AMERICAN UNIVERSITY OF ARMENIA

IMPACT OF POWER RELATIONS ON

NATIONAL SECURITY OF THE TRANSCAUCASIAN STATES

A MASTER'S ESSAY SUBMITTED TO

THE FACULTY OF THE CRADUATE SCHOOL OF

POLITICAL SCIENCE AND INTERNATIONAL AFFAIRS

FOR PARTIAL FULFILLMENT OF THE DEGREE OF MASTER OF ARTS

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NOVEMBER 2002

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November 2002

# ACKNOWLEDGEMENTS

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AMD – Armenian dram

CCA – Common Country Assessment

CCAP – Country Corruption Assessment Program

CIS – Commonwealth of Independent States

CSDU – Civil Society Development Union

CPA – Centre for Policy Analysis

CRD/TI Armenia – Centre for Regional Development/Transparency International Armenia

CPI – Corruption Perception Index

FDI – Foreign Direct Investments

FSU – Former Soviet Union

ft. – foot

GDP – Gross Domestic Product

IMF – International Monetary Fund

Mts. – Mountains

NA – National Assembly

NGO – Non-governmental organization

per cap. – per capita

NACC – National Anti-Corruption Coalition

SCB – Statistiska Centralbyran [Statistics Sweden]

SIDA – Sweden International Development Agency

sq. mi. – square mile

TI – Transparency International

UNDP – United Nations Development Program

WB – World Bank

# **A B S T R A C T**

In the international environment of continuing struggle for power the importance of national security for sovereign nation-states gains a particular prominence. However, there is a gulf of difference in the meanings of the concept of national security for different nations. For industrialized nations of the developed world national security means struggle for power *per se,* i.e. increasing the influence over other nations or over the entire regions; the same concept for developing countries, especially for small nations in transition, means physical survival *per se.*

According to this approach to national security issues for small developing states, there can be distinguished several dimensions of national security, i.e. factors on which the physical survival of small states in transition depends. Military, economic, and demographic dimensions of national survival for the three Transcaucasian states are discussed in the present study.

Based on these dimensions and on "the rules of the game" set by Major Powers on the contemporary international scene, certain foreign, as well as internal, policy alternatives are recommended for Transcaucasian states.

# P A R T   O N E

## 1. Introduction

The purpose of this Mater's Essay is to understand and explain how various aspects of power relationships in international systems influence the foreign policy of Transcaucasian countries.

One of the problems of international systems research, which will be studied in the present essay, is to understand and to some extent be able to foresee the upcoming changes in international systems, particularly those changes, which are likely to occur under the influence of power relationships between and among nations comprising the various types of international systems.

The subject of the study is too complex to be studied in its entirety. Therefore many aspects of the subject will be left out of the scope of this particular Master's essay. For example, although the countries comprising the region of Transcaucasia are very diverse in many respects, the role of religion and cultural perceptions in the relationships between them will not be touched upon. This might be the subject matter for another comprehensive research.

The implications of impact of power on international system transformations for the foreign policy of Transcaucasian countries will be considered in the Master's Essay. All countries, irrespective to their characteristics such as size, population, geographical location, economic development, etc., are involved in and touched by system transformation. Therefore a country cannot be successful in conducting its foreign policy without considering the extent and the consequences of its involvement in ongoing system transformations. Nor will a country be successful without considering its own possible, if little, influence on the processes occurring on

the international arena. But this is not to say that all countries, irrespective to their characteristics, will behave the same way. On the contrary, following their peculiarities, the behavior is likely to be different. Transcaucasian countries are small in terms of both their territories and populations as elements of national power. Furthermore, these are post-communist developing countries in transition. So the main purpose is to understand the likely behavior of these type of countries. The emphasis will be put on the elements of power.

Power has a decisive role in formation, persistence, and change of international systems. Being itself a complex concept, the influence of power on international systems is also extremely complicated.

There is a plethora of definitions of power. The common usage of the concept of power is that it is usually "crudely equated … with military power. …[But] they are not synonymous" (Booth 1997, 335). Although, there can be pointed out many instances when military power of a nation has a decisive role in its relations with other nations, the military is only one of the elements of national power and can be used for purposes of gaining political power (Morgenthau 1966, ch. 9). For the purposes of the present discussion political power will "mean man's control over the minds and actions of other men" (Morgenthau 1966, 26). This understanding of power is consistent with the definition of power by Kenneth Waltz's statement that "…an agent is powerful to the extent that he affects others more than they affect him (Waltz 1979, 190). This definition takes into account also the factor of distribution of power among agents.

In the present Master's essay the following two assumptions have been made.

1. In a study of international politics, it is necessary to explicitly state from the outset as to which of the two major contending schools of thought – traditionalist or globalist – the study will adhere. While these two approaches to international politics will be discussed in more detail in

the next section, it should be noted here that the assessment of comparative strengths and weaknesses each school of thought has is out of the scope of the present Master's. Besides, such analysis contains the danger of plunging us into philosophical and metaphysical issues, which will lead the discussion away from the problems of international politics *per se*. In order to avoid these pitfalls, it is appropriate to bluntly state the first assumption of this essay – namely that international relations are relations of power. Thus, the realist or traditionalist approach to international politics is adhered to in the present essay. The attempt is thereafter made to see how the small nations of Transcaucasia should behave and develop their foreign policies in this environment of struggle for power.

2. Although not all small nations are alike, however the second assumption implicit in the present study is that the nations of Transcaucasia are to a considerable degree like each other. Again, their comparative characteristics will be discussed in later sections. Still, the assumption here is that all three of them are small, developing, post-communist nations in transition.

There is a point of view that small states in an international system comprising of a number of great powers tend to keep political neutrality in their foreign policies (Waltz 1979, 198). Kenneth Waltz supports this view also by the provisions of Mancur Olson's theory of groups developed in his book <u>The Logic of collective Action</u> (1971). Olson, indeed, states that small members of a group "choose rationally" not to take actions contributing to a collective result (1979, 65). More particularly, small states, knowing that there will be peace on international arena or that war will occur irrespective to their individual efforts to promote the former or to prevent the latter will be willing to lead a neutral foreign policy. Could small nations in transition keep neutrality as well? And what will "neutrality" mean to each individual small post-

communist nation of Transcaucasia? Will it be a "policy of complementarism," as the present doctrine of Armenian foreign policy is now being referred to, or will it mean something else?

From the foregoing considerations the following research questions derive:

1. What are the possible upcoming changes in international systems that are likely to occur under the influence of power relationships between nations?

2. What implications does the balance of power in Transcaucasia have for the foreign policy of the countries comprising the region?


## 2. Methodology

The present Master's Essay will consist of three major parts. For the purposes of this Master's Essay, a mixture of various research methods will be employed.

In the first part of the Master's Essay, in-depth study of the relevant literature and content analysis are the appropriate methods to work with the existing plethora of literature on the subject.

The second part of the Essay will be concerned with gaining insights into particular implications of contemporary international order for small states in general and the three states of Trascaucasia in particular. For this to be accomplished, the rational historical comparison method will be used for comparative analysis of foreign policy of the three Transcaucasian states.

In the third part of the Master's Essay, which will be devoted to the development of policy recommendations for the Republic of Armenia, the survey research method will be applied together with those already mentioned. To get acquainted with the views and experiences of those professionals and/or experts who currently work in the area of international relation in Armenia in-depth interviews will be conducted.

## 3. Review of the Literature

As has already been mentioned in introductory section, there are two major schools of thought advocating two contending approaches to the study of international relations. One is the transnationalist or globalist approach. Robert Keohane and Joseph Nye (1989) are among the supporters of this approach. Their main argument is that men are essentially good and rational. Rational order in international relations is, therefore, a possibility toward which steps have to be taken. The blame for ongoing conflicts between the stated has to be put on social institutions, which can be improved; on the lack of knowledge, which can be acquired; or on internal imperfections in national level, which also are subject to improvement if the good intentions of a given nation's elites are there.

The second major school of thought in studies of international relations is the traditionalist or realist view. Such authors as Morgenthau (1966), Michael Nicholson (1992), Michael Sullivan (1990), and Kenneth Waltz (1959 and 1979) are the advocates of this state-centred approach. According to them, international affairs are essentially (if not exclusively) the struggle for power among the self-interested units – the states. Self-interest is what determines states' actions in their relations with others.

Currently, this school of thought is the more dominant with the policy makers, although the first – the globalist – approach appears to attract more supporters now than it had up to the first decade of the twentieth century. As has been mentioned in the previous section, according to the first assumption of this essay, the traditionalist approach is taken as the theoretical basis for the research proposed in the present study.

Another broad criterion along which the existing approaches to relations between states can be distinguished concerns the causes of conflict between sovereign states. Different perceptions of those causes determine the three images of international relations described by Kenneth Waltz in his book <u>Man, the State and War</u> (1959). What the author defines as the "first image of international relations" is the perception that the causes of war and peace among nations lie in human nature. The "second image" of international relations contends that the latter are shaped by the internal organization and the structure of separated states. Finally, the "third-image" analysts maintain that the developments of situations on the international scene result from the state system (Waltz 1959, 12). The author dismissed the arguments of the "first-image" and "second-image" analysts. Human nature, he says, is too general a cause to be taken as the primary cause for any human action. Besides, not only can wars and other destructive actions of man attributed to human nature, but acts of sublime behavior as well. And this is what divides even the adherents of the "first image." They, indeed, belong to two camps – pessimists who maintain that the drive for power is inherent in human nature and optimist who are convinced in the good nature of man and hope that education, for example, can give mankind better chances for peaceful future (Mead 1942). Aside from the general consideration that the human nature is not that easy to change, the reliance on such a change is more appropriate for psychological and philanthropical studies then for the field of international politics.

The "second image" of international relations is also dismissed by Kenneth Waltz on the ground that states of different internal organization ranging from totalitarian to advanced democracies are all equally likely to be involved in international conflicts and equally are waging wars with each other. One cannot but see that this assertion is supported by wide evidence, which is obvious enough not to need further elaboration.

The "third image" of international politics is one favoured by Kenneth Waltz together with those students of the subject who support the so-called system approach to international politics. According to them, the situations on the international scene result from the international system and do not come from the characteristics of individual states comprising that system. The international system, they contend, besides being comprised of individual elements or nation-states, is at the same time more than simply the sum of those elements. It has characteristics of its own. Hence, the system-level components of international system, such as the organizations of the system, bring their influence on developments of international affairs and therefore have to be studied on their own accord.

