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The Eurasian Union: Future of Integration or Failure in the Making

Maria Gershuni

Sponsored by Robert Goeckel

ABSTRACT

The idea of the Eurasian Economic Union, or the EEU, was first brought up by Kazakhstan's President Nursultan Nazarbaev in 1994. By 2015, the Russian Federation, Belarus, and Kazakhstan signed the Treaty for the Establishment of the EEU, making the idea a reality. The EEU currently occupies nearly 15% of the earth's land, and is the 12th largest economy in the world. However, very little is known about this integration project. Criticized as Russian President Vladimir Putin's pet project, and a hollow imitator of the European Union, the EEU now faces challenges of imbalance, inequity, and further integration. However, the economic bloc is poised to expand, with talks of incorporating Iran and Turkey into the Union. With the European Union weakened by this summer's Brexit, the question remains whether the EEU will take the opportunity to expand into new spaces or whether integration projects all around the world are stalled in the anti-integration political environment. Looking at the history, politics, and possibilities for the EEU, this analysis will examine the nuances of this largely unstudied organization and predict its future.

INTRODUCTION

Very little is known in the West about the Eurasian Economic Union (EEU or Eurasian Union), a single market between Armenia, Belarus, Kazakhstan, Kyrgyzstan, and the Russian Federation. However, many in Central Asia and Eastern Europe consider it to be the next stage in Eurasian development and cooperation. The lack of knowledge regarding the Eurasian Economic Union by American writers and scholars comes in part from the rapid and recent creation and evolution of the Union, and in part from the dearth of American geographical understanding. One of the more concerning issues regarding this paper was the lack of geographic knowledge of the EEU member states. This is particularly concerning since the regions of Central Asia and Eastern Europe lay directly in the interests of rising powers such as China and the Russian Federation. The Eurasian Economic Union is an example of the growing importance of the Eurasian region as it tries to assert itself in the international political order.

In 2011, when Russian President Vladimir Putin announced his plans to create a large scale integra-

tion project starting in the countries that previously made up the Soviet space, he called it "a future being born today" (2011). Embedded into the project was the hope that the EEU would become one of the poles of a multipolar world, a partner and a balancer to the European Union (EU) and the United States (Putin, 2011). Though the EEU and the EU are normative competitors, the idea behind the EEU and the inspiration for its institutions came from the EU. Like the EU, the EEU evolved from a free trade area in which duties and tariffs between nations within the area were eliminated. It then became a customs union, setting a common external tariff on imports from other nations. At the moment, both the EU and EEU are working on eliminating all non-tariff barriers between nations within the union, such as burdensome regulations and quotas. In his speech announcing the intention to create the EEU, Putin even praised the EU for their integration model, and specifically praised the Schengen Agreement: accords that allowed citizens of EU nations free movement between the borders of participant states (Putin, 2011). He explicitly stated the desire to recreate Schengen to some extent within the participating countries of



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the Eurasian Union, to allow for better movement of labor and capital between the nations.

However, in the summer of 2016, the integration projects seemed to face an irreparable blow when, in an unprecedented move, the United Kingdom voted to leave the EU. This led many to question the viability of long term integration projects and their attractiveness to member states. Since the Eurasian Economic Union was explicitly based on the model of the EU and often defines itself in relation to the EU, questions about the future of the EEU rose as well. Does Brexit spell bad news for the EEU, uncovering flaws with regional integration as a whole? Or was Brexit beneficial to the development of the EEU, exposing the flaws in a competitor's model and making the still unaligned nations of Eastern Europe more hesitant to pursue European Union membership, as some writers claim (Walker, 2016)? Furthermore, since much of the rhetoric of the "Brexit" vote was centered around a fear of migrants and refugees taking advantage of the free movement clause of the EU, will fear of backlash also prevent better implementation of free movement in the Eurasian Union?

The long term viability of the Eurasian Union, however, is unrelated to events going on in Britain. Though modeled on the European Union, various normative dimensions of the EEU are entirely different from the EU and, occasionally, go against the core foundation of the EU. Not only is the idea of a referendum on membership foreign to the centralized, authoritarian leaning leadership of most EEU member states, but technical implementation of EEU policies has not been sufficiently executed enough to produce a backlash. Long term viability of the EEU depends on the ability of its institutions to uphold their responsibilities under EEU treaties and the commitment of the leaders to pursue successful integration, not only in name, but in function.

The Eurasian Economic Union "stands a good chance of becoming an inalienable part of the new global architecture that is being created" (53), but needs to overcome significant hurdles stemming from its rapid integration and focus on solidifying cultural boundaries of "Eurasianism," versus creating longstanding norms and institutions (Podberezkin & Podberezkina, 2014). Using the lessons learned from EU integration, we examine the challenges faced

the Eurasian Economic Union and understand the changes that need to be implemented for the project to work. The unique aspects of EEU normative framework allow it to be an attractive option for countries wishing to engage in regional integration. But in order for the project to be sustainable, further deepening of integration must be paced more carefully, and the member states' leaders must be committed in projecting a unified, functional agenda for the future of the Eurasian Union.

EVOLUTION OF THE EEU

The idea for a concrete Eurasian Union was born even before 1994, the year when the President of Kazakhstan, Nursultan Nazarbayev, suggested creating a trade bloc and alliance structure he called "The Eurasian Union" (Yesdauletova, & Yesdauletov, 2012). The historical roots for creating the union stretch back to the Russian Empire, which existed from 1721 to 1917. Currently, all members of the EEU were once a part of the Empire or its protectorates, meaning they were economically subjected to the rulings of the central government in Moscow and in St. Petersburg. Some of the infrastructure that core EEU industries depend on was created during the days of the Russian Empire, such as the rail lines stretching across Central Asia (Cheng-Hin Lim, 2017). These rail lines provided the linkages among which the economies of the peripheral areas of the Russian Empire were connected to the center and along which the modern freight industry is being organized (Cheng-Hin Lin, 2017). The rising of the USSR, from the still-smoldering ashes of the Russian Empire, provided for the formation of the "Socialist Republics" within the USSR. These states, including Belarus, Armenia, Kazakhstan, and Kyrgyzstan were also subordinate to the central government in Moscow within the Russian Socialist Soviet Republic (Shkaratam, 2015). The economies of the socialist republics were integrated under a Communist system, but the partnerships were unequal and exploitative, and therefore, unattractive to attempt and recreate in a voluntary economic union (Shkaratam, 2015).

Almost immediately after the collapse of the USSR, attempts were made to facilitate cooperation among the now-independent states. The Commonwealth of Independent States (CIS) was created in 1991 with the participation of ten Former-Soviet republics.



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lics (Yesdauletova, & Yesdauletov, 2012). The focus of the organization was to provide a forum to discuss social issues such as human rights, and possible military cooperation (Yesdauletova & Yesdauletov, 2012). However, implementation mechanisms of the CIS were relatively weak and some CIS countries wanted further cooperation. In 1994, CIS countries started negotiations on a free trade area, but negotiations were only completed in 2011, when the CIS Free Trade Area was established by eight of the CIS member states (Radzievskaya, 2014).

