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## Russia in the Eurasian Economic Union

### LACK OF TRUST IN RUSSIA LIMITS THE POSSIBLE

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The Eurasian Economic Union (EAEU), which currently includes Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia, is the first relatively successful attempt to establish strong multilateral institutions for post-Soviet regional integration. Some experts see [evidence](#) of this success in the greater scope of supranationalism compared to all previous post-Soviet integration projects and in the multilateral institutions that are based on formal recognition of members' equal status. There is every reason to expect that the EAEU will remain important for Russia. But what strategic options does Moscow have with regard to its further development?

Theoretically, Russia's choices are either to build equal relations with its neighbors or to implement forced domination. In practice, however, both choices are not feasible. The only practical alternative for the Kremlin is to maintain the current level of limited Eurasian integration through the selective use of subsidies (awards) and threats. I argue that such a non-strategic and eclectic approach is not only feasible but also *rational* for Russian policymakers because it maximizes the chances for success within the existing structural and political constraints of international and domestic politics. In regard to the latter, one of the main objectives surrounding the project is for Russian officials to be able to recurrently report on its successes for Russian domestic audiences.

#### **"Equal Relations" Are Not Possible**

The main problem of all of the integration projects involving Russia (or in its region) is that Moscow cannot commit to them credibly. Many states simply do not trust Russia, leading Moscow to have limited ways to build contractual, multilateral relationships with its neighbors in the foreseeable future. Therefore, an approach based on (relatively) equitable relations within the EAEU (similar to the EU model) has very low chances of success. There are several explanations for the lack of trust in Russia.

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First, relations of trust are incompatible with Russia's current geopolitical ambitions. Russian politicians and experts publicly argue that Russia should maintain dominance in the post-Soviet space (even in its truncated form). The top Russian leadership supports this – a vision of a multipolar world where each major, global actor has its own sphere of influence—its own group of dependent countries or “zones of influence” where it [determines](#) the rules of the game. This implies the need for states in the region to recognize Moscow’s sphere of influence. With such rhetoric coming from Russia, it would be more than naive to expect Russia’s neighbors to believe that Russia is ready to have equal relations with them.

Second, Russia is incomparably more powerful militarily and stronger economically than its neighbors. The share of Russia’s GDP in the EAEU is more than 85 percent, while the share of Armenia’s, for example, is around 0.4-0.6 percent. This fact will always influence integration projects in the region as well as Russia’s bilateral relations with its neighbors. The significance of this influence may vary depending on Russia’s domestic political considerations and the nature of the Russian political regime.

Third, the nature of the current Russian political regime excludes the formation of trust toward it from external actors. The Kremlin’s actions over the course of the Ukrainian crisis taught Moscow’s partners in the EAEU a clear lesson: they should not base their calculations on an assumption of trust toward the Russian political and economic establishment.

The lack of trust and credible commitments will determine Russia’s relations with its neighbors in the future. Even if the Russian leadership suddenly and fundamentally turns toward a more genuine democratic process, years, if not decades, would pass before some neighboring countries would believe in the credibility of the commitment. We can remember how long it took Germany to change and improve its image in the post-World War II decades as being authentically committed to European integration and no longer inclined to be an unpredictable hegemon.

### **Forced Domination Does Not Work**

If Russia cannot develop equal relations with its neighbors, one of its main alternatives is to pursue a strategy of forced domination. This implies increasing pressure on one’s neighbors as well as the willingness to spend more and more resources to get them and then to support them. It is a dynamic that International Relations scholars see for states wishing to become regional hegemon. The potential regional hegemon needs to [achieve](#) an “absolute security threshold,” when its power becomes so dominant that balancing against it is impossible. When a potential hegemon crosses the “absolute security threshold,” the rational response for other states is to bandwagon with it. Similarly, Russia could seek to achieve an “absolute threshold” with regard to its EAEU partners – a situation where they have no choice but to accept Russian dominance.

