the modernly-developed world – cooperation.

Up until now the US – Russian geopolitical confrontation can probably be observed in different parts of the world. The South Caucasus with one of its representative countries – Armenia – can demand its a place being worthy of having a closer look among those parts of the world. Another important factor standing to justify the grounds for a comparative analysis of US and Russia is the existence of considerable presence of the largest Armenian communities in both countries - having an undeniable say in the development of foreign policies of the countries mentioned toward Armenia. The paper aims at looking on whether there is a new kind of competition between the former-rival powerful countries in cooperation with Armenia in terms of increasing their influence in a post-soviet state.

## RESEARCH QUESTIONS

The Master's Essay will test the following hypothesis:

**Hypothesis #1:** The main interest of the United States in its bilateral cooperation with Armenia is the promotion of democracy and good governance, whereas Russia is primarily interested in investing in peace and security.

The essay will also give answers to the following research questions:

**Research Questions #1-2:** What kind of projects has US implemented in Armenia in promoting governance since 1991? What kind of projects has US implemented in Armenia in promoting Peace and Security since 1991?

**Research Questions #3-4:** What kind of projects has Russia implemented in Armenia in promoting governance since 1991? What kind of projects has Russia implemented in Armenia in promoting Peace and Security since 1991?

**Research Questions #5:** What is the main field of interest of US in its bilateral cooperation with Armenia?

**Research Questions #6:** What is the main field of interest of Russia in its bilateral cooperation with Armenia?

## METHODOLOGY

The study utilizes historical/comparative analysis methodology. The resources for analysis include books, official documents, reports, speeches, handbooks, factsheets, periodicals and articles in specialized journals, as well as internet and media. The primary sources for analysis are bilateral agreements between countries, and interviews conducted with the representatives of the following institutions in Armenia: U.S. Embassy in Armenia, Russian

Embassy in Armenia, USAID's Democracy and Good Governance office in Armenia, OSCE office in Armenia, and Armenian Ministry of Defense.

## **REVIEW OF THE LITERATURE**

*It follows from the political nature of foreign aid that it is not a science but an art.*

Hans J. Morgenthau

### **Foreign Aid**

There is a vast literature on foreign aid which has developed during the second half of the twentieth century. Allocation of official bilateral aid has mainly rested on the two views examining first the humanitarian aid based on the needs of a recipient country, and the second view hinging on the foreign policy interests of a giving country. The international relations theory provides different approaches to defining the concept of foreign aid. According to political realism it is a policy tool aimed at influencing the political decision-making in the target-countries (McKinlay and Little, 1977; Morgenthau, 1962; Liska, 1960). According to the liberal internationalism it is a set of structured procedures aimed at advancing the socio-economic and political development of recipient countries (Baldwin, 1966; Pakenham, 1973).

For Hans Morgenthau (1962) the prerequisite for the development of a viable foreign aid policy is the recognition of the diversity of policies that go by that name. He distinguishes between humanitarian, subsistence, military, bribery, and prestige foreign aid, as well as foreign aid for economic development. Two major conclusions for policies being drawn from his analysis are: the requirement of identifying each concrete situation in the light of the six different

types of foreign aid, choosing the quantity and quality for foreign aid appropriate for the situation; and the requirement of dealing with foreign aid as an integral part of political policy.

Former deputy administrator of the USAID Carol Lancaster (2000) refers to foreign aid as a functional tool of United States' diplomacy underlining the significant role that it has played in preventing the expansion of communism, and promotion of economic and social development in those regions. Besides stressing the imperative role that US foreign policy has played in the past, the author also explains the inevitable, and again, significant role of foreign aid as a tool in US future endeavors, indicating the undeniable existence of new challenges such as globalization. "Foreign aid was an extremely useful tool of US diplomacy during the second half of the twentieth century and it will continue to play an important role in the twenty-first century. But its major purposes and priorities will be distinct from those of the last 50 years and will therefore require a new design for both its organization and management." (Lancaster, 2000, p. 74).

Programs of aid are convenient multi-purpose tools for those responsible for the foreign relations of a country (Millikan, 1962). As was already mentioned the interests of states can differ from political, economic to military ones.

David Baldwin (1966) discusses the nature of foreign aid to find out if it is or not a tool for foreign policy. Accordingly, when foreign aid is conceived as a policy tool it ends up as a short-term goal; whereas if considered as an end the outcome would be more efficient for the economic and political development goals of the recipient country.

In one of his late articles Samuel Huntington (1970) stresses that foreign aid and rich countries' involvement with the poor ones in general, is to a great extent an issue of national

interest. US concern with the economic development of poor foreign countries can presumably be analyzed in terms of moral obligation and national interest.

Marshall Plan has been the first and major foreign aid in action. US had allocated huge resources to the after-war Europe aimed at rehabilitation and resurrection of the industrialized part of the world. The Marshall Plan was also conceived within the US strategy of Containment against the spread of Communism in Europe (Borchard, 1947; Nelson, 1949; Kennan 1950; Kunz, 1997). State-to-state transfers that we call foreign aid are largely a modern practice, in which the United States was a pioneer. The success of the Marshall Plan led to the institutionalization of foreign aid in US foreign policy (Muravchik, 1992).

Shifting the view from the Soviet past to the Russian present it is worth to observe the current developments within the priorities and strategies of Russian foreign policy. "Russia shall participate in activities conducted under the auspices of the United Nations and other international organizations to eliminate natural and man-made disasters, other emergency situations, as well as in rendering humanitarian aid to the suffering countries." (Foreign policy concept of the Russian Federation, 2010).

*Cooperation may be implicit as well as explicit; but in either case, common interests – in bases, military strength, aid programs or intelligence information – are the ties that bind.*

Robert O. Keohane

## **Cooperation**

The neoclassical realist approach advocates that countries compete in the international context based on their interests and to expand their influence (Mearsheimer, 1995; Zakaria, 1998; Schweller, 2004; Lobell 2009). Competition for influence has become an essential concept in the context of cooperation among states. The word “cooperation” can be considered to

exercise multiple types of definitions. It is an act or a process of working or acting together for a common purpose (Hornby et al., 1948). The conditions and needs of poor countries have a vital say in the development of foreign influence by means of cooperation. The history of interstate relations is one of conflict and cooperation (Dougherty et al., 1981).

Interest lies in the heart of cooperation. It remains the factor driving countries to ‘work together’ by connecting possible cooperative prospects, in their basic pursuit – the interest of their own. Cooperation on different levels between states becomes a circle – full of motivations and actions which are based on the interests of states. The neo-functionalist Robert Keohane (1984) models cooperation as ‘good’ in case a comparison is made to discord, or a bad relationship. Cooperation alone, for the sake of cooperation bears no good; it becomes one if there are worse consequences in the relationship of countries without cooperation. The author proposes a quite attractive understanding of cooperation suggesting it to be viewed as a reaction to conflict, or potential conflict. Without the presence of conflict, there is no need to cooperate. Keen to define the reasons for cooperation among states the author proposes two explanations based on rational choice and sequence of historical interactions. The first choice implies the states’ determination based on rational decisions made by them, whereas the second choice pursues an undeniable existence of the past ties leading to cooperative frameworks in present. Considering cooperation from a broader perspective the author indicates that the confusing nature of it can be understood if we take a closer look at the impact of international regimes on the ability of states with shared interests to cooperate. Human choices are introduced to play a decisive role in the classification of the international regimes, which the cooperative frameworks of countries depend on.

Another appealing approach on international cooperation is introduced with presenting the actual purposes of cooperation based on mutual incentives and interests of states interacting in a continuous bargaining process. “That cooperation is not always directed to liberal purposes should not surprise us, since cooperation does not imply harmony but rather a highly contentious process of bargaining and mutual policy adjustment” (Keohane, 1984, p.215).

Joseph Grieco (1990) has aimed at explaining different levels of cooperation by focusing on negotiations on the distribution of gains among states. He has mainly considered international cooperation within the two theoretical frameworks: modern realism and newest liberal institutionalism to provide a better understanding of the interaction of interests and willingness of states to cooperate with each other. His basic conclusion is that realism is the more powerful theory for international cooperation. The overriding goal of nations attempting to cooperate is to reach agreements that strengthen their partnerships without losses to the individual nations (Dougherty et al., 1981, p. 109).

## **UNITED STATES OF AMERICA: DEMOCRACY ON THE FOREIGN POLICY AGENDA**

*Promoting democracy in other countries  
is a particularly American preoccupation*

**Thomas Carothers**

Transition to the new - democratic form of government has been a preferable prospect and a truly challenge for the future of states being under soviet influence for a long time. The end of Soviet regime was an opportunity to achieve the preferences set forward. Transition periods of smaller states are, frequently enough, of significance due to the involvement of other actors with their decisive roles to play. This chapter will look at the US role played in Armenia since its



independence. US have been present as an agent of changes on one of the post-soviet portions of the world.

