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Centro Einstein di Studi Internazionali
sul Federalismo, la Pace, la Politica del Territorio

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Central Asia in a Changing World

Some Considerations on the Eurasian Economic Union

May 2013

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Introduction

Since the creation of the Eurasian Customs Union between Belarus, Kazakhstan and Russia in 2010, a certain number of scholars tried to analyse this new effort for a regional integration in Central Asia. Notwithstanding the failure of the previous attempts to bring together this region after the disintegration of the Soviet Union, the particular interest towards this specific regional organisation can be explained by the underlying new way of thinking, namely on the part of Russia, its most important stakeholder, which is leading to an effective implementation of the collective agreements in a very short period of time.

Actually, the Russian political class, and in particular the current President Vladimir Putin, who is the real initiator of the whole project, adopted a new *narrative* for supporting it: this consists in a shift from the effort to recreate the Soviet Union on the basis of a realist geopolitical assumption, to the will to constitute a brand-new regional organisation on the basis of an economic cooperation, in order to face the challenges of globalisation. In fact, by analysing the Customs Union (CU) and the Common Economic Space (CES), which should soon develop in a single regional organisation called Eurasian Economic Union (EEU), it can be noticed that this project emulates the one of the European Economic Community, both in scope and institutional framework.

By adopting the framework of the *positioning theory*,¹ we could probably understand why this new conceptualisation of Central Asia as one regional actor becomes more attractive – or less threatening – for the smaller countries in the region. The first element to take into consideration is the *actors involved*: apparently the decision to give birth to the ECU stemmed from the collective will of Belarus, Kazakhstan and Russia. As an evidence, many sources recall a speech by the Kazakh President Nursultan Nazarbayev in 1994, when he advocated in favour of a *Eurasian* unity, thus building on a Kazakh Eurasian nationalism, espoused by Nazarbayev to consolidate his power², while expanding it to a wider regional union. The second element is the *speech-acts*: as already mentioned, Vladimir Putin's rhetoric aims at creating a public image of this regional organisation as a collective project, founded on the need to cooperate for the – mainly economic – benefit of every member state. In this stance, the reference to the European model is clear, as reported by many newspapers after the article written by the then Prime Minister Putin in October, 4 2011, with which he advocated for 'a new integration process for Eurasia'³. The third element, the *discursive context*, is probably the very source of legitimization of this project. In fact, the Central Asian region is positioned between two major international actors, which challenge Russia and the whole region, politically – mainly the European Union – and economically – mainly China. As a consequence, some kind of regional integration seems to become inevitable in order to cope with the other centres of power in the world, in order to act as equal partners.

Therefore, by considering these three elements of the *positioning theory*, we show a picture of the Eurasian Customs Union, and future Eurasian Economic Union, as one of the many collective regional initiatives which proliferate since the end of the Cold War, and which can be collocated in a multipolar international context.

¹ Luk Van Langenhove, *Building Regions*, London, Ashgate, 2011, pp. 66-71.

² Marlène Laruelle, *Russian Eurasianism. An Ideology of Empire*, Washington D.C., Woodrow Wilson Center Press/The Johns Hopkins University Press, 2008, p. 171-187.

³ Charles Clover, Isabel Gorst, Neil Buckley, *Putin calls for new 'Eurasian Union'*, Financial Times, October, 4 2011. URL: <http://www.ft.com/intl/cms/s/0/3901988c-eea2-11e0-9a9a-00144feab49a.html#axzz2Rm5QX4zR>

However, this is not precisely how the ECU has been perceived by the international community, and in particular by the United States. Also the academic community is divided on the evaluation of the reasons for the creation of this new regional actor, and of the real weight that each one of the countries involved actually has. Namely, there is a certain suspicion towards Russia's real intentions, which feeds the conviction that this is only a new way to present another attempt to recreate its sphere of influence in the former Soviet space.

This paper will thus try to analyse the Eurasian regional project, by taking into consideration on the one hand, the underlying reasons for its creation, and on the other hand, its results after the first three years since its establishment. With the help of this analysis, we will maintain that the path on which the ECU is moving does not completely fill in the framework of the mainstream theories on regionalism. In particular we will concentrate on the theory by Luk Van Langenhove,⁴ by questioning three characteristics, which, according to this scholar, should generally be at the basis of a regionalizing process: (1) a certain degree of democratic legitimacy; (2) the support of the regionalizing process by a plurality of actors, primarily the states, but also the civil society organisations (NGOs), and other non-state actors; (3) the acceptance of a multipolar world order, by acting accordingly.

