

REGIONAL POLICY

**THE EU-RUSSIA CONCEPTUAL INTERACTION
IN THE EURASIAN SPACE IN THE CONTEXT OF
WESTERN SANCTIONS**

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ABSTRACT

For over twenty-five years Russia's foreign policy has been shaping and still shapes the architecture of international relations in the post-Soviet territory; its projects, as mechanisms of cooperation, were changing under the pressure of Western political and economic sanctions.¹ At the same time, the impulses that urged Russian leaders to act in this area, were taking place inside and outside this territory. The process is still ongoing, yet a careful investigation of its twenty-five year history reveals the factors behind the changed dynamics, forms and results at each successive stage. Russia's foreign policy was impacted, to different degrees, by both the international climate and situation inside the country.

As the state power grew stronger, Russia's economy was growing less vulnerable and more sustainable than before. The extensive discussion of Russia's strategy and tactics, as well as diverse mechanisms of in-

teraction in the post-Soviet space, adds relevance to the subject of the present article. We have also discussed certain projects of cooperation in the post-Soviet space against the background of the gradually intensifying competition between Moscow and Brussels for privileged positions in and integration with the post-Soviet Eurasian countries.

The events that have been unfolding in Ukraine since the first half of 2014 (the inclusion of Crimea in Russia and the separatist movement in the eastern part of the country), and their obvious repercussions became the starting point of considerable changes in the geopolitical map of the western part of the post-Soviet territory and opened a new stage in Russia's foreign policy. Today, the substantive content of this stage remains vague, which means that any comprehensive analysis of its impact on Russia's foreign policies would be premature. It is clear, however, that, in the context of Western sanctions, this situation challenges Russia and the countries that the competing sides want to draw into their integration models.

¹ See: L.V. Shkvarya, V.I. Rusakovich, D.V. Lebedeva, "Rossia-Iran: razvitie sotrudnichestva v usloviakh sanktsiy," *Upravlenie ekonomicheskimi sistemami: elektronnyy nauchnyy zhurnal*, No. 11 (71), 2014, p. 43.

KEYWORDS: *integration, sanctions, post-Soviet territory, the European Union, Russia, Eurasia.*

Introduction

Russia's political and psychological perception of the former Soviet Union republics is responsible for the evolution of its conceptual approaches to the post-Soviet states. After 2000, officials in Russia started talking about the Eurasian space, normally in connection with certain structures (EurAsEC/EAEU, CES). In search of rhetoric that might unite these states together, Moscow has been gradually moving away from Soviet terminology. The number of institutional cooperation structures mentioned in official documents was steadily growing, while the same cooperation projects (or, rather, the terms that defined them) were proposed several times (the Customs Union, the Economic Union), their realization, however, depending on the exigency of external factors.

In the post-Soviet space, the Russian leaders are operating at several institutional contextual levels: within the broad format of the CIS and in several narrower structures (the Customs Union, EurAsEC/EAEU and CSTO) and keep the de facto frozen Union State of Belarus and Russia alive. Much was done,

prior to 2014, to involve Moldova and Ukraine, as common neighbors with the EU, in more sustainable bilateral relations. After 2014, however, Ukraine performed a U-turn that left Russia with no choice but to completely revise its Ukrainian policies. Brussels responded with anti-Russian sanctions.

The leaders of Russia perceive integration as an objective process, one of the trends in the international relations.² In Europe, the first scholarly publications practically coincided with the very first day of the official functioning of the Customs Union of Russia, Kazakhstan and Belarus. In 2010-2011, their number was relatively small and the works themselves were mainly nothing more than concise descriptions of the Eurasian Customs Union and the way it functioned. Since 1 January, 2012, when members of the Customs Union of EurAsEC founded the Common Economic Space (CES), the European academic community began showing a lot more interest in the prospects of the new structure and its viability.³ Integration is understood as the “drawing closer” of these countries in many directions and aspects.⁴

In the Russian projects for institutions meant to unite the post-Soviet countries, there is a lack of a valuable component, which could have served as the linchpin of integration. What Moscow offers in order to achieve that goal is to invite its partners to unite on the basis of common interests. As perceived by Moscow, the Commonwealth is no longer a “new confederation” (as it was seen by those who set it up) but a united search for common interests and allies. Today, the CIS is a forum of countries seeking ad hoc mechanisms and decisions.