This chapter is going to look at the bilateral relations between US and Armenia, mainly at the USG providing assistance aimed at reaching a democratic form of governance. The spheres of good governance considered are promotion of rule of law, and provisions of assistance to the fields of local-governance and civil society initiatives.

The United States recognized the independence of Armenia in December 1991. The US Embassy in Armenia was opened in January 1992. The same year both countries signed the investment incentive agreement setting a start for US – Armenia bilateral relations. The main objective of the agreement was to encourage economic activities in Armenia and set conditions for the structure of US investments including investment insurance, guarantees and loans to be backed by the USG through the OPIC – a US agency<sup>1</sup>. The US humanitarian assistance of the post 1988 earthquake period has gradually transformed into a long-term developmental assistance with the independence of Armenia.

From the very first days of re-establishment of Armenia's independence in 1991, the US made efforts to help Armenia during the not easy transition from a centralized command economy to democratic society and free markets (Kirakossian, 2007). The Governments of the two countries, recognizing the importance of developing mutually advantageous relationships and cooperation between their nations, have agreed to furnish the program of the Peace Corps of US in Armenia. Since 1992 Peace Corps Volunteers have worked to address the specific needs of Armenia, its people and its resources<sup>2</sup>.

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<sup>1</sup> Introductory part to the Investment Incentive Agreement between the Governments of the Republic of Armenia and the United States.

<sup>2</sup> The official website of the Peace Corps in Armenia available at: <http://armenia.peacecorps.gov/>

Since 1992 the USAID – a USG organization, has been present in Armenia aimed at organizing multifaceted assistance and development. “Four principal elements make up US diplomacy of values: providing relief in humanitarian crises; helping to promote development and reduce poverty in the poorest countries; advancing “humane concerns” by providing the quality of life for the neediest and most vulnerable abroad; and supporting the expansion of democracy and human rights” (Lancaster, 2000, p.78). A very similar chronological structure was followed by the USAID policy toward Armenia. USG has provided humanitarian aid by responding to the needs of communities affected by the earthquake of 1988, targeting entire country which consisted of 34 regions at the time within the jurisdiction of the Soviet law.

Starting its operations in 1992 USAID has targeted several sectors assisting the fundamental needs of people. Agricultural assistance was aimed at establishment of private businesses in the regions. Provision of technical assistance, such as trainings on the basics of agribusiness, was implemented by the USAID. Health was another sector piloted including assistance to regional clinics through strengthening medical education, as well as vaccination and immunization procedures.

In 1995 Venice Commission<sup>3</sup> and the USAID has provided assistance in drafting the first constitution of the Republic of Armenia with an expert analysis of model constitutions adjustable to post-Communist context.

In 1996 the first rule of law project was launched. It was implemented by the ABA ROLI supported by USAID. The initiative has contributed to a number of important achievements, such as the adoption of a new code of judicial conduct, the organization of a new chamber of advocates, training of judges and advocates on human rights law, election law and other topics

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<sup>3</sup> Commission attached to COE charged with reviewing member states’ legislation to ensure compliance with COE guidelines.

fundamental for the rule of law. Preparation of a series of public service announcements and videos about human rights and democracy were also included among others. Support for legal changes, especially in a developing country is obviously creating certain grounds for designation, further establishment of reforms and finally consolidation of democracy. “Democracy promotion has been one of America’s main foreign policy goals, alongside global economic and strategic interests.” (Carothers, 1997, p. 17). Democracy, good governance and social reform offices were established in Yerevan by USAID which later have developed into a full-fledged mission.

Armenia became a member of the family of democratic nations<sup>4</sup> in 2001. Armenia became a member of the COE. It will be hard not to agree with the fact that it is a major achievement for a small country having ten years of independence. However the role, in terms of support, of certain agencies should not be underestimated in this context. The majority of Armenian legislature was reformed and despite several contradictions between the domestic and international legislation, the membership was an obvious step forward.

2001 was also a year when the first USAID local government program was launched. It was piloted in nine cities based on the new law on local government with elected mayors and councils. The interaction that is taking place between the council and the mayor is to a great extent similar to that of the one inherent in the executive versus legislative power relations. Counterbalancing their role becomes a significant goal for the ones involved in the policy and decision-making processes. Elected officials have to play more balanced role of both councils and mayors in order to address the needs of the communities. Probably it will be reasonable to put a word on the fundamental difference between the political and discretionary positions, where the former is being elected by the people, whereas the latter is being appointed.

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<sup>4</sup> Phrase from the speech of Foreign Minister Vartan Oskanian on the occasion of Armenia’s becoming a member of COE delivered at COE, Strasbourg, May 11, 2001.

Having said this it is important to underline the essential role of the councils and mayors while considering support to the local government. The culture of decision-making from the local level has become an inalienable part of the democratic governance. In 2002 the new law on local self-governance was implemented. This step forward became possible with the support of the German International Cooperation working group (GIZ)<sup>5</sup> aimed at changing the laws. A big disparity between responsibilities and resources is being observed while considering the interaction of central and local governments in Armenia. When analyzing the implications of local governance it is important to discuss the issue of dependence. Up until now the communities depend on the support of the central government in Armenia. It is a generally accepted understanding that local elected authorities are better exposed to community needs. This factor to a great extent should raise the necessity of the conditions to be designated in a way to provide a greater independence to the local government.

In 2005 Armenia was selected to take part in the Challenges of the Millennium Campaign designed for the countries that demonstrate support for democracy and economic reform. Billions of dollars were requested from Congress by the US government to fund the campaign to be implemented in different countries (Lashchenova, 2008).

It is a truth commonly acknowledged that financial dependence leads to political dependence. One of the main bottom-line conditions for achieving partially democratic governance in the local governance sector is the existence of communities having their right to require accountability and greater responsibility. In case of experiencing the reverse one would observe the lack of public oversight, thus with local council becoming the weakest chain in the huge network. It should always be kept in mind that the council is a representative body. Raising

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<sup>5</sup> The information on the GTZ (now GIZ) activities in the South Caucasus can be found here: <http://www.gtz.de/en/weltweit/europa-kaukasus-zentralasien/2829.htm>

the effectiveness and efficiency to respond to citizens' needs and increase public oversight should be the goals oriented toward a democratic local governance performance. The task to bring together the demand and supply sides is essential to democratic governance. "Unless Armenians can acquire the skills and attitudes of self-governance, they will most likely continue to view themselves as dependent on elected and appointed officials for solutions to their individual and collective problems."<sup>6</sup> The support of local government units and support to the implementation of the rule of law initiatives are the priority areas indicated in the USAID Democracy and Governance Assessment of Armenia (2002).

Promoting governance and democracy is one among the other major scopes of US assistance programs in Armenia. The civil society development stands for one of the main parts of its implementation. "For the past two decades civil society has become a popular concept among scholars of democratization, as well as among policy-makers and development aid donors. It has inspired hopes and vigorous debates about its potential of improving and sustaining democracy." (Paturyan, 2009, p. 11).

Support for the civil society in Armenia started in the 1996 and is continuing up to date, at the moment representing the major dimension of USAID investment. "Currently our assistance programs focus on helping Armenia achieve three primary goals: an open and pluralistic civil society and full democracy; a vibrant market economy; and a stable and secure political environment in the region." (Evans, 2005, p. 3). Counterpart International is a USAID partner and project implementing organization working to support the civil society and local governance programs.

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<sup>6</sup> The factor affecting consolidation of democracy and governance in Armenia, highlighted in the USAID Armenia Democracy and Governance Assessment, June 2002

The classification of events in the chronological order requires our attention to be paid once again to the basic component of and prerequisite to the democratic type of governance – the rule of law. Effective implementation of the existing constitutional and legal rules is essential to fulfillment of democratic duties. USAID’s ALSP program started its operation in 2004. The work in a partnership with the NA of Armenia included lobbying and advising NA on policy and legislative issues as well as improving the functioning of key committees and departments of the NA. Basic procedures involved the joint work of both sides on analyzing and drafting legislation. Through 2009 and 2010 the ALSP provision of assistance continued - close work with the Committees remaining an essential component of the mission. Increasing expert capacities can be named to remain the major focus of activities designed to achieving greater democratic governance.

