European versus Eurasian: Competing Regional Identities in the Former Soviet Space

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Please treat as a draft

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Abstract

Constructivism provides a useful point of departure for the analysis of regional integration efforts among the postcommunist states of Eastern Europe and Eurasia. Regionalism is typically explained by economic interdependence and rational utility calculations, yet regional integration in the post-Soviet space is often driven by considerations of identity. While it helps to address economic challenges and security dilemmas of the participating states, Eurasian regionalism also provides a new anchor of identity and, potentially, a new community of belonging. A search for regional solutions to the national concerns of security and development invites parallels to East Asia. However, there are also important differences. Identity construction in the post-Soviet region has been driven by the irreconcilably dualistic nature of such categories as "European" versus "Eurasian." As the West encouraged European countries of the former Soviet Union to break their ties to Russia, the Russia-led Commonwealth of Independent States (CIS) met with limited success, and Russia itself reoriented its policies toward cooperation with China in the framework of the SCO, and with the Central Asian states via the evolving Customs Union. The paper will discuss the role that the implicit competition between "European" and "Eurasian" narratives plays in the constitution and legitimation of new regionalism in the former Soviet space.

Introduction

Eurasian regionalism is a group of sometimes complementary and sometimes contradictory processes of economic, social, political and normative (re)integration of several postcommunist states that span the Eurasian continent from Belarus to China. It represents a reaction to economic challenges and security dilemmas of the global age, as well as narrative and institutional diffusion of regionalist concepts transplanted from the European integration discourse into the policy discourse of the postcommunist elites.

Regionalism in Eurasia emerged in the early 1990s in the form of the Commonwealth of the Independent States (CIS), still centered on Russia as an internationally recognized legal successor to the Soviet Union. The CIS appeared as a relatively ineffective instrument of a "civilized divorce" between Soviet successor states, and was rightly criticized for that (Olcott, Aslund, & Garnett 1999). Alternative regional organizations were both promoted from outside and emerged as endogenous responses to Russia's predominance in the CIS. The narratives of identity - western, European, Atlanticist or

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transatlantic, on the one hand; Russian, pan-Slavic, Eastern Orthodox, Eurasian, on the other hand, anchored both endogenously and exogenously induced regional integration projects. Some of the Russia-averse, alternative regional groupings (e.g., GUAM or the Baltic-Black Sea Community of Democratic Choice) were explicitly picked up discourse of European values, others – like the Organization of Central Asian Cooperation (OCAC) or the Economic Cooperation Organization (ECO) – took pride in their Asian heritage. While all of them were motivated by an idea to create a regional community that would be comparable, if not directly to the European Union than to the ASEAN or the Mercosur, mechanic adaptation of the external patterns of regional integration to the new, post-hegemonic contexts of power sharing and collective deliberation proved difficult to accomplish. Taking Russia as an undisputed center of gravity for the region, some of these organizations grew to become, more or less, Russia-centripetal, while some others emerged clearly centrifugal.

Clearly, the social construction of a regional identity is a key factor of significance for any regional integration project in the former Soviet space, since regionalism in Eurasia is as much about building a community of belonging as it is about a common customs tariff or free movement of people. The very process of discursive adaptation of the successful regionalist models from outside is being filtered through these countries’ official nationalism and, for many of them, resistance to the liberal-democratic imagery and influences.

The image of a post-imperial Russia seeking to reintegrate its former dominions for hegemonic purposes was something that not only the Baltic states had nightmares about. The newly independent states (NIS) could not but have unique challenges with the very idea of regional integration, all the more so that one of them (Russia) was the core of the collapsed empire and then, the historically unsuccessful Union state. It is a small surprise that not every problem has been resolved or even formulated as the one that might require regional cooperation efforts. Since most of the NIS has jealously guarded such areas of governance that could be considered vital for preservation of national independence, coordination of policies was, at times, frustrated.

