Journal of Economic Integration *jei*

Vol.32 No.4, December 2017, 804~841
http://dx.doi.org/10.11130/jei.2017.32.4.804

Eastern Partnership Countries and Eurasian Integration in 2012~2015

Pavel Barakhvostov
Belarusian State University, Minsk, Belarus

Andrei Rusakovich
Belarusian State University, Minsk, Belarus

Abstract

This study traces the dynamics of Eastern Partnership countries' involvement in Eurasian integration for the period 2012~2015. Three types of cooperation−active, neutral, and confrontational−between the Eastern Partnership and the Eurasian Economic Union are analyzed. Special emphasis is also placed on the economic convergence of Eastern Partnership members and the Eurasian Economic Union states. The study reveals clear discrepancies in the economies of the region, revealing a significant obstacle to further integration. It is suggested that the presence of an extra-regional pole of power, namely the European Union, is weakening regional integration. Unmatched clusters of integration and economic convergence are found through heuristic examination of integration at the level of country dyads.

JEL Classifications: H70, F02, F15

Keywords: Eastern Partnership, Eurasian Integration, Economic Convergence, Market Integration

*** Corresponding Author: Pavel Barakhvostov;** Department of diplomatic and consular service, Belarusian State University, 20 Leningradskaya Str., Minsk 220030, Belarus, Tel: +375 29 260 07 98, E-mail: barakhvostov@yandex.ru.

Co-author: Andrei Rusakovich; Department of diplomatic and consular service, Belarusian State University, 20 Leningradskaya Str., Minsk 220030, Belarus, Tel: +375 17 209 57 67, E-mail: avrussak@mail.ru.

I. Introduction

The post-crisis economic landscape, characterized by new risks and unforeseen challenges, requires the world to construct responses that are capable of revitalizing the global economy and ensuring its sustained growth. Regional integration is the cornerstone of such responses. Based on economic, social, and security foundations, regional alliances are now becoming true poles of power, the modern system of international relations is thus substantially centered on them.

Recently, a huge number of studies have focused on the issues of integration in the post-Soviet space, which encompasses most of the independent states originating from the Soviet Union. Such a focus is paramount for many reasons. First and foremost, integration develops from the stage of regional dissociation to the stage of relative regional unity, but the peculiarity of the post-Soviet space engendered a specific model of regionalization, from interdependence through the collapse of rigid totalitarian structures and a complex process of step-by-step reintegration comprising both convergent and divergent trends.

Second, post-Soviet integration is markedly influenced by other promising initiatives, such as what is enshrined by the European Union (EU) and China's Silk Road Economic Belt. Since the scenario of a new transregional project uniting various smaller scale multilateral initiatives is becoming more plausible, post-Soviet integration and the external impact thereon demand close attention.

Third, the post-Soviet space is, under present conditions, one of the most dynamically developing regions in the world, in which profound shifts in the architecture of regional relations occur and the interests of major global actors collide. The region has a population of more than 282 million people. Its GDP in 2016 was 5429 trillion US dollars, or 7.1% of the world's GDP[1]. The countries of the region have booming trade relations both with the EU (the CIS's share in the EU's overall trade is 7.7%[2]) and their eastern neighbors (China and India). Thus, the results of post-Soviet integration will exert a lasting effect not only on Europe but also on the entire Eurasian continent.

Consequently, a number of questions arise. How important is the choice of integration model? What impact does it have on economic cooperation between

[1] Data are available via https://data.worldbank.org/

[2] Data are available via http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc_111493.pdf

http://dx.doi.org/10.11130/jei.2017.32.4.804

Eastern Partnership(EaP) and Eurasian Economic Union (EAEU) countries? How do relations between EaP countries and Russia influence their economic relations with the other EAEU countries? Do clusters of economic systems convergence and clusters of integration match? How do geopolitical factors and choices affect these convergence and integration dynamics?

These issues are considered in the present paper, the aim whereof is to study the process of asymmetrical economic integration in the region comprised of the EAEU and its predecessor, the Eurasian Economic Community (EurAsEC), and EaP countries, under the influence of an extra-regional pole of integration (the European Union).

For the sake of manageability as well as brevity, we deal only with a single aspect defining the process of integration, namely, economic convergence. The period under investigation starts in 2012, when an Association Agreement (AA) between the EU and Ukraine was instigated and the preparation of such agreements for Moldova and Georgia entered their terminal stages; the period ends in 2015, simply for data availability reasons. Thus, we examine the economic interaction of Ukraine, Moldova, Georgia, Azerbaijan, Armenia, and Belarus with individual EurAsEC[3] (2012~2014)/EAEU[4] (2015) members as well as overall systemic integration associations.

II. Background

A special place in the region is occupied by the Russian Federation, exceeding its neighbors in terms of population and economic power. Russia's need for post-Soviet integration is explained primarily by its geopolitical goals and long-term economic agenda. As observed by Meshcherjakov and Treshchenkov (2014), it is particularly interested in developing and maintaining prosperous mutual trade relations while encouraging and helping to ensure a certain degree of amicability in its vicinity. Being a federative state, Russia has the evident advantage of a long history of multinational cohabitation. Of decisive importance to Moscow-centered integration is the emergence of the Eurasian Integration Project.

[3] The EurAsEC included Russia, Belarus, Kazakhstan, Kyrgyzstan, and Tajikistan.
[4] The EAEU includes Russia, Belarus, Kazakhstan, Armenia, and Kyrgyzstan.

The Eastern countries that are geographically or geopolitically related to Europe—Belarus, Ukraine, Moldova, Georgia, Armenia, and Azerbaijan—have always been of particular interest to the Russian Federation. However, the EU's expansive eastern enlargement during 2004~2007 turned these countries into the vital underbelly of the West and necessitated the elaboration of a common European foreign-policy strategy toward them. According to a European Commission Communication on May 12, 2004, the eastern dimension was included in the comprehensive European Neighborhood Policy (ENP), launched to establish a new institutional framework for the cooperation and promotion of stability and security around the borders of the enlarged EU. This program implied large-scale cooperation aimed at facilitating the transition of its partner states to liberal democracies and market economies as well as the acquisition of core European values.

In 2009, the Eastern Partnership was inaugurated within the ENP, a soft-power initiative configured for six countries, Azerbaijan, Armenia, Belarus, Georgia, Ukraine, and Moldova. In a later European Commission Communication in December, 2008, it was referred to as an attempt to streamline the ENP by surmounting its inconvenient geographic blurriness. The prime objective of the initiative consists of creating the necessary conditions for faster political association and deeper economic integration between the EU and its partner states. As asserted by Van Elsuwege and Petrov (2014), this is only possible after their proven legislative convergence and total normative harmonization in the long run. In other words, the Eastern Partnership seeks to construct a single politico-normative space extracted from the Commonwealth of Independent States (CIS). This goal is attained through the allocation of a considerable amount of financial aid, deepening bilateral and multilateral cooperation, promoting sectoral cooperation in a wide range of areas, and relaxing visa regimes as well as altogether lifting them. A privileged access to the EU's internal market is in prospect, but it has never been viewed as a step toward accession. Designed merely as enlargement-light, the Eastern Partnership does not expect its members to join the EU.

Thereby, as Averre (2009) and Casier (2013) pointed out, the countries of *the shared neighborhood* were offered two opposite models of integration. The academic literature on Eastern Partnership countries' involvement in these projects is far from scant. In line with the majority of experts, DeBardeleben (2016) and Nitoiu (2016) stress the difference of the two approaches to integration in the post-Soviet space. Cadier (2014) and Bechev (2015) indicate their interchangeability. The authors particularly specify that the choice faced by the shared neighborhood can be regarded as civilizational, inasmuch as the

http://dx.doi.org/10.11130/jei.2017.32.4.804

European approach is based on the adoption by partner states of European. Therefore, liberal touchstones such as economic freedom, democracy, versus the Eurasian integration idea (2015), foregrounding fruitful economic cooperation, but downplaying democratic transition is striking. As explored deeply by Ademmer *et al*. (2016), the incentives employed by the EU and the Russian Federation to achieve their respective goals are also divergent.

Two Eastern Partnership countries, Belarus and Armenia, at once actively supported the Eurasian integration project. Meanwhile, Georgia, Moldova, and Ukraine leaned toward European integration, and they signed Association Agreements with the EU in 2014, implying free access to the internal European market, financial aid, and visa facilitation. As Delcour (2015) notes, the choice between these integration options is conditioned by a number of internal political and economic factors. The implications of these competing projects for the EU and the countries of *the shared neighborhood* are investigated by Delcour *et al*. (2015), Delcour and Wolczuk (2013), and Rotaru (2014).

For Russia, it was Ukraine's choice that proved to be the most painful, the latter being the second economic power in the CIS. The ensuing events (the annexation of Crimea in March 2014 and the ongoing Donbass conflict) led to the most dangerous crisis in the European security system in two decades. A plethora of sanctions and countersanctions ensued with the EU and the United States on one side and Russia on the other. The once brotherly Russia-Ukraine relations fell apart. On December 30, 2015, Russia suspended the CIS Free-Trade Zone Agreement with Ukraine. In the same year, Ukraine repudiated the agreement with Russia on military cooperation and restricted access to the Ukrainian territory for some Russian citizens. Transport communications between the two neighbors were cut down drastically.