In 1961 President John Kennedy appealed to Congress by a letter stating the importance of creating an agency of American people which is going to be aimed and devoting itself to the development assistance throughout the world, with a more specific focus on the developing countries. The major aim of establishing foreign assistance organization was to deliver a direct aid to the developing world. Since World War the Second US was popular due to its provision of both economic and technical assistances with the major introduction of Marshal Plan. Nowadays a phenomenon of US exercising foreign assistance is treated as something taken for granted. The 50th anniversary of the establishment of USAID is celebrated this year (2011).

There are three guiding principles that define good governance: transparency, accountability and participation. These three principles are inherent parts of the democratic society. The sectors and programs that have been evaluated included the rule of law, local governance and civil society. These dimensions are true representatives of the principles of democratic society.

Exporting democracy has been the term mainly used on behalf of the US in its foreign policy toward developing countries. US has so much used the term both practically and literally, that at times it becomes harder to properly distinguish the true roots that democracy has grown up from. Interestingly enough, the world observes US spreading democracy, while the Europe representing the 'veins of the concept'<sup>7</sup> is relatively silent. The positive assumption that can be formulated is that US, a country established on the western democratic values and beliefs, believes so strongly in its mission, that it also works to achieve it in other developing countries. Advancing a democratic cause can be America's most effective foreign policy in terms not merely of good deeds but of self-interest as well (Muravchik, 1992).

US is supporting democracy throughout the world. However regional security can be named to be the first reason. Security and democracy breed happier citizens. The happier the people - the more stable a country. The iterative activities and aims expand into a vicious cycle, where one component becomes incapable of operation with the absence of another. Promotion of democracy is a US foreign policy as a whole; it is not being spread to a specific country but to any part of the world. Regulating peace in the region and economic development are the next major purposes worthy of further analysis.

Armenia was the largest per capita recipient of US aid in the former communist world. The scope of the partnership between the world's leading democracy and an emerging democratic nation desirous of taking its share of responsibilities on the international stage is multifaceted. This relationship spans bilateral, interstate cooperation, and engagement in broader multilateral arenas (Kirakossian, 2007, p. 61).

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<sup>7</sup> Thinking about the roots of Democracy belonging to European 'continent'.

Development, Defense and Democracy are the three “Ds” of US foreign policy. So far we have dealt with the first and the last dimensions. Now we are proceeding to the next chapter looking at the US defense cooperation with and support to Armenia.

## **UNITED STATES OF AMERICA: SECURITY FOR STABILITY**

*United States bilateral relations with each of its allies are always significant, regardless of the importance of multilateral ties in given situations.*

**Robert O. Keohane**

One of the main features characterizing current global political affairs is the opportunity, if not inevitability, for the countries to cooperate with each other on multiple levels: starting from the minor issues developing into a broader framework such as security cooperation. This chapter is going to look at the US cooperative assistance frameworks with Armenia within the security sector, which will include the following zones of operation: military and defense cooperation, strengthening of internal and external security forces as well as nuclear safety matters.

US has played an important role with its involvement in the South Caucasus region, by promoting security and stability to ensure a durable peace for a post-soviet portion of the world, infamous for its ongoing existence of conflicts. Armenia and US are partners at different levels of security collaboration. The cooperative networks include, but are not limited to the UN, OSCE, NATO’s PfP and Euro-Atlantic Partnership Council, as well as European arms control treaties. One among the objectives set forth in the military doctrine of the RA is to develop balanced multilateral and bilateral military cooperation (Military doctrine of the RA, 2007).

Chapter five on the International military and military-technical cooperation of the military doctrine of the RA states that a priority direction for military and military-technical



cooperation, among others, is bilateral military cooperation with the US on defense reforms, the establishment of interoperable units, and participation in international stabilization and peacekeeping activities.

US cooperation with Armenia in the security sphere can be distinguished between bilateral and multilateral ones. Table 1 on the page 35 lists the documents of both bilateral and multilateral cooperation between two countries starting from 1991 to 2011. First the paper will try to emphasize the emergence of cooperative relationships looking at the documents signed on bilateral basis, whereupon continue with the US and Armenia partnership in terms of their cooperation through international organizations.

The US goals pursued within cooperation with Armenia in the security sphere can be split into several dimensions including stabilization operations, combating weapons of mass destruction, conflict mitigation, and transnational crime as well as preserving border security as an important concern for US government foreign policy in terms of peace and security program implementation in the region.

Since 1992 stabilization operations were aiming themselves at the provision of financial assistance to nuclear power plant in Armenia. After the collapse of the Soviet Union, US paid attention to the security nuclear material weapons. Guaranteeing safety to plants was one of the priority issues in cooperating with the newly independent, post-soviet states. In 1996 the protocol on the nuclear safety projects was signed between countries.

In 2000 two sides have signed the agreement on cooperation in the area of counter proliferation of weapons of mass destruction. This can possibly be considered to represent one of the most popular agreements in the security sphere between partner states, indicating the

importance of not developing, producing or acquiring any nuclear or other weapons of mass destruction.

The importance of the abovementioned subject matter lies in maintaining an overall balance in the region indicated in the national security strategy of Armenia. “The positive trends in the dialogue and cooperation among the major powers and the consolidation of the international community to combat terrorism and the proliferation of weapons of mass destruction are conducive to Armenia’s pursuit of its foreign policy of complementarity.” (Armenian National Security Strategy, 2007).

The new type of linkage between the two countries, namely the State Partnership program, signed between Armenian armed forces and Kansas National Guard in 2003, was designed to enhance the US military standards in Armenia through the meetings conducted twice a year with Armenian military officials. This partnership has strengthened the constructive relationship between the US Armed Forces and the Republic of Armenia through the active cooperation of both Armenian Ministry of Defense and the Kansas National Guard.

The US defense attaché offices are spread throughout the countries of the world. It is a part of the US department of defense and US defense intelligence agency and, thus a representative institution providing dialogue in the security sphere aimed at better understanding and strengthening of relations between states. The activities of the defense attaché Armenian office include supporting the global war on terrorism, coordinating Armenian participation in NATO’s PfP program<sup>8</sup>, as well as supporting Armenian national humanitarian demining center. The main areas that can be highlighted due to the support of the defense attaché office are financing aimed at purchasing required military equipment, as well as providing support for

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<sup>8</sup> Discussed further in the chapter.

military education and trainings with further opportunities for trainees to attend US military schools for professional development<sup>9</sup>.

Referring back to the nuclear safety matters, it must be mentioned that the USNRC and the ANRA signed an agreement for the exchange of technical information and cooperation in nuclear safety matters in 2007. Taking into account the Armenian NPP decommissioning strategy decreed by the Armenian government, this area remains of significance for the US Government's attention up until present. Elaborations on building new nuclear power plant in Armenia are ongoing, and US has stressed its willingness to build a new NPP in Armenia, by replacing the existing "Metsamor" NPP maintained with the Russian assistance. However the arrangement has not been entered into force yet.

Coming from Robert Keohane's perspective considered earlier in the paper, it can be concluded that maximizing cooperative relations is a condition to experiencing a non-conflicting situation – a precondition to long lasting peace. In this context, cooperation between two given states becomes rational and reasonable notwithstanding the grounds for mutual cooperation.

To understand the chain of events generated by the actors having their strong say in the region, we first need to define the essential concerns of those. The US guided by "protecting its national interests" has become a conventional picture of US foreign policy (Chomsky, 1994, p. 221). The individualized indication of a certain major actor's foreign policy may probably appear to be not fair, as it is the duty of every nation to protect the interests of the state in every undertaking, especially in the process of establishing partner relations with other countries. Most certainly the same is going to be true especially in the partnership with smaller and much less powerful states. Protecting and seeking interests is the strategy enacted by the powerful states

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<sup>9</sup> Partners for the future, US Government assistance to Armenia, 2005-2006.

toward smaller ones in the seemingly unnoticeable, but strategically important portion of the world.

The partnership of US and Armenia on the multilateral basis plays an important role due to the extensive cooperative frameworks with different international organizations. The 1.1 section on the military-political components of the external security strategy of the Armenian national security strategy indicates that the main components of the military-political security include cooperation with the NATO alliance, and engagement in the activities of the international security organizations, such as OSCE. United States is one of the most prominent members having its crucial say in both organizations. Additionally cooperation and development of proper relations with NATO is mentioned in the military doctrine of Armenia supported by the programs that Armenia implements within the framework of NATO.

In 1991 a new institution, namely the North Atlantic Cooperation Council (which was renamed the Euro-Atlantic Partnership Council in 1997) was created by NATO, uniting members of the Alliance, as well as newly independent members of the CIS with Armenia becoming a member of the group in 1992. The 1991 Rome Summit of NATO has created the North Atlantic Cooperation Council to serve as an opportunity for the newly independent countries of Eastern Europe and the former Soviet Union to develop a formal dialogue with the alliance. "It was created as a means of reaching out to the new states born from the demise of the Soviet Union." (Simmons, 2007).