To provide an excuse for the non-cooperative behavior, the states routinely resort to the rhetoric of national interests; in the post-Soviet case, this was also complicated by the uncritical association of all things humane, democratic and progressive with “Europe” and the European Union. Opposing this, largely mythological Europe, to Russia as its equally mythologized absolute antipode became a staple of the official discourses in Moldova in the early 2000s, Ukraine in 2004-2010, and Georgia since 2008. Thus, the politics of envy and the futile desire to jump on the EU bandwagon did shape the rhetoric of the Eurasian integration and especially integration of the Russia-averse groupings of the former Soviet states. At the same time, just as the widespread mistrust of Russia had blocked Russian initiatives at regional integration, the unwillingness to reach a compromise with each other in regional groups where Russia was not present made emulation of the successful EU experience impossible.
In spite of these obvious failures and apparent inability to achieve a meaningful pooling of sovereignty, the attempts at regional integration in the post-Soviet Eurasia continued and, as of recent, have brought some fruit, as the establishment of the Customs Union of Belarus, Russia, and Kazakhstan and the launch of a common economic space of these three nations can attest. Vladimir Putin’s presidential campaign in 2011 was marked with publication of a programmatic paper about the prospective establishment of the Eurasian Union by 2015. Clearly, these states’ common history has proven itself an asset, and not just liability, in at least some of these more successful projects. The very label of the “post-Soviet” denotes an identity that has been neither purely national nor purely cultural or historical. The “Soviet man” was not a party myth, but a physical reality, which manifested itself with equal force in Moscow and Tashkent, Kiev and Almaty. The implosion of the multinational Union did not and could not erase this reality, or distil neat national components out of that ethnic cocktail that the USSR was, overnight. The post-Soviet label was a birthmark, but also an identity claim, and like any social identity claim, it pointed at the existing community and expressed a sense of belonging. While international regional institutions in the former Soviet space took almost two decades to shape up, the sense of a regional identity was there from the start.

**The Eurasian integration**

At the September 2011 celebrations of the CIS 20th anniversary the heads of the CIS member states adopted a Declaration, which lauded the Commonwealth as an “authoritative regional interstate organization” that created necessary “conditions for steady development of the mutually beneficial cooperation in the national interests of each of the CIS member states” (CIS 2011). An analytical report specifically prepared for the meeting claimed that the CIS evolved into a working model of cooperation in different formats and on various levels, which has been based on such principles as “flexibility and selective participation in it of the states seeking to achieve consensus.”

Such an optimistic assessment would raise eyebrows not so long ago. Regional economic cooperation in the CIS framework was premised on the idea of Russia’s leading role in the economic and monetary union that would be essentially run from Moscow. However, the international ruble zone soon collapsed, and extraterritorial rights for the Russian troops stationed abroad had to be negotiated on a case-by-case basis. Instead of growing into a politico-military union with coordinated trade, monetary and economic policies, the CIS shaped out as a loose consultative forum, an instrument of a “civilized divorce,” in Ukraine’s President Kravchuk’s memorable phrase. Annual summits became increasingly shallow, while the working groups could make little progress on key issues of contention. The 1997 Chisinau summit saw bitter disagreements among the leaders, sharp criticism of the organization and dark predictions that the CIS was doomed to disappear. The 2001 summit saw President Putin himself raising the issue of the effectiveness of the CIS, while Georgian President Shevardnadze and Turkmenistan’s Niyazov failed to appear in person. In March 2007, the secretary of the Russian Security Council Igor Ivanov suggested that the CIS “has played its role,” and the emphasis in Russia’s foreign policy should be on “those
structures that have future,” such as the Eurasian Economic Community or the Collective Security Treaty Organization (Rosbalt 2007).

Smaller states identified the problem as being chiefly caused by Russia’s self-centeredness and the propensity to impose its preferences on others. Bureaucratization, incoherence and the lack of meaningful cooperation between the CIS bodies and the national institutions of member states were part to blame. By the end of 2004, the CIS had 1417 documents under its belt, yet none of those had been either enforced or implemented in full. In May 2012, the CIS boasted 2044 signed multilateral documents – agreements, decision, declarations and regulations – of which only 1454 documents came into force, with an average rate of their implementation at the national level at around 55-56 percent (CIS Executive Committee 2012; Permanent Mission of the Russian Federation 2009).

In spite of this thorny road, the CIS did not collapse and continued providing venues for interstate negotiations and multilateral meetings. It allowed institutionalization of the relatively unrestricted movement of labor, coordinated legislative and regulatory acts, maintained energy flows, created common markets in agriculture, transportation and information technologies. It established the multilateral Economic Council, Economic Court and the Inter-Parliamentary Assembly of the CIS member states. It facilitated cooperation in military and security spheres, including these countries’ joint membership in a unified system of air and missile defense. It branched out and sponsored a number of specialized agencies, such as the International Association of the Academies of Sciences, Interstate Foundation for Humanitarian Cooperation, the Council for Cooperation in Science, Technology, and Innovations, and so on.

The primary impetus for cooperation on a regional basis grew out of a shared necessity to address political and economic insecurity, while opening a new conduit for the procurement of resources that nation building required (Molchanov 2000: 263-288). Energy resources soon topped the list. Once-unified energy complex of the former Soviet Union emerged, in chunks and pieces, on the opposite sides of the newly established interstate borders. While Russia controlled the Siberian gas fields, Ukraine and Belarus owned thousands of kilometers of gas pipelines that brought that gas to the European customers. In a similar twist of fate, several of the Russian-owned pipelines had to be filled with oil produced in the newly independent Kazakhstan and Azerbaijan. Ensuring steady supply of energy resources to domestic customers, as well as energy exports abroad, appeared among the key driving forces behind Russia’s regional integration attempts in the post-Soviet space.

