

What Do We Know about Our Foreign Policy Choices?

Findings of the Civilitas Poll

Yerevan, October 6, 2014

Background

On September 3rd, 2013, Armenia's president Serzh Sargsyan unexpectedly announced in Moscow that Armenia would join the Customs Union (CU), a newly formed international economic zone led by Russia. This implied that Armenia would not sign the Association Agreement that it had negotiated with the EU for over three years, and thus abandon its track of deepening relations with the European Union. From this point onwards, Armenia's foreign integrational processes entered a new phase of dramatic changes.

Since its independence, Armenia has been developing bilateral and multilateral relations in the international arena, including with the EU, Russia, the United States and other states and international institutions. In 1996, Armenia signed an agreement with the EU on Partnership and Cooperation, the country was included in the European Neighborhood Policy of the EU in 2006. Armenia became part of the Eastern Partnership Program in 2009 and was involved in developing the provisions of deeper relations with the EU in a draft Association Agreement, entailing, amongst other arrangements, the establishment of a free and comprehensive free trade area. Negotiations on this started in 2010 and lasted more than three years and were ready for signing and ratification in November 2013.

Located on the crossroads of Asia, the Middle East and Europe, Armenia has been in constant discussion of which geographic area it belongs to. Belonging was not only a geographic factor, but foremost, a civilizational one, which in the course of time was manifested in Armenia's choice to join a number of European institutions and organizations.

Comprised of 28 member-states and with a total population of 500 million people, the EU has a GDP of 16.6 trillion US dollars, around 10 times larger than that of Russia. The EU is the largest institutional investor in Armenia. Between 2007 and 2013 alone, the total EU aid to Armenia amounted to EUR 300 million. The EU is also Armenia's largest trade partner, which accounted for more than 33 percent (85 percent of which were extractive minerals or byproducts) of Armenia's exports in 2013. Around 1 million Armenians reside in the territory of the EU, comprising the 3rd largest Armenian community after Russia and the US.

Bilateral relations with Russia bear the heritage of a common tsarist and Soviet past. One of the earliest integrational processes with Russia, along with the establishment of the CIS (Commonwealth of Independent States), has been membership in the intergovernmental military alliance — Collective Security Treaty Organization. Armenia and Russia also have

additional bilateral military pacts regarding Russian military bases in Armenia and other matters.

Economic relations with Russia are characterized by a complex set of arrangements, including disputable processes such as assets-for-debt, monopolization of gas supply and energy distribution. Agreements on free trade with Russia were signed as early as 1992 and have been modified and expanded ever since.

Russia is Armenia's largest non-extractive exports market, which accounted for 23 percent of Armenia's exports in 2013. Cash transfers from Russia account for around 21 percent of Armenia's GDP. Russia is also the largest labor destination for Armenian migrants. The second largest community (2 million) of Armenians, after Armenia itself, lives in Russia.

Civilitas Objective

While Armenia's foreign policy choices remain one-man (or one-party) decision-making, lacking democratic debate and support, it is still vital to first identify public knowledge of and attitude towards these processes, and as a follow-up encourage discussions. It is ultimately with this goal that the Civilitas Foundation initiated its nationwide telephone poll in June 2014.