In 1994 Armenia joined NATO led PfP program, which envisions bilateral cooperation between individual countries and NATO. "PfP program provides a mechanism for bringing former Soviet republics closer to NATO" (Brown, 1996, p.129). A distinguishing feature of the

program lies in the opportunity for the individual partner countries to choose their priority areas on which they would like to cooperate with NATO.

“The purpose of the PfP is to increase stability, diminish threats to peace and build strengthened security relationships between individual Partner countries and NATO.”<sup>10</sup>

Cooperation with NATO has a quite complex framework including partnership on several programs initiated in different years. In 2005 NATO and Armenia have agreed on the first IPAP, which is envisioned to provide a focused assistance on the reforms. “The IPAP implementation process is valuable not only for implementing domestic reforms and strengthening the political dialogue and cooperation with the Alliance, but also from the perspective of developing and enhancing bilateral relations with individual NATO member-countries.” (Armenia’s mission to NATO)<sup>11</sup>. This plan is foreseen for the period of two years, meaning that at the end of each phase it is being reviewed by appropriate representative bodies, and a new one is being confirmed for a new period. The IPAPs with Armenia were agreed and confirmed in 2005, 2007 and 2009. Presently the program is in a preparatory stage, as the current term is approaching the end.

"NATO-membership is discussed controversially in Armenia. Armenia holds the most tense security partnership with Russia in the region. Nevertheless, Yerevan officially demonstrates interest in security cooperation with the alliance."<sup>12</sup>

The foundation for current US foreign policy in the region lies firmly within the parameters of the new strategic partnership between the US and Russia (Giragossian, 2004). Notwithstanding the fact that this paper includes chapter on the Russian-Armenian security

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<sup>10</sup> Official website of NATO available at <http://www.nato.int/cps/en/natolive/index.htm>

<sup>11</sup> Official website of Armenian mission to NATO available at: <http://www.armenianatomiission.com/index.php?cnt=3>

<sup>12</sup> According to the survey conducted by the Armenian Center for National and International Studies in 2005. As cited in “NATO and the Post Soviet Space: Challenges of Security Cooperation with countries in the South Caucasus”, Regional Security Issues, 2007.

cooperation, it is impossible to speak about US involvement in the region without mentioning the role of Russia. It is important to underline the patience and understanding with which the US has treated Armenian-Russian extensive cooperation within the military and security framework. However, on the other side, one may think that this patience is very much in lined with the US strategy set forth for the region.

From another perspective, a quite interesting comparability was made in the "New cold war" by Edward Lucas with an indication that Armenia is one of the biggest per capita recipients of American aid in the world which makes it an unlikely member of the Kremlin camp (Lucas, 2008, p.175). The second part of this quite controversial indication will obviously lead to the formation of completely different views on the subject.

Armenia's multilateral cooperation constitutes difficulty in a way that given both US and Russia involved in a certain joint framework one has to find out whether to title this or that initiative under the US or Russian leadership. Having said this, it is important to shift the attention toward one of the US and Armenia multilateral cooperative frameworks in the context of OSCE.

OSCE as a stability peace building organization has a primary goal of providing a comprehensive understanding of security. The activities of the organization are aimed at building stability in the given regions of operation. The OSCE office in Yerevan was established by OSCE Permanent Council decision of July 1999 and became operational on 16 February 2000 following the ratification by the Armenian National Assembly of the Memorandum of Understanding between the OSCE and the Armenian Ministry of Foreign Affairs.

Three basic security dimensions that OSCE cooperates with its member states are the politico-military, economic and environmental, and the human. Politico-military dimension can

be mainly considered to encompass work with police including projects implementation aimed at democratizing forces in general. Making police forces more modern through trainings and introduction of new military equipments is one of the priority tasks initiated by the OSCE office in Armenia. "The OSCE takes a comprehensive approach to the politico-military dimension of security, which includes a number of commitments by participating States and mechanisms for conflict prevention and resolution."<sup>13</sup> Furthermore the role of OSCE Minsk Group needs to be mentioned, as it comprises both, US and Russian, parties involved in a mediation initiative aimed at a peaceful settlement of Nagorno Karabakh conflict, which remains to be a security and foreign policy priority issue for Armenia. OSCE Minsk Group co-chairmanship makes the Armenia-OSCE cooperation more important. "The US policy in terms of conflict resolution processes in the South Caucasus has become more reserved and cautious" (Muradyan, 2000, p.169). Whether due to prudent strategies, additional external factors, or simply the absence of willingness and opportunity to be intensely involved in the process, but the later remains to be unresolved up until present.

Peace, security and development are more interconnected than ever. This places a premium on close cooperation and coordination among international organizations playing their respective and interconnected roles in crisis prevention and management<sup>14</sup>.

"Today the US presence in the South Caucasus is a political reality. Support to Armenia which was up to recent times the second biggest recipient of the American financial aid after Israel, is the fact showing the intensified activity of Americans in this point of the post-soviet area. Today it is the US that is the main initiator of the projects on the Nagorno-Karabakh

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<sup>13</sup> Official website of the OSCE available at <http://www.osce.org/item/44315>

<sup>14</sup> Comprehensive Political Guidance endorsed by NATO Heads of State and Government, November 2006.

settlement.”<sup>15</sup> Taking into account the fact that the past of any undertaking matters to a great extent, as the present and future are always the outcomes of the past, thus historical implications indeed find their way to represent a group of current approaches aimed at further development.

Despite the fact that Armenia is a small country, it would be not fair, and obviously not wise, to underestimate its geographical role in the region. “The Caucasus has emerged as a very distinct geographical area in a very volatile region, becoming a place where many are playing politics” (Oskanian, 2008, p. 450). It is also indicated to be a region attracting the attention of the world’s major powers Armenia remains to be a landlocked country with the two borders closed - a factor impeding country's possible development. Armenia's history together with the long lasting sad border-situation remains to be one of the main issues serving the reason for the larger Armenian Diaspora to have its support throughout country's existence. Having said this, it is necessary to highlight the role of the American Armenian Community which played an important role in the US official allocations to Armenia.

After the tragic events of 9/11 the US foreign policy toward the South Caucasus region has not changed, but moreover, has shifted with a new attention to spreading democracy and cooperating with reliable partners in the war on terrorism. The Armenian National Committee of America has helped to educate Senate representatives about the importance of the US aid program to Armenia and indicate the significance of Armenia as a "reliable partner in the war on terrorism, a leader in the economic rebirth of the Caucasus, and an island of democracy in a strategically important region" (Key Senate Panel, 2002)<sup>16</sup>.

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<sup>15</sup> "The US and the EU in the South Caucasus: Between Idealism and Pragmatism", Regional Security Issues, 2007.

<sup>16</sup> Armenian National Committee of America available at:  
[http://www.anca.org/press\\_releases/press\\_releases.php?prid=230](http://www.anca.org/press_releases/press_releases.php?prid=230)



It is frequently the case with smaller countries when the major powers start looking at them as players in a whole region rather than individual countries. Many authors specify the significance of the South Caucasus without separating the representative countries by putting stress on the region as one. “After the dissolution of the Soviet Union the US strategic objective in the South Caucasus was formulated, and the region came to be declared as one of the priorities for US policy” (Isgandarova, 2008, p. 40). Just as a person becomes useful with every bit of additional information/knowledge obtained, the same way the power of a bigger state becomes available with the development of every single strategic geopolitical priority set forth with smaller countries. Those are the "invisible" policies and initiatives that lead to the increase of power of the bigger states in the network of current globalizing era.

Considering only security cooperation framework, it can be concluded that six bilateral agreements were signed between US and Armenia in the field during the 20 years of Armenia's independence, whereas the sphere of multilateral cooperation with US has been providing increasing opportunities to be involved in the advancement of Armenian military and defense structures in terms of technical and financial assistance. US involvement with Armenia on multilateral level has proved to be promising through cooperation with international organizations such as NATO and OSCE.

The National Security Strategy of the RA indicates that Armenia values the efforts of the US in establishing greater stability and security in our region and to promote regional cooperation. Armenia has also partnered with the US in the fight against international terrorism, peacekeeping operations, as well as in the confronting the challenges of proliferation and other global security related issues.

States are basically concerned about their political independence which, in its turn depends upon its own efforts and relative capabilities (Grieco, 1990). Searching for no other alternative but agreeing with the one proposed by the author, it is only required to add an indication that it 'should' be the main responsibility of the states to preserve political independence, as well as to advance cooperative frameworks, which will lead to achieving the balance between being a respectful county-representative possessing resources and willingness to cooperate on one side, and promoting the national interests, and thus relative gains of the country on the other. This cooperative assistance however provides one of the best opportunities of possible commitment and dependency. Frequently enough major states establish dependency relationships because they generate a degree of control or influence. Aid or assistance is related to commitment through the capacity of it to signal commitment (McKinlay et al. 1977).