To speed up formation of a customs union, Russia, Belarus, Kazakhstan, Kyrgyzstan, and Tajikistan proclaimed establishment of the Eurasian Economic Community (EurAsEC). It was designed as a tight economic association uniting energy producers (Kazakhstan, Russia, Uzbekistan), transit countries (Belarus, Ukraine) and affiliates. In 2006, the EurAsEC expanded to include Uzbekistan. However, two years later Tashkent chose to suspend its participation. Armenia, Moldova, and Ukraine were given an observer status. Since 2002, the member states’ trade turnover increased threefold.
During the 2006 summit, the EurAsEC leaders decided to establish the Customs Union, with Russian, Belarus and Kazakhstan as its initial members.

In addition to a number of economic initiatives, Russia has also spearheaded defense cooperation and formation of a regional security community. The threat of Islamic fundamentalism, which was acutely felt in Eurasia's southern "underbelly," and NATO's enlargement eastward both hastened institutionalization of military and security cooperation (Nygren 2008: 31). The Tashkent Treaty on Collective Security (CST) was signed in 1992 by Russia, Armenia, Kazakhstan, Tajikistan, Turkmenistan, and Uzbekistan. Belarus joined a year later. Russia's defense planners focused on counterterrorism and border security measures first, broader military cooperation second. In 2000-2002, the CIS Anti-Terrorist Centers were open in Moscow and Bishkek, Kyrgyzstan. Next year, Russia promulgated creation of the Collective Security Treaty Organization (CSTO) with its own budget, secretariat, central staff and the Collective Rapid Reaction Forces (CRRF). The CSTO holds regular military exercises, conferences, and training, and carries out joint counterterrorism operations. During the last (August 2011) summit the leaders agreed to form and equip 19,000 strong Collective Rapid Reaction Force (KSOR) to act as a barrier against potential Taliban incursions.

Thus, regional integration organization (RIOs) in Eurasia steadily proliferated, even though some of them were correctly criticized for unimpressive performance. According to Belarus' Lukashenko, none of these deeper forms of integration would become possible if not the CIS: "Without the CIS there would have been no discussions, no certain dissatisfaction with the CIS development. We would not have created today's associations" (BelTA 2011).

Since October 2010, senior executives of the CIS, CSTO, EurAsEC and the Shanghai Cooperation Organization (SCO) administrative structures coordinate their work on a regular basis, meeting annually. During their November 2011 meeting, senior administrators reached an agreement on further coordination of regional integration efforts of their respective organizations and hailed the formal launch of the Common Economic Space of Belarus, Russia and Kazakhstan from January 1, 2012. The next step for Belarus, Kazakhstan, and Russia is to make the transition to a higher level of integration, characteristic of a common market with free movement of goods, services, capital, and labor. The creation of the Common Economic Space is considered as a crucial step toward the establishment of a functioning Eurasian Economic Union.

In spite of this continuing process of both politically steered and spontaneous regionalization, the very question of regionalism in Eurasia is open to a debate that queries both its subject (regionalism) and its predicate (Eurasian). Some critics question the very applicability of the term "regional integration" to a group of post-totalitarian states with dubious democratic credentials. According to this line of thought, only fully operational market economies presided over by the governments with impeccable liberal-democratic pedigrees can actually devise and implement what could be properly called a regional integration project. What happens in Eurasia is rather a
thinly disguised Russian grab for spheres of influence and control. As for the “Eurasian” predicate, it has been conflated with the 1920s émigré ideology of Eurasianism and dismissed as simply an “imperial version of Russian nationalism” (Laruelle 2004). The rise of Putin’s “managed democracy,” which coincided with reactivation of the Asian direction in Russia's foreign policy, led many Western analysts to interpret post-Soviet regionalism as, once again, little more than reassertion of Russian “neo-imperialist” tendencies, or a desire to rebuild a “greater Russia” (Odom & Dujarric 1995; Robinson 2004; Nygren 2008).

Russia’s own interest in the post-Soviet regionalist projects has considerably evolved over time. The first generation Yeltsinites were preoccupied with the idea of getting rid of the “imperial burden” for the sake of “normal” national development. Anticipation of a lavish western aid was implicit in the “Atlanticist” orientation of Foreign Minister Kozyrev and Vice Prime Minister Gaidar. When high hopes of a “Marshall plan for Russia” were undercut by reality, Moscow’s blanket repudiation of all attempts at meaningful reintegration gave place to the more cautious strategy of preservation of the essential economic and strategic interests in the “near abroad.” Originally, these interests shaped around the fate of the strategic nuclear forces and former federal property that found itself in newly independent states. A largely rhetorical concern about the plight of ethnic Russian “compatriots” stranded on the wrong side of the border soon entered into the picture. Since the early 2000s, the country’s fight for a market share in international energy trade has prompted reinvention of the post-Soviet regionalism. The contours of the proposed regional groupings were now shaped to coincide with the existing energy routes that link Eurasian producers with European and East Asian customers alike.