Georgia's stance on European integration was also met with sharp criticism in Moscow. However, essentially, Russia-Georgia relations had been spoiled earlier. The 2008 South Ossetia conflict, which drew in Georgia and Russia with its proxy separatist republics, South Ossetia, and Abkhazia, resulted in Georgia leaving the CIS and breaking diplomatic ties with Russia. Moreover, the Russian Federation placed an embargo on Georgian products, which was lifted only in 2013.

Neither could Moldova avoid Moscow's wrath. The apple of discord between the two post-Soviet countries has long been Transnistria, Moldova's Russian-speaking separatist region. The Transnistria war during 1989 and 1992 resulted in the independence of the self-proclaimed Pridnestrovian Moldovian Republic after the interference of Russian troops. However, the problem lingered beyond the end of the war. This pushed Moldova to seek NATO and EU membership and, in turn, Russia then partially banned imports of Moldova's agricultural produce in 2005. Further, in retaliation for Moldova's Association Agreement with the EU, Moscow introduced import duties on Moldovan products coming into the CIS Free-Trade Zone in 2014 and refused to buy Moldovan wine and fruit (the country's two main export items). In sum, the integration choices made by Ukraine, Georgia, and Moldova soured their relations with Russia.

As for Azerbaijan, it remained indifferent to either integration project. This was chiefly due to its peculiar economic model based on oil exports. According to OPEC, Azerbaijan ranks 20th in the world in terms of oil output, extracting 793,100 barrels daily[5].

Thus, the competition between integration projects in post-Soviet space determined the formation of several clusters among EaP countries: those that chose Eurasian integration; those that are leaning toward the EU; and one country that decided to stay equally far from both the poles of power.

III. Methodology

We conceptualize integration using indicators, the System of Indicators of Eurasian Integration (SIEI) provided by the Eurasian Development Bank (EDB)'s Center for Integration Studies. It was used earlier by Vinokurov (2010). From the multitude of indices, we selected those measuring the integration of goods and capital markets along with an index of economic systems convergence. The formulas for their calculation are presented in Table 1.

Economic systems convergence is configured as a composite index. Thus, for any two countries or a country-region pair, it is estimated on the basis of four groups of indicators; macroeconomics, monetary, financial, and fiscal policies. Each group contains the following:

- Macroeconomics: GDP per capita and annual GDP growth rate,
- Financial policy: average interest rate on deposits and loans,

[5] Data are available via http://www.opec.org/opec_web/static_files_project/media/downloads/publications/ ASB2015.pdf

http://dx.doi.org/10.11130/jei.2017.32.4.804

- Fiscal policy: total public expenditure to GDP ratio, gross government debt to GDP ratio, consolidated budget balance to GDP ratio, and Frank's Index[6],
- Monetary policy: national currency to US dollar growth rate and annual inflation rate.

To facilitate cross-country comparisons, these characteristics (indicators) have to be normalized from each characteristic value, the average of all the countries is subtracted and then the result is divided by the standard deviation of the characteristic. Thus, the index of economic systems convergence for any two countries is calculated by equation (1).

$$I_{A\leftrightarrow B} = \sqrt{\sum_{i=1}^{N}(x_i - y_i)^2} \tag{1}$$

where x_i, y_i are the characteristics (coordinates) of countries (points) A and B, respectively, and N is the number of characteristics. In order to describe the region, we also introduce a group of parameters z_i, being the result of averaging the corresponding normalized characteristics (coordinates) x_i of all countries in the region. The notion of the average (effective) economic system of the region is thus introduced. For the index of economic systems convergence $I_{A\leftrightarrow R}$ for country A and region R, this resolves to applying equation (2):

$$I_{A\leftrightarrow R} = \sqrt{\sum_{i=1}^{N}(x_i - z_i)^2} \tag{2}$$

where x_i denotes the normalized characteristics of country A, and z_i is the average of the corresponding normalized characteristics for region *R*.

A decrease in $I_{A\leftrightarrow B}$ ($I_{A\leftrightarrow R}$) is interpreted as an increase in economic convergence.

The computation of Eastern Partnership countries' involvement in Eurasian integration is based on the data from the World Bank, the Eurasian Development Bank, the UN Comtrade Database, the Interstate Statistical Committee of the CIS, and national

[6] Frank's Index is a fraction in which the numerator consists of the product of consolidated tax revenues and the country's population, whereas the denominator is squared GDP.

statistical authorities.

Table 1. Calculating indices of Eurasian integration

Indices	Country-Country pair	Country-Region pair
Market Integration		
Index of goods markets integration (I_{trade}) %	(The pair's share in their aggregate foreign trade turnover + the pair's share in the aggregate GDP of these countries)*100/2	(The share of the region in the foreign trade turnover of the country + the share of the region in the GDP of the country) *100 / 2
Index of capital markets integration (I_{cap}) %	(Share of mutual direct investments of the pair in the aggregate GDP of these countries)* 100	(Share of mutual direct investments of the country and all countries of the region in the GDP of the country)* 100
Sectoral Integration		
Index of energy markets integration (I_{energy}) kW·h/US dollars	Volume of electricity trade between pair of countries in kilowatt-hour divided by the aggregate GDP of these countries	Volume of electricity trade between the country and all countries of the region in kilowatt-hour divided by the GDP of the country
Index of crops market integration (I_{agro}) tons/mln. US dollars	Volume of all crops trade between pairs of countries (in tons) divided by the aggregate GDP of these countries	Volume of all crops trade between the country and all countries of the region (in tons) divided by the GDP of the country

(Note) Units for the indices of goods markets integration and capital markets integration-percent; Unit for the index of energy markets integration-kW·h/US dollar; Unit for the index of crops market integration-tons/mln. US dollars; Unit for the volume of electricity trade-kW·h; The volume of crops trade-tons.

IV. Regionalization in Post-Soviet Space

Regionalization in post-Soviet space (Figure 1) started almost simultaneously with the breakup of the Soviet Union and exhibited features of two intertwined processes from the outset; divergence and convergence. For the newly independent states, supranational institutions were vital as a means of devising new, bespoke frameworks for political and economic relations and managing the inevitable wave of disputes and conflicts. Post-Soviet regionalization is an asymmetrical process owing to the presence of Russia as an integration core. Several stages of post-Soviet and that of Russia's integration policy, are distinct.

- 1991~2000: Russia acquired its first integration experience. During this stage, the post-Soviet space was officially defined as a territory of Russia's vital interests. The leading role in the integration process was given to the CIS, inaugurated in 1991 and including all the ex-Soviet republics expect for Lithuania, Latvia, and Estonia. By 2000, the majority of initiatives within the CIS remained unutilized, revealing countries' lack of readiness for integration and the ineptitude of Russia's strategy in the region.
- 2000~2009: Russia reoriented its efforts toward promoting economic cooperation with individual CIS countries. In 2000, five states (Russia, Belarus, Kazakhstan, Kyrgyzstan, and Tajikistan) established the Eurasian Economic Community (EurAsEC), dissolving only in 2014. Uzbekistan was a EurAsEC member from 2006 to 2008. Ukraine and Moldova became observers in May 2002, and Armenia in January 2003. The EurAsEC grew into an institutional springboard for initiatives that would materialize during 2006~2010.

Another integration venture was the *Single Economic Space* launched in 2003, uniting Belarus, Kazakhstan, Russia, and Ukraine. In October, 2007, the presidents of Russia, Belarus, and Kazakhstan signed an Agreement on the establishment of the Customs Union (CU). Its objective was to facilitate free movement of goods in the context of mutual trade, create favorable conditions for trading with third countries, and expand economic integration.

Figure 1. Post-Soviet space

(Note) 1-Armenia, 2-Azerbaijan, 3-Belarus, 4-Estonia, 5-Georgia, 6-Kazakhstan, 7-Kyrgyzstan, 8-Latvia, 9-Lithuania, 10-Moldova, 11-Russia, 12-Tajikistan, 13-Turkmenistan, 14-Ukraine, 15-Uzbekistan.

