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Armenia's Membership in the Eurasian Economic Union Armen Grigoryan

Russian Manoeuvres in the Dark Ryszard Machnikowski

Somalia: Security for Whom? Viktor Marsai

Security Studies Come of Age
Marek Rohr-Garztecki



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Russia's "assertiveness" in defending its interests, be it in Ukraine or Syria should not come as a surprise because this mood is perceived by the Kremling as a necessary tool in a world in which many states turn to military might to forward their vital interests. Through his actions, President Putin want to convince both external actors as well as his own population that the reckless ignorance of Russia's vast interests will only lead to more chaose. The sudden emergence of the Islamic State in the summer of 2014 gave Russia the perfect pretext for a military intervention that could be presented to both the international and home public under the banner of "joining the anti-IS alliance." In so doing, Russia wanted to create the impression that there was no rift between itself and the West. Russia's "gambit" in Syria brought immediate propaganda results for President Putin—domestic public support for him skyrocketed once again as it did after the triumphant seizur of Crimea.
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and the roadmap in Vision 2016 is questionable and has been delayed. On the other hand, most Somalis enjoy relative peace and stability, the economy and infrastructure are improving, and daily life has normalised significantly in comparison with the period of 2010–2011. The most important task for the Somalis and international actors is to maintain the slow but forward process of recovery and minimise all contrary factors.

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Lauded as the backbone of both the EU and the U.S. economies, Small and Medium-Sized Enterprises (SMEs) have dominated the heated debate over the Transatlantic Trade and Investment Partnership (TTIP) raging across Europe in 2015. TTIP negotiators are convinced that small businesses will be the main beneficiaries of the deal. However, due to varying levels of internalisation and innovation across sectors and countries, the benefits are unlikely to be evenly distributed. SMEs with cutting-edge technologies are the most likely to reap profits from TTIP, and thus spurring innovation should be among the priorities of especially the Central and Eastern European countries, which often lag in terms of pioneering products.

Piotr Sadowski

In the aftermath of the terrorist attacks in Madrid, London and Paris, public security has been widely quoted to assert that access to an asylum claim for refugees should be limited. Media reporting on those incidents regularly refer to the immigration status of the perpetrators of the acts. In other reports, they have connoted the existence of a link between irregular immigration and criminality. Given this context, it is worth recollecting Para. 73 of the judgment by the European Court of Human Rights (ECHR) of 15 November 1996 in the case Chahal v. The United Kingdom (Application no. 22414/93), in which the court concluded that, "Contracting States have the right, as a matter of well-established international law and subject to their treaty obligations ... to control the entry, residence and expulsion of aliens." Nevertheless, the legitimacy of a state to manage immigration must respect human rights, including the non-refoulement principle.

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Armenia's Membership in the Eurasian Economic Union: An Economic Challenge and Possible Consequences for Regional Security

Introduction

Just six weeks after finalising negotiations on the EU-Armenia Association Agreement and the Deep and Comprehensive Free Trade Agreement (DCFTA), Armenia changed direction abruptly. Immediately after negotiations with Russian President Vladimir Putin in Moscow on 3 September 2013, President Serzh Sargsyan announced that Armenia would join the Russia-led Customs Union, and later on the Eurasian Economic Union (EEU).

Official statements made before had not indicated the likelihood of such a policy turn. Back in April 2012, Prime Minister Tigran Sargsyan had told the Russian newspaper *Kommersant* why Armenia would not join the Customs Union: "In global practice there is no example of a country joining a customs union without having a common border. ... We would only get into trouble with higher tariffs and taxes. It is not reasonable from the economic point of view. ... The Customs Union does not provide any functional instruments for our economic players. Therefore, it is of no use." Shortly before Sargsyan's visit to Moscow, on 21 August 2013, Shavarsh Kocharyan, deputy minister for foreign affairs, had said that entering the Russian bloc would mean "saying goodbye to one's sovereignty."

Y. Chernenko, "Tamozhennyi soyuz ne imeyet dlya nas smysla," Kommersant, 4 April 2012.

² A. Harutyunyan, "After EU Talks, Armenia Swings Back to Moscow," 13 September 2013, www.iwpr.net.