Thus, the Eurasian rhetoric has solid material interests underneath. Were it not the case, the obscure writings of the 1920s philosophers would be consigned to the dustbin of history. Yet, they were revived, and proved a convenient shell for the new, reintegrationist policies that were driven from more than one angle. In addition to Russia’s own interest in reinstating its influences in the former Soviet space, Kazakhstan in particular became an indispensable anchor for the Eurasian unity project. Kazakhstan’s president Nursultan Nazarbayev has been driving the idea since mid-1991, good 15 years earlier than it started receiving sympathetic echoes in the official circles in Moscow.

**European rhetoric: The GUAM and its clones**

In the mid-to-late nineties, the Ukraine-led GUAM (Georgia-Ukraine-Azerbaijan-Moldova) gained momentum as a chief opponent of the so-called “Russian Four” (Russia-Belarus-Kazakhstan-Kyrgyzstan), the countries that formed the core of the CIS customs union and its various collective defense agreements. With the blessing of the USA and NATO countries, Kiev moved on to conclude bilateral agreements with the countries of the southwestern post-Soviet periphery, each with its own grudges against Moscow. Georgia and Moldova were less than happy with the CIS peacekeeping operations, Azerbaijan saw Russia favoring the Armenian side in the Nagorno-Karabakh
conflict, while Ukraine sought to break its energy dependence on the Russian monopolists with Azerbaijan’s assistance.

To a varying degree, all four laid claims to a “European” identity, in contradistinction to its alleged opposite, the Eurasian identity championed by Kazakhstan’s Nazarbayev and such Russian politicians as Evgenii Primakov and Vladimir Zhirinovsky. They saw themselves well positioned to eventually enter the European structures of economic cooperation and security by moving as far away from Russia as possible. All four felt intimidated by Russia’s military machine and therefore coordinated their efforts at the CFE (Conventional Forces in Europe) negotiations to secure strict limits on Russia’s forces positioned near their borders. All four saw reintegration efforts in Eurasia as a threat to their national independence, and sought to counterbalance with regime building premised on the idea of eventual reintegration with the European Union.

In a clear allusion to the Russia-led union of four, expanded to five when Tajikistan decided to join, the 1997 Ukrainian-Georgian “Declaration of Two” stated a need of a “counterbalance to unions and alliances within the CIS.” The idea of the CIS (in effect, Russian) peacekeeping in such zones of conflict as Abkhazia, South Ossetia or Transdniestra was countered with Ukraine’s proposal to send its own peacekeepers on the conditions agreed upon with Georgian and Moldovan governments respectively. The April 1999 summit of the CIS presidents saw Georgia, Azerbaijan and Uzbekistan withdrawing from the Collective Security Treaty, with Uzbekistan temporarily joining the GUAM (hence, the GUUAM) soon thereafter.

GUAM’s coming into being was symbolically announced in Washington during the NATO summit that has historically redefined the mandate of North Atlantic Alliance. Thus, the five most openly critical of Russia states had no so tacitly pledged their loyalties to Russia’s traditional nemesis. Western analysts of Zbigniew Brzezinski’s school hailed this as a sign of “geopolitical pluralism” that has been somehow equated with movement toward international openness and liberalization.

However, the GUAM’s planned escape to the West remained an exercise in futile rhetoric. During the January 2000 CIS meeting all of the GUUAM members endorsed Putin as the Chairman of the CIS Heads of State Council. The meeting adopted a Russia-sought resolution, following which the GUUAM defense ministers’ meeting was cancelled. In March 1999 Ukraine joined the Inter-Parliamentary Assembly of the CIS. The 2001 meeting of the GUUAM members, which was supposed to move forward the process of its institutionalization, had been postponed by few months on requests from Azerbaijan and Moldova. Following the adoption of the GUAM Charter, the organization stagnated, and Uzbekistan formally quit in 2005.

None other but the U.S. Office of Secretary of Defense tried to revive the moribund organization by various measures designed to assist its member states in designing and implementing new cooperative agreements. It did not really work. The 2004 revision of Ukraine’s military doctrine lost its previous reference to the country’s aspiration to join
NATO and the EU. A summit, planned for June 2004, was postponed until further notice.

The “colored revolutions” in Georgia and Ukraine temporarily galvanized the grouping. With the U.S. nudging, GUAM cloned into the Community of Democratic Choice, which opened a consultative forum between the four GUAM members and the three Baltic states, Slovenia, Romania, and Macedonia. A year later, during the May 2006 summit in Kiev, the four presidents signed a Charter for the freshly minted Organization for Democracy and Economic Development (ODED). The so-called ODED-GUAM promised to establish itself as a beacon of democracy and good governance in the realm allegedly threatened by Putin’s authoritarianism.

Most GUAM decisions remain on paper. Its continued existence is premised on the idea of regional identity alternative to that of Russia-promulgated alliances of semi-authoritarian states: according to an official website, “The Organization for Democracy and Economic Development is fully responding to the interests of its Member States, because GUAM priorities are based on democracy, respect for human rights, and the rule of law” (Ministry of Foreign Affairs and European Integration of the Republic of Moldova, n/d). However, with the ascension of Viktor Yanukovich to presidency and virtual “Putinization” of Ukraine that followed, that country’s claim to clear democratic credentials is being progressively eroded. Azerbaijan has been hereditary dictatorship all along, while Saakashvili’s regime in Georgia has been criticized by the US Department of State and human rights groups for recurrent prosecution of dissenters and restrictions on media freedom. GUAM’s rhetorical movement toward Europe and way from Eurasia brought little tangible benefits. Even so, its very existence speaks to a geopolitical reality that is more complex than the one of an unquestioned Russian hegemony.

From EurAsEC to the Eurasian Union

The early phases of the post-Soviet Eurasian integration process were steered by the Central Asian states to no lesser, if not perhaps, greater extent than by Russia itself. As Belovezh negotiations between the leaders of the three east Slavic states showed with abundant clarity, those who planned the end of the Soviet Union were in no rush to bring the Central Asian republics on board. The Central Asian membership in the Commonwealth of Independent States was secured by Central Asians themselves, at a time when their East European brothers were much more fascinated with the nebulous prospects of potential integration with the West. Only when those plans proved futile, and the steady geopolitical encirclement of Russia became a fact that even hard-core liberals in Moscow could not deny any more, only then the Eurasian mantra ceased to be the sole preoccupation of Kazakhstan’s Nazabayev and few lone thinkers of nationalist persuasion in Russia, and entered grand halls of the Kremlin.

Meanwhile, the five newly independent Central Asian states – Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan – had launched their own regional integration project under the name of the Central Asian Commonwealth days after the end of the
USSR in late 1991. The name mutated to the Central Asian Economic Union in 1994, when Kazakhstan, Kyrgyzstan and Uzbekistan signed the treaty establishing a single economic space. The presidents of the three states formed the Inter-state Council and its Standing Committee, vested with the task to supervise several working groups. They launched the Central Asian Bank of Cooperation and Development with own capital based on budgetary transfers from the members. When Tajikistan joined the agreements in 1998, organization renamed itself as the Central Asian Economic Cooperation, and, in 2002, the Organization of Central Asian Cooperation (OCAC).

The organization’s main activities were economic in nature; however, when Russia joined it in 2004, it brought a renewed focus on security. While offering Russia’s help in addressing systemic economic issues, such as the creation of regional hydropower, transportation and food consortia, Putin (2004) argued that the OCAC’s key objective should be joint struggle against international terrorism and religious extremism, drug trafficking, human trafficking and illegal migration. A year later, Russia succeeded in merging OCAC with the EurAsEC. Official statements on the occasion argued that the merger would permit to eliminate duplication in the activities of two RIOs with a largely overlapping membership, and help reduce financial and time-related costs. The EurAsEC inherited several OCAC’s portfolios on such issues as ecology, the hydropower-water supply nexus, health care and the burial of old uranium mining sites.

With EurAsEC moving on decisively as the preferred vehicle for economic integration in the region, Nursultan Nazarbayev advocated creation of a regional development bank. Vladimir Putin supported the initiative, and the Eurasian Development Bank was founded in January 2006. Sensing new opportunities, several non-governmental business associations in Russia were keen to jump on the bandwagon. In 2008, the EurAsEC Integration Committee, the Russian Chamber of Industry and Trade, the Russian Alliance of Manufacturers and Businesspeople, and the Association of Financial and Industrial Groups of Russia sponsored creation of the Eurasian Business Council “to foster the development of trade and economic co-operation between EurAsEC countries, establish direct links between companies from these countries, and encourage business circles to assist integration in EurAsEC” (Eurasian Development Bank 2009). A well-known businessman with interests in the primary metals sector, the former first deputy prime minister of Kazakhstan and, later, first deputy prime minister of Russia (in Yeltsin’s government) Oleg Soskovets became the head of its Coordination Council.