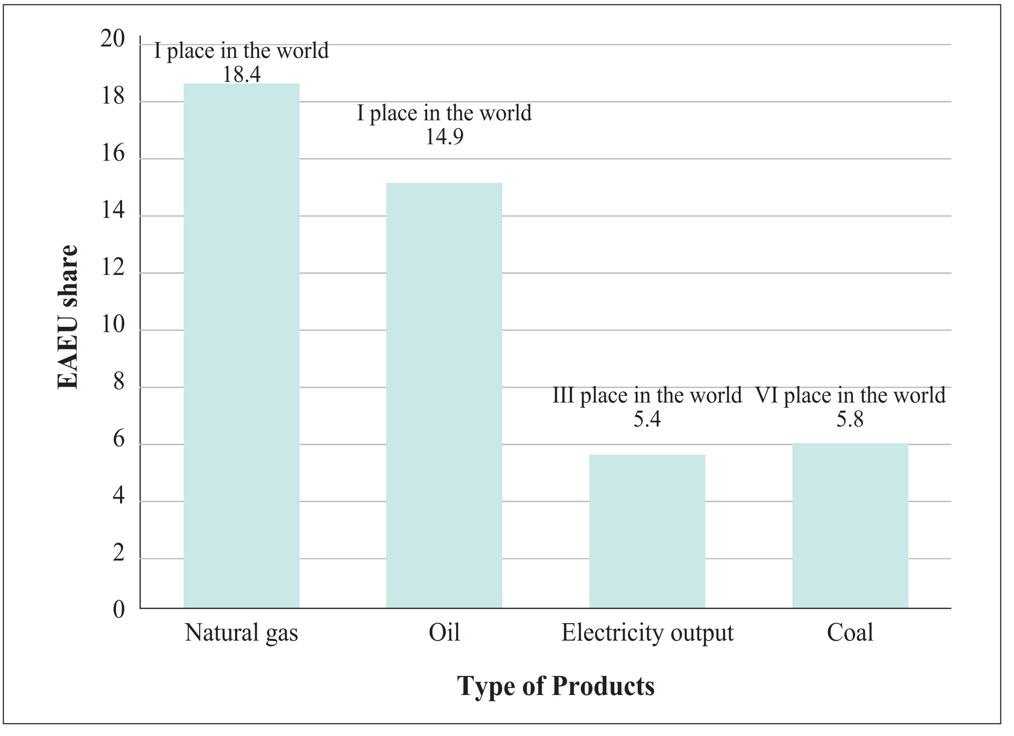
Yet, the ever deepening economic differentiation and extra-regional factors led these initiatives to a dead end and worsened the fragmentation of the post-Soviet space.

On December 19, 2009, the Troika (Russia, Belarus, and Kazakhstan) finally signed the Joint Statement on the Establishment of the Customs Union (CU). Consequently, the Common Customs Tariff came into force in 2010. On January 1, 2012, the CU was supplemented by a package of 17 agreements that constituted the regulatory basis for the Single Economic Space (SES), ranging from the coordination of macroeconomic policies to labor migration. This further stimulated the process of economic convergence within the Troika. On January 1, 2015, the Eurasian Economic Union Treaty came into effect. Armenia acceded to this integration association on January 2, 2015, and Kyrgyzstan joined on May 8, 2015.

The EAEU is a powerful economic, geopolitical, and ideological project. From a purely economic standpoint, the organization unites fives countries with a total population of 182.5 million people. Its territory, constituting 14% of the earth's land

Figure 2. EAEU shares of global energy production

(Percent of the world production, 2013)



(Note) oil (I), gas (I), and coal (VI) extraction; electricity production (IV); steel (V), cast iron (II), and mineral fertilizer (II) production; crops collection (V); potato (III), wheat (III), milk (III), and meat (IV) production, etc.
(Source) Eurasian Economic Commission (http://www.eurasiancommission.org/en/Documents/broshura26_ENGL_2014.pdf)

surface, possesses one fifth of the world's gas deposits, 15% of the world's oil, and rich reserves of nearly all the chemical elements in the periodic table. The EAEU ranks among global leaders in oil (I), gas (I), and coal (VI) extraction; electricity production (IV); steel (V), cast iron (II), and mineral fertilizer (II) production; crops collection (V); potato (III), wheat (III), milk (III), and meat (IV) production, etc. (Figure 2).

It is important that EAEU countries share a common history of economic activities. Their industries and transport systems were designed as complementary parts in the large Soviet industrial complex, based on common standards (GOST and later ISO). Indeed, this was instrumental in spurring the resumption of meaningful dialog between the newly independent states. The use of the Russian language as a universally accepted lingua franca in the region also favors the process of Eurasian integration.

V. Eastern Partnership Countries' Involvement

Let us now consider to what extent Eastern Partnership countries are involved in Eurasian integration in economic terms. Figure 3 shows the dynamics of the index of goods markets integration I_{trade} for Eastern Partnership and EurAsEC (2012~2014)/ EAEU (2015) countries, computed using data from the World Bank, Eurasian Development Bank, and the UN. Larger I_{trade} values correspond to greater integration.

As shown in Figure 3, the largest of I_{trade} corresponds to Belarus and Ukraine. These two countries exhibit diversified export structures, offering significant export potential. For Belarus, I_{trade} was 47.54 in 2012, growing slightly to reach 49.03 in 2015.

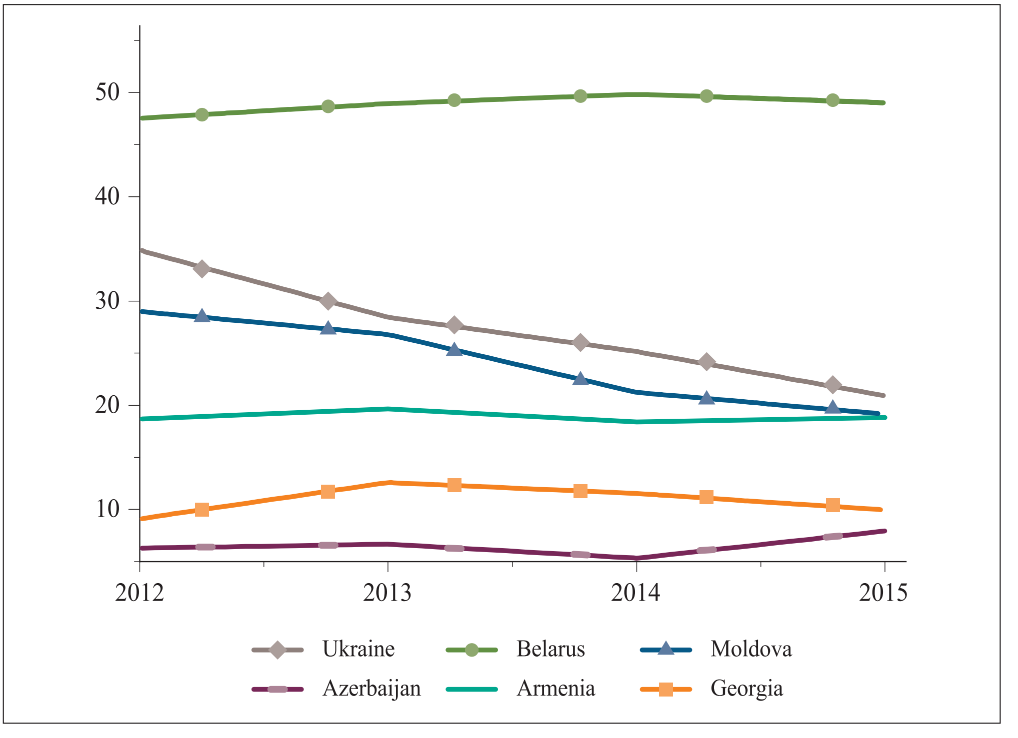
Ukraine's I_{trade} equaled 34.85 in 2012, but fell significantly over the period, amounting to 20.75 by 2015. Moldova also faced a decrease in I_{trade} (from 29 in 2012 to 19 in 2015). Nevertheless, despite the tensions with Russia faced by Ukraine and Moldova, these countries are still highly integrated into the Eurasian goods market. Meanwhile, I_{trade} for Armenia, a supporter of the Eurasian integration project, is less than that for each of three another EaP countries-Belarus, Ukraine, or Moldova; its value hardly changes over the period under consideration.

According to the calculations, Azerbaijan demonstrates minimal involvement in the Eurasian goods market. Nevertheless, the country's I_{trade} increased in 2015, albeit from a value in 2014 that was lower than the previous two years. This could tentatively suggest the start of an increasing emphasis in Azerbaijani political and business domains on trade with the EAEU although this remains speculative in lieu of future data.

Overall, Figure 3 illustrates that all EaP countries are involved in the EAEU goods market. However, this involvement is highly heterogeneous and three different types of involvements can be demarcated. The first (Belarus, Armenia), corresponding to (high to moderate) stable values of the integration index, can be termed as being in an active partnership. The second (Ukraine, Moldova, Georgia), for which the integration index tends to decrease in consequence of confrontations with the core of the integration association, can be denoted as confrontational partnership. Finally, the third (Azerbaijan), characterized by very low (possibly to the point of only being nominal) values of the integration index, can be deemed as neutral partnership.