However, individual members of the CIS were frustrated at the lack of immediate progress and began to pursue further economic integration (Radzievskaya, 2014). Russia and Belarus signed the Agreement on Establishing a Customs Union in 1995, which outlined their intention to work on harmonizing external tariffs. In 1996, Kazakhstan and Kyrgyzstan signed onto the Customs Union agreement, followed by Tajikistan in 1998. The Eurasian Economic Community was formed in 2000, with all five signatories of the Customs Agreement (Belarus, Kazakhstan, Kyrgyzstan, Russia, and Tajikistan) and three observer states (Armenia, Ukraine, and Moldova) in order to functionally set up the framework for a Customs Union. The Eurasian Economic Community worked on creating a streamlined procedure for currency exchanges, creating a common market for key industries such as energy and transport, and worked on increasing cross border entrepreneurship opportunities. In 2010, Belarus, Kazakhstan, and Russia finally created the Eurasian Customs Union.

As soon as the Customs Union was created, work began on further integration (Yesdauletova & Yesdauletov, 2012). In 2012, a Single Economic Space was created between the three Customs Union member states which aimed to remove all physical and technical barriers to movement of labor, goods, and capital. Both the treaty establishing the Customs Union and the Single Economic Space were terminated by the Treaty of the Eurasian Economic Union which was signed in 2014, and came into force on 1 January 2015. Armenia and Kyrgyzstan signed in January and August respectively and negotiations for Tajikistan's participation are underway as of 2017. Proponents of the project claim that the EEU is "viable" and not "declarative" like previous agreements such as the CIS (Radzievskaya, 2014, p. 7). Currently, the

Union encompasses 180 million people, stretches over 15% of the world's land (International Crisis Group, 2016). It spans 12 different time zones and is looking only to grow (Yesdauletova & Yesdauletov, 2012). Though Ukraine and Georgia withdrew from previous Eurasian cooperative agreements, in part because of obligations imposed by their EU Association Agreements, and in part because of conflicts with the Russian Federation, the EEU is considering countries such as Uzbekistan, Iran, and Turkey to be potential collaborators in the long run (Cheng-Hin Lin, 2017).

Two vital conclusions can be drawn from examining the historical legacy and recent evolution of the Eurasian Union. The first is that there is an underlying foundation of inequality embedded in the relationship between the nations of the Union. Relations between Russia and the nations in the periphery of the Russian Empire and of the USSR were exploitative and unequal. Therefore, critics both inside and outside the union were wary of any integration projects in the post-Soviet space because of the possibility of a resurgence of such relationships.

Some, like former Secretary of State Hillary Clinton, claimed that the Eurasian Union was simply an attempt by Russia to recreate the USSR "under the guise of economic integration" (Glazyev, 2015, p. 93). However, Russia quickly rebuked those claims. Membership in the economic union was purely voluntary, and based on mutual interests. Russian Presidential aide for the formation of the Customs Union between Kazakhstan, Belarus, and Russia, Sergei Glazyev said that:

"Unlike the EU or the US empires, which coerce other countries by force of arms and the power of their reserve currencies, Eurasian integration is a voluntary association of people who have lived side by side for centuries." (2015, p. 93)

He went on to further underscore the EEU's focus on individual sovereignty and mutual economic prosperity as the cornerstone of the EEU's creation. Putin specifically denied imperialistic accusations in his 2011 speech, saying that the EEU is not intended to be "fortress Eurasia" (Kazantsev, 2015, p. 215). Instead, the EEU is intended to be a link between Eu-



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rope and the Asia-Pacific, unified by common values and norms, and embracing of the liberal approach to integration.

In order to internally ameliorate fears regarding USSR re-creation, Belarus and Kazakhstan worked to make “equality” one of the principles of the EEU (Sevim, 2013, p. 53). Specifically, President Nazerbayev of Kazakhstan was cautious of allowing Russia too much influence in the Union because Kazakhstan is the only EEU member to share a long border with Russia, and has a sizable Russian population in the north (Nurgaliyeva, 2016). When signing the agreement to join the EEU, Nazerbayev assured his people that this was not a return to the Soviet era by asserting that Kazakhstan will act as a balancer to Russia in the EEU and will never be submissive to Russia (Nurgaliyeva, 2016, p. 94). At least on paper, there seems to be a genuine attempt to represent the Union as a partnership of equals without any hint of Soviet-ism.

The second conclusion to be drawn from examining the evolution of the EEU is that post-Soviet integration has been extremely rapid. For a project that often compares itself to the EU, the timelines of evolution couldn't be more divergent. The European Union began as the European Coal and Steel Community with the signing of the Treaty of Paris in 1951 (McCormick & Olsen, 2011). The European Union as it is known today was only established in 1993 by the Maastricht Treaty and it wasn't until the completion of the internal market in 1994, that the EU able to facilitate and regulate free movement of labor, goods, and services inside its borders. Furthermore, one of the core institutions of the European Union, the European Council, was only established in 2000, while the Eurasian Union equivalent was created immediately following the formation of the Customs Union.

The Eurasian Union integration pace is generally the result of a top-down process by governments who sought closer economic ties (Yesdaultova & Yesdaultov, 2012). Because industries such as natural gas and transport are partially or wholly owned by the state in Eurasia, the interests of these industries were heavily considered in the decision making process to integrate. Furthermore, integration occurred so rapidly that results from the previous stages of integration were impossible to measure before the next stage of

integration was pursued. This has had a tremendous impact on the creation of institutions and on output.

THEORETICAL BACKGROUND

In order to understand the process behind this rapid integration of the Eurasian Economic Union, we can look to the theoretical backgrounds of integration projects. Theories of international relations serve to explain the impetus behind the formation of regional organizations. The theories of international relations that will be examined in the context of the EEU are neo-liberal institutionalism, the functionalist theory of integration, transactional theory of integration, and neo-realism.

Proponents of the EEU claim that neo-liberal institutionalism serves as the foundation for the integration project, much like it did for the European Union project. Neo-liberal institutionalists claim that states overcome the anarchy inherent in the international system by creating governing institutions and ceding some sovereignty to these institutions (Keohane & Nye, 2012). These institutions, in turn, create rules and norms which states have to obey (Keohane & Nye, 2012). This theory contends that mutual prosperity, peace, and order will result from the creation of these governing institutions (Keohane & Nye, 2012, p. 163). The anarchy and instability resulting from the collapse of the Soviet Union allowed for some nations in the post-Soviet space to seek out order and peace through multilateral governance, and the creation of regimes and norms (“Introducing the Eurasian Economic Union,” 2014). Neo-liberal institutionalism is fundamental to all regional integration projects because it requires some seceding of sovereignty for mutual peace and prosperity. Economic integration through multilateral institutions allows for greater mutual prosperity because of the “economies of scale” argument, the principle that production costs can be saved by increasing demand for a good and its production (Rosencrance, 2012, p. 356). Therefore, increasing unfettered market access within Eurasia would be advantageous to producers and consumers, who would benefit from lower cost goods. The first few years of the project already saw an increase in prosperity, with trade within the Union increasing by 30% (Rosencrance, 2012, p. 356). Therefore, some neo-liberal institutionalists might



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say that the rules regime created by the economic integration of Eurasia has worked.