Let it be added here that according to this classification, Morgenthau (1966), as well as John Herz (1951) and Reinhold Niebuhr (1940) are behavioralists, or first-image analysts, although the latter admits that "human nature is so complex… [that] Caesars and saints are made possible by the same structure of human character" (Niebuhr 1940, 157). Karl Marx is the famous representative of the "second-image" annalists who see the internal structure of individual states as responsible for relations between them. Marx accuses the capitalist structure of states for the conflicts arising in the international arena. And, finally, Richard Rosecrance (1963) and Kenneth Waltz (1979) himself support the system approach, and by this virtue are the "third-image" analysts. It is worth noting, however, that among the representatives of either-image analysts considerable disagreements do exist. For example, Rosecrance is being criticized by Kenneth Waltz for doing nothing more than only employing the system-approach terminology. In fact, however, Rosecrance's analysis, according to Kenneth Waltz, "is not systematic…, for the components [i.e. the states] produce all of the changes, and none of the components is at the system level" (1979, 42).

The two approaches to international politics described above have mainly been evenly treated up until the First World War, and the realist approach was even more dominant. However, in the era of the League of Nations, decolonisation, sovereign nation-states, multinational organizations, nuclear weapons, arms race, and interdependence the first or transnational/globalist approach is gaining more momentum and supporters. Contemporary stated of affairs in the "chessboard of international scene" (Morgenthau 1966, 253) seems indeed to contribute to this tendency. Accordingly, the literature reflects these tendencies as well.

The era of the nation-states has come to an end – this slogan is the main argument of the globalist approach to international politics, and therefore "the tools used to analyse international politics… are now antique" (Blight and Weiss 1992 quoted in Little 1997, 83).

There are, the globalists argue, new actors on the international scene – multinational corporations, various environmentalist groups, international organizations and international NGOs, religious organizations, sects and brotherhoods, and even powerful "terrorist" groups. There is interdependence growing among states. Besides, the new problems the world faces are so global that no one single state can possibly hope to be able to deal with them on its own accord

World Government, conclude the supporters of the globalist approach, is needed and by this virtue is possible in the new age. The league of Nations and later the United Nations with their reliance on the international law, have been created mainly with the view of, and expectations to, the emergence of the new world order with peace inherent in it.

However, the consistent failures of international organizations to maintain peace among nations, the weakness of the international law[1] are all indicators that the best expectations and wishes have proved futile.

In its turn, interdependence can also be viewed negatively – namely as the "mutual vulnerability" of states (Waltz 1979, 160) rather than a deterring force calling for co-operation between international actors. As to the multinational corporations, they are in fact national corporations, which are only being operated internationally. They actually combine "centralization of control and decentralization of operation" (McKenzie 1927 quoted in Waltz 1979, 150).

Thus, however well the expectations for the world government and international peace and order may sound, one cannot but see that the nature of international politics remains the same – it is still the struggle for power. What has changed is only the means by which this struggle for power takes place.

In the remaining sections of the present essay an attempt will be made to see how small states in general, and the states of Transcaucasia in particular, should behave in the international environment of continuing struggle for power.

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[1] As Hans Morgenthau mentions, "…the legal rules are treated by those who ought to enforce them as though they did not exist" (1966, 271).

## 1. The Main Characteristics of the Contemporary International System

In the present study, the references to the "contemporary international order" mean the new world order arrived at after the Cold War. It can hardly be questioned that the world order has undergone profound changes since the end of the Cold War and the collapse of one of the major powers that dominated that order before these events. What, then, are the main changes that have occurred on the international scene and thereby determined the main features of the post-Cold-War world order?

*1. Multipolarity.* Unlike the observed unanimity among the scholars as well as politicians about the international structure that existed before and during the years of the Cold War that it was a two-polar system, after the collapse of the communist regime in the former Soviet Union and its satellite states, the views of researchers and politicians parted on this issue. So much so that actually the debate started to take place as to whether a multipolar international system has emerged with Germany in Europe, Japan, and the US as the major powers; or what has emerged is a unipolar system with the US as the only superpower (Little 1997, 64). Another version of multipolarity of the new world order is contemplated by Henry Kissinger in his book <u>Diplomacy</u> with the US, Japan, China, Russia, and Europe as the centres or major powers (1994, 48). The position adhered to here is that the world now more resembles a multipolar than a unipolar system with whatever the only superpower might be.

*2. Anarchic order.* Another important characteristic of the contemporary international system is that it undoubtedly is an anarchic one. By speaking of anarchic nature of the contemporary international system one does not mean the absence of order as would the common

stereotype suggest. What the anarchic order means is the absence of world government. The latter assertion seems obvious enough not to require further elaboration. Indeed, continuous failures of such international organizations as the United Nations to bring order on the contemporary international scene; the inherent weaknesses of the International Law which lie in its decentralized nature (Morgenthau 1966, ch. 10); the lack of efficient mechanisms which would enforce the provisions of international treatments on sovereign states - all these conspire in the direction of making the anarchic order not only evident, but the only possible characteristic of the modern international system. In the absence of a supranational government, international affaires are managed by sovereign nations states lead by their own national interests.

Self-help is therefore an imperative for the free and sovereign states including small, developing ones. "A self-help situation is one of high risk – of bankruptcy in the economic realm and of war in a world of free states" (Waltz, 1979, 111). "Self-help" strategies are inevitable for all sovereign states, small developing ones included.

These "self-help" strategies, however, as will be seen later, necessarily translate themselves into totally different policies, which are determined by the different capabilities of individual nation-states.

*3. Removal of Military Conflict to the Peripheries.* The previous characteristic belongs to the realist paradigm of international relations. Neo-realists, however, define the contemporary international order as a "mature anarchy" (Buzan 1991 quoted in Tickner 1997, 185). The modern international system is not a complete anarchy as it used to be, but a kind of order now can be discerned in it defined in terms of resolution of military conflict. Military conflicts now, it is argued, are of much peripheral character and lend themselves to resolution by major powers' efforts, if not by conflicting parties themselves. They, therefore, present much less danger to the

global security than was the case before and during the Cold War. As to the likelihood of global wars between major powers, it is now assessed as being low enough due to the deterrent effect of nuclear weapons possessed by major powers. Thus, "the removal of military conflict to the peripheries of the system" (Tickner 1997, 179) can be considered the third characteristic of the contemporary international system.

*4. Diversification of Statesmen's Backgrounds.* As Henry Kissinger points out in his book Diplomacy (1994), the major powers of the post-Cold-War system are ruled and represented by people, be it presidents, prime ministers, foreign ministers or whoever, "who represent vastly different cultures" (1994, 27). In earlier years of the twentieth century there did exist an international society, which might be called "society of princes" (Morgenthau 1966, 120). Polities, which were mostly empires at that time, were represented by statesmen with about the same education and value systems. These men could easily understand each other's aims and aspirations. It was "the epoch of empires and aristocratic rulers" (Morgenthau 1966, 127). Gradually, however, with the rise of nationalism and with the processes of democratisation there emerged more and more nation-states ruled by democratically elected leaders that came from actually every stratum of their societies. The likelihood of their not understanding each other at interpersonal level sharply increased, together with the likelihood of war between the states as the means of resolving conflicts.

*5. Distinct Elements of National Power.* The fifth main characteristic of the contemporary international system is that the elements of national power are now quite distinct. Henry Kissinger brings the example of Russia in this connection by noting that militarily it is a superpower, whereas economically it remains a dwarf (1994, 41).

*6. The Widening Gap Between Rich and Poor States.* Small developing states comprise (although not exclusively) the group of poor states. The developed world is comprised of rich states. As time goes by and the processes of globalization and interdependence deepen, it is becoming more and more undeniable that the gap between the two worlds becomes wider. Even the counter-example of the Asian Tigers – South Korea, Singapore, Taiwan, and Thailand – is not convincing enough. As Susan Stranger points out "it had been a special coincidence of circumstances that had allowed the Asian Tigers to follow the Japanese model" (Stranger 1997, 163).

Those are the main features of the new world order that should be taken into account by the nation-states if they want at all to find their place in it and create appropriate patterns of behavior in order to survive. The contemporary international system, as it was noted above, is the given environment in which developing states find themselves to live and function. What, then, are the alternatives for the small developing states' foreign policies in the face of necessity to survive?

In the following sections attempts will be made to discuss the following issues:

(1) What the aims of the small developing states should be in a world where their ultimate goal is the national survival and national security.

(2) What choices are available to them in terms of both their national power and foreign policy alternatives.

## 2. The Meaning of National Security for Developing States

The struggle for power for industrialized nation-states and among them for major powers in the contemporary international environment of power politics inevitably should and really

does have a meaning entirely different from what it means to the developing world and especially for small developing states, like the three Transcaucasian nations. While the struggle for power in general means that all sovereign nation-states are mainly (if not exclusively) concerned with their national security problems, these concerns are of different nature for developing and developed world. There can be distinguished several features of the meaning of national security for developing states.

*First.* The concept of national security in the modern world ceased to have only one, i.e. military dimension. Nowadays, there can be discussed at least three dimensions of that concept. While the military dimension linked to the necessity of physical protection of national borders still remains an important issue for sovereign states, the ecological and economic dimensions of national security become also prominent. If the concept of national interest in the environment of struggle for power means the survival of the states, than the system of national security of states should be aimed at the creation of mechanisms that could provide the states' survival. At its minimum, the existence of national security system and structures would mean the preventions of basic factors that threaten the very existence of the state. That is why the two above mentioned dimensions of national security – ecological and economic – gain prominence. These dimensions are of more importance for developing states than for developed ones. In addition to these two dimentions, for some of the developing nation-states, for example for Transcaucasian states, one more dimension of national security can be considered, namely the historical-cultural. Indeed, the existence of a sovereign state for such nations like Armenia will be arguable, if it is "forced to adapt to the actual political realities and forget her own history and… national values" (Aivazian 2002, Sept. 19).[1]

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[1] Translation from Armenian is mine – A. P.

*Second.* Even the military dimension of national security translates into one thing for developing states and into another for industrialized nations. As it was mentioned earlier during the discussion of the main characteristics of the contemporary international environment, military conflicts tend to move to the peripheries of the international system, i.e. closer to the newly emerged nation-states and farther from the developed world. One consequence, among others, of this tendency is that the industrialized nations, particularly the major powers, perceive their national security issues quite differently than do the developing states and particularly the small ones. Differences, it will be seen, are of profound nature.

