



Feature Article
July 28, 2025

Armenia's Corridor Toward Regional Stability

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Armenia stands at a critical crossroads as it seeks to break free from Russian influence and integrate with the West. Following recent peace talks with Azerbaijan in Abu Dhabi and the proposed U.S.-overseen Zangezur Corridor, Armenia has a unique opportunity to transform its geopolitical position. The nation must navigate four key strategic priorities: normalizing relations with Turkey despite historical tensions over the Armenian Genocide, accelerating EU and NATO integration while strengthening democratic institutions, developing strategic industries including defense manufacturing partnerships with Europe, and leveraging the Zangezur corridor to deepen ties with India as an emerging defense partner. With the pivotal 2026 parliamentary elections approaching and Russia intensifying hybrid attacks to destabilize the government, Armenia's choices will determine whether it consolidates as a democratic, pro-Western anchor or reverts to dependence and instability.

On July 10, 2025, Armenian Prime Minister Nikol Pashinyan and Azerbaijani President Ilham Aliyev met in Abu Dhabi to outline a framework for a peace declaration aimed at normalizing relations between their two nations. Although a final agreement was not reached, the talks marked a potentially historic breakthrough by proceeding without Russian mediation, with both sides confirming that border demarcation and bilateral negotiations would continue. A separate but



Flag of Armenia (Dall-E)

related issue on the proposed opening of the Zangezur Corridor, a strategically critical route linking mainland Azerbaijan to its Nakhichevan exclave through Armenia's Syunik Province and onward to Türkiye, also remains on the agenda. In addition to providing Azerbaijan direct access to Türkiye's Port of Samsun on the Black Sea, the corridor could significantly expand regional transit capacity and offer Armenia substantial economic benefits. The

United States has since proposed overseeing the corridor for the next 100 years, replacing Russian control with international security firms, as part of a broader effort by the Trump administration to support diplomacy and assert strategic influence in the region.

To fully realize these prospects, Armenia must take deliberate and strategic steps to assert its autonomy from Russian influence, bolster its economic positioning, and consolidate its identity as a reliable, democratic partner in a volatile region. Amid widespread democratic backsliding among its northern neighbor, Armenia has emerged as a rare pro-Western outlier. The central question is what concrete actions it must take to sustain this trajectory. By deepening ties with historical adversaries, strengthening democratic institutions, investing in regional connectivity, and positioning itself as an indispensable ally to the West, opportunities emerge. With the pivotal 2026 parliamentary elections on the horizon, Armenia faces consequential foreign policy challenges that require a clear roadmap for securing a stable future.

From Russian Orbit to Western Aspirations

Armenia, a small, landlocked state with limited natural resources and a modest military, sits at the crossroads of geopolitical fault lines.

Relations with Türkiye remain shaped by the legacy of the 1915 Armenian Genocide, a trauma that continues to define bilateral engagement.¹

¹ Internationally, while recognized by 32 countries, there is not consensus on acknowledgement. In Türkiye, it is referred to in four different manners, including: *the events of 1915*, which is the official

Conflict with Azerbaijan over Nagorno-Karabakh has persisted since 1918, culminating in three major wars: 1988–1994, 2020, and Azerbaijan’s 2023 offensive, which led to the full re-annexation of the region.² Georgia, a once natural ally, has tilted toward authoritarianism and rapprochement with Russia,³ complicating Armenia’s Western aspirations.

For decades, Armenia was firmly within Russia's orbit, with Moscow cementing its role as primary security guarantor after the 1994 Bishkek Protocol froze the Nagorno-Karabakh conflict.⁴ In return, Armenia joined Russian-led blocs like the Collective Security Treaty Organization (CSTO) and the Eurasian Economic Union, limiting its foreign policy options. However, the 2018 Velvet Revolution marked a pivotal shift. Mass protests against corruption and authoritarianism brought Prime Minister Nikol Pashinyan to power, signaling a public mandate for democratic reform and Euro-Atlantic integration. Since then, Armenia has made significant strides in governance, economic diversification, and infrastructure. Like other Middle Corridor states, Armenia sought greater

terminologies of the Turkish Government; *the so-called Armenian genocide*, as is used in official discourse; *the Armenian problem*; and *Armenian allegations* or *Armenian lies*, as it is often depicted on certain Turkish media outlets or in political statements. See https://www.mfa.gov.tr/the-events-of-1915-and-the-turkish-armenian-controversy-over-history_-an-overview.en.mfa for the official position of the Turkish MFA.