Figure 3. Index of goods markets integration

(2012~2015, %)

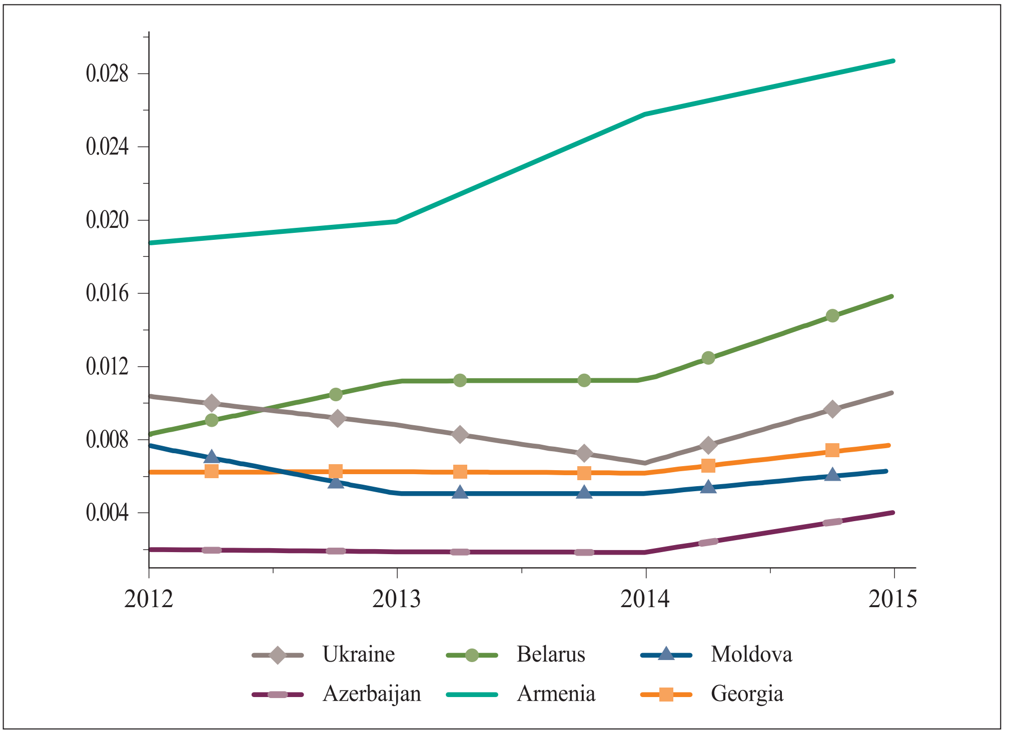


(Source) Authors' elaboration based on data from the UN Comtrade Database (https://comtrade.un.org/data/)

Moving on, Figure 4 shows the dynamics of the index of capital markets integration I_{cap} for Eastern Partnership and EurAsEC (2012~2014)/EAEU (2015) countries, computed on the basis of data from the World Bank and Eurasian Development Bank data. As seen therein, I_{cap} is small for all Eastern Partnership countries. They all have very little involvement in capital markets. The largest value of I_{cap} corresponds to Armenia and the smallest to Azerbaijan. I_{cap} grows steadily in the cases of Armenia and Belarus. However, any conclusion that this testifies to the active partnership of these countries in this domain of integration should be tempered by the fact that these increases translate into mere fractions of much less than 1%.

Figure 4. Index of capital markets integration

(2012~2015, %)

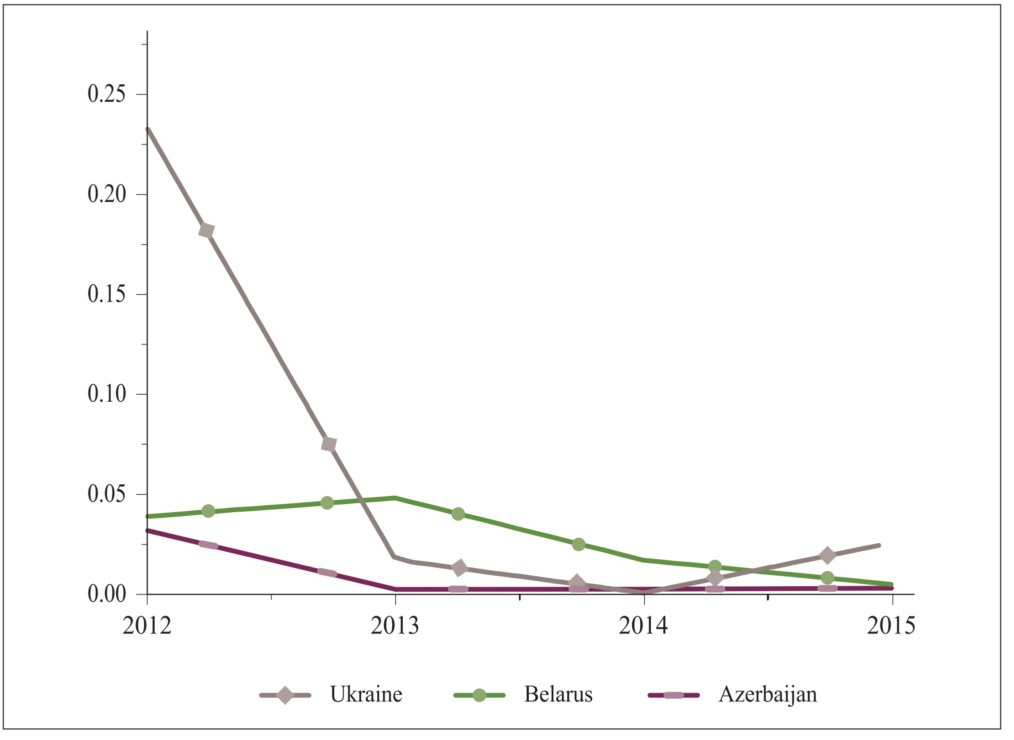


(Source) Authors' elaboration based on data from the Eurasian Development Bank (http://gorchakovfund.ru/upload/iblock/6ae/6ae6f0123556d8fdcd46e0c202b85b83.pdf)

Figure 5 shows the dynamics of the index of energy markets integration I_{energy} for Eastern Partnership and EurAsEC (2012~2015)/EAEU (2015) countries. According to the UN Comtrade Database, the energy trade between Georgia, Moldova, and Armenia and EurAsEC/EAEU countries was negligible in the studied period, hence they are absent from Figure 5. It can be seen that, in 2012, it is Ukraine that showed the most amount of involvement in the Eurasian energy market. However, its I_{energy} fell sharply in 2013 and overall there are no encouraging signs of growth and development in terms of this metric for Azerbaijan and Belarus during the studied period.

Figure 5. Index of energy markets integration

(kW·h/US dollar, 2012~2015)

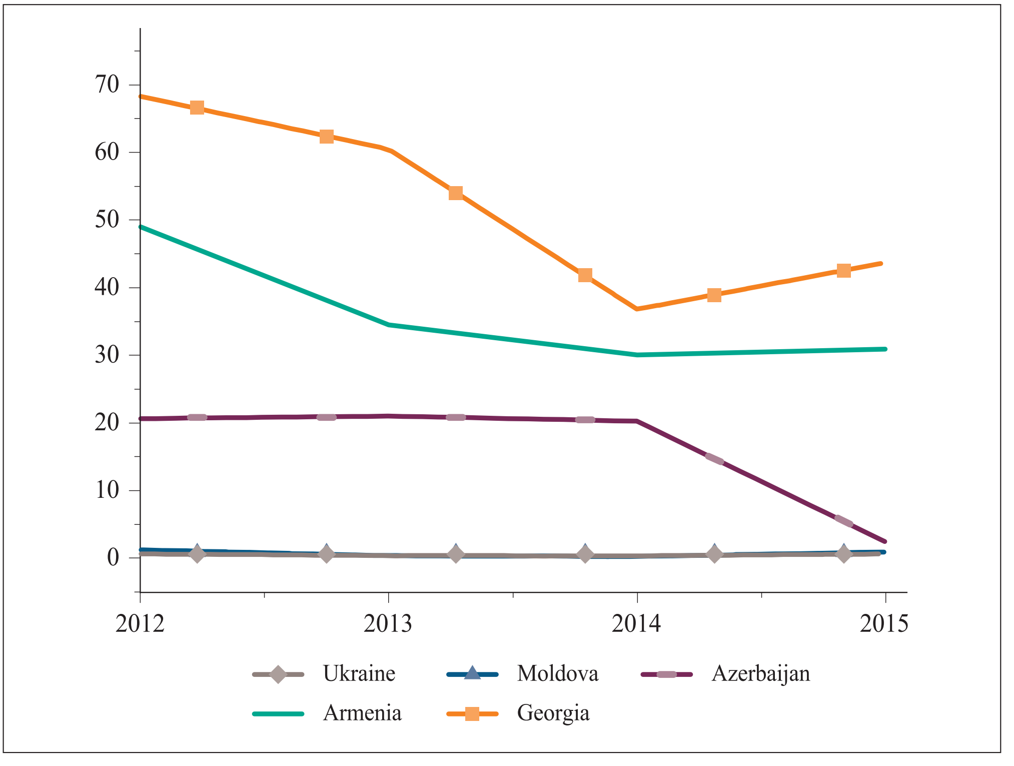


(Source) Authors' elaboration based on data from the UN Comtrade Database (https://comtrade.un.org/data/)

Finally, Figure 6 shows the dynamics of the index of crops markets integration (I_{agro}) for Eastern Partnership and EurAsEC (2012~2015)/EAEU (2015) members. Georgia and Armenia exhibit the highest degree of integration in this respect, although this declines somewhat over the studied period in both cases. Nominal and static involvement is seen with respect to Ukraine and Moldova. Azerbaijan is characterized by a considerable (tenfold) decrease of I_{agro} in 2015 compared to 2012~2014 levels which points to a dramatic reduction in the volumes of crops traded between this country and the EAEU.