The result of this study will show us a controversial picture of the Eurasian regional integration, where there are still many uncertainties about the objectives, but also about the theoretical positioning of this project. Moreover, the incomplete status of this organisation, notwithstanding the steady pace of its implementation, leads us to adopt a partial conclusion, and encourages us to further follow its developments in the coming years.

⁴ Luk Van Langenhove, *Building Regions, op. cit.*

The Eurasian integration process and institutional framework

The Eurasian Customs Union has been preceded by a certain number of previous Russian attempts to (re)unify what once was the Soviet Union. The first regional organization to be created was the Commonwealth of Independent States (CIS), which still exists, but without an effective functioning. Its scope is of a political nature: the aim has been to keep together the countries of the Soviet space in the aftermath of the Cold War. Later on, in 1995, the new integration project was instead of an economic nature: an agreement was signed by Russia, Belarus, and Kazakhstan, later joined by Kyrgyzstan and Tajikistan, on the creation of a customs union. This latter, however, was not more successful than the previous project, probably for the lack of common institutions: in fact the provisions of the agreement were never implemented at the national level. As a consequence, a new impulse to an economic integration in the region came with the creation of the Eurasian Economic Community (EurAsEC) in 2000: the member states are Belarus, Kazakhstan, Kyrgyzstan, Russia and Tajikistan, with Armenia, Moldova and Ukraine as observers. This time a real supranational institutional framework was created, with a Court for the settlement of disputes between the member states.

Since that first step on the path for the creation of a real regional organisation, with its own supranational institutions, between 2003 and 2009 a new set of agreements matured among the member states of EurAsEC. On October, 6 2007 Belarus, Kazakhstan and Russia agreed on the creation of a new **Customs Union**, and in 2009 they signed a new treaty for the introduction of a Common External Tariff (CET) in place from January, 1st 2010. The harmonisation of the external tariff of the three countries was then completed by the suppression of the internal frontiers between them. The Customs Code entered into force on July, 1st 2010.

As the aim of this Customs Union is the free movement of goods, capitals and labour, and a certain harmonization of national economic policies, a further step was required: on January, 1st 2012 the second phase started, with the entry into force of the treaty on the **Common Economic Space** (CES), between the same member states of the Customs Union. This new agreement provides for the establishment of some new supranational institutions, with own competences and a power of control over the member states for the implementation of the international treaties agreed in the framework of the CU and the CES. Moreover, the Eurasian project foresees a third step for the completion of this regional organisation: both the Customs Union and the Common Economic Space should eventually become part of the **Eurasian Economic Union** (EEU), which should be in force in 2015. The membership to this new regional framework has been open from the beginning to all of the countries of the former Soviet Union; however, now the treaties foresee the possibility to enter the union only for those countries which share a border with a member state.

The CU and the CES of the Eurasian Economic Union have three main supranational institutions.

The *Supreme Eurasian Economic Council*, composed by the Heads of State, is in charge of the further development and enlargement of the organisation.

The *Eurasian Economic Commission* is a regulatory institution, composed by two bodies. The first one is the *Council of the Commission*, the executive body composed by three members, one for each member state (with one vote each), which generally takes decisions with the majority vote. This is

relevant, as it makes possible for the two junior partners to outvote Russia. The other body is the *Board of the Commission*, composed by eight members plus the chairperson: it is in charge of organising its own internal activity and of coordinating the Departments.

The main competence of the Eurasian Economic Commission is its **supervisory role**, in order to guarantee the implementation of the treaties' provisions by the member states: in case of violation, the Commission can submit the case to the EurAsEC Court, but only after having verified the unwillingness of the member state to comply with the supranational norms, and after having notified this to the Supreme Council. Furthermore, the Commission can also **design its own budget**, but not the one of the whole organisation. Moreover, it can **submit its proposals** for economic integration to the Supreme Council, and **adopt regulations** for the Customs Union. Finally, it can **appoint its Missions** in the member countries, in third countries, and at the international organisations. However the proposal to create a new Mission must be submitted to the Supreme Council, which should then approve it. Exceptionally, the Supreme Council can devolve to the Commission the right to ratify an international treaty when it falls within its competences.⁵

The work of the Commission is managed by its internal *Departments*, and coordinated with the national authorities of the member states through its *Consulting bodies*.