² Though largely referred to as Nagorno Karabakh, Armenians refer to this now Azerbaijani province as *Artsakh*.

³ “The Path to Dictatorship: Review of Georgian Dream’s Recent Repressive Legislative Initiatives.” *Transparency International Georgia*, 4 April 2025. (<https://transparency.ge/en/post/path-dictatorship-review-georgian-dreams-recent-repressive-legislative-initiatives>)

⁴ “The Bishkek Protocol,” Nagorno Karabakh Republic – Ministry of Foreign Affairs. May 5, 1994. (https://www.peaceagreements.org/media/documents/ag310_57c8076b7bbb1.pdf)

regional connectivity and reduced dependency on traditional trade routes dominated by Russia and Iran. The loss of Nagorno-Karabakh, though painful for displaced ethnic Armenians, removed a long-standing obstacle to deeper Western integration. NATO's consistent policy excluding states with unresolved territorial disputes had previously served Russia's interests, but its resolution has exposed Moscow's unreliability as a security partner.

Armenia has since taken deliberate steps to distance itself from Russia, including freezing CSTO participation, recalling its ambassador from Moscow, and removing Russian border guards, reflecting a strategic realignment,⁵ but one accompanied by significant risk. Armenia depends heavily on Russian energy, trade, and remittances. The EU, while politically supportive, continues to prioritize energy cooperation with Azerbaijan, and offers few hard security guarantees. Domestically, Armenia's democratic transition remains fragile, with intensification of polarization, accusations of treason, suppression of dissent, and mass protests undermining institutional stability. Russia has capitalized on these tensions with hybrid attacks, backing pro-Kremlin parties like Hayrenik, encouraging defections within Armenia's security services, and leveraging traditional institutions like the Armenian Church in order to destabilize

Pashinyan's government and reassert Kremlin influence.⁶

Strategic Imperatives for Armenia's Western Integration

In this precarious context, Armenia must decide whether to continue balancing East and West or commit decisively to a Western trajectory. The recent escalation of Russian interference suggests that neutrality is longer viable. As Armenia prepares for the 2026 parliamentary elections, the question is not merely whether it will choose the West, but whether it can do so while preserving stability, democratic progress, and national sovereignty. The following four-pronged strategy outlines key reforms and partnerships to help Armenia navigate this critical juncture, and capitalize on the benefits of a peace agreement with Azerbaijan.

1. Advance Normalization with Türkiye

Normalization of relations with Türkiye remains controversial, especially within the Armenian diaspora, but it is a necessary step toward regional integration and strategic autonomy. Since 2018, domestic support in Armenia for this trajectory has grown, despite the emotional and historical sensitivities involved.⁷ As a NATO member and

⁵ Thomas de Waal, "Armenia Navigates a Path Away From Russia," *Carnegie Endowment for International Peace*, July 11, 2024. (<https://carnegieendowment.org/research/2024/07/armenia-navigates-a-path-away-from-russia?lang=en>)

⁶ Onnik James Krikorian, "Alleged Coup Exacerbates Armenia's Political Crisis," *Eurasia Daily Monitor*, July 10, 2025. (<https://jamestown.org/program/alleged-coup-exacerbates-armenias-political-crisis/>)

⁷ International Republican Institute's 2021 national poll indicated that 73% of Armenians support dialogue, conditional upon recognition of the genocide; 70% support normalization of relations with preconditions (such as Türkiye's non-interference in the Nagorno

regional powerhouse, Türkiye offers access to critical Western networks, with Pashinyan's three meetings with Erdoğan indicating more than symbolic gestures.⁸ While normalization may involve uncomfortable concessions, including constitutional changes recognizing Karabakh as Azerbaijani territory and downplaying the genocide issue in diplomatic contexts, the potential strategic and economic rewards are considerable. Improved ties would open Armenia's closed western border, stimulate growth in border regions, and facilitate infrastructure connectivity, particularly via the Zangezur corridor. With Russia increasingly unreliable, Armenia must anchor itself to a more sustainable regional partner with serious security capabilities.