However, at present, there is no evidence that Russia is moving toward an “absolute threshold” situation vis-a-vis its neighbors. Relations between EAEU members display a combination of formal signs of loyalty to Moscow and various forms of resistance to the growth of Russian influence in their political and public life. Leaders of neighboring states have serious incentives not to challenge Russian domination openly. These various factors, which were brought into focus by the Russia-Ukraine conflict, are slightly different for different countries, including economic dependence (Belarus), unfavorable geopolitical position (Armenia), and/or the presence of a significant Russian-speaking minority (Kazakhstan).

Nonetheless, the leaders of post-Soviet countries have found many ways to successfully restrict Russian economic and political attempts to encroach on their sovereignty; all have insisted on the limited character of the integration project. For example, Kazakhstan President Nursultan Nazarbayev sees the EAEU as an “open economic association” and does [not exclude](#) a situation whereby Kazakhstan might have to leave it. He stated:

“If the rules set forth in the agreement are not followed, Kazakhstan has a right to withdraw from the Eurasian Economic Union. I have said this before and I am saying this again. Kazakhstan will not be part of organizations that pose a threat to our independence. Our independence is our dearest treasure, which our grandfathers fought for. First of all, we will never surrender it to someone, and secondly, we will do our best to protect it.”

EAEU leaders thus make it difficult for Russia to exert full political and cultural influence within their countries. On the ground, perhaps the primary way they have sought to do this since the Ukraine crisis is to counteract the use of the Russian language in their education and media systems. Since 2014, a “soft Belarusianization” process has been taking place in Belarus and President Alexander Lukashenko has even occasionally delivered speeches in Belarusian. In Armenia, the Russian language has the status of a foreign language while in Kazakhstan, state documents are in Kazakh and they plan a transition to the Latin alphabet by 2025 (which should accelerate the symbolic derussification). With regard to educational policy, Kazakh authorities see the priority as integrating English into the curriculum.

In external relations, EAEU states try to softly balance Russia by developing relations with other powers such as the EU, China, the United States, and Turkey. As a 2015 Clingendael report [stresses](#): “The Ukraine crisis has even led to new political divisions between Russia and other EEU member states, giving the latter more reason than ever to strengthen their preference for multi-vector policies, in which they hedge their bets in a primarily western (EU) or eastern (China) direction.”

The Russian leadership seems to have underestimated the degree of connectivity of the world and the resulting opportunities for interaction and competition of external powers for those countries that Russia considers unambiguously as belonging to its dominion. This miscalculation is a direct consequence of President Vladimir Putin's still-Soviet understanding of dependencies.

### **Building the EAEU, Domestic Messaging, and Future Strategic Choices**

The format of relations within the EAEU, that of being equal or unequal, is not entirely Russia's choice. Under current circumstances, Russia can only develop unequal relations with its neighbors. A forced domination strategy would have a chance of success only if Russia could powerfully and resolutely unite these states around itself, but Russian credibility would remain a major problem. Under existing constraints, the only thing that remains for Russia to do is to maintain the current situation using a combination of selective coercion and concessions.

Perhaps the main value of upholding the status quo is that Moscow can continue to present to domestic audiences that the EAEU project is finding successes—thanks to the result of Russian-driven post-Soviet integration efforts that benefit all—and therefore evidence of Russia's increasing great power status. In January 18, 2018, in his message to the heads of EAEU member states, Putin [declared](#) that Russia regards the EAEU as a major regional integration organization that since its establishment has proven its value and effectiveness.

In Russia, foreign policy plays an important instrumental role. It is the main tool for domestic consensus and mobilization, so the re-integration of the post-Soviet space is an important element in Russian domestic politics. According to Gleb Pavlovsky, former adviser to Putin and currently head of the Foundation for Effective Politics think tank, every Russian national election campaign since 1996 has been [accompanied](#) by declarations of intentions to significantly push forward the re-integration of the post-Soviet space.