The third supranational institution is the *EurAsEC Court*, which began to function on January, 1st 2012 (before that date the CIS Court was in charge also for EurAsEC). The Court has the power to settle down disputes between the member states, and between the member states and the Commission. It can in some cases accept the complaints by individuals, but only when they stand for a juridical person or a natural person in charge of a business activity. As reported by a CEPS special report, there have already been some important judgments by the Court, namely the 'Yuzhny Kuzbass-case', which led the Court to reaffirm the primacy of the CU/CES treaties over the national law and over the Commission's regulations.⁶

To conclude, the presentation of the origins of the new Eurasian organisations and supranational institutions clearly shows the attempt to emulate the European Union, both from the point of view of the institutions, which are designed with characteristics very similar to the EU, and on the scope. In fact, if we go back to the Treaty of Rome, which gave birth to the European Economic Community, we find many similarities with the Eurasian Economic Union. However, the most relevant aspect of this presentation is that this new Eurasian regional framework for the first time creates the conditions for the settlement of a solid basis for the possible future development of an integrated regional organisation. In the next sessions, then, we will try to analyse the other, more controversial, aspects of this Eurasian regionalism.

⁵ This paragraph is mainly based on: Steven Blockmans, Hrant Kostanyan, Ievgen Vorobiov, *Towards a Eurasian Economic Union. The challenge of integration and unity*, CEPS Special Report No.75, December 2012, pp. 13-15.

⁶ *Ibid.*, pp. 17-18.

The outcomes of the Eurasian economic integration

The Eurasian regionalizing process has been conceived first and foremost as an economic project, at least if we stick to the political discourses. Therefore, if we resort to the three *varieties* of regional integration, or ‘regionification’, designed by Van Langenhove⁷, we should place the Eurasian Customs Union and Common Economic Space in the first category, the ‘integration by removing the economic obstacles’.⁸ This is what has been done until now: the first step has been the introduction of a Common External Tariff (CET) for the three member states of the CU, and on a second stage the internal trade barriers were removed. However some provisional exceptions have been maintained, in particular for the Kazakh market, but they should be removed before 2015.

Moreover, one of the first claims of the newborn CU has been the request to apply for the membership of the World Trade Organisation (WTO) as a single entity, instead of three individual countries. Eventually, this was not accepted, mainly because Belarus clearly failed to meet the criteria, while Russia and Kazakhstan were already on the path for the membership. Actually, in August 2012 Russia was finally accepted as a WTO member, and this posed the problem of the compliance of the CU’s CET with the rules of the WTO. However, as this had already been foreseen, the Treaty on the Functioning of the Customs Union ensures that the WTO agreement would be introduced in the legal framework of the CU when one or more CU member states become also members of the WTO.

We could therefore conclude that the Eurasian project is clearly of an economic nature. Nonetheless some empirical data lead us to reconsider the economic benefits that the creation of this free trade area can bring to its members.

The most relevant element to consider is the unbalance between the three countries which compose the CU. Russia, with around 143 million inhabitants⁹, accounts for over 84% of the total population and for 85% of the total area¹⁰ of the Customs Union. Its GDP in 2011 was around USD 1.8 trillion, whereas Belarus’ GDP was around USD 55.1 billion and Kazakhstan’s GDP was around USD 188 billion.¹¹ Moreover, as reported by the European Bank for Reconstruction and Development, «Belarus and Kazakhstan account for under 7 per cent of Russia’s export and import trade, although Belarus, as a net energy importer, sources over half of its total imports from Kazakhstan and Russia.»¹² Moreover, CEPS special report shows that before the establishment of the CU the trade flows between Belarus and Kazakhstan were very weak or non-existent.¹³

These data show that there was not a real common ground on which to build an economic community, due to the imbalances in size and trade flows between the members of the CU. Furthermore, the most important similarity between the Russian and the Kazakh markets, i.e. the

⁷ Luk Van Langenhove, *Building Regions, op. cit.*, pp. 97-126.

⁸ Van Langenhove identifies three *varieties* of regional integration: (1) the integration by removing economic obstacles; (2) the integration by building institutions and regulations; (3) the integration by building a geopolitical identity. These three categories are not necessarily consequential, thus the description of a region by one or the other definition depends on the scope of the regionalizing process itself.

