

**UKRAINE**

# Euro-integration Stories

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Every other burning issue seems forgotten, as the whole country waits to see whether Ukraine and the EU will sign the Association Agreement. Businesses are anticipating positive news. The FX market has calmed, since officials have promised lots of foreign cash after the signing. And people seem less worried about the increasing wage payment delays, since they will soon "become Europeans."

Yet the results of the Vilnius Eastern Partnership Summit are far from certain. Both sides have invested lots of political capital, and have created great expectations for everyone. Now, though, everything seems to turn on whether ex-prime minister Yulia Tymoshenko will be released from prison. That seemed a side issue at first. But with only a few weeks left to go before the November 28-29 summit, and with many deadlines missed, optimism is dwindling.

We think President Viktor Yanukovitch is angling to wring as many concessions from the EU as he can. Despite his loud words about Ukraine's "Euro-aspirations," he doesn't see what concrete benefits the agreement might provide for him personally, while he sees the cost -- the release of his greatest political enemy -- as quite high>>>