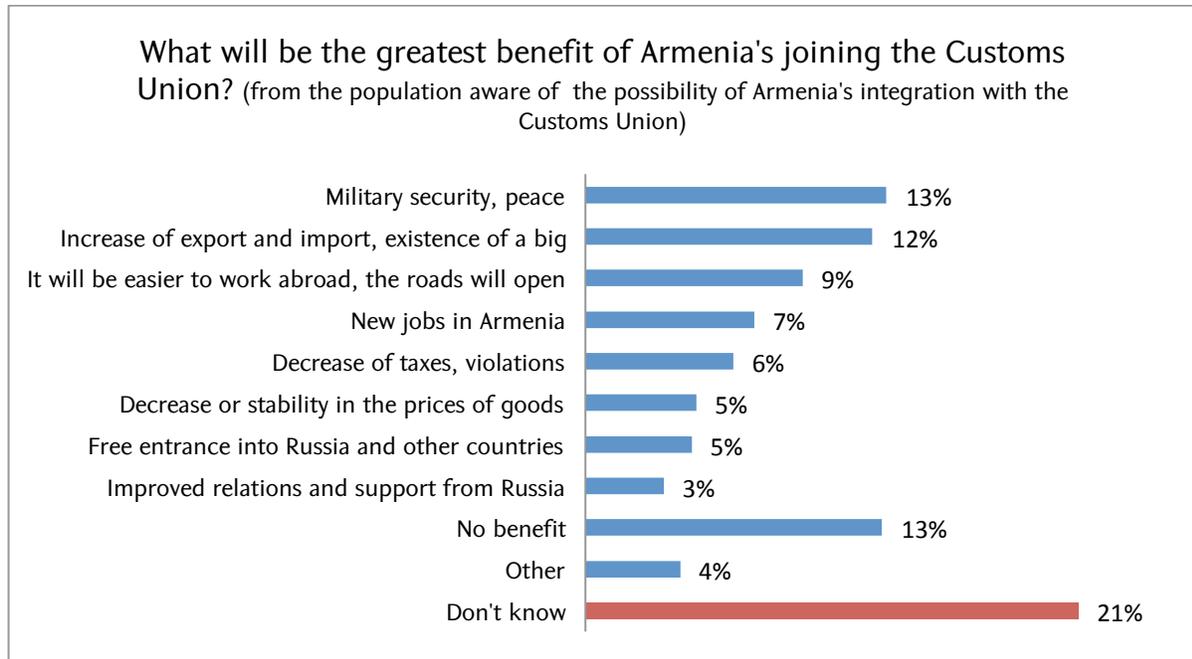
The telephone poll aimed to identify the knowledge of Armenia's population of foreign integrational policies, including the possible benefits and harm from each option, their attitude and preference over these options as single or combined policy directions. It also identified the population's mid-term projection of the situation in areas pertaining to domestic policy, such as education, health care, security, and economy (labor market).

Key findings

Overall, Armenia's population is aware of the EU and the Customs Union, it is also predominantly aware of Armenia's possibility of integrating into either one of them. Nonetheless, a process that has taken roughly a few months and is still ambiguous, the Customs Union membership is more familiar to the population than the Association Agreement negotiations that lasted over three years. Around 80 percent of the population has heard about the possibility to integrate with the Customs Union versus 65 percent of those who have heard about deepening relations with the EU.

Many of the benefits and disadvantages mentioned by the population are also a reflection of popular media coverage (and not deep analysis). For example, the population pays less attention to the economic aspects of the Customs Union as a trade and economic zone, than its alleged political implications. Similarly, as a primary disadvantage of deepening economic and political relations with the EU, the respondents mentioned loss of national traditions, which again speaks of incomplete awareness of European values and institutions.