Indeed, Russian electoral campaign promises have often been supplemented by specific steps aimed to show voters yet another success in post-Soviet re-integration. For example, back in 1996, three months before the presidential elections in Russia, Boris Yeltsin and the leaders of Belarus, Kazakhstan, and the Kyrgyz Republic signed the Treaty on Deepening Integration. On December 8, 1999, the Treaty on the Creation of a Union State of Russia and Belarus was signed, just eleven days prior to an important parliamentary election that was expected to serve as an informal primary for the presidential race to replace Yeltsin. In September 2003, Putin and the leaders of Ukraine, Belarus, and Kazakhstan signed an agreement to form a single economic space (it was ratified by all four countries in the spring of 2004), which was just prior to the Russian

parliamentary elections in December 2003 and not far removed from the Russian presidential elections of March 2004.

The very launch of the EAEU in the fall of 2011 was also part of electoral campaigning. In September 2011, Putin announced that incumbent President Dmitry Medvedev would not run for re-election, thus allowing himself to re-take the presidency. Two weeks later, Putin [declared](#) that during his next turn as the country's president he would bring the ex-Soviet states into a "Eurasian Union." The leaders of Belarus and Kazakhstan promptly voiced their support of the Union, while Russian media reported that leaders in some other post-Soviet nations also expressed interest in the initiative. One month later, on November 18, 2011, Belarus, Kazakhstan, and Russia signed a declaration to establish the Eurasian Economic Union by January 1, 2015.

In 2011, most experts did not expect that the Eurasian Union project would rapidly become a significant development, but the outlook drastically changed after Russia's annexation of Crimea and escalation of strife in Ukraine in the spring of 2014. In fact, Russia's revisionist approach was not recognized by the international community, and Moscow needed to find ways of overcoming its international isolation. That is why the talk of bolstering and expanding the EAEU during the course of the Ukraine crisis was a Russian priority. Both international isolation and a stagnating economy demanded the strengthening of domestic consolidation and the quick inauguration of the ambitious multilateral project in Eurasia.

In reality, Moscow had to pay significant prices for declaring the Union a burgeoning success when it did. During the course of the Ukraine crisis, Belarus and Kazakhstan managed to obtain institutional and other concessions from Russia. As Alena Vieira at the University of Minho [wrote](#) in 2015 in *Post-Soviet Affairs*, "As long as Russia's Eurasian partners are able to influence Moscow, dissolution of the Eurasian project seems unlikely." Institutionally, the EAEU is actually more balanced against Russia than any previous regional organizations like the CIS, Customs Union, or Eurasian Economic Community.

## **Conclusion**

It is important to emphasize that as a general rule the mechanisms of domestic legitimacy involve tactical, short-term decisions that are subject to rapid changes and do not create a strategic policy commitment. This is what we see in the case of the EAEU, which is based on principles resulting from a temporary compromise. Launching it on a scale even smaller than Moscow was originally hoping for was a tactical move by the Russian leadership under the influence of special circumstances, not a genuine commitment to multilateral relations. There is thus every reason to expect that despite the initial promise it has shown, the EAEU will remain limited in scope so long as equality is not held by all members.

Regarding the issue of equality, in late 2018, Russian media started to hotly discuss the possibility and probability of Russian unification with Belarus in connection with Putin's political future after 2024. As mentioned, such a unification could only really happen based on a partnership of equals or the forceful, military incorporation of Belarus into Russia. From Minsk, Lukashenko [said](#) in January 2019, “[If] there is no equitable basis—there is no Union,” and he even threatened that Russia could lose an “ally in the Western direction.” Thus, the debates about possible deeper integration between Russia and Belarus gradually degenerated into various rounds of declarations and appeals, leaving a certain status quo, and making it highly doubtful that Russia thinks about using its option of force. There was still some value for Moscow: the rhetorical rounds spawned several integration “success stories” that were delivered to Russian domestic audiences.