

Armenia's Escape From Isolation Lies Through Georgia



John P. Ruehl
Independent
Media Institute

04-11-2024 ~ Surrounded to its east and west by hostile neighbors and devoid of allies, Armenia's geopolitical situation faces severe challenges. A growing partnership with Georgia could help the small, landlocked country to expand its options.

For the second time this year, Armenian Prime Minister Nikol Pashinyan met with his Georgian counterpart on March 24. The meeting, held [in Armenia's capital](#) of Yerevan, saw both leaders reaffirming their growing commitment to enhancing already positive relations. Armenia has placed greater emphasis on recognizing the untapped potential of Georgia in recent years, given Yerevan's increasingly challenging geopolitical circumstances.

Armenia underwent a significant foreign policy shift away from Russia and [towards Europe](#) following the 2018 Velvet Revolution and the election of Pashinyan. However, this shift exposed the country's security vulnerabilities. In 2020, neighboring Azerbaijan decisively defeated Armenian forces defending the Armenian-majority enclave of Nagorno-Karabakh in 2020, followed by subsequent clashes in 2022 and 2023, leading to the dissolution of the enclave. With its current military advantage, Azerbaijan's forces are [instigating border confrontations](#) on Armenian territory and demanding the return of [several small Azerbaijani](#) villages in Armenia.

Azerbaijan has [refused to participate](#) in EU or U.S.-initiated peace talks in recent

months. Meanwhile, Russia has largely ignored Armenia's plight amid its struggles in Ukraine to punish Yerevan. Instead, Russia has sought closer ties with Azerbaijan, as evidenced by Azerbaijani President Ilham Aliyev's visit to Moscow [immediately after Russia recognized the independence of the Donetsk and Luhansk People's Republics in Ukraine](#). During the 2022 visit, [pledges were made](#) to increase military and diplomatic cooperation between Russia and Azerbaijan and to resolve remaining border issues.

Russia [maintains a military base](#) in Armenia, [controls parts](#) of its border, and wields significant [economic influence](#) in the country. Despite this, Armenia [opposes Moscow's](#) mediation in peace talks and continues to seek closer ties to the West. While Western countries have shown sympathy to Armenia's plight and criticized Azerbaijan, Armenia has received little tangible assistance. Azerbaijan's emergence as a vital transport corridor and source of natural resources, combined with the limited ability of the West to project power in the Caucasus region, has prevented the West from taking harsher measures against it.

The small American military force sent for a [joint military exercise](#) with Armenia, for example, concluded on the day of the 2023 war which marked the end of Nagorno-Karabakh's existence. Despite its presence, the force was powerless to dissuade Azerbaijan. Additionally, while U.S. President Joe Biden initially declared his intention to withhold U.S. military aid to Azerbaijan due to its actions against Armenia in 2020, he later [reversed this decision](#)—a pattern consistent with previous U.S. administrations since [the early 1990s](#). The decision is currently pending ratification despite domestic opposition in the U.S.

France, motivated by its desire to retaliate against Moscow [for its role](#) in pushing French forces out of Africa and to assert itself as a leader in EU foreign policy and military affairs, has directed European efforts to support Armenia. France has led bilateral and [EU-led initiatives](#) and criticized Azerbaijan for its actions against Armenia. However, like Washington, France has failed to offer tangible support and continues to engage with Azerbaijan in [natural resources](#) projects.

The only NATO member capable of exerting influence in the region is Turkey, which maintains close ties with Azerbaijan and has also closed its border with Armenia. Turkey and Azerbaijan aim to establish a direct link between Azerbaijan and its exclave, the Nakhchivan Autonomous Republic, bordering Turkey. The proposed [Zangezur corridor](#) would go through Armenia, severing Yerevan's

access to Iran, but Iranian objections caused [Azerbaijani](#) and [Turkish](#) officials to abandon it and sign a deal linking the exclave via Iran [in October](#) 2023.

The Iran corridor would potentially help safeguard Armenia's fragile territorial integrity. However, Azerbaijan and Turkey are hesitant to increase Iran's leverage over them and may be waiting for the opportunity to exert more pressure on Armenia. While a full-scale invasion by Azerbaijan is unlikely for now, the fear of escalation leading to further concessions by Armenia amid [Azerbaijani irridentist](#) rhetoric to expand its borders is a realistic concern, especially considering Armenia's diplomatic isolation.

Given concerns over potential escalations in the region and Yerevan's isolation, there has been a notable refinement in Armenia's approach to its other neighbor, Georgia. Armenia has recognized that it can drastically increase ties with Georgia without sacrificing its relationship with either the West or Iran, while lessening its economic dependency on Russia and military vulnerability to Azerbaijan and Turkey.

While maintaining neighborly relations for decades, both Armenia and Georgia are also members of [GUAM](#), an organization established after the Soviet collapse to bolster economic and political ties among them and fellow member states Ukraine and Moldova. Despite previously overlooking Georgia's potential in favor of Russia, Armenia has evidently recognized that Georgia can offer greater access to the Black Sea and the West, particularly if Georgia's EU aspirations continue to [gradually develop](#).

During Pashinyan's visit to Tbilisi in January, he and the Georgian Prime Minister at the time, Irakli Garibashvili, signed [a strategic partnership](#) agreement in Tbilisi to promote further economic, diplomatic, and security cooperation, as well as to expedite the border delimitation process. Pashinyan [also noted](#) that the volume of trade between Armenia and Georgia grew to over \$1 billion in 2023. During the meeting [in March](#), Pashinyan reiterated his commitment to intensifying the delimitation process.