Figure 6. Index of crops markets integration

(Tons/mln.US dollars, 2012~2015)

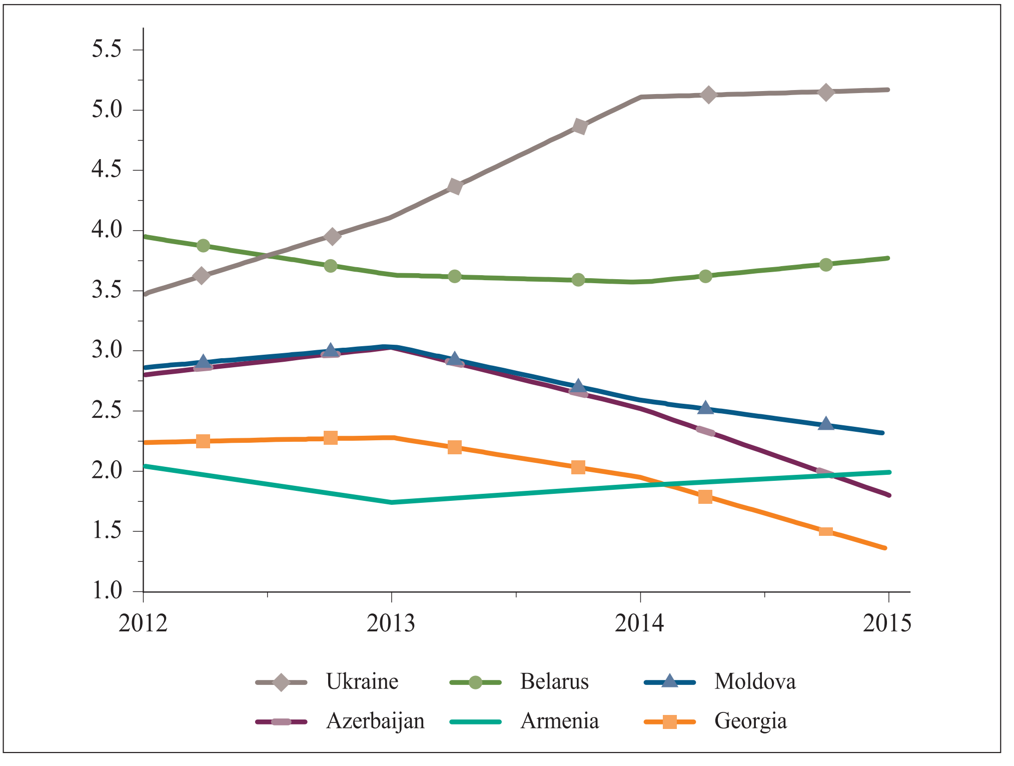


(Source) Authors' elaboration based on data from the UN Comtrade Database (https://comtrade.un.org/data/)

Overall, Figures 3 to Figure 6, paint a picture of decreasing integration of all EaP countries in 2014~2015. There can be several explanations for this phenomenon, like economic reorientation, mostly toward the EU, i.e., the emphasis laid on internal development instead of trans-border relations. Trade relations between Ukraine and Moldova with the EAEU would seem to have deteriorated for geopolitical reasons, but this factor apparently had no effect on Georgia.

Figure 7. Index of economic systems convergence

(Unit of observation, 2012~2015)



(Source) Authors' elaboration based on data from the World Bank, Eurasian Development Bank, UN Comtrade Database, Interstate Statistical Committee of the CIS, and national statistical authorities.

Let us now turn focus to the convergence of economic systems between the Eastern Partnership and the region formed by the EurAsEC/EAEU. The dynamics of the index of economic systems convergence are presented in Figure 7.

It displays wide discrepancies in the economies of Armenia and Belarus, although over 2012~2025 they follow similar, reasonably static trends, the former represents greater convergence than the latter. This bears witness to the cross-country heterogeneities at play in Eurasian integration. Armenia's economic system is the closest to the EAEU's effective economic system. It is noteworthy that, regardless of geopolitical factors, Moldova's and Georgia's economic systems are also close to the EAEU's effective economic system and our calculations suggest increasing convergence in those countries from 2013 to 2015. The most pronounced and growing divergence from EAEU countries is detected for Ukraine. Finally, Azerbaijan also shows increasing convergence over time, laying the groundwork for further integration.

VI. The Formation of Integration Clusters

Let us highlight the bilateral cooperation of Eastern Partnership and EAEU countries in order to ascertain the points of growth of their integration. The results of the integration (Table 1) and economic systems convergence indices for country pairs are shown in Tables 2~6.

In Table 2, we can distinguish certain clusters of goods markets integration (Figure 8), corresponding to the largest values of I_{trade}. One of them is comprised of Armenia and Georgia. Azerbaijan is linked to this group through Georgia, as officially there is no trade between Azerbaijan and Armenia. The value of I_{trade} for the Armenia-Georgia dyad decreased because of growing economic relations between Armenia and Bulgaria, whereas the Azerbaijan-Georgia dyad saw an increase in value, indicative of the ongoing process of strengthening trade ties between these republics. The 2008 South Ossetia conflict obviously contributed to the consolidation of this cluster as Georgia responded to the Russian embargo with reorientation of both exports and imports: the Caucasian nation started to purchase natural gas from Azerbaijan.

http://dx.doi.org/10.11130/jei.2017.32.4.804

Table 2. Goods markets integration

(Eastern partnership and EurAsEC/EAEU country pairs, %)

	Years	Armenia	Azerbaijan	Belarus	Georgia	Moldova	Ukraine	Russia	Kazakhstan	Kyrgyzstan
Armenia	2012			0.04	2.31	0.01	0.12	0.11	0.008	0.002
	2013			0.06	3.20	0.03	0.12	0.12	0.005	0.006
	2014			0.05	3.03	0.02	0.15	0.12	0.005	0.003
	2015			0.06	2.04	0.01	0.12	0.16	0.005	0.003
Azerbaijan	2012			0.06	1.19	0.02	0.29	0.19	0.19	0.05
	2013			0.08	1.06	0.007	0.42	0.20	0.17	0.03
	2014			0.09	1.06	0.01	0.28	0.17	0.13	0.05
	2015			0.10	1.36	0.01	0.35	0.23	0.09	0.01
Belarus	2012	0.04	0.06		0.06	0.25	2.85	3.29	0.35	0.15
	2013	0.06	0.08		0.06	0.29	2.31	3.00	0.38	0.12
	2014	0.05	0.09		0.06	0.34	2.86	3.02	0.41	0.11
	2015	0.06	0.10		0.1	0.70	2.88	3.44	0.45	0.16
Georgia	2012	2.31	1.19	0.06		0.14	0.43	0.03	0.11	0.08
	2013	3.20	1.06	0.06		0.16	0.47	0.06	0.09	0.07
	2014	3.03	1.06	0.06		0.09	0.52	0.07	0.08	0.09
	2015	2.04	1.36	0.1		0.11	0.56	0.09	0.07	0.07
Moldova	2012	0.01	0.02	0.25	0.14		0.55	0.15	0.05	0.02
	2013	0.03	0.007	0.29	0.16		0.60	0.15	0.04	0.02
	2014	0.02	0.01	0.34	0.09		0.63	0.12	0.05	0.09
	2015	0.01	0.01	0.70	0.11		0.65	0.12	0.07	0.02

(continued)

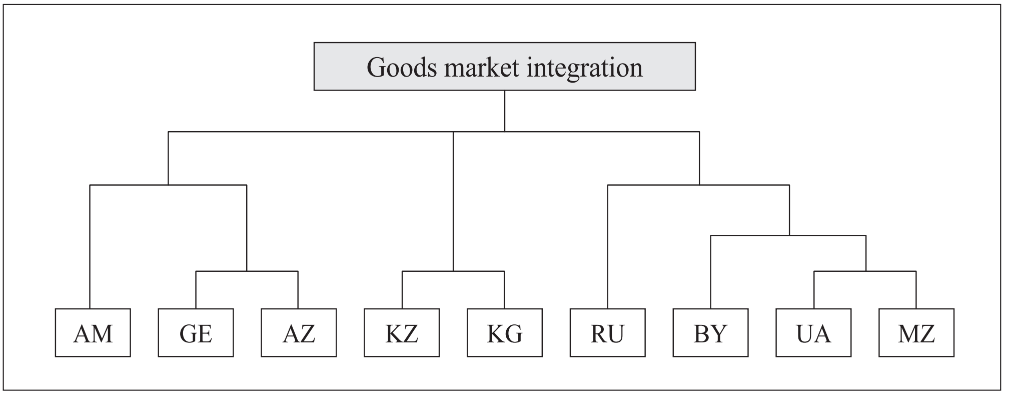
	Years	Armenia	Azerbaijan	Belarus	Georgia	Moldova	Ukraine	Russia	Kazakhstan	Kyrgyzstan
Ukraine	2012	0.12	0.29	2.85	0.43	0.55		3.23	1.20	0.09
	2013	0.12	0.42	2.31	0.47	0.60		2.75	0.85	0.09
	2014	0.15	0.28	2.86	0.52	0.63		1.78	0.52	0.08
	2015	0.12	0.35	2.88	0.56	0.65		1.45	0.62	0.09
Russia	2012	0.11	0.19	3.29	0.04	0.15	3.23		1.72	0.15
	2013	0.12	0.20	3.00	0.06	0.15	2.75		1.78	0.17
	2014	0.12	0.17	3.02	0.07	0.12	1.78		1.57	0.16
	2015	0.16	0.23	3.44	0.09	0.12	1.45		1.76	0.18
Kazakhstan	2012	0.007	0.19	0.35	0.11	0.05	1.20	1.73		0.61
	2013	0.005	0.17	0.35	0.09	0.04	0.85	1.78		0.65
	2014	0.005	0.13	0.38	0.08	0.05	0.52	1.57		0.65
	2015	0.005	0.09	0.41	0.07	0.07	0.62	1.76		0.70
Kyrgyzstan	2012	0.002	0.05	0.15	0.08	0.02	0.08	0.15	0.62	
	2013	0.006	0.03	0.15	0.07	0.02	0.09	0.17	0.65	
	2014	0.003	0.05	0.12	0.09	0.09	0.08	0.16	0.65	
	2015	0.003	0.01	0.11	0.07	0.02	0.09	0.18	0.70	