2. Double-Down on EU and NATO Integration

Armenia's intention to pursue formal application for EU membership marks a historic pivot westward.⁹ While this undoubtedly provokes Moscow, any policy short of full subordination to Russia would do the same. Armenia must avoid democratic backsliding and pursue

genuine reforms through cross-party consensus. Priorities should include civic education, institutional transparency, and meeting benchmarks for the Comprehensive and Enhanced Partnership Agreement (CEPA),¹⁰ thus demonstrating Armenia's genuine commitment to democracy. NATO accession should likewise remain on the table, particularly now that the Karabakh conflict no longer poses a compliance barrier to Article 5 obligations. Türkiye's position within NATO could be tactically leveraged: *improved Armenian-Turkish relations would bolster Armenia's case as a serious, stabilizing actor within Euro-Atlantic frameworks.* In an unstable geopolitical climate, Armenia's best security guarantee lies in binding itself to the West both through values and strategic alignment.

3. Strengthen Strategic Industries and Position Armenia as a Regional Defense Production Partner

To enhance resilience and reduce dependency, Armenia must accelerate the development of high-impact domestic industries while leveraging its potential as a defense production partner to Europe. Since 2018, the government has prioritized industries less vulnerable to regional instability. The IT and FinTech

Karabakh/Artsakh process; and 53% support normalization of relations.

⁸ Dorian Jones, "Pashinyan's Turkey visit signals new chapter as Ankara eyes Caucasus shift," *Radio France Internationale*, July 7, 2025. (<https://www.rfi.fr/en/podcasts/international-report/20250707-pashinyan-s-turkey-visit-signals-new-chapter-as-ankara-eyes-caucasus-shift>)

⁹ Felix Light, "Armenian government approves bill to launch EU accession bid," *Reuters*, January 9, 2025. (<https://www.reuters.com/world/armenian-government-approves-bill-launch-eu-accession-bid-2025-01-09/>).

¹⁰ "EU trade relations with Armenia. Facts, figures and latest developments," *European Commission, Directorate-General for Trade and Economic Security*. (https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/armenia_en)

sectors have emerged as growth drivers anchored by a young, technically skilled workforce.¹¹ Similarly, consumer-driven sectors such as FMCG, domestic food processing, retail, textiles, and furniture have shown robust growth.¹²

Reinvigorating Armenia's mining and industrial production sectors presents an untapped strategic opportunity. Armenia possesses sizable deposits of copper, molybdenum and zinc, materials essential to renewable energy and defense supply chains. This positions Armenia as a reliable supplier of critical raw materials and semi-processed inputs, reducing dependence on Russian energy and industrial imports. In parallel, Armenia is well-placed to support Europe's push for defense readiness and production diversification.¹³ Its metallurgical legacy and skilled industrial base enable

Armenia to contribute to the manufacture of defense components, including UAVs and materials for military infrastructure. With appropriate technology transfers and targeted investment, Armenia could develop specialized capabilities in component production, systems integration, and supply chain support. Partnerships with European firms, and possibly Türkiye, could further scale these efforts and embed Armenia more deeply within the Euro-Atlantic security and industrial architecture.

This dual-track strategy of strengthening resilient domestic sectors while integrating into European defense and high-tech manufacturing ecosystems would not only deliver economic dividends, but also elevate Armenia's strategic relevance beyond its geography and size.

4. Leverage Zangezur to Engage India

To diversify regional partnerships and strengthen its geopolitical positioning, Armenia should deepen its strategic relationship with India, an emerging global power and increasingly vital defense partner. The Zangezur corridor, while championed by Türkiye and Azerbaijan, holds transformative potential for India-Armenia connectivity. Beyond transit, it could become a strategic artery for trade, defense cooperation and regional integration. Armenia-India relations have intensified in recent years,

¹¹ "Armenia's tech evolution: 2025 market insights & industry trends," *EU4Digital*, June 4, 2025. (<https://eufordigital.eu/armenias-tech-evolution-2025-market-insights-industry-trends/>); Davit Manukyan, "Armenia's Tech Sector in 2025: Snapshot of the Ecosystem," *EVN Report*, June 3, 2025. (<https://evnreport.com/creative-tech/armenias-tech-sector-in-2025/>); "Armenia's Fintech Revolution: A Surge in Innovation and Economic Growth," *FinTech Bulletin*, February 26, 2024. (<https://bulletins.bfconsulting.com/en/armenias-fintech-revolution-a-surge-in-innovation-and-economic-growth/>)

¹² "Armenia Manufacturing Production," *Trading Economics*. (<https://tradingeconomics.com/armenia/manufacturing-production>); "Armenia Industrial Production: Volume: Wood and Wood Products: Construction Wood," *CEIC Data*. (<https://www.ceicdata.com/en/armenia/industrial-production-volume/industrial-production-volume-wood-and-wood-products-construction-wood>); "Furniture – Armenia," *Statista*. (<https://www.statista.com/outlook/cmo/furniture/armenia>.