The US embassy in Armenia is the country's largest foreign representative office. USG experiences its presence in Armenia through different security assistance frameworks: from modernization and development of Armenian defense forces to supporting NATO-Armenian cooperation.

Table 1. Documents signed in the field of security between  
Governments of the Republic of Armenia and the United States of America from 1991 to 2011

#	Nature of the Document	Year (signed)
<b><u>Bilateral Cooperation</u></b>		
1.	Protocol on Nuclear Safety Project	October, 1996
2.	Agreement on cooperation in the area of counter proliferation of weapons of mass destruction	July, 2000 <sup>17</sup>
3.	Arrangement between the US Nuclear Regulatory Commission (USNRC) and the Nuclear Regulatory Authority of the RA (ANRA) for the exchange of technical information and cooperation in nuclear safety matters	February, 2007 <sup>18</sup>
4.	Agreement concerning cooperation in the area of prevention of proliferation of technology, pathogens and expertise that could be used in the development of biological weapons	September, 2010 <sup>19</sup>
<b><u>Documents signed in partnership with NATO</u></b>		
1.	Armenian Individual Partnership Action Plan	2005 – 2007
2.	Armenian Individual Partnership Action Plan	2007 - 2009
3.	Armenian Individual Partnership Action Plan	2009 - 2011
<b><u>Documents signed in partnership with OSCE</u></b>		
1.	Memorandum on Cooperation between the Police of the Republic of Armenia and the OSCE office in Yerevan	July, 2003
2.	Memorandum between the OSCE office in Yerevan and Standing Parliamentary Committee on Defense, National Security and Internal Affairs	October, 2008
3.	Additional Protocol to the Memorandum of Understanding between the Armenian Police and the OSCE office in Yerevan	July, 2011

*Sources:* **Armenian Ministry of Foreign Affairs  
NATO information center in Yerevan  
OSCE Armenia office**

<sup>17</sup> In force since November 2002.

<sup>18</sup> Not yet in force.

<sup>19</sup> Not yet in force.

## **RUSSIAN FEDERATION: WHAT DID YOU EXPECT? THIS IS DEMOCRACY**

History and geography are crucial for the fundamental difference of Armenia's cooperation with US and Russia. The basic source for this difference lies in the period of Soviet rule when Armenia was just another small representative country ruled by the Soviet 'empire'. The collapse of the Soviet Union brought to an end the soviet hegemonic inclination as well as created an opportunity of independence for each of the countries included in the Soviet bloc for nearly a century.

Almost every kind of methodology has its limitations experienced along the way of research. The same can be said about the comparative analysis methodology. While making a comparison between two totally dissimilar entities or, on the contrary, having much in common, one has to experience a limitation in the form of non-accordance of one of the elements to be compared. However, having said this it is the primary responsibility of the researcher not to step out of the way but continue applying the same methodology. The fact that makes academic research interesting enough, is that in most cases the outcomes usually oppose the initial 'stereotypes' that were inherent in the minds of people before any research data is being found.

This chapter is going to look at the Russian and Armenian bilateral cooperation aimed at the promotion of good governance.

According to a saying people can choose their friends but not parents and relatives. This saying can also greatly fit into the reality on a state level. Geography can be considered to play the fundamental role in countries' relations toward each other. Most frequently geography becomes the decision-maker of a given country's destiny. But an opposing argument to the above mentioned statement can serve the inevitable and, obviously, encouraging existence of the opportunity to experience a certain foreign policy toward each country in the world.

The diplomatic relations between Armenia and Russia were established in April, 1992.

The Embassies in Armenia and Russia were opened in 1992 and 1994 respectively. A powerful framework of bilateral relations between the countries has been developing since the first years of Armenia's independence. The first treaty signed between two countries was that of friendship, cooperation and mutual security in December, 1991. The agreement has set the start to the Russian-Armenian relations, this time, on a new level - envisioning equal roles: with the newly created 'independent representative' - republic of Armenia.

The agreement on political consultations on international relations of mutual interest was signed in 1992 in Moscow. With this document the countries confirmed their decision to act according to the principles and aims set forth with United Nations, Helsinki Final Act<sup>20</sup>, and Paris Charter<sup>21</sup>. This agreement, in case of necessity, provided with the opportunity to conduct high-level meetings, negotiations aimed at maintaining closer cooperation in the Transcaucasia and the world, in general. Embassies of both countries were mentioned to play important role in this context.

The high level of bilateral relations between Armenia and Russia was strengthened by the Treaty of friendship, cooperation and mutual aid signed in August, 1997, which came into effect in November 1998.<sup>22</sup> This second in its type of agreement was signed for the period of 25 years and envisioned the development of cooperation between countries in almost every possible sphere. With this agreement parties have agreed to strictly be guided by the sovereignty and independence of their states, as well as base their cooperation on values such as mutual respect, equality, non-intervention in internal affairs, territorial integrity and respect for human rights and

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<sup>20</sup> Conference on Security and Co-operation in Europe (CSCE), Helsinki, August, 1975.

<sup>21</sup> Charter of Paris for a New Europe, Paris, November, 1990.

<sup>22</sup> Official website of the Armenian Ministry of Foreign Affairs available at <http://mfa.am/en/country-by-country/ru/>

fundamental freedoms. Implementation of activities, not contradicting the interests of both states, within the framework of international organizations is seen as having a pivotal importance. Article 9 of the agreement stresses among others the cooperation on the provision of human rights according to the international documents<sup>23</sup>.

Certainly signing of a treaty of friendship is a political act, but the fact itself may be far less significant politically than the entire range of perceptions and events which led up to it (Singer, 1972). The emerging relationship between Russia and Armenia is conditioned not only by historical development but also, Armenia's desire, to be a 'public' friend of Russia on the international arena. It may be easily observed that a proud and close relationship was being developed in almost every sector of cooperation, thus strengthening social, economic, but mainly, political ties.

The agreement on principles of cooperation between regional administrations of Armenia and administrations (governments) of RF was signed in 2001 in Yerevan. Interestingly enough the agreement puts stress on the subjects that administrations of both countries cannot refer to as part to agreement by indicating the limited authority of the local self-government bodies. The Constitution of Russia stipulates that local self-government shall be independent within the limits of its authority<sup>24</sup>. The agreement also indicates parties' support to the development of bilateral cooperation between the regional administrations of countries.

The effective involvement of immediate neighbors is crucial for realizing state's full potential (Kirakossian, 2007). This becomes observable with the prospects of countries'

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<sup>23</sup> Article 9, Treaty of friendship, cooperation and mutual aid signed between the Governments of Russian Federation and the Republic of Armenia, 1997.

<sup>24</sup> Article 12, Chapter 1 The Fundamentals of the Constitutional System, The Constitution of the Russian Federation.

cooperation on multiple levels. The case of Russia as being the major partner exercising presence on almost every level of possible involvement in the country can not be underestimated.

By looking at the issue from a positive perspective Armenia's intense strategic cooperation with Russia can be viewed as cooperation with the only reliable partner in the region, taking into consideration other neighboring states. This appears to be true not only in terms of Armenian side, but also for the Russian. Armenia is the most reliable South Caucasian 'island' for Russia's 'landing'. It did not take long Russia to grasp this understanding not only in theory but practice. As much as Russia is a convenient partner for Armenia, the same way Armenia is an important partner for Russia.

While US was busy with Armenia supporting programs implementation and providing technical assistance with respect to the rule of law initiatives, Russia was busy with strengthening bilateral ties between the Ministries of Justice. Attaching importance to the international cooperation in the legal sector and protection of human rights and freedoms under the generally recognized principles and norms of the international law, and based on the mutual desire of the parties to develop cooperation on issues of mutual interest the parties have agreed to sign the Agreement on cooperation between Armenian and Russian Ministries of Justice in December 2004.

For Russia, the Caucasus remains a field of its natural long-term interests, the nature of which is determined by the importance of the region's geopolitical situation and prospects of its development (Zaytsev, 1997). However the attempts to experience this development conceptualized as the promotion of good governance and democracy so far have only been initiated through a multilateral layer: the OSCE Armenian representation.