Within liberalism, there are theories regarding the different paths that states use to integrate. In post-World War II Europe, Robert Schuman and Jean Monnet believed in sectoral integration of the economies of France and Germany (Monnet, 2014). They believed that integrating certain sectors of the economy, in the European case, coal and steel, would lead to peaceful relations between nations. The European continent had just come out of two world wars, and the plan, which became known as the “Schuman Plan” was the foundation of the European Coal and Steel Community (Monnet, 2014, p. 21). The Community, composed of France, Germany, Belgium, the Netherlands, Luxembourg, and Italy, was supposed to ensure stability and prosperity on the European continent by integrating some of their most vital industries (Monnet, 2014, p. 21). The Schuman and Monnet logic, though not explicit, was foundationally a part of the formation of the Eurasian Union.

The sectoral drive behind the Eurasian Union, however, was not coal and steel (Niemi, 2017). Rather it was natural gas and oil, the most important sector of Russia and the Central Asian economies. “Pipeline politics,” the political negotiations behind the acquisition and transport of oil and natural gas reserves in Eurasia, drove much of the original negotiations behind economic integration since it was the sector providing most of the funding to carry out further projects. The nationally owned natural gas and oil companies, Gazprom in Russia and KazMunayGas in Kazakhstan, required both business and governmental cooperation in order to extract natural gas and ship it to Europe. The Belarusian government is also a vital cooperator in pipeline politics, since pipelines running through Belarus allow gas companies to export their products to Europe. The Soviet Union meant pipelines could be built and run with the mandatory cooperation of all Republics involved and with assured stability. The break-up of the Soviet Union was an event akin to the Second World War, putting stability in Eurasia at risk, and therefore, Pipeline Politics would push for stability via economic cooperation.

Sectoral integration leads to the question of whether it was functional integration that drove the Eurasian

project. Functional integration, and its doctrinal successor neo-functionalism, say that integration is pursued in sectors where it is most profitable (Mitrany, 2014). Integration produces needs for other sectors to begin integrating that are related to the first sectors, or for political policy and governance to be created in order to better accommodate the integrated sectors. This effect is called “spill-over” and theorists like David Mitrany and Ernst B. Haas claim that spill-over was one of the driving forces behind the further integration of the European Union (Haas, 2014, p. 145).

In the Eurasian Union, one might be able to see functional integration in the oil and natural gas industry, spilling over into other industries such as transportation, shipping, and communications. The links that were formed between government officials and business leaders, during pipeline negotiations made it easier for connections to be forged in other industries that would be benefited by closer integration. The shipping industry is a prime example of this. Before the formation of the Eurasian Union, 98% of all trade between the Asia-Pacific and Europe went through the Suez Canal in Egypt (Lysokon, 2012, p. 7). However, the EEU’s focus on increasing the speed and lowering the costs of freight traffic will make shipping across land twice as fast and half as expensive (Lysokon, 2012, p. 7). Therefore, freight traffic is projected to rise by 490 million tons annually by 2020, four times the growth than in the years between 2000 and 2010 (Lysokon, 2012, p. 7).

This looks like sectoral spillover from original negotiations to integrate the oil and gas industry. However, it is very difficult to discern whether or not the Eurasian Union came as a result of functional integration, because the industries that were benefited from integration were government owned (Yesdauletova & Yesdauletov, 2012). While functionalism is supposed to be driven by demand from the industries and the “invisible hand” of the market determining which sectors are most benefited from integration, integration in the Eurasian Union has been primarily government driven (Yesdauletova & Yesdauletov, 2012). There has been benefits in industries, but those industries, such as rail traffic and natural gas, are owned by the government and therefore would naturally be privileged in government orchestrated integration. Furthermore, functionalist integration



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takes time to naturally progress, and, as we will see, the Eurasian Union has been integrating too quickly to let functionalism run its market-driven course. It is clear that functionalism is not the primary driving factor behind the creation of the Eurasian Union.

The transactionalist approach to regional integration explains the formation of the Eurasian Economic Union better. Transactionalism was a theory championed by Karl W. Deutsch in an attempt to explain the successful integration of the European community (Deutsch, 2014, p. 125). He claimed that integration was a long-term process that took place after sustained contact with people from different states, in key areas of political involvement. His theory “concluded that successful integration required a sense of community — a “we feeling” based on a common set of values” (Deutsch, 2014, p. 125). Deutsch also stressed the importance of transactions that political actors have prior to the integration project’s start. Political and business actors in Eurasia had prolonged contact with each other during the Soviet period. When the Soviet Union fell, their interactions continued and allowed for easy lines of communication between political boundaries, making integration negotiations easier.

Deutsch’s idea of a “we feeling” as a prerequisite to successful integration has been a vital factor to the drive behind Eurasian integration. The historical and cultural community stretching across Eastern Europe and Central Asia has inspired the doctrine known as “Eurasianism” (International Crisis Group, 2016). Eurasianism has its roots in the Russian diaspora that occurred after the Bolshevik Revolution (Niemi, 2017). Early Eurasianists, such as Nikolai Trubetzkoy and L.M. Gumilyov, believed there was a new Orthodox, Slavic center of civilization concentrated around Russia (Duncan, 2015, p. 102). Eurasianism rejects the notion of Euro-centrism, and does not regard Greco-Roman development as the start of all civilization (Radzievskaya, 2014). Russia and the Slavic lands are not on the periphery of Europe, the doctrine claims, but rather are in the center of their own “third way” of civilizational development (International Crisis Group, 2016, p. 7). Eurasianism also rejects the notion that there is a “high-culture,” which a culture consumed by the elites, and “low-culture” consumed by the masses (Radzievskaya, 2014, p. 80). Eurasianists believe that there is an accessible

Slavic culture that stretches across a “vast unbroken landmass bounded on its edges by the high mountain ranges of the Himalayas, Caucasus and Alps, and the large bodies of water like Arctic, Pacific, and Atlantic Oceans, and the Black, Mediterranean, and Caspian Seas” (Sevim, 2013, p. 52).

Eurasianists describe Eurasian culture as distinct from both the cultures of Western Europe and East Asia, as well as a mix of both (International Crisis Group, 2016, p. 6). It is traditionalist and conservative, valuing hard work and the family. It does not emphasize the importance of each individual, but rather stresses the importance of society as a whole. Some theorists also claim that Orthodoxy and Christianity is vital to Eurasianism, since Eurasian expansion stems back from the Kievan “Holy Rus,” and therefore, piety is considered a marker of Eurasian identity (Shkaratam, 2015, p. 29). Some Eurasianists reject Peter the Great as a national icon, because they believe he pivoted too far toward Europe, sacrificing the Russian soul in the process (Shkaratam, 2015, p. 30). However, Eurasianism also stresses the importance of economic and geographical ties with Europe, not rejecting the European continent completely, but acting as an equal partner while keeping European influences on culture at a distance (Shkaratam, 2015, p. 30).

Because Eurasianism is a theory without any set boundaries however, it has been difficult to define, resulting in diverging schools of thought. Vladimir Putin, for example, is considered by some scholars to be a “pragmatic Eurasianist,” because he has historically approached a balanced policy between outreach to the East and the West (Sevim, 2014, p. 47). On the other hand, far right Eurasianists such as Alexander Dugin, founder of the Eurasia Party and advisor to Vladimir Putin, approaches Eurasianism from a geo-political perspective (International Crisis Group, 2016, p. 5). Dugin and his ideological brethren, believe that the “Great Game” between major powers dictates Eurasia must rise to challenge the United States, which far right Eurasianists consider to be Eurasia’s chief civilizational rival. Far right Eurasianists further believe that the borders of Central Asia and Eastern Europe are artificially drawn and do not reflect the unified Eurasian civilization that resides in these regions, regardless of ethnic background (International Crisis Group, 2016, p. 5).



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Furthermore, there have been inconsistencies with using Eurasianism as the transactional basis for Eurasian Union integration. First, transactions between people of different Eurasian nations have been limited to the upper political and economic classes (Radzievskaya, 2014). Working class people, especially those engaged in agricultural industries which continue to make up a significant portion of the Eurasian economy, have had very little contact with peoples from other nations, especially in vast countries such as Kazakhstan and Russia (Radzievskaya, 2014). Furthermore, only 8% of Russians polled in 2013 view all ethnic groups within Russia, including Kazakhs, Uzbeks, Armenians, and Belarussians, equally (Sakwa, 2015a, p. 21). There was a clear preference in the poll for European-looking Russians, which seems to stand in clear objection to the founding principles of Eurasianism. It seems that Eurasianism is a doctrine most easily embraced by the upper political and economic classes, who have had substantial interaction with other Eurasian nations and stand to benefit from political and economic integration.

The doctrine of Eurasianism, around which the “we feeling” of transactional integration is centered around has been imposed top-down on the populations of Eurasia by being peppered into the rhetoric of speeches and policies of national leaders. Eurasianism has been at the center of Nazerbayev’s “multi-vector foreign policy” for Kazakhstan since he first became President in 1991 (International Crisis Group, 2016, p. 5). Putin believes that it is the role of the Eurasian space to be the bridge between the East and West (Cheng-Hin, 2017). However, this sentiment is not commonly held among the people in their nations, whose memory of a united Eurasia is limited to the Soviet experience, and therefore Eurasianist has had to be reinforced by government policy. This is not to say that it is impossible for carefully crafted policy initiatives and cultural programs imposed top-down to stir Eurasianist sentiment among the people of the Eurasian Economic Union. However, since government-initiated community building projects are not the natural progression for the creation of Deutsch’s “we feeling,” the Eurasian Union would have to be an experiment in top-down imposed identity.

Finally, we can look to the theory of neorealism in order to explain the drive behind integration in Eurasia. Many critics of the Eurasian Union Project claim

that it is a product of geo-political, realist thinking. Nicolas J. Spykman, American realist thinker and the “godfather of containment” policy during the Cold War, once famously said, “Who rules Eurasia, controls the destinies of the world (Sevim, 2013, p. 45).” Russia has been accused of following this logic through neo-imperialist methods, by using economics rather than military might to tighten connects between the member states of the Eurasian Union (Sevim, 2013, p. 45). Some have also accused Russia of following a neo-revisionist doctrine by undermining the liberal economic order from within in order to follow a realist agenda (Sakwa, 2015b, p. 163).

Neorealism acknowledges the existence of multi-lateral institutions such as the Eurasian Union, but believes that these organizations only reflect current power dynamics and do not have an influence on policy making. Applying this theory to the evolution of the Eurasian Union makes several key assumptions. First, it rejects the notion of Eurasianism as a genuine driving force behind the integration or claims it is being applied “defensively,” as to avoid criticism of neo-imperialism (Podberezkin & Podberezkina, 2014, p. 7). In fact, some critics dismiss the notion of Eurasianism in general claiming there are “no unifying ideas in Eurasianism, but only geographical convenience with a whiff of transnational imperialism” (Podberezkin & Podberezkina, 2014, p. 7). Neorealism also assumes that Russia, as the wealthiest and most militarily advanced country in the Union, is the center of the integration project and the rest of the members as akin to “satellite states” (Standish, 2015). This approach dismisses the large influence of Kazakhstan in the creation and evolution of the EEU. However, examining the institutions and politics within the EEU will reveal the power dynamics, relative benefits of cooperation, and may shed light on the theories used.

INSTITUTIONS

The head executive and bureaucratic arm of the Eurasian Economic Union is the Eurasian Economic Commission (International Crisis Group, 2016, p. 9). The Eurasian Commission was modeled on the European Commission, which governs the European Union. The Commission was originally started to govern the Single Economic Space in 2012, and was incorporated into the governing structure of the



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EEU with the 2014 Treaty on the EEU. The Commission currently has approximately 2,000 staff working for it and is headquartered in Moscow, although the Moscow headquarters are not meant to be permanent. Currently, the Commission is tasked with running the day to day operations with the Union, allocating budgets, solving sectoral issues, and upholding EEU treaties.

At the moment, there are approximately 2,000 staffers at the EEU headquarters, and it has two main organs: the Council of the Eurasian Economic Commission and the Board of the Eurasian Economic Commission (“Struktura,” 2017). The first is the Council of the Eurasian Commission, which is composed of the Deputy-Prime Ministers from each members state, who share a rotating president between them. The Council has the primary function of approving decisions made by the Board, and has the power to veto decisions made by the Board. However, this rarely happens because decisions on the Council are reached by consensus. The Board of the Eurasian Economic Commission is made up of 14 Ministers of the Board, three from each member state and two from Kyrgyzstan. Working under the Board of Ministers are bureaucrats from 23 functional departments, such as the Department of Energy and the Department Antimonopoly Regulation, which each Minister heads. Decisions within the Board of the Eurasian Commission are made based on Qualified Majority Voting, where each minister has one vote. Decisions the board makes are binding if they are agreed to by two-thirds of the Ministers. While these two bodies make decisions regarding day-to-day operative policies of the EEU, anything big or controversial gets sent up to the Council of the Eurasian Union.

The Commission of the Eurasian Economic Union has the power to truly be a supranational institution (Yesdauletova & Yesdauletov, 2012). With its decision making, it can move power away from federal governments and into the multilateral institutions. However, it faces some challenges. First, the Commission does not have any real sanction power (International Crisis Group, 2016, p. 10). It mostly enforces its decisions though peer pressure and political leverage (International Crisis Group, 2016, p. 10). Furthermore, it is difficult for the Commission to operate as a rules based organization because it often

sidelined by political leaders who want to make deals rather than follow rules (International Crisis Group, 2016, p. 9). Therefore, an excessive amount of issues get bumped up to the level of the Supreme Council of the Eurasian Union because political leaders primarily use that as a forum for negotiating acquisitions and concessions.

The Supreme Eurasian Economic Council is the highest level organ of the Eurasian Union. It is based off of the European Council, where European heads of government meet to discuss the direction and strategic planning of the Union. The Supreme Eurasian Economic Council also facilitates meetings between the heads of government of Armenia, Belarus, Kazakhstan, Kyrgyzstan, and the Russian Federation (Eurasian Economic Commission, 2015). The Supreme Council is tasked with determining the future prospects of the EEU, including further areas of integration, possible new members, and current projects (International Crisis Group, 2016). The Council is also responsible for approving the budget and determining the contribution of member states (Eurasian Economic Commission, 2015). However, while in the EU, the European Council is one of the many important organs of the EU, and the Supreme Eurasian Economic Council is considered the “main body” of the EEU (Eurasian Economic Commission, 2015). As previously stated, the Supreme Eurasian Economic Council is delegated tasks from the Commission and makes most of the key decisions inside the Eurasian Union (International Crisis Group, 2016, p. 9). Because the Supreme Council gets heavy use inside the EEU, the decisions within the EEU are made by compromises between the heads of states. This robs the EEU bureaucracy of the same agency and influence their EU counterparts have.

The EEU also has a court modeled on the European Court of Justice (ECJ) (Eurasian Economic Union, 2015). The Court of the Eurasian Union was originally founded in 2010 as part of the Eurasian Economic Community, and like the Commission, was incorporated into the Eurasian Union in 2015. The Court is composed of two judges appointed by the Supreme Eurasian Economic Council from each member state, who then serve nine-year terms on the court. The Court has a similar mandate to the ECJ; it’s charged with ensuring the uniform application of



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EEU treaties among member states. All the court's rulings are, in theory, supposed to be public.

However, the Court has gotten no use since its foundation. As of 2016, the court has not been used once (International Crisis Group, 2016, p. 10). Considering the lack of news regarding court rulings, and the empty "summary" and "acts of the court" pages on the website of the Court of the Eurasian Union, it seems that the court has not been active in 2017 either (Eurasian Economic Union, 2015). Private parties are hesitant to use the Court of the Eurasian Union because they prefer to settle out of court and out of the public eye (Dragneva & Wolczuk, 2015). The member states of the EEU have not used the court to settle disputes among each other, preferring other means to dispute settlements such as going through the head of state meetings in the Supreme Economic Council.

It is also telling to see which EU institutions have not been adopted into the framework of the EEU. The EEU has no parliament, meaning it has no directly elected body. Russia has been at the forefront of calling for the creation of a EEU parliament as one of the legislative institutions of the EEU (Maloof, 2012). Putin is reportedly pushing "full speed ahead" in preliminary negotiations for the creation of such a body (Maloof, 2012). However, Russia is receiving pushback from Kazakhstan and Belarus who believe that the creation of a parliament is "premature" and do not foresee the creation of a directly elected body in the foreseeable future. It should be noted that if the EEU parliament adopted the EU Parliament's proportional representation model, the Russian Federation would retain the most seats out of all EEU member states. It should further be noted, however, that the EU Parliament is considered to be the most supranational body of the EU, bypassing the federal governments of the EU member states entirely with direct elections (McCormick & Olsen, 2011, p. 29). Though Russia might be hoping to capitalize on their large population in order to control an EEU institution, their push for supranational is noteworthy.

The EEU also does not have a common currency, unlike the Eurozone within the EU which does. Despite the fallout from the Eurozone crisis, plans for creating a new Eurasian common currency are projected to be completed by 2025 (Sudakov, 2014).

There are proposals for the currency to be called the "altyn" after the currency that was used at the time Golden Horde, the Mongol Empire that controlled vast swaths of Eurasia (Sudakov, 2014). The imagery evoked on currency is symbolic of the culture that uses the currency. The European Union, for example, has banknotes highlighting European architecture from throughout the continent. The fact that the proposed currency is named after the Mongol Empire, as opposed to something reminiscent of the Kievan Rus for example, can be indicative of the definition of Eurasia lying closer to the heart of nomadic culture, as opposed to a more Western orientation. However, the name of the currency has not been set in stone. Some proposals had the currency called the "Yevraz," after the Slavic pronunciation of "Eurasia" as "Yevrazia" (The Moscow Times, 2015). Whatever name the Eurasian Union chooses will not only reflect economic unity, but will also further reflect on the definition of Eurasianism. President Nazarbayev believes that one day, the currency, regardless of what it's called, will one day enter into the world as a reserve currency, further bolstering the power of the Eurasian region (Sudakov, 2014).

By examining the institutions created, and not created, by the Eurasian Union, one sees both neoliberal and realist influence. Missing, so far, is the transactional influence that would have united the region under Eurasianism. Depending on how the monetary union project progresses, Eurasianism could manifest itself in both the use and the design of the common currency. There have been some neoliberal institutionalist progressions made in the formation of the Eurasian Economic Commission, which seems to have an infrastructure that is capable of dealing with sectoral issues. However, the accusations of realist power politics manifest themselves in the activity of the Supreme Eurasian Economic Council, which bypasses the Commission's bureaucratic structures and allow for federal politics to manifest themselves in the multilateral organization. However, the realist assumption that the Eurasian Economic Union is simply run by the Russian Federation is undercut by the failure of the Russian Federation to push through their agenda to create a Parliament. Therefore, with significant reform to overcome obvious shortcomings, the Eurasian European Union has the institutional capacity to be an effective organization. This,



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however, would require deep commitment from its leaders to further increase the EEU's viability.

FOREIGN PARTNERSHIPS

At the moment, the Eurasian Union is surrounded on both sides by global powers. On the west, the European Union and the Eurasian Union are engaged in a "normative rivalry," in which they compete for influence in a rules based regime (Dragneva & Wolczuk, 2015). On the east is the rising power of China, which also has initiatives and ambitions in Eurasia (Yesdauletova & Yesdauletov, 2012). Ideally, the Eurasian Union is looking to keep a balance of power among the three, remaining within the cooperative nature of multilateral institutions. However, because both the European Union, the Eurasian Union, and China hope to expand their influence, they often find themselves in competition with each other.

China is a rising power that is starting to look to the Eurasian region as a partner, and sometimes, rival for expansionist influence (Cheng-Hin, 2016). Today, China is the EEU's largest trading partner and has strong bilateral relations with individual members of the Union. Kazakhstan and China have just successfully completed a massive rail project that now connects the two countries. China has also given Belarus 5.5 billion USD in loans and conducts approximately 4 billion USD in trade with Belarus annually. Russia and China have collaborated on the New Development Bank made up of the BRICS countries of Brazil, Russia, India, China, and South Africa. Cooperation has been so strong that China and the EEU are now in talks to create a free trade zone in the near future.

However, it is unlikely that China would ever become incorporated into the EEU (Glazyev & Tkachuk, 2015, p. 81). Fundamentally, China is a competitor in the Central Asian space for influence. China is planning on creating the "Silk Road Economic Belt," a trade and cultural exchange initiative that is meant to develop infrastructure and bi-lateral relations between nations along the path of the Silk Road and China. China has planned investment into cities along Mongolia, Kazakhstan, and along the Middle East, to the Caspian Sea. Because the initiative is still new, and the EEU has not entered into any formal talks of association with candidate countries

that could potentially receive Chinese investment funds, the partnership between the EEU and China has been amicable. However, as both entities seek to expand their influence, the positive relationship may not last.

The relationship between the EU and the EEU has been far more tense. In Putin's speech announcing the intention to create the EEU, he claimed it would be a partner to the EU (Putin, 2011). Proponents of the project claim that the EEU is complementary, not rival to the EU (Dzarasov, 2015, p. 125). However, in practice the EU and the EEU have been clashing in the shared neighborhood of Eastern Europe (Dragneva & Wolczuk, 2015, p. 6). The European Union is facing its own crisis with a flood of migrants, uneven economic development, and the rise of far right parties (Dragneva-Lewers & Wolczuk, 2015). However, Europe still is more attractive with potential candidate countries than Russia (Seten, 2015). To combat this, the EEU has created a normative framework that is more appealing to Eastern Europeans than the EU's framework in order to gain further partners and candidates (Seten, 2015).

One of the sources of tension between the EU and the EEU is the proliferation of EU Association Agreements (Sala, 2015, p. 165). Inside the EU these agreements are viewed as declarations of friendship, as well as affirmations that a state might eventually join the EU (Sala, 2015, p. 167). However, there have been some states who have signed the Association Agreements that have been consistently rejected in their applications for membership. Turkey has had an Association Agreement with the EU since 1963 and is currently in its fifth decade of waiting for EU membership approval (Onis, 2004). Dutch voters recently held a non-binding referendum, rejecting the opening of any negotiation chapters that would allow for the eventual membership of Ukraine, which signed the Association Agreement in 2014 (Dragneva & Wolczuk, 2015). The EU requires countries wishing to sign an Association Agreement to reform their government and economic systems, engaging in democratization and aligning itself closer with the rules of the EU, without allowing the associate members much say in the process (Dragneva & Wolczuk, 2015). Furthermore, the EU requires that Associate Members do not participate in any other regional trading blocs, preventing Eastern European countries



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from becoming observer states in the EEU while also seeing associate EU membership (Dragneva & Wolczuk, 2015).

To combat this, the EEU has created a framework that would make it easier to states to join without conducting much internal reform. The EEU does not allow for Association Agreements, but does grant countries observer status in the bloc (Morgan, 2017). It also does not explicitly prohibit its members from signing Association Agreements with the EU (Dragneva & Wolczuk, 2015). In the EU, a set of criteria labeled the “Copenhagen Criteria,” outline democratic standards that countries have to meet before they can ascend to membership (McCormick & Olsen, 2011, p. 81). The Eurasian Union has no such criteria and only requires that a country be able to take on the full set of agreements that were already adopted by the Eurasian Union (Dragneva & Wolczuk, 2015, p. 9). Finally, the EEU is willing to offer small countries a seat at the table of negotiation and a more equal status than they would have received in the EU (Dragneva & Wolczuk, 2015, p. 9). This approach seems to have a degree of appeal. Moldova, a country once thought to be firmly on the side of Europe, has now applied for and was granted observer state status in the EEU on April 18, 2017 (Morgan, 2017). Though the country still claims that it will maintain the viability of their EU Association Agreement, it was noted that Ukraine was forced to give up observer status in the EEU in order to be granted EU associate membership (Petro, 2013). It is now up to the EU to decide how they will react to Moldova’s observer status. However, one fears that escalation of this dispute to the level of the Ukrainian conflict, which revealed some of the weaknesses in the unity and the governing framework of the EEU.

CRITICISMS AND CRISES

Though the EEU has made some strides toward progress, it is severely hampered by its lack of institutional capacity. This has severely weakened both the ability of the EEU to implement some of its more ambitious policies, as well as respond to crises. As stated before, integration was very rapid. Though this allowed for the countries within the Union to solidify their definition of Eurasia, and enter into a normative rivalry with the EU, it didn’t allow for a natural evolution that would have allowed for more

effective governance. First, it prevented policymakers from examining the benefits and drawbacks of the previous form of integration before moving onto the next one (Yesdauletova & Yesdauletov, 2012, p. 8). Second, it rushed the creation and evolution of the Eurasian Commission, preventing the formation of a robust and egalitarian bureaucracy that would have allowed for more supranational and equality among EEU members.

While the EU was allowed to functionally integrate from the European Coal and Steel Community to the European Economic Community, and eventually to the European Union, the EEU did not have that benefit. The transactional ties formed over natural gas and oil partnerships could have been a solid foundation for a hypothetical Eurasian Natural Gas and Oil Community, however, it was not enough to form ties over many various industries. Within the EEU, there are simply “too many economic sectors requiring too many regulations” and not enough time to determine the best course of regulation for them all (Yesdauletova & Yesdauletov, 2012, p. 10). There have been benefits to some industries that were mostly owned by the state, such as transport and heavy engineering firms, but overall growth has slowed down (Standish, 2015). Seeing stagnation this early in the development of an integration project could spell trouble for the future unless reforms are pursued.

The rapid speed of integration has also prevented the creation of the robust institutions that are required to fix these problems. The Eurasian Commission has the staff and structure capable to work on ameliorating issues that come with rapid integration. However, the overwhelming focus on state sovereignty within the EEU has weakened the Commission and given most of the power to the Supreme Eurasian Economic Council. Though the Commission is a rules-based organization capable of decision making, decision making is not at the core of the former Soviet space (Dragneva & Wolczuk, 2015, p. 9). Instead, decisions are delegated to the highest level possible, which in this case, is to the heads of state (Dragneva & Wolczuk, 2015, p. 9). This limits decision making to top-down deal making, at the highest level of governance.

Delegating all decisions to the highest possible authority can further create mistrust and suspicion be-



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tween states (Yesbayeva, Delovarova, & Momynkulov, 2013, p. 476). Some Kazakhs feel that they have lost out on key decision making processes within the EEU and guard their sovereignty cautiously (Yesbayeva, Delovarova, & Momynkulov, 2013, p. 477). Some argue that national interest should always take priority over integration because they fear a return to the Soviet days (Yesbayeva, Delovarova, & Momynkulov, 2013, p. 477). Worse, some fear that Russia will attempt to annex some of the Russian ethnic majority areas in Northern Kazakhstan, just like Russia annexed Crimea (“Introducing the Eurasian Economic Union,” 2014). These fears force Kazakhstan’s leaders to stall on political integration and ensure that the EEU stays purely economic, halting projects like the Eurasian Parliament (“Introducing the Eurasian Economic Union,” 2014). Because the bureaucratic and institutional structure of the Eurasian Union is weak, power politics and realist fears are allowed to flourish. It is clear that on a Council where the heads of state are the only members, Putin, the most powerful man in the world according to *Forbes* (“The world’s most powerful people 2016,” 2016), would reign supreme. However, if the bureaucracy played a more important role in decision making, then the Kazakhs (and Byelorussians and Armenians), who are well-represented in the Councils and Boards of the Commission, would no longer feel like they are losing out on key decisions.

These institutional setbacks harm the way that the EEU is able to respond to crises (Petro, 2013). No discussion of the EEU is complete with analyzing the setbacks it faced in the lead up and the aftermath of the Ukraine crisis. Ukraine’s ousted President Yanukovich was weighing the costs and benefits of joining either the Eurasian Customs Union or signing an Association Agreement with the European Union when the crisis took place. Yanukovich abruptly pulled out the EU negotiations in favor of a deal closer to Russia and the Eurasian Union.

Supporters of this plan offered similar incentives to the ones mentioned before. Ukraine, EEU proponents argued, “should be the cradle of Eastern European civilizations, not on the outskirts of other European powers” (Fesenko, 2015, p. 126). Some Russian economists claimed that “the invisible hand of the market” guides Ukraine toward Russia and Ukraine would be better off as a member of the EEU than

with an EU Association Agreement. The Ukrainian shipbuilding, aircraft, and mechanical engineering industries, economists claimed, would all benefit significantly within a decade of joining the Union (Seten, 2015). Furthermore, supporters of Ukraine’s pivot to the EEU said that the EU wasn’t offering Ukraine membership, and that Ukraine would have significantly more political power in the institutions of the EEU (Dragneva & Wolczuk, 2012, p. 13). Critics of the EEU pivot claim that even under the pro-Russian Yanukovich, Ukraine never made clear commitments to join the EEU and only wanted partial membership at best (Dragneva-Lewers, Rilka, & Wolczuk, 2015).

However, the abrupt shift away from the European Union angered the Ukrainian population and the move prompted the Euromaidan protests that ousted Yanukovich and caused Russia to annex Crimea (Fesenko, 2015). This resulted in Russia annexing Crimea in order to protect their interests on the peninsula, which resulting in the EU levying heavy sanctions against Russia. Russia’s response in turn was to create sanctions against the European Union. In the fallout, “the Kremlin hasn’t streamlined its political incentives with its economic partners,” leading to an inability to coordinate successfully retaliatory sanctions (Seten, 2015). Russia had to reinstate border and customs controls in 2014 on the Russian-Byelorussian border because Russia was accusing Belarus of allowing European goods to flow into Russia by mislabeling them as Byelorussian (Niemi, 2016). Kazakhstan has refused to end business and trade with the European Union, despite Russian requests to do so (Furman & Libman, 2015). The EEU has been entirely unhelpful in resolving trade related disputes stemming from the Ukraine crisis, because it has not had the institutional capacity to do so. Since most of the controversial decisions were delegated to the heads of state, national interests took precedence over any issue, hampering any dispute settling function the EEU could have had.

What is possibly more concerning is the fact that the EEU institutions are incapable of overcoming sovereign conflicts that prevent effective implementation of existing policies. An example of institutional deficit is evidenced by the restrictions placed on the free movement objective of the EEU. Putin openly praised the Schengen Area within the EU for



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facilitating free movement of labor between countries (Putin, 2011). He and the EEU leaders hoped to create the area within the EEU. Free movement of labor within the EEU would benefit Russia, since it is the second largest importer of labor, after the United States and has an aging population similar to that of Europe (Yesdauletova & Yesdauletoy, 2012). Furthermore, the labor exporting Central Asian republics, as well as some countries in Eastern Europe, would be able to profit on remittances and ensure safer, easier passage of their population to and from the Russian Federation (Yesdauletova & Yesdauletoy, 2012). For these reasons, border controls were eliminated in 2011 in order to facilitate better free movement of labor between the countries of the Eurasian Economic Community (Radzievskaya, 2014). “Free movement” became one of the core objectives of the Eurasian Economic Union, embedded into its founding treaty (Dragneva & Wolczuk, 2017). However, the agreement on free movement has not been applied practically, and therefore remains mostly declarative (Radzievskaya, 2014). On paper, any citizen of any of the EEU member states can live and work in any other EEU member state. However, those attempting to do so will be faced with domestic bureaucratic restrictions that make it very difficult to move to a new county, much less a new country.

Many of the problems regarding free movement arise from strict and arcane registration systems that began in the Russian Empire after the liberation of the serfs (Dragneva & Wolczuk, 2015). In order to prevent mass migration of peasants to urban centers and prevent the creation of slums, the Imperial Russian government created a registration system, called the “propiska” system, that tied someone’s ability to receive social services based on their permanent place of residence (Schenk, 2015). It was difficult and expensive to change one’s registration, especially if one wished to move from the countryside to the city. The USSR kept this policy in order to control population flows and ensure the viability of collective farms (Schenk, 2015). After the fall of the USSR, Belarus, Kyrgyzstan, and Russia chose to keep their registry systems in order to continue maintaining control over population flow (Schenk, 2015). Therefore, a Kazakh national who chooses to live and work in St. Petersburg must go through a bureaucratically difficult, and expensive place of registry process, or risk

not having access to education, healthcare, and legal employment services (“Russian ombudsman,” 2007).

The EEU has not addressed these registration systems in their negotiations over free movement. It is within the national interests of Russia, Belarus, and Kyrgyzstan to keep their registry systems because it collects revenue from registry permit fees and allows government intervention into movement within their own countries. Because of the focus on sovereignty within the EEU, national interests are allowed to reign supreme over the interests of the trading bloc. Therefore, even a fundamental tenet like free movement of labor across borders, that might be mutually beneficial to all parties involved, is subject to restriction at the domestic level.

PROSPECTS AND RECOMMENDATIONS

At the moment the EEU has massive potential to be a successful trading bloc and integration project (Niemi, 2016). There are multiple positive prospects that currently exist within the EEU. For example, the Eurasian Economic Commission has the staff framework present within its numerous, specific departments to solve trade-related problems. The EEU treaty specifically doesn’t allow for states to have reservations to EEU agreements, so states cannot “opt out” of measures that the EEU creates (Dragneva & Wolczuk, 2015). This is a big step toward creating a rules-based multilateral regime. Furthermore, the EEU is currently working with the WTO in order to remove protectionist measures and receive the same voting rights within the WTO as the EU has (Dragneva & Wolczuk, 2012). This shows that progress is possible within the framework of the EEU.

But in order for the EEU to continue move beyond its current stage and provide maximal prosperity for all its members, it needs to move away from geopolitics and focus on governance (International Crisis Group, 2016, p. 22). Geopolitics simply breeds realist fears about hostile takeovers and unequal partnerships, which does not bode well for collaboration. In order for the EEU to reach its potential, the leaders of the Union must commit to neoliberalism and strengthen the institutions in which they have invested. Of course, hints of power politics will always be embedded into the project, but leaders must



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recognize it is in everyone's best interests if decision making mechanisms were strengthened and issues of inequality were resolved.

The European Economic Commission must be made stronger and be reformed to give it the capacity and political clout to tackle non-tariff barriers and protectionism within the Union (International Crisis Group, 2016, p. 22). Issues should not be simply delegated up to the Supreme Council, but dealt with along the channels that were created for its purpose. This will increase the efficiency and prosperity of the EEU because the Commission is staffed with experts in economics and trade specifically, and would be able to craft effective policy. The Court of the Eurasian Union must also be put to use for both private parties and states wishing to settle disputes (International Crisis Group, 2016, p. 22). Finally, the Union should orient itself to deal further with problems of social welfare and standard of living across the Union, along with fixing the broken migration and free movement architecture (International Crisis Group, 2016, p. 22). Improved social wellbeing as a result of the Union will mobilize the masses in support of the EEU in an organic manner which the doctrine of Eurasianism has failed to do among the populace (Sakwa, 2015b, p. 167). Improving migration and free movement architecture and allowing it to go into practice will also benefit the Union, as it will attract smaller countries who wish to benefit from the Russian labor import market (Schenk, 2015).