Only Russia and Azerbaijan [have succeeded](#) in signing a border treaty in the region, with numerous border disputes existing across the former Soviet Union. Georgia faces similar but somewhat more significant border issues [with Azerbaijan](#) that it does with Armenia. Furthermore, Azerbaijan's successful

seizure of its Azerbaijani-majority villages in Armenia would disrupt vital [transport corridors](#) between Georgia and Armenia, with Georgian officials emphasizing the importance of resolving this issue peacefully and expressing concern over Azerbaijan's actions.

Azerbaijan's insistence on asserting control over these villages would also disrupt Iran's access to Georgia, with which Iran maintains [positive relations](#) and conducts millions of dollars in bilateral trade. Neither country wants to see their access to the other severed, as it would impede Iran's access to the Black Sea and Georgia's access to the Caspian Sea and Persian Gulf. In this context, Armenia can maintain its status as a crucial link between Georgia and Iran.

Iran is actively seeking to diversify trade routes to Europe, aiming to reduce dependence on those that go through [Turkish](#) territory or Azerbaijani and Russian territory, like the International North-South Transport Corridor ([INSTC](#)). In 2016, Iran proposed the [Persian Gulf-Black Sea project](#) that highlights Armenia's role and has already begun transporting small amounts of goods between Armenia and Georgia. This initiative further strengthens the economic ties between the three countries and has even gained modest support from [the EU](#).

Moreover, Iran is [motivated to diminish](#) Azerbaijan's influence in the region. With a large Azerbaijani minority population, Iran is also wary of Azerbaijan's [close relationship](#) with Israel. Following Armenia's decision to expel Russian border guards from Yerevan airport [in March 2024](#), Iran's foreign minister [promptly flew to Armenia for discussions](#). Iran has [subtly warned](#) Azerbaijan repeatedly against seizing Armenian territory, and this trend will intensify if Armenia can further demonstrate its importance to Iran through Georgia.

Yerevan's geopolitical ambitions face several significant obstacles. Despite Armenia's efforts to distance itself from Russia, much of Georgia's political landscape has [sought improved relations](#) with Russia in recent years. While the outcome of Georgia's upcoming elections [in 2024](#) may influence this trend, Russia's enduring economic influence in both [Georgia](#) and Armenia is expected to persist, limiting their ability to deepen ties with the West.

Armenia's pivot to the West has also put a ceiling on its relationship with Iran, which, in turn, is increasingly inclined toward increasing trade with Russia [amid their deepening partnership](#). Furthermore, in an effort to evade Western

sanctions, Tehran has collaborated with Azerbaijan to develop new rail and road [projects](#).

Moreover, 2024 trade data between Armenia and Georgia points to a decline compared [to 2023](#), while Georgia's trade relationship with Azerbaijan [remains strong](#). Georgia and Azerbaijan also cooperate in key pipeline networks, such as the [Baku-Tbilisi-Ceyhan oil pipeline](#), while many parallel [railways](#) in Georgia are owned by Azerbaijan. Armenia's exclusion from the [Association Trio](#) consisting of fellow GUAM member states and signed in 2021, is further evidence of its ongoing regional isolation.

Ethnic Azerbaijanis also outnumber Armenians in Georgia ([6 to 5 percent](#) of Georgia's population), limiting the ability of the Armenian minority to influence Georgian policy. Tensions also persist [over the rights](#) of the Armenian minority in Georgia, centered around Javakheti. And as a result of limited births in Armenia and high emigration, Azerbaijan's population has gone from roughly double Armenia's population in 1991 to almost quadruple today.

Azerbaijan's increasing military and diplomatic clout amid Armenia's isolation have allowed it to press its advantages without constraint. Armenia has only recently begun to explore Georgia's potential to bring greater regional connectivity and ensure its territorial integrity. Together with Iran, improved relations with Georgia would secure Armenia's access to three major bodies of water and international trade. And in the absence of greater relations with the West, Armenia could pivot back toward Russia by assuming a more prominent role in the Russian-led Eurasian Economic Union, which signed a free trade deal with Iran [in January 2024](#). Georgia could form a clear land bridge for Armenia to facilitate greater regional trade between Iran and the bloc.

Armenia, with the support of Iran, could in turn serve as a useful gateway for Georgia to gain greater access to [Indian](#) and [Chinese](#) economic initiatives in the Caucasus. Yerevan could also help [revitalize Soviet-era transport networks and mechanisms](#) to further complement regional connectivity, increase [mineral exports](#) to Georgia, offer its services as a growing status as a [tech hub](#), and allow Tbilisi to enhance its diplomatic status by inviting it to take a more active role in its conflict with Azerbaijan. While the potential for stronger relations exists, it will require an even more proactive approach from Yerevan.

By John P. Ruehl

Author Bio:

John P. Ruehl is an Australian-American journalist living in Washington, D.C., and a world affairs correspondent for the [Independent Media Institute](#). He is a contributing editor to Strategic Policy and a contributor to several other foreign affairs publications. His book, [Budget Superpower: How Russia Challenges the West With an Economy Smaller Than Texas](#), was published in December 2022.

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