⁹ Data source: World Bank (2011).

¹⁰ S. Blockmans, H. Kostanyan, I. Vorobiov, *Towards a Eurasian Economic Union. The challenge of integration and unity, loc. cit.*, pp. 4-5.

¹¹ Data source: World Bank (2011).

¹² EBRD, «Regional Trade Integration and Eurasian Economic Union», in *Integration across borders*, Transition report 2012, pp. 62-79.

¹³ S. Blockmans, H. Kostanyan, I. Vorobiov, *Towards a Eurasian Economic Union. The challenge of integration and unity, loc. cit.*, pp. 8.

export of energy resources (oil and gas), has been downplayed, because this is one of the exceptions to the internal liberalisation.

As a consequence of these imbalances, we can present the case of the effects that the introduction of the CET has had on Kazakhstan. Actually, the Russian and Belarusian markets were fairly integrated even before the establishment of the CU, mainly because of the Russian subsidies to the economy of Belarus: Russia accounts for 75% of foreign direct investments (FDI) into Belarus. Also the external tariffs of these two countries were very similar. However, this was not the case for Kazakhstan: still today, Belarus and Russia account for less than 5% of FDI into Kazakhstan.¹⁴ Moreover, the external tariffs in this country were generally lower than the ones in Russia and Belarus before the establishment of the CU. Different studies show that the introduction of the CET has had a limited impact on Belarus and Russia, while having a negative impact on Kazakhstan, mainly as an effect of trade diversion. In fact, around 50% of the tariff lines of this latter changed, predominantly increasing: the outcome has been an import reduction first from China, but also from the EU, whereas the import from the two CU partners increased.¹⁵ This could be seen as a positive fact from the point of view of a more integrated internal market, but it could also have led Kazakhstan to importing lower quality goods, while paying the same price as before, because the redirection of the import preferences was caused by the external tariffs rather than by a better quality of the goods supplied by the CU partners.

The EBRD 2012 study thus maintains that the major winner of this regional integration, from an economic point of view, has been Russia. On the other hand, as it was also underlined by Carneiro¹⁶, the positive effects both on Russia and on Belarus seem to have been short term effects, probably driven more by a general recovery from the 2009 economic downturn – due to the global economic crisis – than to the establishment of the CU and the CES. Nevertheless, both studies foresee the possibility of positive future developments if the non-tariff barriers (NTBs) to trade are completely removed, both with the enhancement of the infrastructures and with the harmonization of domestic regulations.

However, the sensitive fact that we should acknowledge after this short presentation of the CU's tangible outcomes is that from an economic point of view this project of regional integration does not lie on solid grounds, and that until now it has not had very positive results for Belarus and Russia, and certainly some negative results for Kazakhstan.

This can have two possible explanations. Either it questions the assumption that this regionalizing process has been a collectively agreed project – which implies that it should be in the interest of *every* country involved –, and thus it supports the claim that it is a Russia-driven project. Or the main scope of this regional project does not lie on economic grounds, rather on political or geopolitical reasons. If this is the case, the same notion of *interest* acquires a different meaning, and this leads us to analyse which could be the underlying political reasons for the creation of the Eurasian Economic Union.

¹⁴ EBRD, «Regional Trade Integration and Eurasian Economic Union», *loc. cit.*

¹⁵ *Ibidem.*

¹⁶ Francisco G. Carneiro, *What Promises Does the Eurasian Customs Union Hold for the Future*, Economic Premise No. 108, World Bank, February 2013.

The reasons for the Eurasian regionalizing process

The reasons behind the creation of the Eurasian Customs Union, and subsequent steps, are a source of widespread concern among the – mainly Western – observers. The first cause of this concern is the person who has been promoting this regionalizing initiative and who gave a strong impulse in the early 2000s for the achievement of a first step in that direction: Vladimir Putin, the current President of the Russian Federation. The Eurasian Economic Union has been seen by many observers as his own project aimed at giving back to Russia its old splendour.