*Third.* According to the forth characteristic of the contemporary international system, namely, diversification of the statesmen's backgrounds, the significance of the national leaders and decision makers increases sharply. Kenneth Waltz in his <u>Man, the State and War: A Theoretical Analysis</u> (1959) distinguishes three levels where the causal factors of states' general behavior can be found – the international system level, the state level, and the individual level. Barry Buzan, too, contemplates "the location of explanation" (1997, 201) of states' behavior in several levels, including the level of individuals, particularly, decision-makers. Taking into account the given structure of the international system (anarchic, i.e. the absence of a supernational World government) and the peculiarities of the internal organization of developing states (absence of strong democratic institutions), the third level of causality – the individual level – takes prominence for developing states and among them for small ones. Due to the absence of strong democratic mechanisms of electing the leaders, and more importantly of mechanisms of re-electing them, the incumbent elites become powerful enough to have direct impact on their states' behavior in accordance with their own **personal** values and perceptions.

Objectively lacking in knowledge of, and experience in, democratic practices they often see their terms in office as an opportunity of improvement for their personal or family affairs.

*Fourth.* As ecological and economic dimensions of national security gain more prominence, internal security comes to the forth along with the concerns for external threats to national borders. For developing states, Ann Tickner writes, "military conflicts are rarely cross-border, but, rather, the result of domestic challenges to the legitimacy of political regimes frequently supported by outside intervention" (1997, 179). Ironically enough, this meaning of national security for small developing states, when combined with the previous one – the crucial importance of powerful elites – makes even the internal military conflict less possible for some states. Consequently, the other two dimensions of national security – the ecological and economic – gain even more prominence for such states. These two dimensions are also in full possession of national elites, who seemingly protecting their peoples from physical military dangers (which, let it be said in parentheses, would have been more apparent and would have prompted more resistance) are causes of so-called structural violence (Tickner 1997, 180). The structural violence is being done by national elites in at least two ways: i) through diverting scarce resources from people's basic material needs for building up of military potential needed to protect themselves from their own population; and ii) through the environmental damage that the same national elites do to their countries, often in a quite conscious and pre-planned manner.

On the whole, developing small states appear not only unable to perform their main function in the international environment of continuing struggle for power, not only are they unable to conduct self-help policies needed in this kind of environment, but often they themselves stand as treats to their own national security, if the extended definition of national security including the ecological and economic dimensions is accepted as it should be (Tickner

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1977, 180). It can be inferred from the above discussion that for the great powers the struggle for power means *the struggle for power per se,* whereas for the small newly emerged nation-states the struggle for power does mean something else, namely, *the struggle for survival per se,* i.e. physical survival. This is simple: national security for great powers means one thing, for the periphery – quite another. So much so that on the whole the globe may seem peaceful to one part of mankind, whereas for the other it may appear to be a hell to live in.

## 1. Implications for the Small Developing States of Transcaucasia of the Struggle for National Survival

Speaking generally, the nations while working out their policies concerning foreign affairs have to consider external environment in which they live and function, as well as their internal resources and capabilities to live and function in that environment. Still, there is a gulf of difference between these concerns for major powers and developing states. The main difference is that the great powers are the ones that set that environment, in which they live and function. It is they that are the rule-makers by virtue of the very fact of their being major powers. The developing world has "only" to be watchful and accept those rules or… The possible alternatives of passively accepting "the rules of the game" will be discussed later. Here, however, is the place to mention that there must be significant differences in degree of activeness on the international scene between the major powers and the developing states. As Susan Strange mentions, "[a]lthouth  some states… shape, or later… change, the way in which a market… operate[s], the market, once set up, put[s] constraints, impose[s] risks or offere[s] opportunities to all those who enter it" (1997, 166). Markets are systems, too, and possess all the system-level characteristics, such as structure, organization, a small number of major firms, and a relatively large number of small ones. Among political scientists it has became common to make parallels and comparisons between political and economic systems, and this is not in vein. Economic systems, such as economic markets are more profoundly studies and more generalizations came out of that study.[1] Consequently, political scientists readily make use of those generalizations for understanding and

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[1] Susan Stranger notes that "[t]he magnetism of economics for political [scientists] derives… from its social prestige as the… least unscientific of the social sciences,… [with] a potential for the discovery of regularity in behavior and therefore of a capacity for prescience and prediction" (1995, 168).

explaining the processes occurring in international systems. Ann Tickner, for example, notes that weak states face "the lack of control over the external environment where [they] operate in an international… order that favours the powerful, who are both the rule-makers and the rule-enforcers" (1997, 180).

This is not to say that the great powers can do on the international scene absolutely what they please. Still, it goes without saying that they have much wider margins of survival, let alone the fact that, as it has already been mentioned above, survival as such, i.e. physical survival is no longer an issue for major powers and for the industrialized developed world in general. Thus, the external international environment for small newly emerged states is set by major powers and the foreign policies of the former must necessarily be constructed in that environment.

Now, the possible scenarios set by major powers will be discussed, and next – the internal resources (the elements of national power) and capabilities of states will come. In other words, the following questions will be considered:

1. What are the possible scenarios set by major powers, i.e. what are the intentions of the major powers toward the fates of the small developing states in general and of the states in Transcaucasia in particular?

2. In the environment of those possible scenarios, what elements of their national power can be relied upon by the three Transcaucasian states, i.e. what are the comparative strengths and weaknesses of their national power?


*The Possible Scenarios Set by Major Powers*

*The firsts such possible scenario* is that the industrialized countries, and particularly major powers choose to "help" developing and among them especially small countries without much

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endowment of natural recourses through international organizations like IMF and World Bank. The industrialized world seems to be more readily helping the small developing countries. This is probably because the big ones like Russia, for example, are more likely to develop through reliance on their own efforts or at least are more willing to do so; they accept foreign help more reluctantly, be it called international, humanitarian, or whatever.

It should be mentioned that this scenario has its theoretical backing – namely the structuralist paradigm of international relations. This paradigm of international relations is the one that accommodates concerns of developing states.[1] But it also "condemns all developing countries to chronic underdevelopment" (Strange 1997, 162). According to it, developing states cannot develop (even staying forever behind the industrialized countries) unless the latter's governments intervene with redistribution of wealth in favour of the former. It does not take much intellectual effort to see that this type of reasoning may prompt the major powers to continue their help in the observable future.

*The second possible scenario* may be a political one, namely that democratic institutions may continue to be set up and externally supported in developing countries by major powers. The logical reasoning of this scenario has a long historical and a rich theoretical background.

In the early years of the twentieth century Woodrow Wilson declared that there could not be a better way of life for mankind beyond democracy. He thought of nothing less for America to become a kind of world police force to see to it that people in other countries live as happily as the Americans.

Fukuyama seems to theoretically back this attitude in his writings (1992). His reasoning is simple. Capitalism and liberal democracy are the best conditions for man to live in. Fortunately,

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[1] The structuralist paradigm is one of the three main paradigms of international relations. The other two mainstream paradigms are the realist and the pluralist paradigms of international relations as is described by Steve Smith in his article "The Self-Images of a Discipline: A Genealogy of International relations Theory" (1997).

the author argues, history has its own way of development; and however blindly the human race sometimes acts, it is doomed to come to "the end of history" which economically is capitalism and politically - liberal democracy. In addition, Fukuyama continues, democratic states do not go to war, at least with each other, because they are "fundamentally unwarlike" and maintain "extraordinarily peaceful relations… among one another" (Fukuyama 1992 quoted in Little 1997, 72). It is quite evident, therefore, that the greater the number of capitalist states with democratic regimes the closer is mankind to happy and peaceful life.

Consequently, setting up democratic institutions and thereby spreading democracy throughout the globe is an honourable mission that the developed world may want to reserve for itself. This may be done by different means ranging from "establishing control over the minds and actions of the small nations' elites or simply bribing those elites" (Aivazian 2002, Sept. 21) to using direct military force.[1] The latter option constitutes the next scenario.

*The third possible scenario* might be of military character. Although conquering territories does not mean controlling them (Waltz 1979, 172), still the temptations to military conquests may be strong for major powers.

According to the possible scenarios chosen, for whatever reasons, by major powers, let us now see what could the options for the small developing states be. It bears repeating that these options highly depend on those elements of their national power, in which they deem themselves to be of relative advantage.

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[1] Translation from Armenian is mine – A. P.

*Elements of National Power*

Turning now to the discussion of internal resources and capabilities of the nations inhabiting this globe, it must be said that the best way for doing this is to consider the elements of national power, after Hans Morgenthau (1966), and see what elements or components are available to great powers as setters of the international scene and to their counterparts – the ordinary states, down to the developing states, and among them – to small ones.

In accordance with the fifth characteristic of the modern international system, namely that the elements of national power can be viewed as quite distinct from each other, the states may have an opportunity to choose from among the elements of their national power to rely upon while building up their foreign policies. For example, it seems to be out of question that the small developing states can hardly rely on their military power in dialogues on the international scene. Some of them, the most "fortunate" ones, can possibly rely on their rich natural resources, although their being fortunate in this respect can be seriously questioned.[1] In short, a detailed analysis of their comparative strengths and weaknesses is necessary in considering the choices available for working out the small states' foreign policies. It is, therefore, time and place now to turn to the discussion of the elements of national power considered by Hans Morgenthau (1966, ch. 9).

Before turning to such discussion, however, it should be noted that the assessment of each element for the small developing states should be made against the background of the existing policies of major powers who, as it has already been agreed, set the international scene.

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[1]There is a point of view that heavy reliance on their natural resources makes the economies of developing states dependent on one particular type of a resource. As a consequence, when the prices of the resource go down for some reason or another, these countries' economies collapse, sometimes even irreversibly and never recover again.

Having said this, we can turn now to the choices available to the states from the elements of their national power. And then we will consider more closely the comparative strengths and weaknesses of the three Transcaucasian states.

Hans Morgenthau in his classic work Politics Among Nations: The Struggle for Power and Peace (1966) considers the following elements of national power of a nation-state: Geography; national resources (raw materials and the ability of a state to rely on its own resources in providing its population with food); industrial capacity; military preparedness including technology, and the "intangibles" of national power, such as the national character and national morale. It is appropriate to add to the elements considered by Hans Morgenthau one more component suggested by Kenneth Waltz (1979), namely, the ability to solve problems. This ability is given an extreme importance by Waltz, who notes, "the ability to solve problems is what makes a country a major power" (1979, 136).

It is evident from the mere listing of these elements that various nation-states possess those elements or components of national power in various degrees. But what is essential in comparative discussion of power components of individual states is that some of these components "are relatively stable" and others "are subject to constant change" (Morgenthau 1966, 106). To determine which component is stable and which is constantly changing is quite simple. For example, geography, richness in natural resources, and to a considerable extent national character, are unchangeable. Other components seem to be of more changeable nature. The simple logic suggests, therefore, that in constructing foreign policies in a volatile international environment a nation should rely more heavily on the most manipulable elements of its national power. This is especially true for states that, like Armenia, are in disadvantageous

position in regard to the stable elements of power, such as geography and natural resources. As they do not have the best, they should, following the proverb, make the best of what they have.

