

## **The Political Economy of EEU and the Impact on Socio-economic Transition in Kyrgyzstan**

The growing economic integration of CIS countries carries important momentum for the development of the Central Asian economies. In the wake of expanding integration projects - including the formal launch of the Russian-led Eurasian Economic Union (EEU) - scholars and researchers like Tiulegenov (2015) and Roberts et al. (2014) have undertaken political and economic research into the effects of entry to the Union as well as macroeconomics of Customs Union (CIS EDB 2012, 2013, EBRD 2013). Despite generating much-needed analysis on this developing situation, what remains unexplained is a systematic multi-dimensional analysis that includes social dimension of EEU and national transformation processes. As previous research on Kyrgyzstan - who will fully join the Union in May - shows, the institutional mechanisms that supplant its accession are insufficient and many citizens are unaware of the potential risks and changes in their daily lives (Tiulegenov 2015). They are in urgent need of a comprehensive study on the multi-dimensional impacts of the Union on their livelihoods.

In this light, I propose to undertake research to critically investigate multiple dimensions of integration, drawing from development theories which argue that national development is an outcome of the combination of specific patterns of state intervention including their actions regarding:

- The state choices in utilizing resources to gain strategic advantage on the global scene, for instance, upgrading factor endowments.
- Strategic coordination of investments and businesses to enhance a comparative advantage where none existed before but where world demand is likely to rise.
- Productivist social policy approach for reproduction, protection, distribution production and social inclusion against the rapid changing environment.

(See Amsden 1989; Rodrik 2004; Lin and Chang 2009; Mkandawire 2007 among others)

My research will be longitudinal with a time frame of one and a half years starting March 2015. The period between March 2015 and September 2016 will be an opportunity to compare various emerging aspects in pre- and post- accession and observe impacts felt locally by citizens in their daily lives. The preliminary focus of my research will centre on,

but not be limited to the following:

- A critical analysis of the usage of the Kyrgyzstan-Russia Development Fund (KRDF) and the execution process of *Roadmap* activities.
- Tracing how the free flow of goods and services, and lifting of border constraints on labor, finance and transportation influence activities and strategies of local and regional businesses.
- How state intervention, i.e., social policy, or the lack of it, determines where social costs fall on caused by the economic integration.

In doing so, variables such as changing supranational political settlement, influence from legacies of post-soviet era, the inner imbalance of socio-political forces, as well conditions such as a state's hegemony or lack thereof will be examined to find the main determinant of its socio-economic impacts on the integration processes and what patterns develop that can aid us in informing policy.

Regarding methodology, the research will develop a holistic case study based on qualitative and quantitative analysis. Data will be collected through different resources, including longitudinal survey, observational field notes, interview transcripts and circumstantial documents and reports. Although the holistic case study will aim to capture the dynamic nature of the integration process and the complex character of its socio-economic impact, a comparative case study of the five CIS member states would have been more desirable as it would allow for a more generalized interpretation on the developments of the Union. Therefore, this research will be extended to examine the cases of the other four member states as my stay in Central Asia allows.

For Central Asian studies, this research will fill the existing literature gap of regional integration and its impact on a member state of the EEU. The detailed analysis on the development in Kyrgyzstan resulting from this will extend the limited literature on the country's economic integration and more importantly the interviews and surveys gathered will expand primary source archives which will contribute to develop a path toward a more informed and sustainable development in the region based on empirical evidence.

References

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