The instruments, applied to closest neighbors, are mainly negative, such as the withholding of privileges (cheap resources, supplies of armaments, political support); they are fairly effective when applied to economically weak countries that partly depend on Russia (Armenia, Belarus, Moldova, Kyrgyzstan and Ukraine) or the countries with strong and practically uncontrolled central authority (Tajikistan and Uzbekistan).⁵ The efficiency of such instruments is short-lived: after a while, the targeted states start seeking contacts with the EU, another integration center that relies on positive instruments in its foreign policies.

The post-Soviet space is not just a priority objective for Russia’s foreign policies; it is an element of its interaction with other international participants: the EU and the U.S. primarily. Indeed, Russia’s weaker political position in relation to the post-Soviet states does little to enhance its international image and position.

Methods and Materials

Theoretical elaborations of the issue of integration in the Russian⁶ and foreign⁷ literature are based on different approaches and interpretations of the term “integration.”

² See: N.E. Kamal, M.A. Almulla, I.S. Karabulatova, A.S. Karabulatova, *The Arab East and Russia: Current Transformations of Multinational Corporations*, ed. by G. Osipov, ISPR RAS, Moscow, 2016, p. 138.

³ See: L. Shkvarya, O. Grigorenko, A. Strygin, V. Rusakovich, S. Shilina, “The Impact of the Global Economic Crisis on Asian Technology Markets (India and China),” *Central Asia and the Caucasus*, No. 2, Vol. 17, 2016, pp. 103-113.

⁴ See: I.N. Chuev, T.M. Panchenko, V.S. Novikov, O.A. Konnova, N.G. Iraeva, I.S. Karabulatova, “Innovation and Integrated Structures of the Innovations in Modern Russia,” *International Review of Management and Marketing*, Vol. 6, No. 1S, 2016, pp. 239-244.

⁵ See: L.V. Shkvarya, V.I. Rusakovich, D.V. Lebedeva, “Vneshneekonomicheskie svyazi Respubliki Tadjikistan s gosudarstvami Azii: sovremennye tendentsii,” *Upravlenie ekonomicheskimi sistemami: elektronnyy nauchnyy zhurnal*, No. 6 (78), 2015, p. 12.

⁶ See: Yu. Nikitina, “Ot integratsii k regionalizmu: evolutsia teorii regionalnogo mezhgosudarstvennogo sotrudnichestva,” *Vestnik MGIMO—Universitet*, No. 6 (15), 2010, pp. 134-140.

⁷ See: R. Dragneva, K. Wolczuk, “Russia, the Eurasian Customs Union and the EU: Cooperation, Stagnation or Rivalry?” *CHATHAM HOUSE*, 2012; N.E. Kamal, M.A. Almulla, I.S. Karabulatova, A.S. Karabulatova, op. cit.

Empirical materials, likewise, supply a lot of information about the integration processes unfolding in the world.⁸ Considering that different theories of integration are based on common precepts and the fact that Moscow's integration projects are based on Western experience, we prefer to interpret integration as a process dominated by the principle of supra-nationality. This process requires supra-national institutions assuming a part of the competencies of sovereign states; we have identified the development stages of these institutions and revealed that Moscow looks toward the European Union as the model of integration.⁹

Integration, as understood by the Russian leaders and presented in official statements and official foreign policy documents, is the "drawing closer" of interested countries that adhere to common norms in various spheres.¹⁰

This differs greatly from the theoretical approaches, therefore, the authors rely on the more general term of "drawing closer" rather than "integration" when discussing Russia's approaches to the post-Soviet space.