Elements of national power for the three states of Transcaucasia are different (Tables 5, 6, and 7 in Appendix 2).

Even a brief glance on these elements of national power cannot but reveal the picture of Armenia's relative disadvantages in the region. Armenia is in the least advantageous position among its immediate neighbours, in terms of its access to the sea, natural resources, population. Among the elements of national power, the national character seems to have a chance of being of more optimistic character. It can bring more confidence to the reflections on assessment of the relative strengths of Armenia in Transcaucasian region. Contrary to some common Western perceptions, Armenians have outstanding martial traditions during their long history.[1]

From the elements of national power the military, territory, and population are dropped automatically for small states. Of course, in general, there is not a strong causal relationship between these elements and national power of nations, but the truth is that small states cannot have a military, for instance, compatible to that of the large states or a population, let alone the territory to speak of in considering their comparative advantages and disadvantages in terms of their national power.

Regarding the issue of population, however, Armenia seems to find itself in a unique position. The unique subject with regard to the Armenian population might be the fact of having a widespread Diaspora. Upon closer look, the existence of a huge and widespread Armenian Diaspora appears to be a disadvantage in regard of national power. It is widely believed that the

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[1] For a detailed discussion of Armenia's military excellence see, for example, Aivazian, Armen (2000). Հայ զինվորականության պատվո վարքականոնը: (4-5 -րդ դարեր):

Armenian Diaspora is an absolutely positive factor for Armenia proper.[1] To think that no other nation has such a powerful support outside its territory all over the world brings a proud feeling to our compatriots within the country, as well as outside of it. But the Diaspora pulls out more strength from Armenia than gives. The mysterious reality that a country with little industrial activity, without natural resources, with unemployment rate amounting to the third of its population, but with thousands of foreign made cars on the streets can only be explained by the sad fact that most of the population is financially supported from outside and gradually loosing the simple sense of necessity to work at all.

Other elements of national power for small developing states also can be different for individual states. For example, natural resources, access to the seas may be more favourably distributed to certain states, like the Persian Gulf states, or Georgia in Transcaucasia, and less so for others like Armenia.

It goes without saying that different elements must be used in case of different scenarios set up by major powers. For example, in case of the third scenario – military intervention – the national character might be of much use.

What are, then, the possible alternatives for the three states of Transcaucasia, taking into account the differences in their elements of national power, given that the international scene is almost the same for all the three of them? It is worth of being reminded once more that the possible policies for small states would necessarily be policies of "self-help", given the anarchic nature of the contemporary international system.

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[1] This reflection should not be taken as a negative attitude toward people living in Diaspora. Rather, this is a cautious look toward the existence of such a wide Diaspora *per se*. Indeed, one cannot but to admit that it is a somewhat abnormal situation when a small nation of about 3 million of population has a Diaspora three times as numerous. A legitimate question arises as to where Armenia proper really is.

There can be considered the following possible alternatives of foreign policies for the small developing states of Transcaucasia.

1.  To enter alliances (one or more) with big powers and/or with one another. "If pressures are strong enough, a state will deal with almost anyone. Litvinov remarked in the 1930s that to promote its security in a hostile world the Soviet Union would work with any state, even with Hitler's Germany" (Waltz 1979, 166). "…[S]tates will ally with the devil to avoid the hell of military defeat." (ibid.).

2.  To keep neutrality. This is a widely endorsed policy for new nation-states, even for the big ones like the United States, for example. Henry Kissinger mentions the Monroe Doctrine as an example of the United States' neutrality in its foreign policy affairs during the early years (1994, 32,34).[1] Another argument in favour of political neutrality comes from the theory of groups expounded by Mancur Olson in <u>The Logic of Collective Action</u> (1971). Keeping neutrality is a rational solution for small members of a large group of actors, according to Olson. This is because the small members (in our case the small states), being unable to radically affect the events or "set the scene" on the international arena, know nevertheless that they will enjoy the results of collective efforts on the part of major players. Kenneth Waltz uses the term coined by Alfred E. Kahn who called this situation "tyranny of small decisions" (quoted in Waltz 1979, 108).

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[1] The exact meaning of the Monroe Doctrine was for the United States not interference in the European affairs. It was not taken as the same guide for the Western hemisphere, which was regarded by the United States (by President Theodore Roosevelt, in particular) to be the realm of the country's internal affairs. Later, Roosevelt's successor Woodrow Wilson re-interpreted the policy of non-interference with European affairs, advocated also by George Washington, to make room for entering the World War I. Wilson argued that "[W]hat Washington meant… was that America must avoid becoming entangled in the *purposes* of others. … But… nothing that concerns humanity can be foreign to us" (Quoted in Kissinger 1994, 48).

3. To become satellites of big powers (one or more). An argument "for" has been made by Kenneth Waltz: "Where disparities are great, whether among firms or among states, the largest of them need worry least about the bothersome activities of others" (Waltz 1979, 148). And "internationally, inequality is more nearly the whole of the political story" (Waltz 1979, 142).

4. To lead a complementary foreign policy.

5. To use financial means coming from the "help" by international organizations and international corporations to build the industrial capacity of their own. "Who said," writes Waltz, "that International corporations dictated the conditions and states can do nothing to prevent them from doing so. …[O]ne may be struck by the ability of weak states to impede the operation of strong international corporations and by the attention the latter pay to the wishes of the former" (Waltz 1979, 95).


## 2. The Contemporary State of Affairs in Foreign Policy Issues of the Transcaucasian States (a Background)

All the three states of Armenia, Azerbaijan and Georgia, being located compactly in the region of Transcaucasia, have certain features in common. For example, the Transcaucasian states have always liked to see themselves as the links between the East and the West. They really have been to a greater or lesser extent at different times. However, there are peculiarities for each of the three states that are of much more significance than their similarities. For the purposes of the present discussion only those peculiarities that have greater significance to the foreign policies of the Transcaucasian states will be considered.

*Armenia (background).* There are two main security doctrines dominating Armenia's foreign policy issues, both of them concerning the military dimension of national security, though.[1] The first one can be called defensive self-reliance, while the second is of more radical and nationalistic character, which aims at defence of "surrounding" territories as well (Curtis 1995, 72). The national security priority for Armenia is Zangezur, the southernmost region bordering with Azerbaijan and Nakhichevan in the east and west and with Iran in the south. The foreign relations of Armenia with its immediate neighbours are briefly characterized below.

Relations with neighbouring Azerbaijan are dominated by the Nagorno-Karabakh conflict. Azerbaijanis use every single opportunity to present Armenia as an aggressor state on the international scene, although the Armenian propaganda seems not working at all on this issue. Meanwhile, this conflict drained significant financial resources from Armenia.

Relations with Georgia are determined by interethnic conflicts within this country. Turmoils in Abkhazia had immediate repercussions for Armenia; they cut off the rail routs through which food supplies were coming in from Russia. This is but one illustration of Armenia's geographical disadvantage in the region; in addition to its own difficulties, both internal and external, the destructive events in neighbouring states have as much negative impact on Armenian economy in general and on its vital problems in particular.

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[1] As has been discussed earlier in the present essay, the conventional notion of national security is that it is mostly (if not exclusively) concerned with military issues. Thus, Glenn Curtis and Ronald Suny (1995) speak of "economic, political and national security topics" (p. 78). It is implicit in this statement that national security does not contain economic, environmental, or demographic dimensions in it, and is only consisting of military issues. By contrast, it is argued in this study that the concept of national security in the international environment of power politics is first of all and most of all concerned with considerations of national survival. For the small developing states, like Transcaucasian states, national survival means nothing less than simply physical survival of the states. This, in turn, means that national security for these states must have economic, environmental, and for some of them also demographic dimensions.

Armenian relations with Iran were also dominated by the Nagorno-Karabakh conflict. Iran was trying to make mediative efforts in this conflict, being uninterested in having a strong Azerbaijani state near its huge Azeri minority population concentrated in the northern regions.

Relations with Turkey are characterized by the issue of the Armenian Genocide of 1915, which Turkey has so far refused to recognize. In the conflict of Nagorno-Karabakh Turkey abstained from making direct military contributions to Azerbaijan, being itself constrained by the NATO membership and relations with the U.S. While being ethnically closer to Azerbaijan, Turkey is thus less welcome politically. On the other hand, Armenia's relations with Turkey had a tendency of improving. At least, Levon Ter-Petrossian's government made significant efforts aimed at such improvement (Curtis 1995, 67).

*Azerbaijan (background).* The relations of Azerbaijan with other countries are marked with and determined by its internal complications concerning the interethnic conflicts in this country. The significance of these conflicts is such that the very survival of Azerbaijan depends on how well its leaders can manage to deal with them. The common stereotype is that the internal ethnic problems of Azerbaijan are confined to the Nagorno-Karabakh conflict and that with the settlement of this particular conflict the main internal problems of the state will find their solution. However, the actual state of affairs concerning inter-ethnic conflicts in Azerbaijan is much more complicated and the ethnic problems are far from ending here.

There are a number of ethnic minorities in Azerbaijan. Talish ethnic group, whose population, according to 1989 census, numbered 21,000 and according to their own estimates, 200,000-300,000, are Iranian people living in southern and eastern parts of Azerbaijan and adjacent regions of Iran. The Talish live compactly in these regions, which, in addition, are

separated from the rest of the country by mountains. Since Azerbaijan's independence in 1991, the Talish have called for greater rights of self-determination.

In the northern regions of the country, there are Lezgis, the Suni Muslims who comprise the majority of population in three regions of Azerbaijan.

Another ethnic minority group is Avars who are Dagestani people and, like Lezgis, are Suni Muslims.

According to 1989 census, 262,000 or 3.4 % of the entire population of Azerbaijan were comprised of 90 other nationalities (Curtis 1995, 103).

To make matters worse, the Azeri people itself is internally divided; eastern Azerbaijanis see themselves distinct from their western compatriots in many respects, although concerning mainly religious matters.[1]

*Georgia (background).* Like Azerbaijan, Georgia, too, is plagued with ethnic conflicts, some of them being very severe. One general difference is that the ethnic units here are much smaller, which fact makes the inter-ethnic conflicts in Georgia even more complicated and hard to understand and even define. Ethnic Georgians no longer even constitute majority in Georgia. The main ethnic groups that make for exacerbation of interethnic conflicts are Ossetians, Ajars, Abkhaz, Swans, Kurds, Chechens, Meskhetian Turks, Suni Turks and many others, e.g. Russians, Azerbaijanis, Armenians.

