
EEU AND ARMENIA: WHO NEEDS WHO MORE?

- 04.08.2017

Vestnik Kavkaza, 3 August 2017

Armenia's Ministry of Foreign Affairs approved the economic standards of targeting countries, the list of target countries, criteria for evaluating the performance of economic activity of diplomatic missions of the Republic of Armenia in foreign countries through the governments decision.

The ministry also presented the economic standards of targeting countries: level of bilateral trade and economic relations, presence of the Armenian community, availability of geographical and infrastructural capacities, availability of demand for products or services offered by Armenia, etc.

The structure offered a list of target countries selected on the basis of economic standards: Russia, the US, China, Iran, Georgia, the UAE, France, Germany, Italy, Canada, Lebanon, Belgium, the Netherlands and Luxembourg - 14 countries, out of which only Russia is part of the EEU. Other EEU members - Belarus, Kazakhstan, Kyrgyzstan - are not included.

The director of the EEU Institute, Vladimir Lepekhin, speaking to Vestnik Kavkaza, explained that when Yerevan says 'Russia', it means the EEU as a whole. "It is known that the Russian economy generates 85% of the GDP in the EEU. In general, Russia and Armenia have a different understanding of the EEU. Russia perceives the EEU as the neighboring countries with which the Russian Federation builds economic partnerships. Armenia views the EEU, in the first place, as an interaction with Russia, considering that other countries of the union are located far from Armenia," the expert pointed out.

He also added that the very structure of the organization emphasizes the special role of Russia. "Formally, all the countries of the EEU operate according to the same rules, but in terms of specific market economic relations, the interaction of, for example, Armenia and Kyrgyzstan or Armenia and Belarus is not so promising, because of high transport costs. Belarus, Kyrgyzstan and Armenia, in principle, produce and export the same products to Russia. That is, they are even competitors, if we talk about the actions of these countries on the Russian market," Lepekhin noted.

At the same time, the expert stressed that this does not mean a negative attitude of Armenia to the EEU. Within the framework of the EEU, the Armenian and Russian economies interact as priority partners. "And everything else is a kind of background for increasing the effectiveness of this interaction," the expert concluded.

A similar view was expressed by the Director of the Institute of Strategic Planning and Forecasting, Professor Alexander Gusev. According to him, Armenia does not consider other members of the union as insignificant.

"They could just write the EEA instead of Russia. There are 14 countries in the list, but the EEU includes only 5 countries, including Armenia. So it means nothing. It is clear that Armenia has a fairly large commodity turnover with Armenia, it is much smaller with other countries. Armenia is closely connected with Russia, so they mentioned it. In addition, the list includes the European countries with which Armenia maintains close relations and the trade turnover is quite large between them. But it does not mean that they consider other EEU countries as unimportant for its development," the expert said.

He added that the issue of the most important countries for Armenia is not only economic, but also political.

"Economically, Russia is very important strategic partner for Armenia. If they mean the political component, they would write a number of other countries," the expert believes.

According to him, recently Yerevan has become more skeptical about the European Union, despite the fact that the MFA pointed out several EU members as priority countries for Armenia.

"Reliance on Europe did not justify itself. Yerevan was convinced of this by the example of Moldova or Ukraine. It is clear that neither the economic nor the political striving towards Europe will benefit Armenia. It is more important for them to be part of the EEU than to strive for European integration," the expert continued.

Professor Gusev also added that Armenia's membership in the CSTO is the determining strategic factor in this issue.

Kaynak/Source: