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Vladimir Putin's Eurasian Union

A New Integration Project for the CIS Region?

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After declaring his candidacy in the 2012 presidential elections, Russia's Prime Minister Putin announced a "Eurasian Union" as the target of an amplified integration process within the CIS region. This venture raises a series of questions. Is this a case of election campaigning, or is it the setting of a foreign policy agenda? Is this really a new integration project, or a continuation of Putin's policy towards the post-Soviet region? Putin was clear in one regard: the objective is not to re-establish the Soviet Union, but rather to create a "powerful supra-national union" of sovereign states, which stands on equal footing with the USA and China as well as the major regional organisations. He placed particular emphasis on the partnership with the European Union. First and foremost, however, Putin is likely fixated on Russia's position in the post-Soviet region, the main priority in terms of foreign policy.

According to Gleb Pavlovsky, a former adviser to the President and currently the leader of a Russian think tank, every presidential election since 1996 has been accompanied by announcements about intentions of reintegrating the post-Soviet region. Putin clarified through his spokesperson that the Eurasian Union has nothing to do with the election campaign, but is instead a main priority for Russia's foreign policy over the coming years. Within the "All-Russia People's Front" that he created, an organisation arose that wants to fight for the creation of this union. One of its spokespeople understands this to entail a "unified social, cultural and information space on the territory of the former USSR and the Russian Empire".

As President, Putin repeatedly spoke in regard to the USSR's disintegration. The most well-known of these statements was his address to the Federal Assembly on 25 April 2005 during which he characterised the collapse of the Soviet Union as the greatest geopolitical catastrophe of the past century. On other occasions, however, he excluded the possibility of the Union's re-establishment.

According to Putin, the Eurasian Union is far removed from "any sort of resurrection of the Soviet Union". He treats it as a "powerful supra-national union" of sovereign states "that is capable of becoming a pillar in today's world". It should serve as a connection between Europe and the "dynamic Asian-Pacific region". This calls

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to mind earlier recommendations by the former President Putin and his successor Medvedev aimed at Brussels and Berlin. Putin delivered this concept with the call for a "multipolar world" during a speech at the Munich security conference in February 2007 and most recently with a recommendation for an "economic region from Lisbon to Vladivostok".

The "new integration project" introduced by Putin in a guest article for the *Iswestija* on 4 October 2011 is predominantly presented in economic terms. The integration steps focus on joint industry, technology and energy policies among the member states, a common trade area, free movement across borders "like in the EU Schengen zone" and partnership with the EU. Ultimately, the European-Eurasian partnership is supposed to "change the geopolitical and geo-economic configuration of the entire continent". The geopolitical thrust is nothing new; this is another Russian attempt to move against Europe's transatlantic linkage.

Stations along the Path of "New Integration"

The point of departure for the Eurasian Union is the Customs Union that currently exists between Russia, Belarus and Kazakhstan, which already covers three-quarters of the post-Soviet region and a total of 165 million people. Customs barriers were lifted for cross-border trade among the three states in July 2011. The next members to be included are Kyrgyzstan and Tajikistan. Moscow is exerting political pressure on both states. Their dependency on Russia has grown over the past ten years, particularly due to the migration of Tajik and Kyrgyz workers to Russia. Particular effort is going into courting the Ukraine to join the customs union, as it is currently swinging between European and Eurasian integration.

From January 2012, the Customs Union should turn into a Common Economic Space in which questions over the rules on competition, transportation, agricultural subsidies and, at a later stage, visa and migration policy will be jointly regulated by the member states. The legal framework within which these integration steps take place should be established by two fundamental documents: a customs code and a codified treaty on the Customs Union and common economic space. The court of the already existing Eurasian Economic Community (EurAsEC) should function as the highest legal body starting in January 2012. In a meeting on 18 November 2011, the presidents of Russia, Belarus and Kazakhstan signed a number of joint agreements and declarations on Eurasian economic integration – among them a treaty on a Eurasian Economic Commission as the first supra-national executive institution.

This economic space – another integration step on the path towards a larger Eurasian Union – is open to all post-Soviet states. While Putin emphasises their sovereignty, he has said nothing about the degree of national sovereignty they would have to relinquish in order to be accepted into the "powerful supra-national union". States like Uzbekistan, Turkmenistan and Azerbaijan are all hesitant to relinquish any amount of national sovereignty to the benefit of a "supra-national union" led by Russia; much less Georgia and Moldova, which present their decidedly western orientation as an emancipation from Russia, whose pretensions of power they wish to evade.

Russia is also not in full accord with its partners in the customs union. For two decades, Moscow and Minsk have been negotiating a political union with a common currency. During this time, both states have waged trade wars over natural gas, oil and milk. Compared with Belarus, Kazakhstan is the weightier partner; it shares Russia's Eurasian perspective and always highlights linkages among the post-Soviet states drawn from the shared history. Officials in Astana point to advantages posed by the customs union that could contribute to increasing foreign invest-

ment within their own country in more sectors than just the energy sector. Opposition leaders and representatives of economic organisations, however, fear disadvantages: for example, a flood of Russian goods being unleashed on Kazakhstan, which would drive up prices and hamper the development of small local industries. For Kyrgyzstan, which will likely be the next member, joining the customs union would carry serious economic consequences. These are primarily linked to trade with China with which the country plays an intermediary role that creates around 100,000 jobs. This role would be limited by the customs union.