In 1921-1930, Abkhazia was an autonomous republic in Russia. In 1930, it was incorporated in Georgia, not without active role by Stalin. Although ethnic Abkhaz constituted relatively small minority in Abkhazia, the republic was named after them. According to 1989

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[1] Generally speaking, it is religion and not language that makes dividing lines between peoples and smaller ethnic groups in the contemporary world. It is quite common nowadays for people to know many languages, whereas religious affiliations are usually unique, thereby having more to do with self-identity of people. Supportive of this argument are the facts of often hostile relations among Suni and Shiit division within Muslims all over the world.

census (even 60 years after its incorporation into Georgia), only 17.8% of Abkhazian population were ethnic Abkhaz; 44% of the total population of Abkhazia were Georgians, and 16% were Russians. Abkhaz were less than 2% of total Georgian population. Now Abkhazia is virtually independent of Georgia, although not a single state has recognized this fact. In practice, the recognition by other states of Abkhazian sovereignty depends on the position of Russia that, in its turn, does not hurry up to recognize the sovereignty of Abkhazian state.

Regarding South Ossetia, the Russian position is much the same; it is not yet in Russia's interests to recognize the sovereignty of South Ossetia, since its counterpart North Ossetia is located across Georgian national border, in Russia. In 13th century Mongols drove Ossetians from what is now North Ossetia. The South Ossetian Soviet Autonomous Republic was established in Georgia in 1922. After the abolishment of it by the Georgian President Gamsakhurdia in 1990, it was reinstalled in 1992. According to 1989 census figures, 60% of Ossetians lived outside South Ossetia. Ossetians concentrate in Tskhinvali and Java cities of Georgia. Now there are strong claims from South Ossetia to secede from Georgia and reunite with North Ossetia. On the whole, the ethnic tensions in Abkhazia and South Ossetia seem to be to a considerable extent regulated from Russia.

Ajarian Autonomous Republic was also created under the Soviet regime, after 1878 Berlin Treaty separated Ajars from Ottoman Empire. Although Ajars are not much distinct from Georgians in their language and mostly consider themselves Georgians, nevertheless they are Suni Muslims. It is on this religious ground that the cleavages between Georgians and Ajars occur. In addition, elites would not let go of their chance to reserve special status to themselves and fought hard to retain a separate Ajarian Republic within and, even preferably, outside

Georgia. Ajars see themselves as virtually separate from Georgia; they even attempt at refusing to pay taxes the central government.

Most of Meskhetian Turks live now in Uzbekistan, where Stalin forcibly exiled them from Georgia. There they number 200,000. After 1990, they sought to return to Georgia. Another even smaller ethnic group within Turks in Georgia are Suni Turks, which came from Amasia province of Armenia after 1991. There is no evidence in literature or elsewhere as to these two groups of Turks' contacts and their place in the overall fabric of contemporary Georgian society.

Kurds and Azerbaijanis were 7% of Georgian population (1989 census). But their growth rate was much higher (20% and 30 % respectively), than the average population growth in Georgia. The number of Kurds in Georgia has probably increased after Kurds from Armenia came in Georgia to add to the already chaotic ethnic situation there. Ethnic Georgian population grew from 68,8% in 1979 to 70,1% mostly due to emigration of Russians, Ukrains, and Ossetians from the country (Curtis 1995, 223-225).

The recent events in Chechnya also did not pass by Georgia. It is not by a mere chance that Chechen criminal groups find shelter on the Georgian soil.

During the Soviet era, these ethnic cleavages were suppressed and lay dormant for a time. After independence the tensions intensified and now they present serious threats to national integrity and thereby to national security of both Azerbaijan and Georgia, and the identity of these states is at stake. Both states run the risk of being torn apart by ethnic cleavages, which would mean their inability to physically survive. According to the above discussion, national security for small developing states means their physical survival. The current situation with ethnic cleavages in Azerbaijan and Georgia is a clear indicator of the fact that these states should look in that particular direction to find possibilities to physically survive.

These two states are in a quite vulnerable situation in terms of ethnic cleavages, which do not end there. It is not hard to see that any country, especially the great powers, could easily destroy them through manipulation of interethnic tension, which may lay dormant even for a time, but can always be kindled by whoever would feel like it.

The only solutions here, i.e. the only possibility to survive is to look into their constitutions and make their states federations and even confederations, with few (very limited) functions reserved to the central authorities. These functions may be maintaining the national army, for example, or collecting federal taxes, etc.

Unlike its immediate neighbours, Azerbaijan and Georgia, Armenia does not face ethnic cleavages. This is not to say that Armenia does not face dangers to its survival. Those dangers do exist, although in utterly different realms. Its national security, i.e. its physical survival is threatened by at least two imminent dangers – the absence of national industrial capacity and unproportionally high emigration from the country. Consequently, the solutions for strengthening national security or increasing the chances for survival of Armenia must be sought in prevention of these two factors.

## 3. Policy Recommendations for Transcaucasian States

Taking into account all the above discussion of the possible scenarios set by major powers on the international scene on one hand and the resources and capabilities available to small states to rely upon on the other, it is possible now to briefly discuss the policy alternatives for each Transcaucasian state in turn.

In way of reminder, it should be reiterated here that the three possible scenarios likely to be chosen by the International Community are: 1) foreign aid, 2) setting up democratic institutions

inside the developing countries; and 3) using military force or threatening to use it. As has already been discussed in previous sections, the three Transcaucasian states must chose their foreign policy alternatives according to these possible scenarios.

*Armenia.*

If the scenario of "help" through international organizations (IMF, WB, from foreign governments, etc.) is chosen by the International Community,[1] then the possible policy alternatives for Armenia would be: i) to accept the help on the condition to use it for the development of the national industrial capacity; ii) to find an alternative to foreign help in the form of foreign investments. These policy options will strengthen the economic dimension of the country's national security.

The second policy option is more preferable. It should begin with changes in the Armenian legislature to create an environment more conducive to investments. It also should be aimed at reduction of the level of corruption in the country. That the level of corruption is extremely high in Armenia is supported by the results of conducted interviews (Appendix 2, Tables 1-3). And that the high level of corruption threatens the national security of any country, not only that of small developing countries, is evident by the fact of adoption of preventive laws by industrialized countries, such as the U.S. and the UK. As Ronald Brown, once the Secretary of Commerce of the U.S. remarked at the State Department's National Foreign policy Conference for Senior Business Executives of the State Department in Washington, D.C. in October 20, 1993, "[t]he central new economic reality is that America's future national security depends on our economic performance" and "…national security must be defined in terms of economic

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[1] The terms "international community" and "major or great powers" is used interchangeably in the text.

strength" (Bialos and Husisian 1997, 3). For this to be done, the United States' Congress adopted the Foreign Corrupt Practices Act in 1994. According to the Act, any American citizen who, in order to further his or her business, pays "additional payments" to officials in transitional countries faces criminal charges in the United States. In other words, corruption is viewed as a kind of leprosy that should be prevented from creeping into even strong country from developing world. This is the degree of attention the developed industrialized countries pay to the economic dimension of the national security of their states.

If the international community chooses the second scenario, i.e. of continuing to set up and support democratic institutions, then the emphasis should be put on education and training of elites and ordinary citizens.[1] Then the democratic institutions would be of less fictitious nature, and would actually perform their functions. Without proper education and training the elites are liable to continue using these democratic institutions for achievement of their own personal ends.

Concerning the third scenario chosen by major powers, that of using direct military threats against Armenia, it should be said that this is the least likely option for at least the next decade (Aivazian 2002, July 2-16). Still, this is not to say that Armenia should afford to relax and underestimate the possible threat. On the contrary, it has to be ready for the worst, following the old Latin wisdom "Si vis pacem, para bellum." The choices for Armenia may be: i) policy of containment; ii) policy of appeasement; iii) policy of fear. Variations of these policies could be useful as well. These may be: to enter alliances, to keep neutrality, to become a satellite-state of one of the major powers, or to fight, after all. Although Armenians are commonly thought of as a

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[1] This option contains a danger in it and should be dealt with cautiously. One peculiarity of the contemporary Armenian society is that people do not seem to tie their future with this country. However pessimistic this may sound, education may be a contributing factor to this tendency. Together with the existence of large Armenian Diaspora, which may be another such contributing factor of emigration from the country, education, including that received abroad and especially in matters of democratization, might increase the opportunities to work outside the country thereby increasing the already huge numbers of emigration from the country.

nation that "has not had a great tradition of military success, even at the largest extent of the Armenian Empire" (Curtis 1995, 70), this general perception, as has been mentioned earlier, is arguable.

Coming to the problems with the Armenian Diaspora, it should be said that these problems, too, should be considered as the part of the government's foreign policy, more particularly, directly dependent on the first scenario considered above. The policy should be to get the Armenian Diaspora, and particularly the Armenian Assembly in the U.S. to "lobby" the Armenian government in parallel to the lobbying activity directed to the U.S. government. The Diaspora should be more concerned with persuading the Armenian legislature to change in order to create more business-friendly environment. This would attract more foreign investments in Armenia, and would help build up its own industrial capacity. As has been argued above, Armenia's own industrial potential is the economic dimension of its national security. Thus, the Armenian Diaspora's activities will be incorporating into the process of increasing the country's national security.

The revived Armenian industries will stop the emigration from the country that has a devastating impact on the demographic dimension of Armenian national security. Emigration should be stopped at all costs. As is evident from the Tables 8 and 9 in Appendix 2, the demographic situation in Armenia after the 1988 earthquake and especially by the end of 1990s is worrisome; refugee and emigration numbers from the tables mentioned above can support this argument. Armenia would not have survived not only without the territories of Nagorno-Karabakh (Aivazian 2002, July 2-16), but also in circumstances of its own people leaving the

country.[1] The absence of Armenian's own industrial potential, shortage of jobs, and high unemployment are the immediate causes of emigration. Still, there exists an ultimate cause, which is the absence of a national ideology, the all-national goals understandable and acceptable to the majority of the population. The creation of national ideology, in turn, may stem from grassroots activities on community level by having the communities believe that their actions will have the intended impact. These activities will ultimately depend on the good will of political elites, who should formulate and communicate the all-national goals to the population. Since, according to one of the characteristics of the contemporary international system and its implications for the small developing states discussed in the earlier sections of this Master's Essay, the incumbent elites of such countries are very powerful. Especially in ethnically homogeneous countries like Armenia the political and economic elites do not face serious challenges inside their countries from whatever opposition they have. And even if they do, they easily manage to neutralize them.[2]

Another possible policy to be used to stop or, at least, slow down emigration would be the establishment of the institution of alternatives to military service[3].