The main sources used in this article can be divided into four groups:

- (1) Official documents of the Russian Federation that shape its foreign policy: the foreign policy and national security concepts, strategies and military doctrines;
- (2) International agreements, treaties, declarations, decisions based on multilateral talks;
- (3) Speeches by the top Russian officials, as well as statements and commentaries by the RF Foreign Ministry and its official representatives;
- (4) Interviews with experts conducted by the authors in order to identify their opinions regarding their views about the changes in the Russian official foreign policy.

Methodologically, our work is based on comparative and retrospective analysis of the approaches of the Russian foreign policy community toward assessing the post-Soviet space. This analysis has helped to identify the specifics of foreign policy concepts at different stages of their development and demonstrated how they interact with the ongoing processes elsewhere in the world.

The discussion of the foreign policy approaches is based on the analysis of official documents, speeches by Russia's diplomats and the most significant media publications. At the level of scientific methodology, we relied on theoretical methods of analysis and synthesis, abstraction, induction and deduction.

Results

The Eastern Partnership policy of the European Union vis-à-vis the integration vector in Ukraine's development, as well as the normative competition between the two integrative projects led to the Ukrainian crisis and armed conflict in the region. In 2014-2015, the number of publications by the European expert community dealing with Eurasian integration has increased; all of them highly negative, critical of the Eurasian project and skeptical about its future. It has become obvious, however, that the Ukrainian developments took the EU by surprise and that the Eurasian Economic Union started functioning. Also, the inefficiency of the European economic sanctions forced the European Union to admit that, despite the flood of critical comments and the fact that before 2014 the

⁸ See: L. Shkvarya, O. Grigorenko, A. Strygin, V. Rusakovich, S. Shilina, op. cit.

⁹ See: I.N. Chuev, T.M. Panchenko, V.S. Novikov, O.A. Konnova, N.G. Iraeva, I.S. Karabulatova, op. cit.

¹⁰ See: T.V. Bordachev, "Nichego podobnogo na postsovetском prostranstve ne bylo," available at [<http://www.globalaffairs.ru/global-processes/Nichego-podobnogo-na-postsovetском-prostranstve-ne-bylo-17257>], 3 December, 2016.

EU had completely ignored the EurAsEC, it should acknowledge the necessity of cooperating with the new structure.

The Ukrainian crisis had accelerated the corresponding changes in the EU policies; it prompted the first official political statements about cooperation with the EAEU and a possibility of creating a free trade area between them. It turned out that, for all practical purposes, the EU could no longer continue lobbying its interests in the Eastern Partnership countries without taking into account the interests of the EAEU members. The EU has become aware that it should change its views toward the post-Soviet space and, in particular, its policy regarding the Eurasian integration.

Table 1

**Content Analysis of Publications
on Interaction between the EU and EurAsEC/EAEU**

Publications	2010	2011	2012	2013	2014	2015
Number of publications	8	7	6	14	31	28
Neutral publications	7	4	2	1	0	7
Positive publications	1	2	4	9	2	0
Negative publications	0	1	0	4	29	21
Share of biased publications in the total number of publications, %	87.5	57.1	66.7	64.3	93.5	75
Share of publications in any specific period in the total share of publications, %	8.5	7.4	6.4	14.9	33	29.8
Total number of publications						94

The U.K., Baltic countries, Poland, Rumania and Sweden are opposed to the drawing closer of the EU and the EAEU because of Russia's prevailing influence in the latter. Nevertheless, the positions of Poland, Rumania and Sweden are milder than those of their Baltic neighbors. In recent years, Poland and Rumania have greatly politicized their trade and economic relations with Russia and damaged their business interests there: the Poles and Rumanians lost more than others because of the EU-imposed anti-Russian sanctions. This explains why, despite the Ukrainian crisis and no warm feelings toward Russia, they are actively developing cooperation with Armenia, Belarus and Kazakhstan.¹¹ It seems that this barrier can be removed by the concerted diplomatic efforts of Armenia, Belarus and Kazakhstan—members of the EAEU.