Graph 3. Greatest benefit of joining the Customs Union

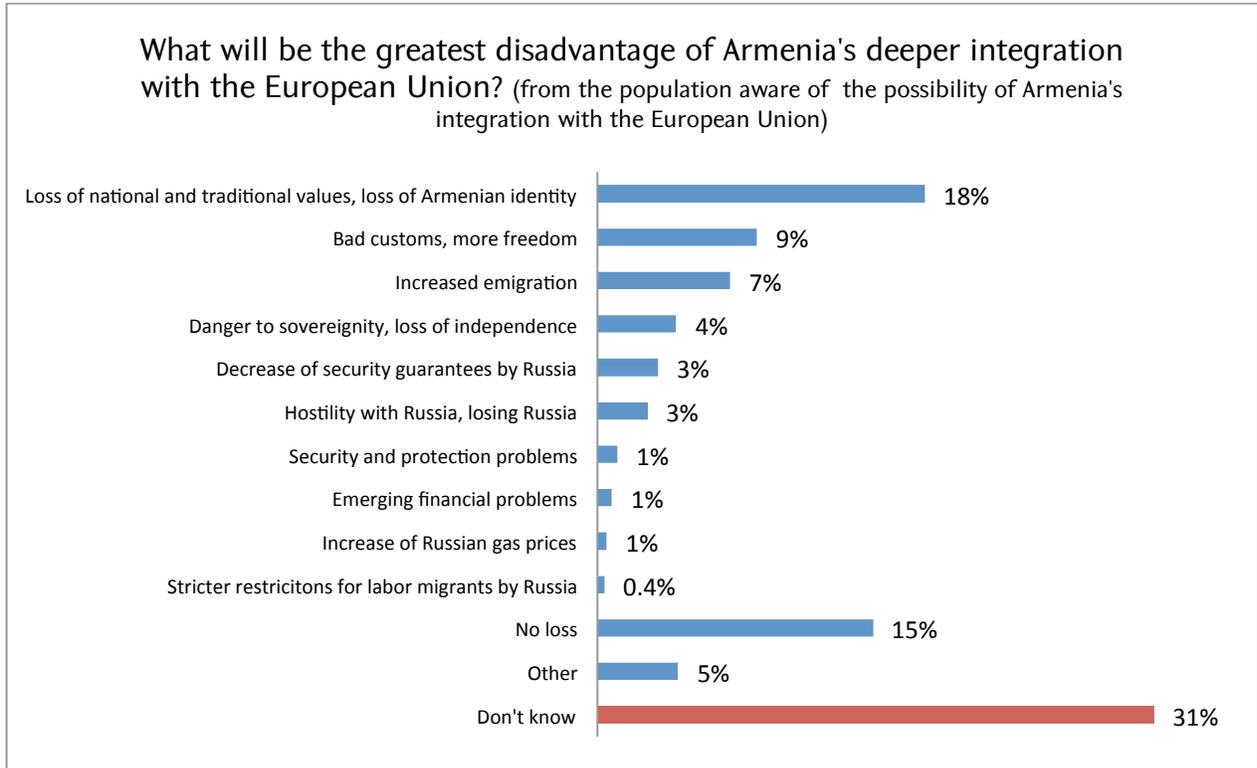


The most outstanding benefits of integrating into the Customs Union, besides peace and security, according to the population are: opportunity to engage in trade and reduce custom fees, facilitation of labor migration, creation of jobs in Armenia.

The most outstanding disadvantage of joining the Customs Union is mentioned to be the loss of sovereignty and jeopardizing Armenia's independence (16 percent of responses as opposed to the 4 percent in the case of integration with the EU). Only 2% of the population saw loss of Karabakh as a disadvantage of joining the Customs Union.

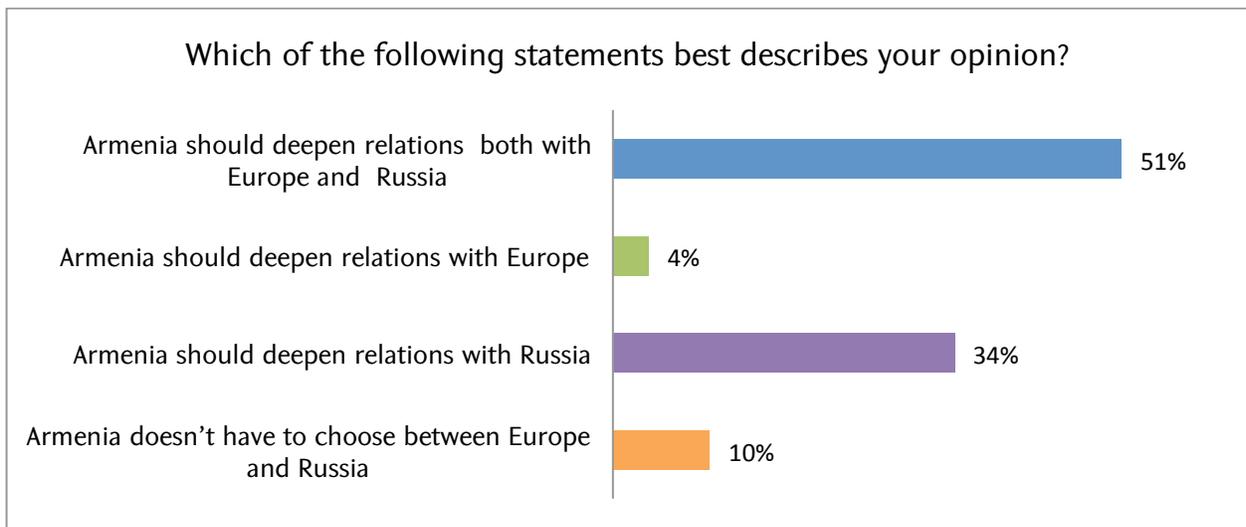
The benefits mentioned by the population on integration with the European Union reflect most of the processes that have been under negotiations by the state: access to European market, possibility of a visa-free regime, democratization of the country, easier access to the educational opportunities in Europe, improvement of quality of products to be exported etc. Most of the disadvantages mentioned about integration with the EU are still conditioned