(Note) (i) Cases where index values are negligible are marked grey; cases when indices are incalculable (the pair is comprised of a country with itself) are marked in black.
(ii) The share of countries A and B in their aggregate foreign trade turnover and the aggregate GDP of these countries was determined as the average of the total volume of exports and imports of country A to B and country B to A.
(Source) Authors' elaboration based on data from the World Bank.

http://dx.doi.org/10.11130/jei.2017.32.4.804

After the embargo was lifted in 2013, Georgian exports to the Russian Federation increased six-fold[7], which is reflected in the growth of I_{trade}. Georgia's sanctions against Russia in the wake of the annexation of Crimea did not affect the index substantially as they restricted the access of Crimean products only to the Georgian market. This was a token gesture given that Crimean products constitute a very small share of Georgia's total imports from Russia.

Figure 8. Clusters of goods markets integration



(Note) AM-Armenia, AZ-Azerbaijan, BY-Belarus, GE-Georgia, MD-Moldova, UA-Ukraine, RU-Russia, KZ-Kazakhstan, KG-Kyrgyzstan.

Despite the fact that Azerbaijan prioritized its relations with Georgia, during the considered period I_{trade} with Russia rose, too. However, Russia failed to become Azerbaijan's leading trade partner.

The second cluster consists of Kazakhstan and Kyrgyzstan (Figure 8). These countries are united by their socio-cultural and geographical proximity, economic and political factors, migration processes, and the similarity of their elites. However, they differ in economic and demographic potential, the sturdiness and efficiency of state structures, and the size and structure of their economies. In terms of population, Kazakhstan is almost three times bigger; in terms of GDP, 31 times. Kazakhstan's economy is natural resource dependent and focused on large corporations, whereas Kyrgyzstan leans on the agricultural sector and small and medium businesses. The differences allow the two countries to cooperate without much competition.

[7] According to the National Statistics Office of Georgia (http:// www.geostat.ge).

Finally, the cluster characterized by the strongest integration ties includes Russia, Belarus, and Ukraine (Figure 8). In 2014~2015 Moldova seemed to join this cluster via boosting trade with Ukraine and Belarus while simultaneously freezing cooperation with Russia[8].

Decreasing integration index values for the Moldova-Russia dyad can be explained in terms of Moldova signing an Association Agreement with the EU and Russia's explicable apprehension that Moldova's membership in the EU free-trade area could become a breach through which customs-free European goods would penetrate the Russian market. Consequently, Russia revoked, as of September 1, 2014, Moldova's most-favored nation status and introduced duties on all its agricultural produce amounting to the Common Customs Tariff of the EAEU. The list of goods subject to the new duties included 19 items, including furniture, alcoholic beverages, vegetables, meat, sugar, and crops. As a result, Moldova's exports to Russia dropped by a third in 2014. Early in 2015, Russia marginally relaxed its stance and resumed the importation of Moldovan apples as of February 26, 2015, but because of its marginality, this did not have a visible effect on the integration index. Moreover, Moldova-Russia integration ties were influenced by Russia's countersanctions against the EU and its companies able to re-export their products through Moldova.

During the period under investigation, I_{trade} decreased for the Ukraine-Russia dyad and increased for the Ukraine-Georgia and Ukraine-Azerbaijan dyads, which indicates an evident reorientation of Ukraine's trade. This tendency is caused by the conclusion of the Association Agreement with the EU and the succeeding Ukrainian crisis. The Russian Federation voiced its anxiety about the AA at an early stage, during its preparation phase, and warned its partners about its willingness to respond to possible threats. Moscow feared that the AA could have a negative impact on the free-trade area of the CIS and asked Ukraine to temporarily suspend the liberalization of imports from the EU, at least concerning the cases Russia found the most sensitive, amounting to 27% of Ukraine's exports to Russia. Moscow insisted on trilateral negotiations with Ukraine and the EU. A compromise was struck only in September, 2014. The parties agreed that the economic constituent of the Association Agreement would come into effect no earlier than January 1, 2016.

Yet, regardless of this decision, a fierce trade war broke out between Ukraine and Russia, accompanied by prohibition of a number of products. Ukraine imposed

[8] According to the National Statistics Office of Georgia (http:// www.geostat.ge).

http://dx.doi.org/10.11130/jei.2017.32.4.804

restrictive measures against Russia after the annexation of Crimea, among which the ban on military products was the most painful. Russia responded with bans on milk and other dairy products, canned fish and vegetables, confectionary, fruit juices, etc. Moreover, Ukrainian airlines were denied transit over the Russian territory. In 2014, 87% of Ukrainian exports were affected by Russian sanctions.[9] Ukrainian sugar, milk, meat, beverages, ships, and locomotives were banished from the Russian market. A dramatic fall in the volume of purchases was seen for such significant items as nuclear reactors, engines, and ferrous metal products. The face-off even changed the composition of Ukrainian natural gas consumption: gas imports from Russia decreased from 25.8 milliards cubic meters in 2013 to 14.5 milliards cubic meters in 2014.

[9] According to the National Statistics Bureau of Moldova (http://www.statistica.md).

Table 3. Capital markets integration

(Eastern partnership and EurAsEC/EAEU country pairs, %)

	Years	Armenia	Azerbaijan	Belarus	Georgia	Moldova	Ukraine	Russia	Kazakhstan	Kyrgyzstan
Armenia	2012			0.009	0.076			0.089	0.04	
	2013							0.098	0.055	
	2014			0.011	0.071			0.147	0.054	
	2015					0.04				
Azerbaijan	2012			0.006	1.63		0.041	0.063		
	2013			0.007	1.203		0.047	0.061		
	2014			0.007	1.741		0.068	0.043		
	2015			0.01		3.82		0.22		
Belarus	2012	0.009	0.006				0.022	0.015	0.017	0.009
	2013		0.007				0.023	0.36	0.023	
	2014	0.011	0.007				0.01	0.404	0.01	0.01
	2015		0.01					0.09		0.03
Georgia	2012	0.076	1.63				0.127	0.02	0.239	0.076
	2013		1.203				0.107	0.022	0.212	
	2014	0.071	1.741				0.122	0.026	0.201	
	2015						0.19	0.6		
Moldova	2012						0.039	0.026		
	2013						0.037	0.018		
	2014						0.029	0.021		
	2015	0.04	3.82				0.19	0.04	0.47	

(continued)

	Years	Armenia	Azerbaijan	Belarus	Georgia	Moldova	Ukraine	Russia	Kazakhstan	Kyrgyzstan
Ukraine	2012		0.041	0.022	0.127	0.039		0.76	0.122	
	2013		0.047	0.023	0.107	0.037		0.647	0.046	
	2014		0.068	0.01	0.122	0.029		0.398	0.054	
	2015				0.19	0.19		0.31		
Russia	2012	0.089	0.063	0.015	0.02	0.026	0.76		0.647	0.034
	2013	0.098	0.061	0.36	0.022	0.018	0.647		0.497	0.029
	2014	0.147	0.043	0.404	0.026	0.021	0.398		0.392	0.034
	2015		0.22	0.09	0.6	0.04	0.31		0.16	0.7
Kazakhstan	2012	0.004		0.017	0.239		0.122	0.647		0.174
	2013	0.055		0.023	0.212		0.046	0.497		0.208
	2014	0.054		0.01	0.201		0.054	0.392		0.34
	2015					0.47		0.16		
Kyrgyzstan	2012			0.009	0.076			0.034	0.174	
	2013							0.029	0.208	
	2014			0.01				0.034	0.34	
	2015			0.03				0.7		

(Note) Cases where index values are negligible are marked grey; cases when indices are incalculable (the pair is comprised of a country with itself) are marked black.
(Source) Authors' elaboration based on data from the Eurasian Development Bank.

Despite Ukraine's confrontation with Russia, its relations with Belarus, one of the core EAEU countries, did not deteriorate. Pursuing the goal of putting down roots in the Ukrainian market, Belarus agreed in January 2015 to use the hryvnia as the basic currency for long-term contracts except those pertaining to the oil industry.

Table 3 lists the capital markets integration indices for different country pairs. As can be seen, the main clusters are Azerbaijan-Georgia and Russia-Ukraine-Kazakhstan. However, I_{cap} tends to decrease for the latter due to the confrontation between Ukraine and Russia.

