## Watch



The Civilitas Foundation has published ARMENIA IN 2010 – A YEAR OF UNCERTAINTY. This is the third in a series of annual reports published by Civilitas to assess the year just ended.

The 2008 report was entitled CRISIS AND OPPORTUNITY. In 2009, the theme was PROMISE AND REALITY. The 2010 title – A Year of Uncertainty -- refers to a year in which no major gains were registered either in the region, or domestically. On the contrary, Civilitas judges the year to have been one where the country barely managed to stand in place.

"In Armenia in 2010, glaring catastrophes or evident achievements were absent even as the economic and political troubles continued to take a real toll. That this sort of standstill was itself an obstacle to economic and political progress became obvious given the steps that were not taken," says the Introduction to the report.

Regarding regional relations, Civilitas says, "In 2010, the region's internal uncertainties were compounded by global uncertainties vis-à-vis the region. There was no improvement in Armenia's relations with its eastern and western neighbors. When Armenia-Turkey protocols were frozen, so were official Ankara-Yerevan relations. This ended up disappointing the optimists, baffling the mediators and vindicating the critics. As for the Karabakh negotiation process, in 2010, it entered a phase of uncertainty, unpredictability and danger."

Following the 25 page analysis of regional developments, the report moves on to examining the domestic situation, politically and economically. "Internally, Armenian society saw a growing tension between personal freedoms taken for granted, and an expectation of greater civic freedoms. The result was a growing number of home-grown citizen initiatives in an otherwise politically unremarkable year. The middle class searched for prosperity and well-being in an economically and politically unpredictable and non-transparent environment. As a result, instead of middle class contentment nurturing a country of optimists, middle class discontent fed a growing legion of pessimists," according to the Civilitas annual report.

Finally, "Economically, the government utilized all available fiscal and monetary options to dig its way out of the economic crisis. It succeeded to the extent that it prevented financial circumstances from deteriorating further. But in 2010, the government could not or would not tackle politically sensitive reforms. As a consequence, the lack of diversity and competitiveness, as well as interdependence of businessmen and government officials remained the fundamental impediments to economic growth."

The work of several experts, the report begins with a preface highlighting the need to use the opportunity of the 2011 anniversary year to examine the causes for what most indexes and ratings consider inadequate external economic and political competitiveness and insufficient internal social and democratic transformation.

The report, published in Armenian and English, includes a poster visually depicting the Armenian government's budget for 2011.

The Civilitas Foundation states that "anniversaries offer the benefit of hindsight and at the same time, inevitably intensify expectations. Armenia's 20th year to come will be no exception" and lists some of the urgent questions that require asking and answering.

The entire report, as well as the reports of previous years, can be found on the website. The official report presentation was held in Yerevan on December 28, 2010. Four members of Armenia's National Assembly, representing four political parties spoke about the issues discussed in the report – Armenia and the region in 2010.