Graph 6. Disadvantages of deeper integration with the European Union

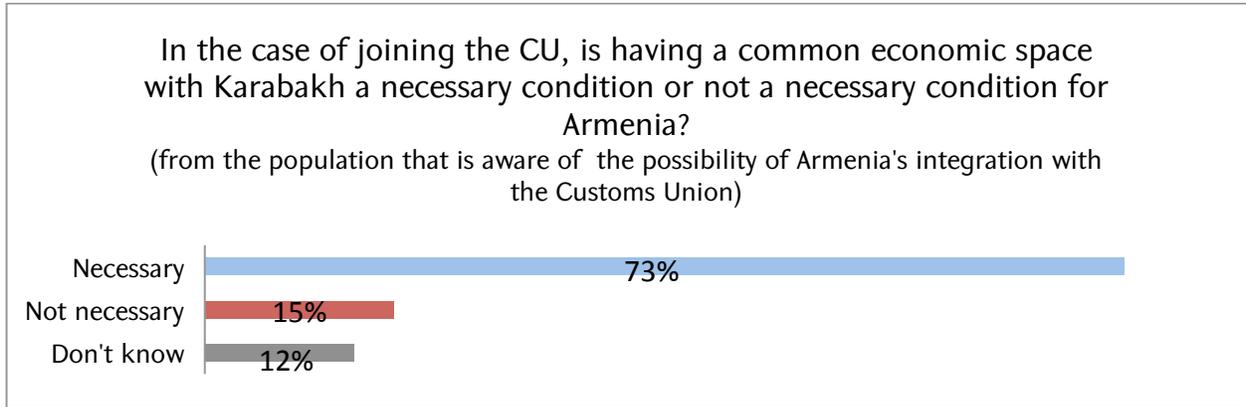


Overall, the simple majority of Armenia's population (51 percent) still believes that the country should deepen relations both with the EU and Russia; only a very small portion of the population believes that its relations should only be deepened with the EU (4 percent).

Graph 7. Where should Armenia go?



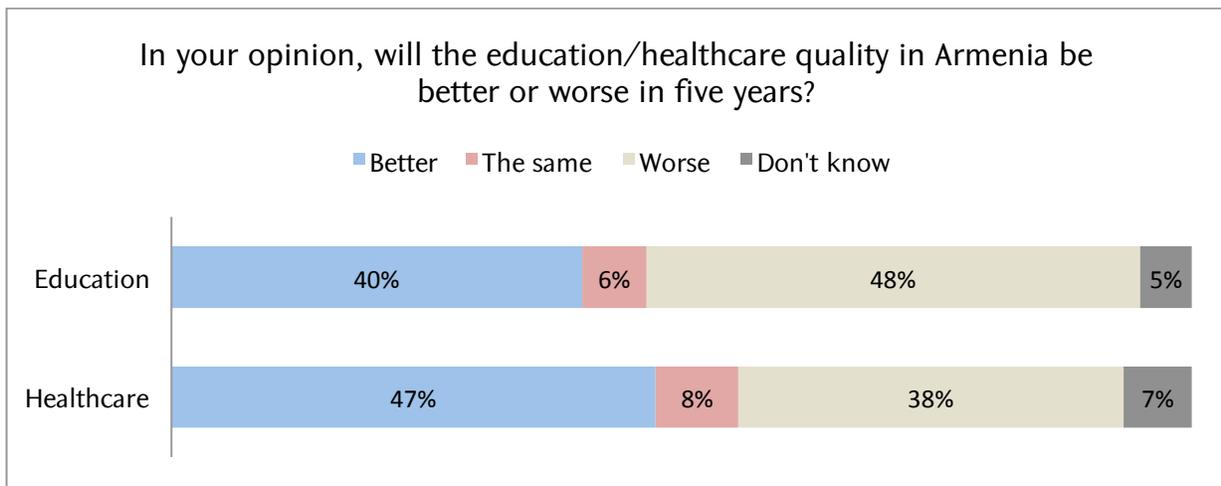
Graph 8. Opinion about including Karabakh in the economic zone of the Customs Union



The poll included questions about how the population foresees the situation in sectors regulated by domestic policy, including education, health care, economy, and security in five years.