The case of OSCE viewed in the light of the cooperative frameworks among Armenia, US and Russia is significant for the purposes of this paper, as this multilateral dimension provides not only involvement of the two partner countries considered, but includes both sectors of operation as well. Armenia has acceded to the OSCE in 1992. Democratization activities can be outlined within this cooperative framework with a major focus on the promotion of human rights and civil freedom of association. The laws in these fields are developed in accordance with European standards, which helps regulating the sphere and making it more favorable. Another issue within the OSCE focus that needs to be highlighted is elimination of corruption - a precondition to democratic form of government. These activities are aimed at raising awareness about the democratic forms of initiatives strengthening today's policy structure of Armenia. One of the OSCE democratization activities was the memorandum on cooperation between Armenian police and OSCE Armenian office to provide a long term support to the police in the developing democratic policing practice in Armenia. The document has established working groups on strengthening police public partnership and improvement of the police educational system.

In August 2011 the memorandum of cooperation was signed between the Armenian prosecutor's general office and the OSCE office with the objective to prepare an overall assessment and develop recommendations under the aegis of the OSCE of the reform process in the field of the prosecutor's system. This document allows OSCE to have an appropriate access to legal acts and decisions of the Prosecutor's office, which will contribute to a closer cooperation leading to the successful implementation of reforms.

To play right any country should choose a strategy in dealing with its geographic and political situation from the point of view of 'complementarity' (Oskanian, 2008). Due to the



absence of Russia's programs and investments in promotion of rule of law, civil society or local-governance frameworks, this balance might probably considered to be achieved.

Friendly and balanced relations constitute the basis for development of the countries. The role of Russian Society of Friendship and Cooperation in Armenia is important in terms of generating activities aimed at enhancement of Armenian and Russian relations on permanent basis. Specific books and articles were published telling about long and faithful friendship of the two countries: their geography, history, modern polity, as well as time of unprecedented strength of the Armenian-Russian relations.

Since the break-up of the Soviet Union, the leaders of the independent republics of Armenia, Azerbaijan and Georgia have effectively linked the survival of their states to the intervention of regional powers (Jafalian, 2004). It is true that it may constitute a difficulty for small states to organize their own political life and ensure most favorable conditions for the citizens of the country. Resources play significant role in the establishment of a happier state for the representatives of the society living on a certain territory, especially when the later is a landlocked, resource poor country. A fully independent foreign policy approach remains to be a challenge for the ongoing histories of small states.

A powerful legal field of multilateral cooperation was formed between Armenia and Russia, which became a solid basis for implementation of programs of strategic importance. Over the past 17 years countries signed more than 170 interstate, intergovernmental and interdepartmental agreements and treaties regulating the relations in political, military, political, economic and cultural fields.

History is always good, in terms that it fully provides us with the opportunity to reconsider the past and pave the way for further policies so as to fill the gaps that the past has left

for us. First - this is to justify the closest ties between Armenia and Russia of today, looking at the culture, traditions and the common region that unites both countries. Second - this is to blame the closest ties between Armenia and Russia of today, looking at overflowing prospects and the right of states to be entirely independent and free.

*Whereas the US feels it is time to change the status quo and spread democracy further in the world...  
The Russian Federation has been on a defensive globally ever since the dissolution of the Soviet Union.*

**"The long term interests of the major actors"**

**OSCE Handbook**

## **RUSSIAN FEDERATION: COOPERATION OR A TRADITIONAL SPHERE OF INFLUNCE**

The importance of historical heritage can never be underestimated. Many aspects of present world affairs become clearer due to the awareness and understanding of the past policies, which lead to the birth of new ones in the current and future networks of our being. The same way an understanding that the legacy of control cannot be erased overnight has become an overused concept aimed at helping to justify certain developments of states. Today Russia is a recognized heir to the Soviet Union that was once possessor of one of the largest army. This became possible with the incorporation of FSU countries' armies. The split of the national Soviet army was another change that was brought about by the collapse of the Soviet Union. Each newly independent state started to experience the existence of its own national army. The division of Soviet armed forces is important to represent that the ties between the FSU countries and Russia are tight due to the history and, once again, geography. This chapter looks at Russian-Armenian cooperation in promotion of peace and security.

Armenia is heavily cooperating with Russia in the security sphere. Besides extensive bilateral cooperation between countries, partnership frameworks include cooperation within the CIS and CSTO. Russia stands first in the chapter on the bilateral dimensions of external security of the national security strategy of Armenia. Defense cooperation within the CSTO framework is indicated to serve as a main pillar of the Armenian security system. Armenia attributes a great importance to its cooperation with Russia in the areas of defense, military-technical relations... regional stability and security (Armenian National Security Strategy, 2007). Since the first days of its existence as an independent state Russia has outlined the South Caucasus as an area of its priority strategic interests (Markedonov, 2007). The incredible amount of documentation can easily represent a proof to the above mentioned statement. The first document setting the start for the security cooperation between countries was signed in 1992, the agreement on the legal status of Russian armed forces on the territory of Armenia. The provision of legal status is inevitably linked to the independence of the republic, and it may obviously represent the continuation of Russia's influence from the start of the Armenia's independence.

Attaching great importance to developing cooperation in the fight against crime and to ensure reliable protection of the rights and freedoms of citizens of both states the sides have signed the Agreement on cooperation between the Ministries of Internal Affairs of Armenia and Russia in 1993. It provided with an opportunity of free information flowing from and into both ministries aimed at raising the level of effectiveness in reaching mutual goals by ensuring security to the citizens of both countries.

During the years 1994-1996 there was a large scale transfer of Russian arms and in 1995 the Russian military base was established in Armenia, thereby granting the Russian troops already stationed in Armenia official legal status (Dudwick, 1997). Russia's 'hegemonic

inclinations' are being criticized on behalf of its history, and often it is seen as a simple successor of the soviet empire with no changes in regime and political aspirations. Armenia is a grateful host to a Russian military base (Lucas, 2008). Treaties were signed to organize the interstate transportation of troops in the interests of Russian military base, as well as its financing, in 1994 and 1996 respectively. Taking into account the current situation of Armenia which is locked in a conflict with Azerbaijan over the Nagorno-Karabakh region and the tensions with its neighbor – Turkey, Russian forces in Armenia are seen as guarantors of Armenian security (Blum, 2004). The treaty of friendship already mentioned in the previous chapter that was signed in 1997 coming into force in 1998 also expands Russian-Armenian security cooperation. It obligates two countries to refer to consulting methods immediately in the event of an armed attack against each other. Treaty encourages joint military technical policies and production sharing as well as joint protection of Armenian borders with non CIS states (Olcott, 1999). This treaty expands prospects for current and future security cooperation.

The chronological chain of agreements signed between the countries (see table on the page 48) is a vital sign of increasing cooperation, but most importantly a closer tie providing a strong linkage between the states. There is no doubt that the Russian Federation is still the most important external player in the South Caucasus. This is not just in terms of geography but also because of Russia's extensive interests to the south of its border (Matveeva et al. 2003). Russian security cooperation with Armenia doesn't end with the bilateral provisions, but indeed leaves a huge room for the consideration of cooperation on the multilateral level as well. Now the attention will be turned to the alliances that unite both countries and provide intense framework for partnership in security matters.

Ensuring stability in the Russian Caucasus is unthinkable and indivisible from stability in all the representative countries of the South Caucasus. That is why since the collapse of the Soviet 'empire' the Russian Federation took the geo-political leadership in the South Caucasus. The CIS was established by Minsk agreement in December, 1991. The three heads of states felt it was the time to acknowledge that the Soviet Union no longer existed<sup>25</sup>. In its place a free association of former Soviet republics was envisioned, with common defense forces and a common economic space (Brzezinski et al. 1997). The Agreement of the establishment of the CIS indicates that the member states will cooperate in maintaining international peace and security and in implementing effective measures to reduce armaments and military expenditure (Article 6). Aiming at further development of mutual regional and cross-border cooperation and realizing that the development of such cooperation is in the interests of their peoples, the members of the CIS signed the Agreement on the council for inter-regional and cross-border cooperation of CIS member states in 2009. The CIS representing a strategic system established to show that Caucasus is a part of Russia's sphere of influence has been an extensive point of research and opinions.

The supporter of CIS security initiatives is the CSTO<sup>26</sup> to which Armenia is a founding member. This mutual defense pact was established in May, 1992 five months after the establishment of CIS. Conclusion of the Collective Security Treaty was an attempt to build up an integration strategy in security. The purposes prescribed in the Charter of the organization are to strengthen peace, international and regional security and stability and to ensure the collective

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<sup>25</sup> First President of Russia Boris Yeltsin, First President of Ukraine Leonid Kravchuk and the Supreme Soviet Chairman and Head of Belarus Soviet Socialist Republic Stanislav Shushkevich.

<sup>26</sup> Collective Security Treaty was created in 1992 and was renamed into Collective Security Treaty Organization in 2003.

defense of the independence, territorial integrity and sovereignty of the member States, in the attainment of which the member States shall give priority to political measures<sup>27</sup>.