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[1] An additional reason to be frustrated by the large numbers of emigration from Armenia is that these facts are not lost on Azerbaijani propaganda. On the 31st sitting of the Parliamentary Assembly of the Council of Europe the Azeri representative Ilham Aliyev did not hesitate to state that "… more than half the population [of Armenia] has fled the country, … [which leads] its aggressive and hostile policy towards almost all its neighbors" (2002 Ordinary Session, 9). Implicit in this assertion is that Armenia has an "aggressive and hostile policy" not only towards its neighbors, but also towards Armenians as well. It would be hard to overthrow this argument having, as it were, the large numbers of emigration from the country.

[2] It is widely accepted that the ethnic homogeneity of the Armenian population is a positive factor in considering many internal and external issues, such as the issues of the military dimension of the national security. To a great degree this is certainly true. However, in considering the reasons of the weak political opposition in the country, the homogeneity of population as one of the possible reasons, appear to be rather a negative factor contributing to the possession of undivided power of the incumbent elites.

[3] This policy, if ever, should be used with caution. With corruption widely spread in Armenia, which occupies one of the last rows, precisely the 76th out of 90, in the ranking of corruption level by the Transparency International in the year 2000 (Appendix 2, Table 4), creation of the institution of alternative military service would become just another avenue of refraining from the real service in the army and would thereby even weaken the military security of the country. In addition, the results of the 120 interviews conducted in the framework of Polling and Survey

And finally, the revived national industrial capacity will inevitably attract people of the Armenian origin to come to live in Armenia, work here and pay taxes rather than help the country from abroad, be it through the lobbying activities of the Armenian Assembly in the United States, or through personal contributions, of whatever.

*Azerbaijan*

Like Armenia, this country, too, faces a nexus of problems both in its internal and external policy realms. But, unlike Armenia, the problem of ethnic minorities is in the root of all other problems in Azerbaijan. During the Soviet regime, the ethnic problems lay dormant. However, after the collapse of Soviet Union in 1991, all the ethnic minorities have claimed sovereignty in different forms and degrees. For some of ethnic groups, such as for Armenians living compactly in Nagorno-Karabakh, the term "ethnic minority" is not even applicable. Indeed, they constitute an absolute majority of population of Nagorno-Karabakh.

One of the possibilities for Azerbaijan is to become a federative state. For different ethnic groups different degrees and forms of sovereignty must be designed – from giving more authorities to local self-government bodies in some cases, to complete territorial separation in others.

Azerbaijani constitution must undergo significant changes to make the state a federation. This option seems to be the only realistic one for the Azerbaijani state to stay alive.

The second major problem is emigration from the country. Features of the process of emigration from Azerbaijan are not the same as in Armenian case. Since 1991, the most intellectual part of population – teachers, engineers, doctors, etc. – have left the country.

methods by the group of students (see Appendix C for the corresponding questionnaire) show that 95 % of respondents perceived corruption in Armenia as a very severe problem.

Another heavy burden on the Azerbaijani state is its army, which is practically destroyed. The unwritten laws and customs of Eastern culture have crept into the national army, where subordination resembles serfdom more than anything else. This means that in the case of the third scenario chosen by major powers, namely, the military intervention or the treat of it, the Azerbaijani army will most probably be unable to fight. The first two scenarios, however, are dependent on the identity problem of Azerbaijan that must be solved first.

*Georgia*

In considering its foreign policy alternatives, according to either scenario chosen by major powers, Georgia must take into account the peculiarities of ethnic conflicts there. Before even considering her foreign policy alternatives, Georgia has to come to terms with the more fundamental problems, namely to determine its own identity. If Abkhazia and Adjaria insist on their secession, and in addition the Armenian minority follows in their footsteps, Georgia will not possibly be able to circumvent its identity problem.

One of the possible solutions for Georgia is to become a loose confederation. Two options are, at least theoretically, available to the Georgian elites.

1. To give ethnic minorities local self-governing authorities, leaving certain very limited powers to the central government. The Georgian Constitution must be changed to make it updated and consistent with the existing realities. The ethnic minorities with their religious affiliations as a dividing line between them must be given such powers that would make them feel secure about their self-determination concerns.

2. To build strong economy in order for at lest some of the ethnic groups there not to think of nationalistic issues. One of the reasons why in rich industrialized countries ethnic

issues do not take on bloody violent forms is probably the fact of their being rich. E.g. Canadian province of Quebec. This option, however, seems currently impossible for Georgia. The Russian Federation of the Soviet times comes in mind but this was mostly only formally a federation, by its name only. In fact, it was a strong authoritarian country with all the political and military and economic power concentrated in the Centre in Moscow and in the hands of the Communist Party.

It is appropriate here to mention that it should not be new to Georgians to have a confederation as a political solution to their state-building problems. Taking a glance to the history of Georgia, Ronald Suny (1994) notes that "a nation is never fully 'made.' It is always in the process of being made. … First, tribes speaking related languages coalesced into *a loose confederation*[1] under a primitive state and were seen by outsiders as a single people" (p. 333). Later, the author continues, "a social hierarchy was created [and] Christianity provided an identity and ideology that delineated the Georgians from their Muslim and Armenian neighbours" (p. 334). Thus, in making their stated a loose confederation Georgians will simply enter another turn in the spiral of their history.

Another great concern for Georgia is its worsening relations with Russia, which do not pay off, since the hopes of the Georgian government to gain the favour of the West at the price of Georgian-Russian relations appear to be futile. Therefore some alternatives, such as the complementary foreign policy, i.e. balancing between Russia and the United States, seem not to be available for Georgia, at least for the foreseeable future.

Summarising the above discussion it must be said that there are significant similarities in the state-building processes and national survival for Georgia and Azerbaijan. The meaning of

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[1] *Italic* is mine – A.P.

the concept of nation-state for Azerbaijanis, as well as for Georgians, must be with the emphasis on the "state" part of the term. The creation of their states would be equal to the creation of federal state institutions, both central and local, that would be able to perform their respective functions. This would mean giving up efforts to recreate the image of "ethnic Azerbaijanis," as well as of "Georgiannes" (Suny 1994, 333). There would be simply Azerbaijani and Georgian citizens.

As for Armenia, its problems of national survival lie in a different realm, other than the realm of ethnic problems of its neighbouring countries. These are using of the foreign aid and better still, finding alternatives to it in the form of foreign investments. Another realm of the greatest concern for Armenia is the emigration from the country. This must be stopped at any cost.

# CONCLUSION

In conclusion, the main findings of the present Master's Essay will be separately reiterated once more. Certain considerations for future research will be briefly discussed as well.

The meaning of the struggle for power for the small developing states is quite different from that for the major powers. While for the industrialized nations the struggle for power on the international scene means struggle for power *per se*, i.e. the struggle for enhancing spheres of their political, economic, and cultural influence, for the nations comprising the developing world the struggle for power means the struggle for physical survival of their nation-states.

As the concept of power in international relations is often times equated with the military power, so the conventional conception of a state's national security is often linked with the concept of military security. In this essay it is argued that in the contemporary world order the essence of national security for the small states of developing world is the physical survival of the state, and that there are several dimensions of national security for these states. The dimensions of national security are: military, economic, demographic, and ecological.

The contemporary international system possesses certain characteristics, which have their implications for small states of developing world. Among these characteristics are: 1) multipolarity; 2) anarchic order; 3) removal of military conflict to the peripheries; 4) diversification of statesmen's background; 5) distinct elements of national power; and 6) widening gap between rich and poor states. Out of these characteristics, removal of military conflict to peripheries, diversification of statesmen's backgrounds, and widening gap between rich and poor states have specific implications for small developing states.

Removal of military conflict to the peripheries of the contemporary international system means that the military dimension of national security must not be overlooked in foreign policy alternatives of such states, however remote the immediate military threats seem to be. The implication of diversification of statesmen's backgrounds for small developing states is that the incumbent elites become extremely powerful; the future fates of these states often directly depend on political will of their ruling elites. Finally, the widening gap between rich and poor states has two implications for small states. Firstly, the economic dimension of national security of the small developing states gains prominence. Secondly, the small developing states should pay exceptional attention to education of their elites.

The major powers, i.e. the so-called international community, set the international scene by choosing between certain scenarios regarding the developing world. These possible scenarios consist of (not exclusively) the following: foreign aid; help in setting up democratic institutions; and military intervention or the threat of it.

The small developing nations must adapt to "the rules of the game" set by major powers and choose their foreign policy alternatives, i.e. the policies of their physical survival, according to the particular scenarios chosen by the international community and according to the conception of their national security. The implications of this statement for the three Transcaucasian states are the following.


*Armenia*

If the international community choses the first scenario of providing foreign aid to the country, then Armenia should find ways of not becoming too dependent on donor countries. Moreover, foreign aid for Armenia can be quite destructive, as a factor contributing to even

greater emigration from the country. Armenia should find an alternative to foreign aid in the form of foreign investments. It can be seen from figures in the Table 7, as well as from the Graph 1 in Appendix 2 that the level of FDI is quite low in the country. The policy of attracting more FDI should begin with changing the legislature to make the business environment friendlier to investments in general and foreign investments in particular. On this basis the national industrial capacity/potential will be built up, which will strengthen the economic dimension of national security of Armenia by decreasing the level of corruption in the country. This policy will also strengthen the demographic dimension of national security by stopping the emigration from the country.

In case of the second scenario of helping to set up democratic institutions, the particular attention should be paid to education of elites. This policy will help to eschew the dangers of creating democratic institutions without considering the peculiarities of the country; ruling elites should know by themselves what kind of institutions would be of the most useful for their country. Otherwise, those institutions which work well in other countries will not be useful (to say the least) for Armenia and even will represent quite tangible danger to the country.

The third scenario, i.e. military intervention or the threat of it, seems the least possible one for at least several years to come. Still, Armenia has to be ready for the worst developments in this area and follow the ancient Latin wisdom "Si vis pacem, para bellum."


*Azerbaijan and Georgia*

Before considering the possible scenarios by major powers in respect to their states, Azerbaijan and Georgia must come to term with their most fundamental problem of national identity. Becoming a federative state for Azerbaijan and a confederative state for Georgia seem

to be the only options for these states to survive. This would be the path for dealing with inter-ethnic conflict in these two states.

Respective changes must be made in the constitutions of Azerbaijan and Georgia in order to set up federative state institutions that would be able to hold together the loose administrative structures of their states. This is consistent with the second scenario chosen by the international community, namely setting up of democratic institutions in these countries.

Unlike the Armenian case, foreign aid as an option of policy by major powers is favourable to Azerbaijan and Georgia, whereas for Armenia it may be a destructive factor contributing to the increase in the level of corruption and of emigration from the country.

*Considerations for Future Research*

The present study is far from final solutions of complicated issues that have been discussed in it. Hopefully, it raises more questions than gives answers to some of them.

One of the central themes of discussion of this study, namely the interpretation of the concept of national security as the struggle for physical survival for small states needs further elaboration. The more evidence is found to support this approach to national security of small developing states the better.