Although Sargsyan made the decision about Customs Union membership unilaterally, without consulting parliament or members of government, none of the officials who had earlier spoken against it expressed any disagreement. Quite the contrary, they were supportive of the president's decision. In less than four months, a membership roadmap was prepared; in contrast, the negotiations on the EU-Armenia Association Agreement had taken nearly three years, including the DCFTA negotiations, which lasted about a year and a half

The Armenian Political Parties' Attitudes to the EEU Treaty Ratification Process

By September 2013 it was predictable that Armenia's national assembly would ratify any treaty signed by Sargsyan.³ While the governing Republican Party of Armenia (RPA) and its satellite, the Rule of Law Party, had a parliamentary majority large enough to pass any decision, in the case of the EEU accession treaty it immediately became clear that most of the opposition MPs would also vote in favour. Although the parliamentary opposition driven mainly by the Prosperous Armenia Party (PAP) and its ally at the time, the Armenian National Congress (ANC), were repeatedly criticising the president and the government, they did not oppose the decision to join the EEU. A smaller parliamentary faction, the Armenian Revolutionary Federation Dashnaktsutyun (ARF), has traditionally been pro-Russian. The PAP, ANC and ARF have been avoiding criticism of Russia's policies on virtually any issue, including even arms sales to Azerbaijan. Together with the ruling coalition, they also praised the "referendum" in Crimea in March 2014.

The PAP, with the second largest parliamentary faction, was totally dependent on its founder Gagik Tsarukyan, one of Armenia's wealthiest businessmen. In addition to having large business interests in Russia, he often boasted of his personal friendship with Belarusian President Alexander Lukashenka. Tsarukyan not only showed consistent support for Armenia's membership of the Customs Union/EEU, but the media outlets he controlled vilified the government and criticised negotiations with the

³ See: A. Grigoryan, "Armenia Chooses Customs Union over EU Association Agreement," *The Central Asia-Caucasus Analyst*, vol. 15, no. 18, September 2013, p. 5, www.cacianalyst.org.

EU before Sargsyan's announcement on 3 September 2013, and then started attacking opponents of that decision. The ANC, led by former President Levon Ter-Petrossian, started cooperation with the PAP in 2011. While the PAP had considerable financial and media resources, as well as a 36-member parliamentary faction (compared to the ANC's seven MPs), ANC members were especially active in organising joint public rallies.

In their public statements, including those at the rallies that took place until October 2014, the opposition leaders criticised the president and the government not for the decision to participate in the Eurasian integration process but for postponing such a decision until Russia supplemented long-term pressure with explicit threats. On 1 March 2014, Ter-Petrossian declared that Armenia's membership of the Customs Union would be "irreversible," and consequently, having Armenia represented in the union by a "dignified" government would be among the opposition's goals.⁴ On 10 October, the day on which the treaty on Armenia's accession to the EEU was signed in Minsk, Ter-Petrossian again said that Armenia's membership would be "irreversible," and engaged in a prolonged and sarcastic exchange with former supporters who had left the ANC since the beginning of its cooperation with the PAP and were against closer ties with Russia. Later on, at the next opposition rally, Ter-Petrossian declared that Armenia's EEU membership was a *fait accompli* (although the treaty had not yet been ratified), claiming that protesting against it would be harmful (justifying the claim by "the tragic situation in Ukraine") and saying that the real issue was "to be represented in the Eurasian framework by such a government that will be able to use the opportunities presented by that framework in our national interest ... Sargsyan's regime is not able to fulfil that mission, so this is an additional reason to bring it down as soon as possible."6

Finally, two days before voting at the National Assembly, the ANC's spokesman further elaborated on the reasons why the party leadership decided to vote in favour of ratification despite suggestions that a no vote, or abstaining, could be possible. At this stage, it was already no surprise that the statement not only praised Armenia's participation in the Russian security

⁴ "Levon Ter-Petrossian's address at the rally on 1 March," 1 March 2014, www.anc.am.

⁵ "Levon Ter-Petrossian's address at the rally on 10 October," 10 October 2014, www.anc.am.

⁶ "Levon Ter-Petrossian's address," 24 October 2014, www.anc.am.

framework but was also rather apologetic regarding Russia's policies vis à vis countries involved in the EU's Eastern Partnership framework. Yet the statement contradicted itself to a certain extent, and in fact admitted that Russia could easily turn from an ally into a threat, mentioning, for instance, that "to reject EEU membership would mean to be in favour of turning Armenia into Ukraine—and that would be a nightmare."

EEU membership was opposed only by the Heritage Party's faction (including two MPs who had been elected on the Heritage's list, representing the Armenian National Movement and the Free Democrats Party), one MP elected on the ANC's list but de facto independent because of his disagreement with ANC's strategy, particularly on cooperation with the PAP, and one true independent. In addition to these small parties, principled supporters of cooperation with the EU (including the Association Agreement) and opponents of EEU membership have mostly been civil activists as well as experts from think tanks and non-governmental organisations. Generally speaking, they have lacked financial resources and have had relatively little media access. Taking into account such attitudes of the parliamentary opposition, it is not surprising that, on 4 December 2014, only seven MPs out of 131 voted against ratification of the treaty on EEU membership, and one abstained.