By many authors this defense alliance was seen as a counter existing alliance, or a 'response' to NATO. These arguments speak in favor of some advocates' justifications that there still remains a silent confrontation between the west and the current Russia's ambitions which it is trying to tame through the assistance and cooperation with FSU states. CSTO is seen as a developing defense framework strengthening the linkages between Russia and post-soviet states as well as it is more a political organization rather than military, as it prevents its members from being incorporated in another defense pact.

Strategic partnership with the Russian Federation, active and practical participation in the programs of the CSTO is among the priority directions for military-technical cooperation of the Republic of Armenia<sup>28</sup>.

Almost every weaker country in the world has a bilateral military treaty with at least one major power (Singer, 1972). With the current conditions that Armenia faces today: the attitude and behavior of the two neighboring countries with their borders closed up until today: namely Azerbaijan and Turkey, it is of strategic importance for Armenia to remain an ally of Russia and have it guard its borders. Armenia needs security to a great extent, and considering the theory on inescapable reliance on a closest ally in the region in order to have the cherished security; Russia can be considered the best candidate in this region.

“Up to 1997 the American diplomacy had not considered the former Soviet republics of the South Caucasus as an area of its special strategic interest, recognizing the leading role of the

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<sup>27</sup> Article 3, Chapter II Purposes and Principles, Charter of the CSTO.

<sup>28</sup> Chapter V, The Military Doctrine of the Republic of Armenia, 2007.

Russian Federation in the post-soviet space.”<sup>29</sup> Russia's main role on a post-soviet territory can be considered due to two different perspectives - Russian and non-Russian: the first one exercising an unwelcome approach toward Russian policies in the region, and the second being the logical continuation of history, which is also a convenient perspective for Russia of today.

Ensuring stability in the Russian Caucasus is unthinkable and indivisible from stability in all the representative countries of the South Caucasus. That is why since the dissolution of the USSR the Russian Federation took the burden of the geo-political leadership in the South Caucasus (Markedonov, 2007). It is a common and agreed upon understanding that Caucasus is a region where interests of different states clash. Its geographical location can be considered one of the main factors for this development. “The Caucasus is in Russia’s backyard and that is at least partly why it is in everybody’s interest today” (Oskanian, 2008, p.450).

The establishment of Russian military bases in Armenia as well as additional protocols amending the treaty, thus prolonging of the period of their existence, can be considered to remain a pivotal issue for Armenia in its security cooperation with Russia. There have been signed five protocols amending different provisions concerning the existence and operation of the Russian military bases in Armenia. In total 31 bilateral Agreements were signed between the two countries in the field of security comprising almost every possible dimension on cooperation and strengthening mutual ties.

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<sup>29</sup> Regional Security Issues, The US and the EU in the South Caucasus: Between Idealism and Pragmatism, 2007.

Table 2. Documents signed in the field of security between Governments of the Republic of Armenia and the Russian Federation from 1991 to 2011\*

#	Nature of the Document	Year (signed)
<b><u>Bilateral Cooperation</u></b>		
1.	Agreement on the legal status of Russian armed forces on the territory of Armenia.	August, 1992
2.	Agreement on the principles of mutual technical and material provisioning of the armed forces.	August, 1992
3.	Agreement on the status of the Border Troops of the RF on the territory of the RA, and conditions of their operation.	September, 1992
4.	Agreement on cooperation and collaboration between the State Administration of National Security of the RA and the Ministry of Security of the RF.	December, 1992
5.	Agreement on Cooperation between the Ministry of Internal Affairs of RA and the Ministry of Internal Affairs of RF.	May, 1993
6.	Agreement on the procedure of recruitment and military service by citizens of RA in the frontier troops of the RF.	March, 1994
7.	Agreement on interstate transportation of troops for the protection of external borders of the Commonwealth of Independent States.	August, 1994
8.	Agreement between the Ministry of Defense and the Ministry of Defense Cooperation in the field of air defense.	November, 1994
9.	Agreement on cooperation in organizing the inspection of military formations of the RF.	November, 1994
10.	Agreement between the RA and the Government of the RF on cooperation in organizing the inspection of the Russian military units stationed on the territory of Armenia, related to the Treaty on Conventional Armed Forces in Europe and the Vienna Document on Confidence and Security.	November, 1994
11.	Agreement on cooperation in the field of military intelligence.	February, 1995
12.	Agreement on the interstate transportation of troops in the interests of the Russian military base.	January, 1996
13.	Agreement on the quality control of products delivered to the Armed Forces of the Republic of Armenia and the Russian Federation Armed Forces.	May, 1996
14.	Agreement on the financial support of Russian military bases on the territory of the RA.	September, 1996.
15.	Agreement on the application of military arms of the Russian military base outside the territory of the Russian military base in Armenia.	August, 1997
16.	A protocol of cooperation of the Ministry of Internal Affairs and National Security of Armenia and the Ministry of Internal Affairs of the Russian Federation for 1999-2000.	June, 1999
17.	Agreement between the Government of the Republic of Armenia and the Government of the Russian Federation on the tasks and powers of the combat crew of the Armed Forces of the RA and the operational group of Russian military bases on the territory of the RA on the management of forces and means of defense and aviation of the Armed Forces of the RA and the forces and means of defense and aviation of the Russian military base with integrated air defense command center and aviation of the Armed Forces of the Republic of Armenia	March, 2000



18.	Agreement on the procedure of the RF for granting the RA military ranges for the firings of military units and air defense units of the Armed Forces of the RA.	March, 2000
19.	Agreement between the Republic of Armenia and the Russian Federation on joint combat duty air defense troops (forces), defense and aviation of the Armed Forces of the RA and the troops (forces), defense and aviation of the Russian military bases on the territory of the RA.	March, 2000
20.	Agreement between the Ministry of Defense of the RA and the Ministry of Defense of the RF on cooperation procedure between the military authorities on the use of airspace and air traffic control, while ensuring safety of military aircraft of the RA in the airspace of the RF and military aircraft of the RF in the airspace of the RA.	September, 2000
21.	Agreement on joint planning of troops (forces) in the interests of joint security.	September, 2000
22.	Protocol to the Agreement on cooperation and collaboration between the State Administration of National Security of the RA and the Ministry of Security of the RF.	November, 2000
23.	Protocol on the working meetings of the heads of Armenian and Russian parties of the Interstate Commission on the transfer of land and real estate for the placement and operation of the Russian military base in the RA. Take-over of land and real estate for the placement and operation of the Russian military base in Armenia.	March, 2001
24.	Protocol N4 to amend the Treaty between the RA and the RF on the Russian military base in the RA from March 16, 1995.	November, 2003
25.	Agreement on joint use of military facilities.	October, 2002
26.	Protocol amending the Agreement between the Government of the RA and the RF on the locations for the Russian military base in Armenia and the procedure for the transfer and use of land for the placement and operation of the Russian military base on September 27, 1996.	November, 2003
27.	Agreement between the Ministry of Defense of the RA and the Ministry of Defense of the RF on cooperation in the field of public safety of aircraft.	April, 2005
28.	Protocol amending the Agreement between the Government of the RA and the Government of the RF on the placement of items of Russian military base in Armenia and the order transfer and use of land for the placement and operation of the Russian military base on September 27, 1996.	November, 2005
29.	The protocol for the exchange of instruments of ratification of the Protocol N4 between the RA and the RF to amend the Treaty between the RA and the RF on the Russian military base in Armenia from March 16, 1995.	December, 2005
30.	Protocol amending the Agreement between the Government of the RA and the Government of the RF on the locations for the Russian military base in Armenia and the procedure for the transfer and use of land for the placement and operation of the Russian military base on 27 September 1996.	September, 2007
31.	Agreement on Cooperation between the RA Police and the Ministry of Internal Affairs of the RF.	June, 2008

Source: Armenian Ministry of Foreign Affairs.

\* **The limitation of the study:** *the table doesn't include the documents signed in the field of security between Governments of the Republic of Armenia and the Russian Federation from 1991 to 2011 based on multilateral cooperation as there is no access to information on the documents and their titles at the respective institutions of the Republic of Armenia.*

*The big influence of small allies is an unplanned but natural result of our globally active foreign policy.*

**Robert O. Keohane**

## **ANALYSIS: RECOGNIZING REALITY\***

With an aggressive Azerbaijan to the east, unfriendly Turkey to the west, and, most of the times unpredictable Georgia to the north, Armenia has had to struggle to establish itself as a new state after being under Soviet rule for nearly a century. Caucasus has proved to be a region where plenty of interests of different states clash. The historical chain of events in Armenia has created conditions for collaborative activities to be promoted by the relevant interested powers: the major ones among those being Russia and US.