Next, Table 4 present results of calculating the extent of energy markets' integration for Eastern Partnership and EurAsEC/EAEU country pairs. As can be seen, trade in electricity is virtually absent in the region. We can single out the following pairs of partners: Armenia-Russia, Azerbaijan-Russia, and Moldova-Russia. Among them, the second partnership exhibits the largest index value for energy markets integration. Table 5 presents index values pertaining to crops trade, two clusters are discernible therein. The first is comprised of Georgia, Armenia, Azerbaijan, and Kazakhstan. The second consists of Ukraine and Belarus. Both clusters exhibit a slowdown in integration activity over the study period.

Interestingly, the clusters of integration for goods, capital, energy, and crops markets do not match, which points to the asymmetrical development of integration processes.

http://dx.doi.org/10.11130/jei.2017.32.4.804

Table 4. Energy markets integration

(kW·h/US dollars)

	Years	Armenia	Azerbaijan	Belarus	Georgia	Moldova	Ukraine	Russia	Kazakhstan	Kyrgyzstan
Armenia	2012									
	2013							0.08		
	2014							0.09		
	2015							0.08		
Azerbaijan	2012							0.10		
	2013						12.22	1.56		
	2014							0.62		
	2015							0.2		
Belarus	2012						15.01	1.6		
	2013									
	2014									
	2015									
Georgia	2012									
	2013									
	2014									
	2015									
Moldova	2012									
	2013							0.003		
	2014							0.004		
	2015							1.55		

(continued)

	Years	Armenia	Azerbaijan	Belarus	Georgia	Moldova	Ukraine	Russia	Kazakhstan	Kyrgyzstan
Ukraine	2012			15.01				0.03		
	2013		12.22							
	2014									
	2015									
Russia	2012		0.10	1.6			0.03			
	2013	0.08	1.56			0.003				
	2014	0.09	0.62			0.004				
	2015	0.09	0.2			1.55				
Kazakhstan	2012									
	2013									
	2014									
	2015									
Kyrgyzstan	2012									
	2013									
	2014									
	2015									

(Note) Index matrix for Eastern partnership and EurAsEC/EAEU country pairs.
Cases where index values are negligible are marked grey; cases when indices are incalculable (the pair is comprised of a country with itself) are marked black.
(Source) Authors' elaboration based on data from the UN Comtrade Database.

http://dx.doi.org/10.11130/jei.2017.32.4.804

Table 5. Crops markets integration

(Tons/million US dollars)

	Years	Armenia	Azerbaijan	Belarus	Georgia	Moldova	Ukraine	Russia	Kazakhstan	Kyrgyzstan
Armenia	2012				7.59		0.03	0.22	0.15	
	2013				11.36		0.08	0.17		
	2014				0.35		0.03	0.17	0.003	
	2015				1.07		0.03	0.24		
Azerbaijan	2012							0.16	3.93	
	2013							0.30	2.81	
	2014							0.46	1.94	
	2015							0.04	0.21	0.001
Belarus	2012					0.03	0.63	0.03	0.16	
	2013					0.02	0.37	0.004	0.06	
	2014					0.02	0.60	0.01		
	2015					0.05	0.22	0.04		
Georgia	2012	7.59						0.17	2.33	
	2013	11.36						0.24	0.56	
	2014	0.35						0.26	0.26	0.003
	2015	1.07						0.42	0.05	
Moldova	2012			0.03				0.001		
	2013			0.02				0.001		
	2014			0.02						
	2015			0.05						

(continued)

	Years	Armenia	Azerbaijan	Belarus	Georgia	Moldova	Ukraine	Russia	Kazakhstan	Kyrgyzstan
Ukraine	2012	0.03		0.63				0.009	0.001	
	2013	0.08		0.37				0.02	0.001	0.002
	2014	0.03		0.60					0.005	0.001
	2015	0.03		0.22				0.005	0.07	0.01
Russia	2012	0.22	0.16	0.03	0.17	0.001	0.009			
	2013	0.17	0.30	0.004	0.24	0.001	0.02			
	2014	0.17	0.46	0.01	0.26					
	2015	0.24	0.04	0.04	0.42		0.005			
Kazakhstan	2012	0.15	3.93	0.16	2.33	0.001	0.001			
	2013		2.81	0.06	0.56		0.001			
	2014	0.003	1.94		0.26		0.005			
	2015		0.21		0.05		0.07			
Kyrgyzstan	2012									
	2013						0.002			
	2014				0.003		0.001			
	2015		0.001				0.01			

(Note) Index matrix for Eastern partnership and EurAsEC/EAEU country pairs.
Cases where index values are negligible are marked grey; cases when indices are incalculable (the pair is comprised of a country with itself) are marked black.
(Source) Authors' elaboration based on data from the UN Comtrade Database.

http://dx.doi.org/10.11130/jei.2017.32.4.804

Table 6. Economic systems convergence

(Eastern partnership and EurAsEC/EAEU country pairs)

	Years	Armenia	Azerbaijan	Belarus	Georgia	Moldova	Ukraine	Russia	Kazakhstan	Kyrgyzstan
Armenia	2012		3.98	5.13	2.15	3.54	4.13	4.18	3.52	4.19
	2013		3.66	4.32	1.7	3.19	2.99	3.75	3.45	4
	2014		2.42	4.7	1.17	2.37	5.23	3.69	3.37	3.66
	2015		2.15	4.92	2.34	2.23	5.88	3.82	3.35	4.12
Azerbaijan	2012	3.98		4.09	3.19	4.31	4.03	2.61	3.74	6.09
	2013	3.66		4.8	3.21	5.1	5.17	3.2	3.99	5.57
	2014	2.42		4.6	2.94	3.86	6.27	2.82	3.88	5.5
	2015	2.15		4.3	2.07	2.89	5.78	3.03	3.48	4.64
Belarus	2012	5.13	4.09		4.82	5.23	4.79	4.76	5.54	7.16
	2013	4.32	4.8		5	5.16	5.64	4.71	5.64	6.23
	2014	4.7	4.6		5.8	5.74	6.46	4.65	5.21	5.97
	2015	4.92	4.3		3.91	4.7	5.67	4.43	5.08	6.99
Georgia	2012	2.15	3.19	4.82		3.54	3.49	3.49	3.11	5.34
	2013	1.7	3.21	5		3.68	3.25	3.56	3.23	4.46
	2014	1.17	2.94	5.8		1.84	5.29	3.49	2.66	3.9
	2015	2.34	2.07	3.91		2.59	5.63	3.85	2.71	3.68
Moldova	2012	3.54	4.31	5.23	3.54		2.7	4.5	4.5	3.7
	2013	3.19	5.1	5.16	3.68		4.52	4.86	4.54	3.31
	2014	2.37	3.86	5.74	1.84		4.94	3.81	3.32	3.47
	2015	2.23	2.89	4.7	2.59		4.8	3.97	4.17	3.74

(continued)

	Years	Armenia	Azerbaijan	Belarus	Georgia	Moldova	Ukraine	Russia	Kazakhstan	Kyrgyzstan
Ukraine	2012	4.13	4.03	4.79	3.49	2.7		4.67	4.95	5.19
	2013	2.99	5.17	5.64	3.25	4.52		4.89	5.23	6.11
	2014	5.23	6.27	6.46	5.29	4.94		5.56	5.75	6.49
	2015	5.88	5.78	5.67	5.63	4.8		5.09	6.58	6.74
Russia	2012	4.18	2.61	4.76	3.49	4.5	4.67		2.36	6.65
	2013	3.75	3.2	4.71	3.56	4.86	4.89		2.57	6.04
	2014	3.69	2.82	4.65	3.49	3.81	5.56		2.65	5.6
	2015	3.82	3.03	4.43	3.85	3.97	5.09		4.19	6.02
Kazakhstan	2012	3.52	3.74	5.54	3.11	4.5	4.95	2.36		6.09
	2013	3.45	3.99	5.64	3.23	4.54	5.23	2.57		5.57
	2014	3.37	3.88	5.21	2.66	3.32	5.75	2.65		5.5
	2015	3.35	3.48	5.08	2.71	4.17	6.58	4.19		4.64
Kyrgyzstan	2012	4.19	6.09	7.16	5.34	3.7	5.19	6.65	6.09	
	2013	4	5.57	6.23	4.46	3.31	6.11	6.04	5.57	
	2014	3.66	5.5	5.97	3.9	3.47	6.49	5.6	5.5	
	2015	4.12	4.64	6.99	3.68	3.74	6.74	6.02	4.64	

(Note) Cases when indices are incalculable (the pair is comprised of a country with itself) are marked black.

(Source) Authors' elaboration based on data from the World Bank, Eurasian Development Bank, UN Comtrade Database, Interstate Statistical Committee of the CIS, and national statistical authorities.

http://dx.doi.org/10.11130/jei.2017.32.4.804

Finally, let us analyze economic systems convergence for Eastern Partnership and EurAsEC/EAEU country pairs (Table 6). As can be seen, we can also isolate particular clusters of macroeconomic convergence. The economic systems of the Caucasian nations are the closest to each other. This cluster includes the following: Armenia, an EAEU member; Georgia, a country that signed an Association Agreement with the EU; and Azerbaijan, trying to distance itself from both the integration associations. The formation of such a cluster is a vivid example of the specificity of the post-Soviet space, accumulating at the same time the ideas of European and Eurasian integration. Besides that, Russia and Kazakhstan converged economically during 2012~2014. Yet, all the studied countries follow their own economic paths, which testifies to the extreme heterogeneity of the region. As pointed out by Libman (2007), such heterogeneity can become a significant hindrance to the integration due to the rising costs of consensus-making.