In February 2015, a dramatic change occurred in the internal political situation, as Sargsyan managed to break up the cooperation between the PAP and the ANC, to put an end to Tsarukyan's political ambitions and deprive the parliamentary opposition of most of its financial resources. At the PAP assembly on 5 February, Tsarukyan for the first time made a public statement that the PAP, the ANC and the Heritage Party would jointly demand extraordinary presidential and parliamentary elections. Two days later, the PAP accused the ruling RPA of organising a brutal beating of a PAP activist and threatened a parliamentary boycott. In response, Sargsyan launched an *ad hominem* attack against Tsarukyan during a televised meeting with the RPA parliamentary faction, government members and party officials on 12 February, issuing a decree dismissing Tsarukyan from the National Security Council and instructing the tax service and the police to start inspections of

A. Musinyan, "EEU: The Imperative of Making the Right Choice," 2 December 2014, www.ilur.am.

Tsarukyan's businesses and alleged illicit activities. Meanwhile, 11 of the PAP's 36 MPs left the parliamentary faction.

As police raided the homes and business premises of a number of Tsarukyan's associates, Tsarukyan called for non-stop rallies, marches and demonstrations, aiming at widespread civil disobedience and Sargsyan's resignation. After consultations with leaders of the ANC and the Heritage Party he announced a demonstration for 20 February. This was cancelled after two Armenian businessmen based in Russia mediated a meeting between Sargsyan and Tsarukyan three days before the planned protest. After Tsarukyan's withdrawal from the protest movement, turnout at the ANC's demonstration on 1 March (the anniversary of the tragic events in 2008, when police attacked demonstrators demanding a revision of the election results, killing ten) was low. The ANC leadership decided to abstain from further actions, most likely because mass mobilisation was unlikely, especially without Tsarukyan's financial resources and television support. Finally, at the PAP congress on 5 March, Tsarukyan announced his decision to leave the party and withdraw from politics.⁸

Signing the EEU Treaty

While there was little internal resistance to EEU membership despite the non-transparent nature of the decision-making and dubious political and economic consequences of membership, the external factor meant that the process did not go as smoothly as Sargsyan and his close associates expected. Sargsyan made an attempt to sign the EEU founding treaty in Astana on 29 May 2014. Signing the treaty at that point would have made Armenia a founding member, together with Belarus, Kazakhstan and Russia, and according to some observers such a status might have resulted in a somehow privileged position within the union. That was the most plausible reason for the swift preparation of a membership roadmap. Such an approach probably had some grounds: in November it turned out that Armenia would have three delegates at the EEU intergovernmental commission but only one vote,

A. Grigoryan, "Armenia's Ruling Party Consolidates Power," *The Central Asia-Caucasus Analyst*, vol. 17, no. 5, March 2015, pp. 15–17, www.cacianalyst.org.

A. Grigoryan, "Armenia: Joining under the Gun," in: S.F. Starr, S.E. Cornell (eds.), *Putin's Grand Strategy: The Eurasian Union and Its Discontents*, Central Asia-Caucasus Institute & Silk Road Studies Program, Washington, D.C., 2014, p. 108.

unlike the three founding members, and such an unequal arrangement would remain in place until February 2016, when the new commission would be formed. On the other hand, speeding up accession was risky as there were several debatable issues. For instance, the negotiations on a list of exemptions from the Customs Union's import tariffs were far from being finalised. As the Customs Union's tariffs for about 60% of goods would be higher than Armenian tariff rates, the government set a goal to get exemptions for 850 of about 11,500 sorts of imported goods.¹⁰

Yet Sargsyan's initial attempt to sign the EEU establishment treaty during the summit of the Supreme Eurasian Economic Council in Astana on 29 May 2014 was not successful, and it turned out that the tariff rates were not the most controversial issue. Sargsyan and Eduard Nalbandyan, minister of foreign affairs, found themselves in the midst of an embarrassing situation as Kazakhstan's President Nursultan Nazarbayev announced during a televised session that his Azerbaijani counterpart, Ilham Aliyev, had sent a letter "to the three of us," himself, Putin and Lukashenka, requiring that Armenia should be admitted to the union in accordance with its internationally recognised borders. With such a condition set at the last moment, and being unprepared to deal with an issue that is especially sensitive in Armenian politics, Sargsyan was unable to sign the treaty as that could result in a demand to establish customs control posts between Armenia and Nagorno-Karabakh. Thus, Armenia postponed signing the treaty, first until July, and then until 10 October 2014.