The demographic dimension of national security, which is unique for Armenia due to the destructive proportions of emigration from the country, must be studied in more details in the future not only because of limitations of the present study, but also because this issue should constantly be under close scrutiny of scientists, researchers, and politicians alike.

The economic dimension of national survival, which is considered crucial for even industrialized countries' national security, needs also to be constantly kept up to date.

One of the dimensions of national security of Armenia, the ecological dimension, has not been given detailed analysis in the present Master's Essay. If circumstances allow, this could be done later.

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**APPENDIX A.** List of Interviews Conducted.

1. 72 face-to-face interviews conducted with households (one adult member from each household) in Yerevan as a member of the survey group. Country Corruption Assessment: Public Opinion Survey. Centre for Regional Development/Transparency International Armenia. May, 2002 Questionnaire (by the NGO CDR/TI) is attached in APPENDIX C.

2. 30 face-to-face interviews conducted with households (one adult member from each household) in the Yerevan Centre. Survey of Yerevan Citizens' Knowledge and Attitudes toward Corruption. Course on Polling and Survey Methods at the School of Political Science and International Affairs. April, 2002. Questionnaire is attached in APPENDIX C.

3. 1 in-depth interview (anonymous).

APPENDIX B. Tables and Illustrations

Table 1. Evaluation of the Level of Corruption in State Institutions by Businesses.

|  | Don't Know | Not Corrupt | Somewhat Corrupt | Corrupt | Very Corrupt | Extremely Corrupt |
|---|---|---|---|---|---|---|
| The President's Office | 89 | 27 | 12 | 27 | 6 | 39 |
| The Prime Minister's Office | 81 | 22 | 16 | 28 | 13 | 40 |
| National Assembley | 66 | 12 | 17 | 34 | 25 | 46 |
| Constitutionsl Court | 92 | 17 | 20 | 43 | 8 | 20 |
| Prosecutor's Office | 15 | 6 | 8 | 37 | 65 | 69 |
| Courts | 12 | 4 | 6 | 35 | 62 | 81 |
| Central Bank | 62 | 15 | 40 | 46 | 11 | 16 |
| Ministries, Committees, Commissions | 16 | 8 | 36 | 68 | 33 | 39 |
| Regional Government Bodies | 69 | 13 | 33 | 51 | 10 | 24 |
| Yerevan City Hall | 70 | 5 | 12 | 25 | 42 | 46 |
| Local Self-Government Bodies | 37 | 14 | 39 | 52 | 30 | 28 |

Source: Country Corruption Assessment: Public Opinion Survey. (2002, 22).

Table 2. Evaluation of the Level of Corruption in State Institutions by Public Officials.

|  | Don't Know | Not Corrupt | Somewhat Corrupt | Corrupt | Very Corrupt | Extremely Corrupt |
|---|---|---|---|---|---|---|
| The President's Office | 54 | 36 | 51 | 32 | 11 | 15 |
| The Prime Minister's Office | 29 | 21 | 46 | 54 | 24 | 25 |
| National Assembley | 31 | 22 | 51 | 42 | 31 | 22 |
| Constitutionsl Court | 48 | 63 | 49 | 18 | 11 | 10 |
| Prosecutor's Office | 9 | 8 | 47 | 46 | 36 | 53 |
| Courts | 12 | 11 | 44 | 35 | 35 | 62 |
| Central Bank | 43 | 34 | 53 | 33 | 15 | 21 |
| Ministries, Committees, Commissions | 17 | 9 | 66 | 55 | 28 | 24 |
| Regional Government Bodies | 24 | 35 | 59 | 42 | 26 | 13 |
| Yerevan City Hall | 36 | 31 | 46 | 40 | 20 | 26 |
| Local Self-Government Bodies | 22 | 44 | 59 | 35 | 19 | 20 |

Source: Country Corruption Assessment: Public Opinion Survey. (2002, 36).

Table 3. Evaluation of the Level of Corruption in State Institutions by Households.

|  | Don't Know | Not Corrupt | Somewhat Corrupt | Corrupt | Very Corrupt | Extremely Corrupt |
|---|---|---|---|---|---|---|
| The President's Office | 321 | 35 | 65 | 128 | 97 | 322 |
| The Prime Minister's Office | 291 | 56 | 63 | 131 | 113 | 344 |
| National Assembley | 238 | 55 | 70 | 175 | 129 | 331 |
| Constitutionsl Court | 370 | 79 | 111 | 145 | 105 | 183 |
| Prosecutor's Office | 159 | 18 | 16 | 164 | 208 | 433 |
| Courts | 144 | 14 | 26 | 155 | 205 | 454 |
| Central Bank | 387 | 99 | 118 | 174 | 93 | 127 |
| Ministries, Committees, Commissions | 203 | 29 | 105 | 267 | 167 | 227 |
| Regional Government Bodies | 183 | 41 | 116 | 279 | 154 | 225 |
| Yerevan City Hall | 538 | 18 | 50 | 116 | 115 | 161 |
| Local Self-Government Bodies | 206 | 87 | 159 | 217 | 96 | 233 |

Source: Country Corruption Assessment: Public Opinion Survey. (2002, 9).

Table 4. The Transparency International 2000 Corruption Perceptions Index (CPI).

| Country Rank | Country | 2000 CPI Score | Surveys Used | Standard Deviation | High-Low Range |
|---|---|---|---|---|---|
| 1 | Finland | 10.0 | 8 | 0.6 | 9.0 - 10.4 |
| 2 | Denmark | 9.8 | 9 | 0.8 | 8.6 - 10.6 |
| 3 | New Zealand | 9.4 | 8 | 0.8 | 8.1 - 10.2 |
|  | Sweden | 9.4 | 9 | 0.7 | 8.1 - 9.9 |
| 5 | Canada | 9.2 | 9 | 0.7 | 8.1 - 9.9 |
| 6 | Iceland | 9.1 | 7 | 1.1 | 7.3 - 9.9 |
|  | Norway | 9.1 | 8 | 0.7 | 7.6 - 9.5 |
|  | Singapore | 9.1 | 11 | 1.0 | 6.2 - 9.7 |
| 9 | Netherlands | 8.9 | 9 | 0.6 | 8.1 - 9.9 |
| 10 | United Kingdom | 8.7 | 9 | 0.6 | 7.3 - 9.7 |
| 11 | Luxembourg | 8.6 | 7 | 0.7 | 7.4 - 9.3 |
|  | Switzerland | 8.6 | 8 | 0.3 | 8.1 - 9.1 |
| 13 | Australia | 8.3 | 10 | 1.0 | 6.7 - 9.3 |
| 14 | USA | 7.8 | 10 | 0.8 | 6.2 - 9.2 |
| 15 | Austria | 7.7 | 8 | 0.7 | 6.2 - 8.5 |
|  | Hong Kong | 7.7 | 11 | 1.2 | 4.3 - 8.6 |
| 17 | Germany | 7.6 | 8 | 0.8 | 6.2 - 8.4 |

| 18 | Chile | 7.4 | 8 | 0.9 | 5.7 - 8.4 |
|----|-------|-----|---|-----|-----------|
| 19 | Ireland | 7.2 | 8 | 1.9 | 2.5 - 8.5 |
| 20 | Spain | 7.0 | 8 | 0.7 | 5.9 - 8.0 |
| 21 | France | 6.7 | 9 | 1.0 | 4.3 - 7.7 |
| 22 | Israel | 6.6 | 8 | 1.3 | 4.3 - 7.9 |
| 23 | Japan | 6.4 | 11 | 1.3 | 4.3 - 7.8 |
| | Portugal | 6.4 | 9 | 0.9 | 5.3 - 8.1 |
| 25 | Belgium | 6.1 | 9 | 1.3 | 4.3 - 8.8 |
| 26 | Botswana | 6.0 | 4 | 1.6 | 4.3 - 8.2 |
| 27 | Estonia | 5.7 | 4 | 1.6 | 4.4 - 8.1 |
| 28 | Slovenia | 5.5 | 6 | 1.1 | 4.1 - 7.3 |
| | Taiwan | 5.5 | 11 | 1.4 | 2.5 - 7.2 |
| 30 | Costa Rica | 5.4 | 4 | 1.9 | 3.8 - 8.1 |
| | Namibia | 5.4 | 4 | 0.8 | 4.3 - 6.1 |
| 32 | Hungary | 5.2 | 10 | 1.2 | 3.9 - 8.1 |
| | Tunisia | 5.2 | 4 | 1.5 | 3.8 - 7.1 |
| 34 | South Africa | 5.0 | 10 | 0.9 | 3.8 - 6.6 |
| 35 | Greece | 4.9 | 8 | 1.7 | 3.7 - 8.1 |
| 36 | Malaysia | 4.8 | 11 | 0.6 | 3.8 - 5.9 |
| 37 | Mauritius | 4.7 | 5 | 0.8 | 3.9 - 5.6 |
| | Morocco | 4.7 | 4 | 0.7 | 4.2 - 5.6 |
| 39 | Italy | 4.6 | 8 | 0.6 | 4.0 - 5.6 |
| | Jordan | 4.6 | 5 | 0.8 | 3.8 - 5.7 |
| 41 | Peru | 4.4 | 5 | 0.5 | 3.8 - 5.0 |
| 42 | Czech Republic | 4.3 | 10 | 0.9 | 3.3 - 6.2 |
| 43 | Belarus | 4.1 | 3 | 0.8 | 3.4 - 4.9 |
| | El Salvador | 4.1 | 4 | 1.7 | 2.1 - 6.2 |
| | Lithuania | 4.1 | 4 | 0.3 | 3.8 - 4.4 |
| | Malawi | 4.1 | 4 | 0.4 | 3.8 - 4.8 |
| | Poland | 4.1 | 11 | 0.8 | 2.8 - 5.6 |
| 48 | South Korea | 4.0 | 11 | 0.6 | 3.4 - 5.6 |
| 49 | Brazil | 3.9 | 8 | 0.3 | 3.6 - 4.5 |
| 50 | Turkey | 3.8 | 8 | 0.8 | 2.1 - 4.5 |
| 51 | Croatia | 3.7 | 4 | 0.4 | 3.4 - 4.3 |
| 52 | Argentina | 3.5 | 8 | 0.6 | 3.0 - 4.5 |
| | Bulgaria | 3.5 | 6 | 0.4 | 3.3 - 4.3 |
| | Ghana | 3.5 | 4 | 0.9 | 2.5 - 4.7 |
| | Senegal | 3.5 | 3 | 0.8 | 2.8 - 4.3 |