Note further that the clusters of market integration do not match those of economic systems integration. Hence, any deterministic relationship between them appears to be unlikely. The process of formation and evolution of the given clusters is influenced by countries' geographical proximities, internal economic policies, institutional environments, and external factors including the global economic downturn, anti-Russian sanctions.

VII. Conclusion

In this paper, Eastern Partnership countries' involvement in Eurasian economic integration is quantitatively assessed for the period 2012~2015.

It is found that the following types of cooperation can be demarcated between Eastern Partnership countries and the EAEU: active (Belarus and Armenia, characterized by a sustainably high level of inner-regional trade), neutral (Azerbaijan, for which the level of regional trade with EAEU countries is low and tends to remain as such), confrontational (Ukraine, which tends to reduce its economic cooperation with the EAEU). The moderately confrontational relationships with the EAEU exhibited by Moldova and Georgia are also noteworthy, for which we expose the slowdown of disintegration processes.

In analyzing the convergence of economic systems between Eastern Partnership and

EurAsEC/EAEU countries, substantial heterogeneities prevail, which may be a non-trivial barrier to further integration. Further, it is asserted that the presence of an extra-regional pole of power, namely the European Union, weakens regional integration.

Integration, or lack thereof in some cases, is heuristically examined at the level of country dyads. Unmatched clusters of integration and economic convergence are established within the region. The process of cluster formation is influenced by geographical proximity, domestic economic policy, institutional environments, and various external factors (oil prices, global macroeconomic dynamics, including economic downturns, political crises, and sanctions). The integration clusters are the points of growth of Eurasian integration due to a growing demand for integration initiatives from business sectors. Above all the process of integration will be maximally efficient only in case of macroeconomic convergence. The mismatch of integration and convergence clusters urges countries to pursue a middle ground between economic benefits and political risks.

The results obtained herein can be used as a basis for future theoretical and empirical research into integration processes in the post-Soviet region, in particular for the determination of integration points of growth and the causes of disintegration trends.

Received 4 July 2017, Revised 20 September 2017, Accepted 30 October 2017

References

Ademmer, Esther, Delcour, Laure, and Wolczuk, Kataryna. "Beyond Geopolitics: An Introduction to the Impact of the EU and Russia in the "Contested Neighbourhood"", *Eurasian Geography and Economics* 57 (2016):1-18

Averre, Derek. "Competing Rationalities: Russia, the EU and the "Shared Neighbourhood"", *Europe-Asia Studies* 61 (2009): 1689-1713.

Bechev, Dimitar. "Understanding the Contest Between the EU and Russia in Their Shared Neighborhood", *Problems of Post-Communism* 62 (2015): 340-349.

Cadier, David. "Eastern Partnership vs Eurasian Union? The EU-Russia Competition in the Shared Neighbourhood and the Ukraine Crisis", *Global Policy* 5 (2014): 76-85.

Casier, Tom. "The EU-Russia Strategic Partnership: Challenging the Normative Argument", *Europe-Asia Studies* 65 (2013): 1377-1395.

Communication from the Commission - European Neighbourhood Policy-Strategy paper SEC(2004):564-570 COM/2004/0373 final (2004), accessed April 20, 2017, http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52004DC0373.

Communication from the Commission to the European Parliament and the Council-Eastern Partnership SEC (2008) : 2974 COM (2008) 823 final, accessed April 20, 2017, http://eeas.europa.eu/eastern/docs/com08_823_en.pdf.

Dastanka, Alena A. "Multilateralism in foreign policy of Belarus: European and Euarasian dimension", *Regional Formation and Development* 15 no.2 (2015): 5-15.

DeBardeleben, Joan. "Russia's Integration Initiatives: Dilemmas for the European Union", *Policy Brief "EU-Russia relations: Developing a transnational perspective*" (2016), accessed June 20, 2017, https://www.kent.ac.uk/brussels/studying/research/projects/jeanmonnetbriefs/JM%20Policy%20brief%202%20Russia's%20integration%20initiatives.pdf.

Delcour, Laura. “Faithful but Constrained? Armenia’s Half-Hearted Support to Russia’s Regional Initiatives in the Post-Soviet Space” *Geopolitics of Eurasian Integration*, edited by D. Cadier. London School of Economics, 2014, accessed May 10, 2017, http://www.lse.ac.uk/IDEAS/publications/reports/pdf/SR019/SR019-Delcour2.pdf.

Delcour, Laure, Kostanyan, Hrant, Vandecasteele, Bruno, and Van Elsuwege, Peter. “The Implications of Eurasian Integration for the EU’s Relations with the Countries in the Post-Soviet Space”, Studia Diplomatica LXVIII-1 (2015): 5-33.

Delcour, Laure, and Wolczuk, Kararyna. “Eurasian Econimic Integration and Implifications for the EU’s policy in the Eastern Neighbourhood”. *Eurasian Economic Integration: Law, Policy, and Politics*, edited by Dragneva, R., Wolczuk, K. Cheltenham: Edward Elgar, 2013, 179-203.

Delcour, Laure. “Between the Eastern Partnership and Eurasian Integration: Explaining Post-Soviet Countries’ Engagement in Competing Region-Building Projects”, *Problems of Post-Communism* 62 no.6 (2015): 316-327.

Duncan, Peter J. S. “Ideology and Interests in Putin’s Construction of Eurasia” *The Eurasian Project and Europe. Regional Discontinuities and Geopolitics*, edited by Lane, David, and Samokhvalov, V. Palgrave Macmillan, UK, 2015, 102-116.

Ghenghea, Mircea. “A Geopolitical Stake: Republic Of Moldova between the European Union And The Eurasian Union”, *CES Working Papers* 6 (2a) (2014): 86-93.

Kuchins, Andrew C., Mankoff, Jeffrey, Backes, Oliver. “Georgia in a Reconnecting Eurasia. Foreign Economic and Security Interests”, CSIS Report. Rowman Littlefield, 2016, accessed May 05, 2017, https://csis-prod.s3.amazonaws.com/s3fs-public/publication/160429_Kuchins_GeorgiaReconnectingEurasia_Web.pdf

Kuzio, Taras. “Ukraine between a Constrained EU and Assertive Russia”, JCMS 55 no.1 (2017): 103-120.

Libman, A. “Regionalization and Regionalism in the Post-Soviet Space: Current Status and Implications for Institutional Development", *Europe-Asia Studies* 59 no.3 (2007): 401-430.

Meshherjakov, K. E., Treshhenkov, E. Ju. *Evrazijskaja Integracija i Rossija* Eurasian integration and Russia, Saint-Petersburg: Skifija-print, 2014.

Nitoiu, Cristian. "Increasingly Geopolitical? The EU's Approach Towards the Post-Soviet Space", *Journal of Regional Security* 11 no.1 (2016): 9-32.

Papava, V. "A Eurasian or a European Future for Post-Soviet Georgia's Economic Development: Which is better?" *Archives of Business Research* 5 no.1 (2017): 159-170.

Rotaru, Vasile. "Russia's "contribution" to the inception of the Eastern partnership", *Studia Politica : Romanian Political Science Review* 14 no.2 (2014): 221-241, accessed April 20, 2017, http://nbn-resolving.de/urn:nbn:de:0168-ssoar-445953.

Rusakovich, A. "Investment Advantages of the Republic of Belarus in Connection with its Participation in the Eurasian Integration", *Baltic Rim Economies. Quarterly Review* 3 (2012): 15-16.

Samokhvalov, V. "Ukraine between Russia and the European Union: Triangle Revisited", *Europe-Asia Studies* 67 no.9 (2015): 1371-1393.

Shanjavskij, A. "*Integracionnyj Povorot Armenii ot ES v Storonu EAES*" Armenia's Integration Turning from the EU to EAEU, XXI VEK 1 no.38 (2016): 43-69.

Tjutjunnikov, A. "*Perspektivy Evrazijskoj Idei v Sovremennoj Moldove*" Prospects of the Eurasian Idea in Modern Moldova, *Izv. Sarat. universiteta. Seriya Sociologija. Politologija* 16 no.3 (2016): 360-362.

Valiyev, A. "Azerbaijan's Elite between Scylla and Charybdis: EU or Customs Union", *PONARS Eurasia*, 2014, accessed May 10, 2017, http://www.ponarseurasia.org/sites/default/files/policy-memos-pdf/Pepm_309_Valiyev_ Feb2014.pdf

Valiyev, A. "Can Azerbaijan Revive the Silk Road?", *PONARS Eurasia*, 2015, accessed May 05, 2017, http://www.ponarseurasia.org/sites/default/files/policy-memos-pdf/Pepm382_Valiyev_Aug2015.pdf.

Van Elsuwege, Peter, Petrov, Roman (eds). *Legislative Approximation and Application of EU Law in the Eastern Neighbourhood of the European Union. Towards a Common Regulatory Space*. London: Routledge, 2014.

Vinokurov, Evgeny. "The System of Indicators of Eurasian Integration", *Eurasian Development Bank*, MPRA Paper No. 22227 (2010), accessed April 10, 2017, https://mpra.ub.uni-muenchen.de/22227/