According to slightly more than half of the population, the level of education will either be worse or will remain the same (54 percent). The opinions about the 5-year trends in the health care sector are almost split in half.

Graph 9. Projection of quality of education and health services for 5 years



Significant is the population's trust towards the security system and their projection of increase in the external security level in the upcoming 5 years.

Appendix 1. Methodology and Demographics

The telephone poll was conducted between June 19 and 22, 2014 with over 1000 randomly selected respondents with landline phone numbers from all the regions of Armenia and Yerevan. The initially sampled number of telephone numbers was 2609, half of which were intended as additional lists to cover the unsuccessful interviews and calls. The landline telephone numbers were first stratified according to marzes and settlements (urban/rural), then random phone numbers were selected and the respondents were again randomly selected (an adult present at home whose birthday comes next after the day of the survey). The margin of error was not higher than 3 percent, the confidence level was 95 percent. The number of successful interviews is 1042. The questionnaire was developed by the Civilitas Foundation and reviewed by international experts. The questionnaire included 14 attitudinal and 8 descriptive questions; each interview lasted on average 16 minutes. The quality of interviews was controlled (by recording and checking 10 percent of the interviews).

Table 1. Respondents by gender and residence

	Urban	Rural
Male	27.	24.
Female	72.	75.

Table 2. Respondents by education and residence

	Urban	Rural
Secondary school	28.	46.
Post-secondary technical	26.	28.
Higher	44.	25.

Table 3. Respondents by age group and residence

Respondents by age group and by residence	Urban	Rural
18-34 years old	32.	35.
35-49 years old	25.	23.
50-64 years old	27.	23.
65+ years old	14.	17.

- *(don't know)*
- *(refuse to answer)*

5. Are you aware of the possibility of Armenia's integration with the Customs Union? [DON'T READ THE OPTIONS, IF THE ANSWER IS "UNAWARE ABOUT THE POSSIBILITY OF INTEGRATION" OR "UNAWARE ABOUT THE UNION" GO TO QUESTION 10]

- yes
- unaware about the possibility of integration
- unaware about CU
- *(don't know)*
- *(refuse to answer)*

6. In your opinion, is joining the Customs Union good or bad for the Armenian population? [DON'T READ THE OPTIONS]

- good
- neither good nor bad
- bad
- *(don't know)*
- *(refuse to answer)*

7. In your opinion, what will be the greatest benefit of Armenia's joining the Customs Union? [DON'T READ THE OPTIONS]

-
- other [PLEASE SPECIFY]
- *(don't know)*
- *(refuse to answer)*

8. In your opinion, what will be the greatest disadvantage of Armenia's joining the Customs Union
 [DON'T READ THE OPTIONS]

- other [PLEASE SPECIFY]
- *(don't know)*
- *(refuse to answer)*

13. In your opinion, what will be the greatest disadvantage of Armenia's deeper integration with the European Union [DON'T READ THE OPTIONS]

-
- other [PLEASE SPECIFY]
- *(don't know)*
- *(refuse to answer)*

14. Which of the following statements best describe your opinion?

- Armenia should deepen relations both with Russia and Europe
- Armenia should deepen relations with Europe
- Armenia should deepen relations with Russia
- Armenia doesn't have to choose between Europe and Russia
- *(don't know)*
- *(refuse to answer)*

15. Besides Armenian and Russian, do you speak any other language?

- yes
- no
- *(don't know)*
- *(refuse to answer)*

18. Besides Russia, when was the last time you were in a European country [REPORT THE DATE]

- never
- *(don't know)*
- *(refuse to answer)*

1. What is the year of your birth? [REPORT THE NUMBER]

2. Gender [DON'T READ THE QUESTION]

- Male
- Female

3. Please tell us the highest level of your education considering the last educational institution you graduated from.

- I don't have elementary education
- Elementary school
- Secondary school
- High school
- Secondary technical
- Higher
- Post-graduate
- Other [please specify]
- *(I don't know)*
- *(refuse to answer)*

4. Can you please tell me whether we have phoned a city or a village [DON'T READ THE OPTIONS]

- city
- village

5. Please tell me how many adults live in your household? [REPORT THE NUMBER]