The US has played an important role in political and economic life of Armenia since its independence. It has provided support through humanitarian means which have gradually evolved into broader sectors of involvement which in their turn have become prospects for current bilateral cooperation. USAID is a tool spreading US foreign policy interests overseas by expanding democracy and free markets throughout the world. It is the main US government representative organization that supports projects aimed at promotion of good governance in the RA. The role of international NGOs must be mentioned as a means through which US implements its aid policies with those organizations inserting bricks into the democratization blocks of the country. By providing assistance, US also expects Armenia to follow through on certain promises. Policy reforms should be implemented in accordance with the rules and procedures establishing the process in advance. Compliance must be an obvious condition. However at the same time Armenia's geographic location is also being recognized.

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\* Findings in the Analysis include data of interviews conducted for the purposes of this paper.

US understand that Armenia is making foreign policy decisions based on its interests. With the two borders closed Armenia's 'en-route' ally remains Iran, and the importance of Iran – Armenia dialogue is being recognized by US. Reality is being recognized and applied through the cautious and prudent US foreign policy toward Armenia. Rule of law stands as an area of highest priority as the successful implementation and operation of other components considered inevitably stem from it. The way civil society is being treated is very important and this is the reason that huge financial assistance and attention is being paid to the development of civil society initiatives. US is not imposing but influencing the events in a given state by trying to make people appreciate the developments in their country. The challenge of democracy is that it can neither be applied nor imposed, and most certainly never practiced, if a country doesn't want. Armenia is one of the oldest nations and youngest 'democracies' in the world. Of course there is still a long way to go to democracy, but it has taken steps toward the cherished condition.

Bilateral cooperation with US in the security sphere has started since the second decade of Armenia's independence with the introduction of security dialogue between Armenia and US. Although there have been signed several bilateral provisions in the security sector between Armenia and US, intense defense cooperation was implemented on multilateral basis through international security organizations aimed at providing stability in different regions of the world. Defense reforms, democratization of armed forces through military education and provision of technical assistance were the main security spheres of US bilateral cooperation with Armenia since 1991. NATO is the major framework for US and Armenia's involvement on a multilateral level.

The US is actively engaged in the OSCE Minsk Group process of peaceful settlement of Nagorno-Karabakh conflict as a co-chair, along with Russia and France. Being an agent in

normalizing relations between Armenia and Turkey can be considered to represent a priority policy in Armenia due to the significance of border issue which is to a great extent related to Armenia's economic growth. US sees its long term goal the opening of Turkish border as it represents the necessity for Armenia's development both economic and political.

Whether due to a non-involvement strategy, geopolitical incapability to be intensely involved in other areas, or a simple unwillingness, US main role today in Armenia is to promote democratic values and invest resources in the development of projects aimed at raising the level of awareness on democratic values among the population as well as initiate reforms. Promoting good governance by assistance through various sources is the main field of US operation in Armenia. With this main interest inherent in US foreign policy as a priority, US follow its prudent strategy. Despite the fact that several US administrations have changed during the twenty years of Armenia's statehood, the policies toward it have remained the same. The significance of the US presence in Armenia can be observed with the establishment of the largest embassy in the region, as well as with the amounts of investments highlighting bilateral relations of two countries. During the twenty years of Armenia's independence USG has provided almost two billion dollars of humanitarian aid and development assistance for Armenia's economic, social and governance sectors according to the US Embassy in Armenia.

In the context of OSCE Armenia receives equal type of support from both US and Russia. However the type of the support differs with US putting stress on promoting and increasing democratic assistance, and with Russia primarily stressing economic and environmental concerns. Technical assistance and democratization of armed forces are of priority areas for OSCE politico-military dimension in Armenia. US and Russian interests in the context of OSCE do not interfere each other.

Russia's presence in the region is far more powerful than any other foreign states'. Russia has not been active in the promotion of good governance and policy reforms aimed at democratic form of governance in the country. Its presence in Armenia can be distinguished among various spheres of cooperation and investments. Establishment of Russian military base in Armenia continues to represent a priority for the cooperation between two countries. Amendments on the prolongation of this cooperation indicate willingness of both parties to continue the bilateral security partnership. Notwithstanding the fact of Russia's involvement in other industries, Russian forces, considering Armenia's current geopolitical situation, are seen as guarantors of Armenian security. Security cooperation with Russia on multilateral level can be distinguished between being a member of CIS and CSTO. The CIS, a Russian centric strategic system, was established to show that, among others, the Caucasus is a part of Russia's sphere of influence. However as an organization CIS has not proved to stay strong on a world scene. CSTO represents an undertaking uniting CIS members in a joint defense pact with Russia's leadership. CSTO, a Russian 'enterprise', is often titled as a counter alliance to NATO. However the case of Armenia represents that cooperative frameworks of CSTO and NATO are not in conflict, but even complement each other by creating an additional security guarantees for both Armenia and the region as a whole.

Together with intense bilateral cooperation by establishing firm mutual ties through friendship agreements, other industries were of major concern for Russia's involvement such as transport, energy and telecommunications. Investment cooperation has been successfully developing between Russia and Armenia. During the period from 1991 to April, 2009 it has accumulated \$ 3168 million according to the Armenian Ministry of Foreign Affairs.

The prevalence of bilateral agreements on strengthening ties and cooperation in various spheres was a primary goal for the countries' cooperation since 1991. Two countries maintain regular contacts at governmental, departmental and regional levels. It is hard to indicate a single sphere of Russia's interest in cooperation with Armenia. Noting the extensive partnership framework almost in every possible area, the military cooperation remains of priority as the security of the nation remains a priority for each and every state first and foremost.

According to the development of bilateral cooperation between US and Armenia it can be inferred that the promotion of good governance stands to represent the main area of US involvement, whereas Russia continues to be primarily interested in investing in strengthening Armenian defense framework. US doesn't 'interfere' in military structure of Armenia except for the provision of technical assistance, as opposed to Russia that remains to play a major role as a partner in provision of military assistance. Russia is actively cooperating and investing in Armenia's military sphere while US invests in democratic projects implemented heavily throughout Yerevan and its regions. A phenomenon of two countries not interfering in each other's agenda seems to be signed upon a silent agreement.

The spheres of assistance and cooperation considered are non contradictory allowing both countries to be involved in the region with their own agendas. Relations of both spheres are tried to be balanced and developed. An important point lies in the capability to fulfill one sphere of cooperation with another and build mutually profitable approaches in every undertaking initiated by major foreign players such as US and Russia.

## **CONCLUSION**

The nature of ties which exist between weak and powerful states has been a point of extensive research since the twentieth century. The paper has looked at the development in the foreign policies of two major countries in their cooperation with Armenia since 1991 to 2011. Almost every possible instrument of foreign policy including aid, assistance, cooperation and investment - was operated in various spheres on behalf of both countries. Twenty years of the existence as an independent republic have shown that powerful states, with their interests in the region were seeking to initiate and develop policies that suit those interests and principles. Bilateral cooperation between countries based on agreements and implementation of programs have confirmed the seriousness of interests and proved the importance of the countries' involvement in Armenia.

Friendly relations constitute the basis for economic, political, and social development of countries with an ideal condition being hidden in the word of balance aimed at managing mutual ties with other countries. Does this balance have a say in the reality of Armenian relations with

the two world powers today? It is difficult for the United States to play a role in Armenia because of the depth of Russian involvement there. But, on the other hand, policies of both countries do silently co-exist with each other, with no actor interfering in the area of another. While US is promoting its programs on better governance Russia is reestablishing its traditional role in one of the representative countries of the South Caucasus.

Interests do orient states toward a better strategy, and introduce new policies such as establishing cooperative relationships by exploring new areas of cooperation and involvement. In the case of US the policies were being prioritized according to the non-involvement in the Russia's affairs, but being near all the time by a foreign policy of prudence. Russian policies toward Armenia were being prioritized according to the history and geography. The foundations for political involvement in the region may differ from the inevitable historical aspects to tastes, interests raised by the current world order and enormous opportunities. Armenia's current extensive reliance on Russia is a factor confirming the theory on cooperation considered in the outset that countries do cooperate based on the historical implications and ties.

Foreign aid, assistance, investments and cooperation between nations are the sustaining blood vessels of the economies across the world. All of the factors are of vital importance especially for a small and developing state. However with such facts in place a genuine challenge becomes the prospect of balancing relations with powers involved with their own interests. Most certainly, applying this balance for a twenty years old state constitutes an obvious challenge and difficulty. But the attainment of it is the foundation for a truly happier life for each representative of the country, because we can only be appreciated and respected when we stand strong, even though we are small.



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