A New Integration Project?

Putin is presenting his "new integration project" under the motto that "The future is born today". In contrast to what this motto suggests, he is connecting with Russian policy towards the CIS region from the past ten years. Since Putin's assumption of office in 2000, there have been two major developments in this area: increased attention for cooperation formats beneath the level of the CIS, which has long since lost any power, and the marginalisation or dissolution of regional organisations like the Central Asian Economic Union or GUAM (acronym for Georgia, Ukraine, Azerbaijan, Moldova) in which Russia was not a participant or which cast doubt over its dominance. It has not become entirely clear what connection exists between the "new integration project" on the CIS level and already existing regional formats under this level, which likewise aspire to the creation of common economic spaces, such as the Eurasian Economic Community created in 2000. A piece of integration theatre is being played out on multiple stages and levels, which ultimately calls for an "integration of the integrations".

Russia's Standing in the CIS Region

The Eurasian Union is primarily an economic project accompanied by Russian efforts towards integration within security policy areas. The main recipient here is the Collective Security Treaty Organization (CSTO), an "alliance" of seven CIS states. In light of a security crisis that emerged in 2010 in Kyrgyzstan and Tajikistan as well as the upheavals in the Arab world in 2011, Russia has a number of items on its security policy agenda. It wants to lower the threshold for intervention within the organisation's region, shift the respective decision-making mechanisms from a consensus to a majority rule, and develop a joint task force. Over the past two years, Russia has solidified its military presence in its Western and Southern neighbourhood – extending the stationing of its fleet on the Black Sea by 25 years through treaty extensions, extending the use of a military base in Armenia until 2044, and stationing a considerable troop contingent (7,000–9,000 soldiers) in Abkhazia and South Ossetia, although the latter violates the 2008 ceasefire with Georgia. In his first foreign and security policy action, Kyrgyzstan's freshly elected President Atambayev announced the closure of the US airbase "Manas" in 2014 as desired by Russia. Russia's position in the country will possibly be strengthened by a military base in Osh. Tajikistan, on the other hand, has reacted cautiously to the suggestion of re-initiating the Russian border guard mission that ended in 2005.

Russian ambitions within the CIS region are strained to the limit as can be seen in the Caucasus region. While Russia lays claim to influence and power in the South Caucasus and following the military actions in Georgia in 2008 it supported this claim with increased diplomatic activities in the Armenia-Azerbaijan conflict over Nagorno-Karabakh, its power within its own Caucasian territory is very limited. With a view to the precarious situation in the North Caucasus, there are even doubts over the extent to which Russia can safeguard its

own territorial integrity over the long-term. According to surveys, a growing number of Russians are questioning whether the Caucasian constituent territories belong to their state.

Russia's potential to act as a magnet for integration within the post-Soviet region, however, is primarily limited by the virtual absence of modernisation promised by President Medvedev and Prime Minister Putin. Russian society also shows growing disappointment that there has hardly been any progress in fighting corruption, overcoming growth dependency on the commodities sector, and other developments that would have to exist in the case of successful modernisation. The frustration over these deficits in broader segments of the Russian society became obvious in the developments after the rigged parliamentary elections at the end of 2011.

Integration following the European Example?

Putin is basing his Eurasian Union on the model of European integration at a time when this model is loosing its appeal over the course of the Euro crisis. This reference is particularly dubious in a number of different ways. Putin sees the Eurasian Union as part of a "greater Europe" that rests on shared values like freedom, democracy and the market economy. There can be little talk, however, of a pronounced appreciation for political freedoms among the three states that constitute the nucleus of the "new integration project". In other cases, Putin compares the Eurasian Union with the EU's Schengen Zone in regard to freedom, and promises migrant workers free movement across the borders of member states insofar as these should not be negatively impacted by the migrant levels that exist today. But even now, migrant workers coming from a country like Tajikistan, which is supposed to be a candidate for joining the customs union, are confronted with xenophobic reactions from the Russian population and in public offices. What is needed is an answer to the increasing xenophobia and nationalistic tendencies within the core country of the future Eurasian Union.

Is the Eurasian Union really meant as an EU partner, or rather as more of a countermodel that Russia can use to compete with the EU over integration in the shared neighbourhood region? This applies in particular to the Western reaches of the post-Soviet region, which are referred to today as Eastern Europe, including Belarus, the Ukraine and Moldova. From a Russian viewpoint, Belarus is the closest partner within the Eurasian integration scheme and the Ukraine is the state without which the integration within the post-Soviet region would be eminently incomplete. According to a survey conducted in September 2011, a majority of Russians (60 percent) do not consider either of these states to be foreign countries. Russia's reactions so far to the EU's Eastern Partnership Initiative, which has been aimed since 2009 at Eastern Europe and the South Caucasus, reinforce the thesis of competition rather than cooperation.

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