|  | Slovak Republic | 3.5 | 7 | 1.2 | 2.2 - 6.2 |
|---|---|---|---|---|---|
| 57 | Latvia | 3.4 | 3 | 1.3 | 2.1 - 4.4 |
|  | Zambia | 3.4 | 4 | 1.4 | 2.1 - 5.1 |
| 59 | Mexico | 3.3 | 8 | 0.5 | 2.5 - 4.1 |
| 60 | Colombia | 3.2 | 8 | 0.8 | 2.5 - 4.5 |
|  | Ethiopia | 3.2 | 3 | 0.8 | 2.5 - 3.9 |
|  | Thailand | 3.2 | 11 | 0.6 | 2.4 - 4.0 |
| 63 | China | 3.1 | 11 | 1.0 | 0.6 - 4.3 |
|  | Egypt | 3.1 | 7 | 0.7 | 2.3 - 4.1 |
| 65 | Burkina Faso | 3.0 | 3 | 1.0 | 2.5 - 4.4 |
|  | Kazakhstan | 3.0 | 4 | 1.2 | 2.1 - 4.3 |
|  | Zimbabwe | 3.0 | 7 | 1.5 | 0.6 - 4.9 |
| 68 | Romania | 2.9 | 4 | 1.0 | 2.1 - 4.3 |
| 69 | India | 2.8 | 11 | 0.7 | 2.3 - 4.3 |
|  | Philippines | 2.8 | 11 | 1.0 | 1.7 - 4.7 |
| 71 | Bolivia | 2.7 | 4 | 1.3 | 1.7 - 4.3 |
|  | Côte-d'Ivoire | 2.7 | 4 | 0.8 | 2.1 - 3.6 |
|  | Venezuela | 2.7 | 8 | 0.7 | 2.1 - 4.3 |
| 74 | Ecuador | 2.6 | 4 | 1.0 | 2.1 - 4.3 |
|  | Moldova | 2.6 | 4 | 0.9 | 1.8 - 3.8 |
| 76 | Armenia | 2.5 | 3 | 0.6 | 2.4 - 3.5 |
|  | Tanzania | 2.5 | 4 | 0.6 | 2.1 - 3.5 |
|  | Vietnam | 2.5 | 8 | 0.6 | 2.1 - 3.8 |
| 79 | Uzbekistan | 2.4 | 3 | 0.9 | 2.1 - 3.7 |
| 80 | Uganda | 2.3 | 4 | 0.6 | 2.1 - 3.5 |
| 81 | Mozambique | 2.2 | 3 | 0.2 | 2.4 - 2.7 |
| 82 | Kenya | 2.1 | 4 | 0.3 | 2.1 - 2.7 |
|  | Russia | 2.1 | 10 | 1.1 | 0.6 - 4.1 |
| 84 | Cameroon | 2.0 | 4 | 0.6 | 1.6 - 3.0 |
| 85 | Angola | 1.7 | 3 | 0.4 | 1.6 - 2.5 |
|  | Indonesia | 1.7 | 11 | 0.8 | 0.5 - 3.2 |
| 87 | Azerbaijan | 1.5 | 4 | 0.9 | 0.6 - 2.5 |
|  | Ukraine | 1.5 | 7 | 0.7 | 0.5 - 2.5 |
| 89 | Yugoslavia | 1.3 | 3 | 0.9 | 0.6 - 2.4 |
| 90 | Nigeria | 1.2 | 4 | 0.6 | 0.6 - 2.1 |

Source: Press Release: Transparency International Releases the Year 2000 Global Corruption Report (Webpage: www.fordham.edu/economics/vinod/cie/ti-cpi2k.htm).

Table 5. Elements of National Power of the Three Transcaucasian States.

| | Territory (sq.mi.) | Population 2000 (mln.) | Population Density (per sq.mi.) | Urban (%) | Topography | Arable land (%) | Minerals | Other Resources |
|---|---|---|---|---|---|---|---|---|
| Armenia | 11,500 | 3.200 (2001 census estimates) | 296 | 69 | Mountains with many peaks above 10,000 ft. | 17 | Copper Gold Zinc | |
| Azerbaijan | 33,400 | 7.908 | 237 | 58 | Access to sea | 18 | Oil Gas Iron | Crude oil |
| Georgia | 26,900 | 5.087 | 188 | 59 | Separated from Russia on NE by main range of the Caucasus Mts. Access to sea | 9 | Mangane se Iron Copper Coal | Crude oil Forests |
| Russia (to compare) | 6,595,800 | 146.393 | 22 | 76 | - | - | - | - |

Sources: Karatnycky et al. Nations in Transit 2001.
             The World Almanac and Book of Facts 2000.

Table 6. Ethnic Composition of Population in 2000.

| Armenia | | | | | Azerbaijan | | | | | Georgia | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Population (mln.) | Ethnic Groups(%) | | | | Population (mln.) | Ethnic Groups(%) | | | | Population (mln.) | Ethnic Groups(%) | | |
| | Arme nians | Aze ris | Russi ans | Kur ds and othe rs | | Aze ris | Dages tani Peopl es | Russi ans | Arme nians | | Geo rgia ns | Ar men ians | Russ ians |
| 3.200 (2001 census estima tes) | 93 | 3 | 2 | 2 | 7.908 | 90 | 3 | 2,9 | 2 | 5.086 | 70 | 8 | 6 |

Source: The World Almanac and Book of Facts 2000.

Table 7. Indicators of Economic Performance

|  | GDP per cap. 2000 ($) | FDI per cap. 2000 ($) | Defense (% of GDP | Active Troops |
|---|---|---|---|---|
| Armenia | 504 | 39 | 8.9 | 60,000 |
| Azerbaijan | 507 | 61 | 4.0 | 66,700 |
| Georgia | 555 | 19 | 2.9 | 33,200 |
| Russia (to compare) | 1,697 | 14 | 5.8 | 1,240,000 |

Sources: Karatnycky et al. Nations in Transit 2001.
The World Almanac and Book of Facts 2000.

Table 8. Refugees in Armenia.

|  | 1988 | 1992-1997 | 1998 |
|---|---|---|---|
| Number of refugees (total) | 400,000 | 360,000 | 310,012 |
| *Provenance of refugees* | | | |
| Azerbaijan (other than NK & Shahumian Region) | - | - | 269,012 |
| NK | - | - | 18,000 |
| Shahumian Region | - | - | 12,000 |
| Abkhazia, Chechnya and other | - | - | 11,000 |

Source: "Common Country Assessment (CCA)" (2002) UNDP Armenia, 2000.

Table 9. External Migration.

| | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 |
|---|---|---|---|---|---|---|---|
| Net external migration | -6,104 | -8,658 | -19,256 | -7,817 | -8,388 | -7,567 | -8,197 |
| Male | -2,502 | -7,086 | -11,112 | -3,773 | -2,713 | -3,240 | -3,642 |
| Female | -902 | -1,572 | -8,144 | -4,044 | -3,675 | -4,327 | -4,555 |
| Migration by destination countries | 85%: CIS countries (Russia 70%, Ukraine 12%) 15% other countries (USA 8.6%, Germany 3,1%, Israel 1.2%) | | | | | | |
| Existence of formal explicit national population policy | The government of Armenia intends to pursue a unified State policy in the field of migration and to increase the effectiveness of solving problems related to refugees. To this end the government has issued a decree in April 1999 on establishing a Migration and Refugee department under the Government of RA. | | | | | | |

Sources: "Common Country Assessment (CCA)" (2002) UNDP Armenia, 2000.
Statistics Sweden (SCB) & National Statistical Service of the Republic of Armenia.
Հայաստանի Ժողովրդագրական Ժողովածու1940-2000

**Graph 1.**

## Foreign Direct Investment in Armenia
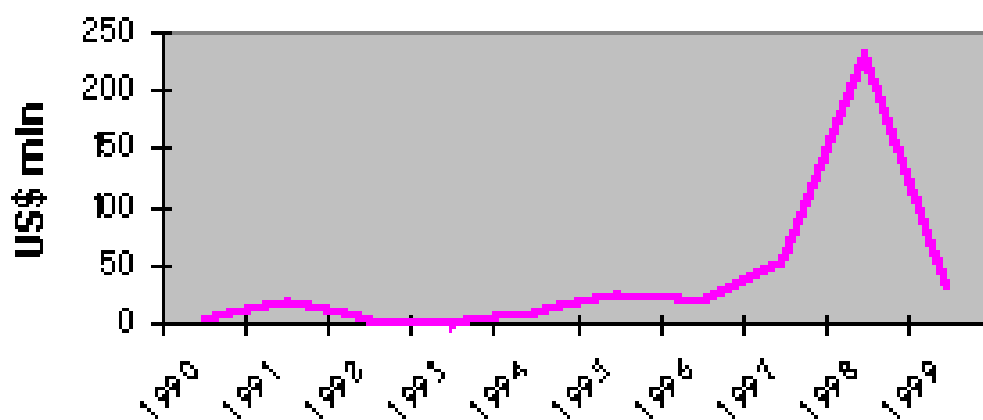


Source: "Common Country Assessment (CCA)" (2002) UNDP Armenia, 2000.

Հայաստանի Հանրապետություն, Ազգային Վիճակագրական Ծառայություն: Մամլո Հաղորդագրություն: ՀՀ2001 թ. Հոկտեմբերի 10 ՎՆ 19 ՎՆ ը ՀՀ-ում անցկացված մարդահամարի նախնական արդյունքների` առկա – մշտական բնակչության ցուցանիշների վերաբերյալ:

Aivazian, Armen. (2000) <u>The Code of Honor of the Armenian Military.</u> Yerevan: Artagers.

Holmes, Leslie. (1997) <u>Post-Communism: An Introduction.</u> Durham, NC: Duke University Press.

Karatnycky, Adrian, Alexander Moryl, and Amanda Schnetzer (eds.). (2000) <u>Nations in Transit.</u>

*Political theory – (states)* | *K. Waltz*
*International theory*

When speaking of different capabilities of nation-states what matters in a discussion of capabilities is not their absolute but rather relative characteristics, i.e. the distribution of capabilities.

*Saying that the nation-states remain the major actors on the contemporary international scene is not to say that there are no other actors. It is to say that the sovereign states do have a considerable dominance over other actors. E.g. the ability of even the small states to restrain the ... of big international corporations. I.e. even the small states, by virtue of thief very sovereignty, have **the political power** to change the behavior of others.*

Not meaning to discuss the capabilities or elements of national power, nevertheless it is worthwhile to briefly outline the major indicators by which to judge of the relative strengths and weaknesses of the three Transcaucasian states.

Emigrations

Foreign investments From Gabrielian's handouts.

Azerbaijani and Georgian population dropdownñ by ethnic groups

**Comparative figures on A. A. and G.**