Actually, the Russian President gives reasons to analyse more closely his *speech-acts*. In the last ten years or so the Russian élite has come back to an old word, which is the witness of an ideological legacy: *Eurasianism*. Marlène Laruelle writes that «the terms ‘Eurasianism’ and ‘Eurasia’ have once again come to the fore on the post-Soviet political and intellectual scene since 1991. This Eurasianist terminology suggests that Russia and its ‘margins’ occupy a dual or median position between Europe and Asia (...) It rejects the view that Russia is on the periphery of Europe, and on the contrary it interprets the country’s geographic location as grounds for choosing a messianic ‘third way’». ¹⁷ The author explains that even though in the aftermath of the Cold War this concept was spreading only across the intellectual circles in Russia, at the beginning of the 2000s it has been increasingly used by the media and at the level of the political élite. The modern phenomenon is thus called ‘*Neo-Eurasianism*’: according to Laruelle it has nothing to do with the old concept, rather it has been used by the Heads of state in Central Asia as an ideological tool to support their regime. Therefore there is not one single Eurasianism, there are many: the Turkish, the Kazakh, the Russian, and so on. In Russia, in particular, it has been used on a regular basis by Putin, and it has been identified as the brand of Russian foreign policy. However, Laruelle explains that:

«Whereas Eurasianism does not account directly for Russian foreign policy or the new patriotism, it is not a marginal phenomenon in any sense. Far from it. It is contributing to the diffusion of a strictly ethnic and culturalist justification for the feeling of failure prevalent in Russian society as a response to the upheaval of the 1990s; it offers a simplistic reading of the conflicts of the post-bipolar world and of Russia’s place on the international scene; and it elaborates a pseudo-scientific jargon that allows it to circumvent the political and social breaks of the twentieth-century Soviet history and to justify authoritarianism through culture.» ¹⁸

What is more, the terms Eurasia and Eurasianism have come to be used currently in the language of the international relations, both by scholars and by state authorities. Recently, they have also been combined with another old concept, abandoned after World War II: the idea that Eurasia is a ‘pivot area’, fundamental for the international geopolitical balance, which has become famous thanks to Arthur Mackinder’s Heartland theory. ¹⁹

Also the Kazakh President Nazarbayev adopted the concept of Eurasianism as a national ideology to support his authoritarian regime: as a matter of fact, it was him who in the mid-1990s advocated for a Eurasian unity, even though the Kazakh position towards Russia has been swinging in the past years between, on the one hand, a certain diffidence and a will to keep the country independent from the Russian imperialist grip, and, on the other hand, the Eurasian aspirations.

¹⁷ Marlène Laruelle, *Russian Eurasianism. An Ideology of Empire*, *op. cit.*, p. 1.

¹⁸ *Ibid.*, p. 10.

¹⁹ On this topic, to read for example: Jean Géronimo, *La pensée stratégique russe*, Alfortville (France), Sigest, 2012; Georgiy Voloshin, *Russia’s Eurasian Union: A Bid for Hegemony*, Geopoliticalmonitor.com, September, 24 2012. URL: <http://www.geopoliticalmonitor.com/russias-eurasian-union-a-bid-for-hegemony-4730/>

As a consequence of both the Russian Soviet past and of this cultural and ideological background, the representatives of the United States of America have never considered the Eurasian regional integration solely as an economic project. In one of her last public speeches, the former Secretary of State, Hillary Clinton, lamented the increase of human rights violations in Russia and in the rest of the former Soviet Union countries, and she combined this phenomenon with the risk of ‘re-Sovietization’ of Europe. In fact, she was reported saying: «It's not going to be called that. It's going to be called customs union, it will be called Eurasian Union and all of that. But let's make no mistake about it. We know what the goal is and we are trying to figure out effective ways to slow down or prevent it.»²⁰

As far as Europe is concerned, the attitude towards the Eurasian project has certainly not been the most favourable one, but the EU did not stand on such a strong position either. Some commentators observed that Russia probably decided to act promptly in 2009 in order to take advantage of the temporarily weak presence of the European Union in the ‘shared neighbourhood’²¹, as a consequence of the European economic crisis.²² On the other hand, the timing of the CU agreement could suggest that this new impulse to the Eurasian integration process has been a response to the creation of a new EU pattern for cooperation with that ‘shared neighbourhood’ that Russia perceives as strategically important. In fact, in 2009 the EU launched the Eastern Partnership (EaP)²³ programme, in the framework of the European Neighbourhood Policy (ENP). As an evidence, Ria Novosti reported Russia’s Minister of Foreign Affairs, Sergueï Lavrov, saying that «The Eastern Partnership could harm our integration projects with the countries adhering to this programme, in the framework of the CIS, of EurAsEC and of the Customs Union».²⁴ Commenting on the Russian reaction towards the EaP, Dragneva and Wolczuk highlight that «it was the first time that Russian leadership had objected so vehemently to an EU initiative within the post-Soviet space».²⁵ For this reason, it has also been said that this new and more institutionalized attempt of Eurasian integration, together with the new Russian approach towards its neighbour countries, could be interpreted as a way to contrast the normative power of the EU with the same tools: by creating a new normative structure, led by Russia itself. According to Dragneva and Wolczuk «the ECU is the vehicle through which Russia increasingly engages in ‘normative rivalry’ with the EU».²⁶