¹³ <https://www.goldmansachs.com/insights/articles/the-future-of-european-defense>. Europe's main production deficiencies include 'air and missile defense, artillery systems, ammunition and missiles, drones and counter-drone systems, military mobility, AI, quantum, cyber and electronic warfare, strategic enablers and critical infrastructure protection.'

with bilateral trade surging from \$25 million in 2008 to nearly \$156 million in 2023. Cooperation now spans pharmaceuticals, innovation, and critically, defense.¹⁴ Since 2020, India has supplanted Russia as Armenia's leading arms supplier with \$1.5 billion in contracts including radars, anti-drone technologies, and air defense missiles vital for military modernization.¹⁵ For India, Armenia aligns with its “Make in India” export strategy and has emerged as a priority client.¹⁶

Connectivity underpins this evolving partnership. India-Armenia trade leverages multimodal routes, notably the Chabahar corridor, which links Mumbai to Iran's port of Chabahar, through Azerbaijan, and into Armenia en route to Türkiye and Europe. The completion of the Astara-Rasht-Qazvin railway and Armenia's “Crossroads of Peace” initiative further enhance the viability of these corridors.¹⁷ Operationalizing Zangezur

would streamline transit, granting India a strategic foothold in the South Caucasus while positioning Armenia as a critical link between South Asia, the Middle East, and Europe.¹⁸ Normalizing ties with Baku and securing Zangezur as an open and internationally supported corridor could embed Armenia within India's connectivity and security architecture. This would reinforce Armenia's sovereignty, anchor its eastern flank and deepen its integration into a multipolar regional order.

Toward a Stable, Pro-Western Armenia

As Armenia approaches the decisive 2026 Parliamentary Elections, the stakes extend far beyond domestic politics. The choices made in the coming year will determine whether Armenia consolidates its place as a democratic, pro-Western anchor in a volatile region, or drifts back into dependence and instability. The reforms and strategic partnerships outlined above are not abstract ideals, but practical steps toward resilience, relevance, and sovereignty. By normalizing relations with Türkiye, accelerating EU and NATO integration, strengthening strategic industries and leveraging its unique geography to deepen ties with powers like India, Armenia can transform its vulnerabilities into assets. These actions will not only fortify its

¹⁴ Siranush Grigoryan, “Armenia and India: Building New Bridges in Trade and Strategy,” *Caucasus Watch*, June 8, 2025.

<https://caucasuswatch.de/en/insights/armenia-and-india-building-new-bridges-in-trade-and-strategy.html>.

¹⁵ PanARMENIAN Network, “Report: Armenia Signed Over \$1.5 Bln In Defense Contracts With India,” *Eurasia Review*, May 15, 2025. (<https://www.eurasiareview.com/15052025-report-armenia-signed-over-1-5-bln-in-defense-contracts-with-india/>); <https://www.atlanticcouncil.org/blogs/new-atlanticist/why-india-and-armenia-are-now-taking-their-relationship-to-new-heights/>.

¹⁶ Tatevik Khachatryan and Srujan Palkar, “Why India and Armenia Are Now Taking their Relationship to New Heights,” *The Atlantic Council*, February 19, 2025.

(<https://government.economictimes.indiatimes.com/news/governance/india-armenia-defence-ties-grow-as-trkiye-azerbaijan-pakistan-axis-tests-regional-stability/121272879>)

¹⁷ Sheila Paylan, “How Armenia's ‘Crossroads for Peace’ plan could transform the South Caucasus,” *Atlantic Council*, August 7, 2024.

(<https://www.atlanticcouncil.org/blogs/new-atlanticist/how-armenias-crossroads-for-peace-plan-could-transform-the-south-caucasus/>)

¹⁸ Nvard Chalikyan, Benyamin Poghosyan, and Verej Isanians, “The Geopolitical Aspects of the India-Armenia Partnership,” *APRI Armenia*, December 18, 2024. (<https://apri.institute/the-geopolitical-aspects-of-the-india-armenia-partnership/>)

democracy and economy, but also embed the country within the security and supply chain architecture of the West, where its most secure future lies.

In a region marked by shifting alliances and resurgent authoritarianism, Armenia has a rare opportunity to lead by example. The coming elections must not only reaffirm Armenia's democratic credentials, but also charge a course for full integration into the Euro-Atlantic community. Armenia can emerge not as a battleground for great power, but as both a bridge between them and a respected partner in shaping the region's future.

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