Before the Supreme Eurasian Economic Council summit on 10 October, some officials from EEU member states stated that some compromise on the issue of customs control between Armenia and Nagorno-Karabakh had been reached. Therefore, Sargsyan could finally sign the treaty on Armenia's accession to the union. However, the nature of the suggested compromise was not revealed at that time, and afterwards Armenian government representatives kept silent on the issue. However, when the treaty was presented to the Belarusian parliament for ratification, that country's deputy minister of foreign affairs, Alexander Mikhnevich, revealed that Yerevan had

S. Gevorgyan, "The Cost of the Customs Union: After Joining, Consumer Prices Are Expected to Rise," *Armenia Now*, 31 January 2014, www.armenianow.com.

agreed to supplement the treaty with a memorandum stating that Nagorno-Karabakh would not be considered part of Armenia.¹¹

It may be noted that by November 2014 the Armenian government had managed to reach an agreement to keep the current import tariffs for 752 sorts of goods for a term to up to five years. Quite importantly, the government also managed to reach an agreement that the free trade regime with Georgia, a non-EEU member, would remain in force. 12 Such an arrangement should not be underestimated because of the significant bilateral trade, and because nearly 70% of Armenia's cargo, both imports and exports, is transported via Georgia. In the previous few months, Armenian and Georgian officials had been rather optimistic about the possibility of finding an opportunity to keep the free trade regime but had also noted that abandoning it would result in higher transit fees.

Russian Pressure on Armenia

Before Sargsyan's u-turn in September 2013, Armenian and foreign experts alike considered the Association Agreement with the EU a chance to improve democratic order and create new economic opportunities, and at the same time acknowledged mounting Russian pressure and its possible negative consequences. As Russian officials had suggested a significant gas price rise, it was noted that Moscow probably influenced Yerevan by announcing an almost 70% gas price rise to impede Armenia's dialogue with the EU.¹³ At the same time, David Shahnazaryan, director of the Yerevan-based think tank, the Centre for Political and Legal Studies "Concord," also noted in an interview that the gas price rise was a political leverage used to prevent the signing of the EU Association Agreement, and that pressure exerted by Russia by different means would grow. Furthermore, he suggested that missing the opportunity to sign the Association Agreement would result in development of practices similar to those existing in Russia, such as additional pressures on the opposition and civil society.¹⁴

¹¹ "FM: Nagorno-Karabakh will not enter EEU," BELTA, 19 December 2014, eng.belta.by.

N. Hovhannissian, "Armenia Will Have One Vote in the EEU Commission," 25 November 2014, www.armlur.am.

A. Jarosiewicz, "The Southern Caucasus Is Turning into a Russian Playground," OSW Analyses, Centre for Eastern Studies, 22 May 2013, www.osw.waw.pl.

¹⁴ E. Gabrielyan, "Strategic Pressure of the Strategic Ally," *Aravot*, 24 May 2013, en.aravot.am.

About two weeks before Sargsyan's sudden turn, another article about Russia's policy towards Armenia noted that, besides using energy blackmail, it provides large-scale military assistance to both Armenia and Azerbaijan to ensure its domination of the Nagorno-Karabakh conflict resolution, thus preventing Armenia from act independently on either the peace talks or the much needed domestic democratising economic and political reforms. This has resulted in backwardness, authoritarian governance, and dependence upon Russia as both a protector and a role model.¹⁵

Quite significantly, Russian pressure was not limited to the use of economic tools, massive weapon sales to Armenia's rival Azerbaijan, or hints about the possibility of dropping security guarantees. In line with the recent Russian fashion, a propaganda campaign about the "immorality" of the West and its alleged attempts to force "non-traditional" values (such as nondiscrimination of religious and sexual minorities) upon Armenian society was launched. In this context, quite bizarre and often hate-loaded populist statements were voiced, together with suggestions that it would be better to consider membership of the Customs Union, as Russia would not ask for "immorality" to be promoted. Following that line of argument, the draft law on non-discrimination prepared by the office of the Ombudsman was also criticised by the Public Council of Armenia (a consulting body consisting of former officials and intellectuals) in rather characteristic terms: "It is an irrefutable fact that the draft establishes grounds for the legalisation of immorality and perversion. ... the law will make it legal to enroot the sexual minorities and propaganda of their lifestyle ... if homosexuality is legalised, the ultimate depravity will be unavoidable." This kind of propaganda has resurfaced in recent months, after the session of the Euronest Parliamentary Assembly in Yerevan in March 2015, when EU representatives stated that the EU would offer a new framework for cooperation on anti-corruption measures, justice reform, human rights, educational programmes, small business development and investment promotion, and the implementation of government reforms.

S. Blank, "Russia Pressures Armenia to Join Customs Union," *The Central Asia-Caucasus Analyst*, vol. 15, no. 16, August 2013, p. 7, www.cacianalyst.org.

^{16 &}quot;The Declaration of the Public Council Subcommittee on Religion," *Aravot*, 3 June 2013, www.aravot.am.