This assumption is supported by different observers, above all in the case of Ukraine. Apparently, this country has become the centre of the interest for both the EU and the CU/CES. In fact, if on the one hand, Ukraine is undergoing a process of gradual rapprochement with the EU, which should culminate in the signature of a DCFTA (deep and comprehensive free trade agreement), on the other hand, Russia is trying to persuade Ukraine to become part of the EEU, on the basis of an economic cost-benefit approach, or otherwise by envisaging possible sanctions.²⁷ In this stance, someone even claims that the EEU «has nothing to do with Eurasia and has everything to do with a

²⁰ Bradley Klapper, *Clinton fears efforts to ‘re-Sovietize’ in Europe*, Associated Press, December, 6 2012.

URL: <http://www.huffingtonpost.com/huff-wires/20121206/eu-clinton-europe/>

²¹ Rilka Dragneva, Kataryna Wolczuk, *Russia, the Eurasian Customs Union and the EU: Cooperation, Stagnation or Rivalry*, Briefing paper, Chatham House, August 2012, p. 9-13.

²² On this topic, to read: Fyodor Lukyanov, *What does the Eurasian Union mean?*, The Telegraph, September, 17 2012.

URL: <http://www.telegraph.co.uk/sponsored/russianow/opinion/9548428/eurasian-union-explanation.html>

²³ The countries involved in the EaP are: Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine.

²⁴ «Le Partenariat oriental pourrait porter atteinte aux intérêts de Moscou (Lavrov)», Ria Novosti, May, 5 2010.

URL : <http://fr.rian.ru/world/20100513/186682139.html>

²⁵ R. Dragneva, K. Wolczuk, *Russia, the Eurasian Customs Union and the EU: Cooperation, Stagnation or Rivalry*, loc. cit., pp. 9.

²⁶ Ibidem.

²⁷ Ibid., p. 9-13.

single country, which, incidentally, is situated in Europe of all places: Ukraine. Its key task is to draw Kiev into the integration project.»²⁸

In any case, it is clear that Ukraine cannot be a member of both organisations, and the same goes for the other EaP countries. Therefore, if we consider this together with the US approach towards the Eurasian project, the sensible fact to retain is that a new confrontation has been developing in this region, which has more in common with the logic of the Cold War, than it has with a cooperative multipolar international context. Jean Geronimo calls this new Eurasian context a ‘lukewarm war’, characterised by a confrontational approach, which according to him is based on the Russian need for a ‘central enemy’.²⁹ This kind of claims could be supported by the analysis that many international observers made of the 2008 war in Georgia, which has been perceived as a Russian strategy to recover its control over the region, by putting in practice the logic of the ‘*divide et impera*’, not with the aim of controlling directly that country, but rather of standing as the most important actor in the region.³⁰

To conclude, in this chapter we tried to present some political interpretations of the Eurasian project, in order to better understand in which framework this regionalizing process has taken place. This allows us to have an holistic view on the possible interests at stake, which perhaps go beyond the exclusively economic motivation and the cost-benefit analysis. As a consequence, whereas the institutional structure leads the external observers to identify the Eurasian Customs Union and Common Economic Space as a regional integration based on economic grounds, after the analysis of the economic benefits deriving from the CU/CES and of the geopolitical implications that this project has for Russia, that definition should perhaps be reconsidered. The creation of a Eurasian Economic Union could perhaps be better described as an ‘integration by building a geopolitical identity’.³¹

²⁸ Fyodor Lukyanov, *What does the Eurasian Union mean?*, *loc. cit.*

²⁹ Jean Geronimo, *La pensée stratégique russe*, *op.cit.*, p. 109.