Until structural reforms happen, it would be wise to pace integration. Before the monetary union, which would be in effect once a common currency is established, is created, results from the common market should be measured. Before the results from the common market could be measured, the common market needs to function properly. The tenets of the common market should be fulfilled before the next step of deeper integration is pursued. Therefore, until proper institutional reform is implemented which allows the original goals that drove integration to be realized, the EEU should not pursue a monetary union. Though the timeline of EEU integration does not have to exactly follow the timeline of the EU, EEU leaders should keep in mind how long it took for the EU to create the institutions that it currently functions under.

However, in regards to horizontal expansion, and adding the new members, the EEU needs to actively continue seeking possible applicants. Because its normative rivalry with the EU and the potential threat of a rivalry with China, the Eurasian space must be a competitive one. In order to do this, the EEU must capitalize on what makes it a unique project and different from the EU and China's potential Silk Road Initiative. The framework for the EEU already is in place, putting it in a normative advantage over China's stalled Silk Road project. Furthermore, the EEU must exploit its focus on sovereignty and lack of democratic requirements. This can make it an attractive project to new or incomplete democracies whose leaders are not willing to commit resources and political risk to "Europeanizing" their governments. From a non-Western perspective, the idea of a multilateral institutions that does not interfere with domestic politics can be very attractive. The EEU has great potential with countries such as Iran, Azerbaijan, and Uzbekistan. These countries, which would never have even been considered as European Union members present an opportunity for enlargement and political allies in Asia.

Turkey also presents a potential opportunity for EEU expansion. Once thought to be firmly a candidate for EU membership, Turkey has veered away from the liberal democratic principles of the EU and is charting its path closer to the partial democracies of the EEU (Kirisci, 2016). Turkey signed the Association Agreement with the European Community in 1963, and has since applied for membership twice and been rejected (Redmond, 2007, pp. 305-317). It seems that the Turkish public is becoming less enchanted with the EU with favorability ratings of the EU among Turks falling (Dagdeverenis, 2004). The Turkish government is also turning away from Europe. President Erdogan has used the summer 2016 coup attempt to crack down on political dissent and consolidate his power, despite various condemnations of his actions by EU governments (Kirisci, 2016). Furthermore, the European Parliament has voted to suspend all further accession negotiations with Turkey, making Turkish membership in the EU unlikely in the near future (Kanter, 2016).

This is the ideal space for the EEU to move in and attempt to forge ties with Turkey. Turkey and Kazakhstan already have longstanding relations, collaborat-



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ing on oil and natural gas pipelines (Nurgaliyeva, 2016). These oil and gas collaborations could serve as the basis for further negotiations, as they had in the rest of the EEU. In 2014, Turkey even began working on establishing a free trade area with the Eurasian Economic Community. However, negotiations stalled when Turkey shot down a Russian fighter plane, heading to Syria, leading to tense relations between the two countries in 2015 (Genc, 2016). Today, however, relations between Turkey and Russia have “normalized,” and might have strengthened after the Russian Ambassador to Turkey was shot by an ISIS operative, bringing the two countries together in their aims of fighting Islamic terrorism (Genc, 2016).

Some Turkish scholars have embraced the concept of Eurasianism and have started turning away from Europe (Tanrisever, 2015). Turks are starting to look to the Turkic communities in Central Asia to historically and culturally bind them to the rest of the Eurasian nations (Tanrisever, 2015). However, in order to fully embrace Turkey into the Eurasian community, Eurasianism must be redefined. Some scholars view Christian Orthodoxy as essential to the Eurasian identity, a qualification that stands at odds with the Muslim population of Turkey (Radzievskaya, 2014). If the Eurasian Union embraces a definition of Eurasianism free from religious constraints however, using the social welfare focus to gain popular support among citizens rather than an appeal to religious fervor, they have much to gain. Turkish membership would be a victory in the “normative rivalry” between the EEU and the EU. Turkey would be the second largest economy in the bloc and act as a balancer to Russia’s power, ensuring that it would be difficult for one nation to dominate the bloc (Nurgaliyeva, 2016). Furthermore, Turkey’s strategic location would provide the EEU with access to the Mediterranean and a gateway to the rest of the Middle East. The current government in Turkey might also be incentivized by the lack of democratic requirements to join the EEU, allowing the Turkish government to continue to pursue its current path of power centralization. If the EEU pursues, and successfully convinces Turkey to accept Europe’s rejection and join the Eurasian bloc, it would be a great victory for the EEU.

CONCLUSION AND FURTHER QUESTIONS

The world is being divided into areas governed by different sets of norms that will either collaborate or rival each other (Lukyamov, 2015). The ability to persuade other nations to adopt a particular set of norms is becoming the new test for the influence a nation has in the international system (Lukyamov, 2015). The EEU will be a test of Russia’s ability to create an organization that is attractive to other nations, led by a “third way,” Eurasian set of rules and norms that stresses economic cooperation, while maintaining sovereignty and disregarding democratic development. Creating this attractive institution requires both a focus on building a Eurasian community and building the viable institutions that would be able to facilitate economic prosperity.

The focus on building and solidifying the borders of a “Eurasian” community was a major driving force in the creation of the EEU. However, the rapid pace of integration that resulted from this transactional drive came at the expense of viable and functioning institutions. The lack of a single case presented to the Court of the Eurasian Union shows that the rules based regime that Putin, Nazerbayev, and Lukashenko were attempting to create needs work. Because of the lack of institutional framework, power politics are allowed to flourish, reviving old Soviet-era fears about the dominance of Moscow. However, if a commitment to liberal institutionalist reforms that prioritize rules based decision making over striking political deals are made, the EEU has a chance to flourish.

The EEU has potential for growth, but needs solid institutions in order to compete with its normative rival the EU and the growing power of China. However, that would be very difficult if the EEU cannot manage its own crises or even fully implement a core agenda, such as free movement. Reform requires commitment from the leaders of the countries involved. But, if they realize the type of potential the EEU can have in the international system, even the leaders of these authoritarian-leaning countries can act in a collective best interest and improve the institutions of the EEU.

For future study, the most pertinent question rising out of this analysis is why exactly the staffers at the



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Eurasian Economic Commission delegate so much responsibility up the level of the Supreme Economic Council? Were they instructed to do so by their superiors? Is economics considered “high politics” in post-Soviet regimes, and therefore only heads of state are allowed to make final decisions on it? Or is there simply self-censorship in the ranks of the Commission, when they fear retribution if they act too decisively on a core matter? Currently, no literature on this exists and learning more about the inside mechanisms of the Commission and the Council and the project would be a massive undertaking. However, understanding the internal decision making structures of these organizations would allow for the creation of better modalities to ameliorate problems of ineffectiveness and inequality.

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