Until mid-2000s, Putin’s reintegration initiatives evolved in more than one direction. Ukraine under President Kuchma and Prime Minister Yanukovych seemed, more or less, predisposed to tone down the establishment’s anti-Russian rhetoric and lost much enthusiasm about the GUAM following the essential failure of the July 2003 summit of the grouping. With EurAsEC gaining in speed and dynamics, Kiev showed more interest in collaborating with Moscow. The Single Economic Space (SES) agreement between Russia, Ukraine, Belarus and Kazakhstan was signed in September 2003 and ratified by the parliaments of all signing countries the following year. When ratifying the agreement, Ukraine’s Verkhovna Rada (parliament) introduced a caveat that the SES
provisions and obligations should not contradict the country’s constitution. In 2005, President Yushchenko decreed that Ukraine would need the SES compliance with the WTO norms and obligations and the requirements of Ukraine’s integration in the European Union. In opposition to the Russia-preferred vision of a customs union, Ukraine proposed to focus on a free trade zone without any exceptions or limitations. Ukraine’s obstructionism led to the eventual collapse of the SES talks in their original format of four participating countries. Belarus, Russia and Kazakhstan decided to move further without Ukraine, and re-launched the common economic space project within the framework of the EurAsEC.

By 2006, the Eurasian Economic Community included Belarus, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan. Armenia, Moldova, and Ukraine each had an observer status. The EurAsEC promised to boost cooperation in trade, economic, social, humanitarian and legal spheres, with an idea of finding an optimal balance between national and common interests of participating countries. As a successor to the CIS Customs Union, it sought to complete formation of a free trade area among member states and aimed at establishing a common external tariff and common customs border as first steps toward the creation of a full-fledged customs union. Other prospective goals included unification of foreign economic policies and non-tariff regulation measures, formation of common financial and energy markets, a common market for transportation services and a unified transport system, other components of a common market for trade in goods and services, and undertaking measures to ensure free movement of people and the establishment of a common labour market on the basis of coordinated social policies.

The decision to establish a EurAsEC Customs Union was adopted in August 2006, with an understanding that Russia, Kazakhstan and Belarus would become its first members. The idea of multilevel, multispeed integration, borrowed straight from the EU lexicon, proved equally useful for Eurasia. An agreement on the formation of the unified customs territory was signed in 2007, yet negotiations over technical issues went on for two more years. On June 9, 2009, Vladimir Putin, then acting in Prime Minister’s capacity, announced that Russia, Belarus and Kazakhstan would be joining the WTO together as a customs union. A common external tariff was launched on January 1, 2010. The treaty on the Customs Code of the Customs Union was signed on November 27, 2009, and ratified next year. The Customs Union Customs Code entered into force in all three countries by July 6, 2010, and by July 2011 transfer of controls to the external borders was accomplished, with full abolition of customs clearance for the goods moving between Russia, Kazakhstan and Belarus and intended for domestic consumption.

In November 2011, the leaders of Belarus, Russia, and Kazakhstan adopted the declaration on Eurasian economic integration, which committed the signing parties to the opening of a common economic space from January 1, 2012. The next step in the integration process that was agreed upon at the meeting was described as the creation of the Eurasian Economic Union by the early 2015. The Customs Union officials forecasted that by that time intensification of economic exchanges between the
members of the Union would bring no less than 13-15 percent in extra GDP growth for all participant economies.

The Common Economic Space (CES) has been defined as a common market with the guaranteed “four freedoms” of the movement – of goods, services, capital and persons. There are also plans for the future transition to a common currency. The CES main organ – the Eurasian Economic Commission – has been devised as a supranational institution and vested with a broad range of coordinating, policy making, and lawmakers responsibilities.

Parallel to these developments, a breakthrough was achieved in signing of the CIS Free Trade Agreement (CIS FTA) on October 18, 2011. The CIS FTA was originally signed by eight of the ten (eleven, counting Turkmenistan) CIS member states: Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan and Ukraine. According to the signed documents, the FTA comes to force following its ratification by three of the signatory countries. Russia became the first to pass the ratification hurdle, and was followed by Belarus. In March 2012, Uzbekistan expressed intention to join the FTA in the near future, and was supported in this by the CIS Economic Council.

China and the SCO

The Shanghai Cooperation Organization (SCO) was established by China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan in 2001. In less than five years, Shanghai 5 developed as a multifunctional regional club. The SCO proclaimed objectives are peace, security and stability in the region; economic development; a just international order; and joint efforts to combat terrorism, separatism and extremism. As of recent, new functions were added, including multilateral credit and investment projects, new forms of economic cooperation, and joint educational and cultural projects. An inter-bank consortium was created to facilitate intraregional trade. With the help of a credit fund of US$ 900 million provided by China, the SCO member states agreed to speed up cooperation in the fields of energy, information technology and transportation.