³⁰ Laurent Vinatier, «La Russie et le paradigme postimpérial», in Gaïdz Minassian (ed.), *Eurasie, au cœur de la sécurité mondiale*, Paris, Autrement, 2011, pp. 40-46.

³¹ Luk Van Langenhove, *Building Regions*, *op. cit.*

The regionalizing process and multilateralism: a conclusion

With this short *excursus* through the main aspects of the Eurasian integration project, we tried to present first the historical and institutional regionalizing **process** in Central Asia, then to show the first tangible **results** of this process, and finally to explain the **reasons** behind the decision to undertake this process. Throughout the essay, some characteristics which are specific to this region have been underlined, and we will start from there in order to tackle our last issue: if the Eurasian project is comparable to other kinds of regional integration, on the basis of some essential features that we extrapolated from the theory by Van Langenhove. They are: (1) a certain degree of democratic legitimacy; (2) the support of the regionalizing process by a plurality of actors, primarily the states, but also the civil society organisations (NGOs), and other non-state actors; (3) the acceptance of a multipolar world order, by acting accordingly.

The first point to be tackled will be the democratic legitimacy of this new regional actor. Starting from the internal regimes of the three states involved in the Eurasian project, it can be immediately underlined that at least two of those states are led by authoritarian regimes. Belarus President, Alexander Lukashenko, is in office since 1994, and he has often been considered as Europe's last dictator: the Belarusian regime has become sadly famous for the violence perpetrated on many opposition activists during his last re-election, in 2010. Nursultan Nazarbayev, in office since 1990, has been the first and only President of Kazakhstan; also in this country many cases of human rights violations have been reported. Finally, the Russian Federation is the third state involved: Vladimir Putin, the current President, has been in office from 2000 to 2008 and in 2012 he was re-elected. In the meanwhile, he held the office of Prime Minister: before his latest electoral campaign, he made public the agreement with the former President Dimitri Medvedev for holding the Presidency in alternation. Moreover, a lack of freedom of the press and several human rights violations have been denounced also in this country. Furthermore, it should be noticed that the three Presidents represent the old generation, whose career developed under the Soviet regime.

This was only a very brief account of the domestic regimes of the three member states of the CU/CES, but it makes clear that, as there is a lack of democratic accountability at the domestic level, the same goes for the supranational level. In fact, there is no parliamentary assembly among the Eurasian supranational institutions, and there has not been any consultation of the citizens before the start of the integration process. Moreover, the *Consulting bodies* of the CU/CES have not the role of liaising between the supranational institutions and the citizens (trade unions, business sector, NGOs, etc.), as it was the case, for instance, in the EEC: they are composed by national experts and ensure the participation of the member states to the supranational decision making process.³² This shows plainly enough that the first characteristic does not apply to the Eurasian integration project.

The democratic question is directly linked to the supranational regions' second feature: the participation and support of multiple actors. Van Langenhove identifies this characteristic as typical of the 'multilateralism 2.0', and writes as follows: «States, international and regional organizations and non-governmental actors are the building blocks of the multilateral system. In other words, states are no longer the 'star players' but only one type of players amongst others».³³ However, as it has been argued above, the institutional structure of the Eurasian CU and CES does not provide for

³² S. Blockmans, H. Kostanyan, I. Vorobiov, *Towards a Eurasian Economic Union. The challenge of integration and unity*, *loc. cit.*, p. 20.

³³ Luk Van Langenhove, *Building Regions*, *op. cit.*, p. 136.

a framework in which non-state actors could have a voice. Apart from the absence of a parliamentary assembly, and from the role of the consulting bodies, we should also highlight that the member states hold the strongest role at the supranational level: the Commission has a very limited role – even when compared with the Commission of the EEC –, while the most part of the power lies in the Supreme Council. As argued by the authors of the CEPS special report, «Eurasian integration is mainly based on and guided by the intergovernmental mode of governance».³⁴

In a recent interview, a professor from the University of Almaty (Kazakhstan), explains that the process which led to the creation of the CU has been extremely rapid, and that this has made impossible any room for discussion. She claimed that «the public discussion was very short (...) By comparison, WTO accession was much more seriously prepared. Businesses were consulted since the early '90s: what to do, how we're going to do it. So they were engaged in the process. (...) With the customs union there was no process like that. Everything was done in a rush.»³⁵ Therefore, the Eurasian integration does not fill in the second feature either.