Conceived as a regional security organization, the SCO has started acquiring a new profile as a development aid vehicle thanks to the increased China’s activism. The SCO Business Council and the Interbank Consortium have been created to facilitate economic cooperation. In 2008, the member states adopted an action plan on implementation of the Programme of Multilateral Trade and Economic Cooperation. In 2009, through the medium of the SCO structures China offered to lend US$10 billion to countries hit by the global economic crisis (CNPC ships oil, 2009). In June 2011, Chinese President Hu Jintao used the SCO summit to announce $12 billion in new concessional loans to the SCO Central Asian partners. Russia’s president Dmitry Medvedev has proposed that the SCO should establish a joint venture fund, a United Business Cooperation Center and a special joint account for funding project feasibility studies. All of this, according to Nazarbayev (2011), witnesses to the development of a new “smart power” of the organization and its potential global clout.
There have been two prevailing opinions about the nature of the SCO in the West. Some analysts regard it as an intrinsically anti-western alliance, a "dictators' club," or a new “geopolitical axis.” It is true that resolute opposition to the idea of socio-economic or socio-political engineering imposed from afar is one feature that these semi-authoritarian regimes hold in common. Moreover, some indications of a potential expansion in the neighboring regions and the refusal to admit the USA as an observer do not go well with policy makers in Washington.

However, others argue that the SCO will not become an anti-western alliance because it will be contrary to the economic interests of its member states. Although all of them seek to "correct" neoliberal globalization, they are equally interested in mutually beneficial cooperation with the leading industrialized nations of the world. The SCO has not been conceived as an anti-western alliance. As Vladimir Putin said, “We did not plan the SCO to be so prominent – it was established to address trivial matters such as border demarcation. But then it started to develop, and there is now a real demand …, which is why others want to join. There is an objective need for centers of power and influence in the world, so we responded, but we had not planned it that way” (Remarks to the Valdai club, Sep. 2006, as cit. by. Antonenko 2007).

The main goals of the Shanghai Cooperation Organization include developmental and security elements. In its apparent resistance to the western-led globalization, it may appear backward-looking, but it is not. In fact, it paves the way to a new type of international relations in Eurasia, to a community that combines traditional respect to the Westphalian conception of sovereignty with an understanding of increased economic and social interconnectedness of the world and regional interdependence in particular.

From the perspective of Russian policymakers, the SCO is, at once, a pet project and a source of concern, given China’s growing role in the organization. My recent interviews with Russian international relations specialists produced a rather dark picture of China’s “taking over” the SCO by buying out the Central Asian vote. I find this picture unjustifiably pessimistic. While Russia is, indeed, no match to China’s economic power, it still wields instruments of considerable influence – from advanced weaponry to natural resources to membership in the world’s elite clubs of developed nations to intangible ties of personal connections and soft power inherited from the Soviet past. Because of that, Eurasian regionalisms are still very much a product of a multilateral strategic interaction between the Russian federation, the PRC and the Central Asian states. The latter tend to balance between the known evil (Russia) and the yet unknown consequences of the all-too-heavy dependence on a state whose imperial and tribal predecessors left rather chequered memories in the region.

The “hubless” regionalism that emerges out of this calculus eschews unconditional hegemony. So far, neither Russia nor China has been able to establish itself as a principal engine of Eurasian regionalism, and the Sino-Russian duo as yet another candidate for the role still has to be informally established and formally institutionalized
to drive the process effectively. In the meantime, a more or less genuine multilateralism appears as the only way to move things forward. Eurasian regionalism will remain dependent on the states’ ability to overcome mistrust and put their common interests above the narrowly construed national priorities. Should this happen, a new hub will emerge in the region, and the SCO in particular, to quote Nazarbayev (2011) once again, may well develop enough of a smart power to become “a potent and responsible global player and, most importantly, convert its substantial potential into the real influence on world processes.”

The question of values

Eurasianism in Russia appeared as a reaction to liberal internationalism and anarcho-capitalism of the first Yeltsin administration. A brief “Atlanticist” interlude pioneered by Yeltsin’s first Minister of Foreign Affairs Andrei Kozyrev gave way to nationalistic soul-searching under his successors Evgenii Primakov, Igor Ivanov, and Sergei Lavrov. Eurasianism offered an identity broad enough to cover not only Russia, but also other ex-Soviet states that would not shy away from cooperation. Because of this, it supplied Russia with a non-exclusive regional personality that, by virtue of its being open to other claimants, allowed re-establishment of Russia-centered regional entity on a postcommunist, post-imperial basis.