Finally, the third feature is the acceptance of multilateralism as the model characterizing the International Relations. Also in this case, we can link this point to the previous one, in particular when we mentioned the 'multilateralism 2.0'. Van Langenhove seems to argue that the new regional integration projects are entrenched in an understanding of the International Relations which has overcome the unipolar and hegemonic age of what has been called the 'Pax Americana', by favouring a system of multilateral relations, in an 'open'³⁶ multipolar international community: this is what he calls 'multilateralism 2.0'. However, after our analysis of the Russian approach towards 'the West' and towards its 'near abroad', we can come to two conclusions.

First of all, it seems that the will of the Russian élites to regain a predominant role in the former Soviet area, possibly also by means of coercion, would be better placed in the logic of confrontation typical of the Cold War. This is the reason why it has been used the expression 'lukewarm war'. The evidence that has been previously presented is mainly based on the Russian approach towards those countries which are undergoing a process of Europeanization as a consequence of their partnership with the European Union. In this sense, according to some observers also the fact that in December 2012 the Russian President Putin foresaw to stop the practice of travelling across the Russian borders without a passport for the citizens of the CIS countries, unless their country becomes also a member of the CU/CES, is a kind of coercive way to motivate its neighbours to join the Eurasian project.³⁷ Moreover, a certain part of the US political and academic rhetoric fosters the idea that there is still a special confrontation going on between the US and Russia: the speech by Hillary Clinton that has previously been recalled is an evidence of this behaviour.

A second conclusion that can be drawn regards the Russian approach while acting according to a multilateral perspective. Even in this case, it seems that the logic of confrontation prevails, even though there is no more one single adversary to challenge, but multiple centres of power which could potentially be a threat (China, Turkey, the EU, the US, etc). If this is true, the willingness to create a Eurasian centre of power in order to challenge the other regional or national powers in the

³⁴ S. Blockmans, H. Kostanyan, I. Vorobiov, *Towards a Eurasian Economic Union. The challenge of integration and unity*, *loc. cit.*, p. 19.

³⁵ Joanna Lillis, Dean C.K. Cox, «Was the Eurasian Economic Union a Good Deal for Kazakhstan», Interview 180 to Dr. Nargis Kassenova, Professor of International Relations and Regional Studies at KIMEP University in Almaty (Kazakhstan), Eurasianet.org, March, 14 2013. URL: <http://www.eurasianet.org/node/66694>

³⁶ Luk Van Langenhove, *Building Regions*, *op. cit.*, p. 128.

³⁷ David Trilling, «Putin to Central Asia: Join Customs Union, Nudge Nudge, Wink Wink», Eurasianet.org, December, 12 2012. URL: <http://www.eurasianet.org/node/66290>

world should rather be described as a re-establishment of the old balance of power, such as it has been in place on the European continent until the twentieth century. This interpretation of world regionalism would lead to a new and more dangerous security dilemma, as the ‘poles’ of power in a multipolar world would be challenging each other. In this sense, regionalism would not be a project for supranational cooperation anymore: it would be more about war than about peace. This threat entrenched in the multipolar logic has been also foreseen by an American scholar, Charles Kupchan, who warned against the re-establishment of multipolarism, without taking care of the settlement of an institutionalised world order, which would ensure that multipolarism will be at the service of peace, and not of war.³⁸

To conclude, this study demonstrates that probably it is necessary to wait some more years in order to get a complete and substantial assessment about the Eurasian regional project. It is difficult to say now if the Eurasian Economic Union will be completed, if it will widen and/or deepen, and which role its most important member, Russia, will have in shaping the organisation. For the time being, the Customs Union and the Common Economic Space are certainly more effective than the previous regional projects, and they seem to be based on a new narrative, different from the post-Soviet and neo-imperial one. Nevertheless we also highlighted a sometimes aggressive behaviour on the part of Russia, towards both its neighbourhood and other international actors. Possibly, the existence of a Eurasian ‘regionhood’ will be determined by the recognition of the Eurasian Economic Union as an equal partner by the European Union, something that Russia has already asked for. All this, though, requires time.

³⁸ Charles A. Kupchan, *The End of the American Era: U.S. Foreign Policy and the Geopolitics of the Twenty-first Century*, New York, Knopf, 2002.

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