Even before Russia warmed to the idea, Eurasian identity had been persistently championed by the President of Kazakhstan Nursultan Nazarbayev. Nazarbayev often refers to an identity that is presumably shared by the Kazakhs and the Russians alike. Seeing the 21st century as “the century of Eurasia’s blooming development,” Nazarbayev based his hopes for peaceful coexistence of Islam and Christianity on what he read as “centuries of mutual enrichment of Slav and Turkic peoples.” In this vision, Eurasianism is recognized as a way to “construct new bridges of mutual understanding and cooperation between states and nations” (Nazarbayev 2002). In another speech, he called Eurasianness “an idea for the XXI century…a diamond in the crown of integration processes that globalization demands today” (Smagulov 2011). Yet, anti-western undercurrents of Eurasianism are also clearly visible. On a different occasion, Nazarbayev (2004) drew attention to the “contradiction between globalization and national statehood,” decried “structural imbalance of the world,” and insisted that the “ratio between liberalization and security” must be regionally determined.

Vladimir Putin’s Russia proved quite receptive to these sentiments. Speaking at an international conference at Lev Gumilev University in Kazakhstan, Putin confirmed Russia’s Eurasian inheritance, noting that “Russia is the very center of Eurasia” (RFE/RL Newsline, 18 June 2004). This represented a development of the earlier advanced by the nationalist-minded Russian intellectuals idea of Russia as a unique “intercivilizational melting pot” (Kortunov 1998: 85). At the same time, in his 2005 statement at the UN, Putin called to arms to fight “the ideologists of the split of civilizations” and sought to engage the world into an “equal interdenominational dialogue.”
Eurasianism proved a good shell for Russia’s integrationist ideas. Just as the European Union insists on its members’ commitment to shared values, Eurasianists proclaim spiritual closeness of the Russian and the East Asian civilizations, both of which value collectivity and equity over individual achievement and private property. In Russia, Eurasianism is about balancing against the West and sharing of a common economic, geographic, and cultural space with other similar-minded nations. For Kazakhstan, Eurasia is a unique identity claim that represents the country as a bridge, and indispensable link, between Eurow and Asia. For Beijing, Eurasianism is the identity claim that ensures the country’s ‘peaceful rise,’ as Chinese traditional values of Confucianism are uncannily echoed in the Eurasian values of collectivism, statism, equity, and community (Xiang 2004).

Eurasian regionalism can boast a certain degree of value congruence that may lend credence to this regional identity claim. It does have certain features that distinguish it from other regional integration projects around the world. It reflects the participants' common preference of the state-led, top-down variety of regionalization, and the relative immaturity of civil societies in the countries involved. It grows through conscious foreign policy choices of the national leaders, rather than spillover effects initiated from below. It indicates growing significance of the Asian vector in the foreign policies of such ostensibly “multivector” countries as Russia and Kazakhstan. It gives pride of place to common political interests of several countries resisting democratization, but at the same time claims to bring a new developmental momentum to the region. Unabashed fascination with the Chinese model of development and joint criticisms of the neoliberal pattern globalization, as conceived and spearheaded by the USA, set Eurasian regionalism apart from a number of comparable regionalist projects around the globe.

**Conclusion**

IR rationalists often fail to grasp full value complexity of the emerging Asian order (Kang, 2003). Regional cultures matter. Strategy in Asia is culture-specific and value-based. Cooperation among Asian states is facilitated by value congruence. Such congruence is not infrequently manifested on a regional scale (Acharya & Stubbs, 2006). Similar perceptions of the international order drive Eurasian cooperation and define participant countries’ regional policies.

Identity and culture play an increasingly vital role in region-building politics in the post-Soviet Eurasia. As the evolution of the EurAsEC and the announcement of the Eurasian Union both demonstrate, symbolic statements of identity may overshadow material readiness to integrate and serve as a substitute, or rather a precursor, of the more substantial regional integration moves. Just as the GUAM countries’ declarations of the European choice were wholly about identity, which was constructed in a symbolic opposition to the “Eurasian” Russia, so the CES countries’ Eurasianism becomes a tag of pride and a symbolic statement of belonging. The geopolitical “branding” of the state appears as a key avenue for the symbolic construction of identity.
All too often, the country’s search for an appropriate place in the region coincides or overlaps with the search for a community of belonging. More often than not, the latter will have identifiable civilizational aspects that the applicant would try to emphasize or emulate. Thus, the symbolic meaning of the EU as an identity magnet for the prospective applicant states was exemplified in political and cultural rhetoric of “Europeanness.” In contradistinction to that, regional embedding in the post-Soviet space makes a virtue out of necessity and elevates “Eurasianism” as a model identity of choice.

Development of a regional dimension to the national identity is a necessary first step towards international integration. Regional identity is also a potent tool serving recognizable national interests of each of the participant member states. The "Asian vector" in Russia’s foreign policy has been primarily about advancing Moscow’s geopolitical and geoeconomic goals. For Central Asian states, regionalism opened a space to balance against potential Russian hegemony and a platform to jumpstart development. Meanwhile, China had early on recognized the SCO potential as an instrument facilitating its economic expansion in the resource-rich Central Asia.

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