The common history is gradually losing its hitherto dominant significance in the integration processes of the region. According to the majority of Russian experts, starting in the mid-2000s, the fabric of the post-Soviet territory began showing signs of rifts, signifying that the previously single and united geopolitical area is eroding. The European post-Soviet countries prefer economic and political contacts with the European Union, Russia and the United States, while the Central Asian countries look toward Russia, China, Turkey and Iran. Russia's partners in the Eurasian Economic Union (primarily Kazakhstan) have become objects of close attention of special services of the West and Saudi Arabia.

¹¹ See: "Mnogoletniaia diskriminatsia rossiyskogo biznesa v Polshe vozvrashchaetsia bumerangom," TPP- INFORM. ru: Official site of the Chamber of Commerce and Industry [http://www.tpp-inform.ru/analytic_journal/5521.html], 12 October, 2016.

Table 2

**Scholarly Articles and
Publications by European Experts on EurAsEC/EAEU**

Type of source	Internet
Type of communication	Scholarly articles, publications
Sides involved	Sent by European researchers
Volume of information	Not fewer than two pages
Units of analysis (calculation)	Eurasian project, Eurasian integration, Eurasian Union, Customs Union, EurAsEC/EAEU
Frequency of provided information	Not less than once a year

Russia and its efforts to set up a common economic space is not the only dilemma for the U.K.-U.S. alliance. There is China and its increasingly energetic activities in the region, where the Islamic factor is one of the potentially restraining forces. The widely spread and very active religion-based protest sentiments among the Uyghur diaspora is a very convenient instrument for containing Beijing's ambitions in Kazakhstan, while the West actively, but not obviously, supports the Uyghur community of Kazakhstan. In the future, the Islamic factor that is gathering weight in Kazakhstan might be exported to China to burden it with a very serious problem.

This makes Islamization of Kazakhstan one of the priorities for Saudi Arabia and the Anglo-American alliance. The ideological and investing expansion in Kazakhstan is actively unfolding: the Islamic, American and European banks, NGOs and tempting investment projects are but a tip of the iceberg of a diverse, impressive project of geopolitical changes.

In these conditions, the draft of a Eurasian Union is likely to fail. Only effective, large scale measures of propaganda, application of economic and sociopolitical initiatives afford a realistic chance to prevent the implementation of a negative scenario.

Discussion

There are no commonly accepted approaches for classification of regional economic agreements. Here are several of them. According to the WTO classification, there are three types of integration agreements: the free trade area, customs union and an economic integration agreement. The OECD identifies four forms of regional economic integration: a free trade area, customs union, common market and economic union. Western and Russian experts, however, prefer the classification offered by Béla Balassa in the Preface to his *Theory of Economic Integration*, first published in 1961: "In the course of the discussion, distinction will also be made between various forms of integration, such as a free trade area, customs union, common market, economic union, and total integration."¹²

Experts invariably point to the obvious heterogeneity of the "new independent states," which means that Russia should treat each of them separately.¹³ There is an opinion that local alliances and

¹² B. Balassa, *The Theory of Economic Integration*, Routledge, 2011, p. ix.

¹³ See: A. Nikitin, V. Petrovskiy, "Kontury obnovlennoy vneshney politiki Rossii: materialy diskussii po Kontseptsii vneshney politiki RF, provedennoy Pravleniem RAPN," *Obozrevatel*, No. 9/10, 2004; K. Gajiev, *Geopolitika*, Iurite, Moscow, 2011, p. 420.

regional (Caucasian, European and Central Asian) strategies, geared toward selected spheres of cooperation, are much more preferable. Some of the experts prefer to analyze each of the regions separately, with due consideration given to the specific nature of Russia's interests in each of them that requires individual approaches.¹⁴

In Russian science, the conceptualization of space is much more detailed.¹⁵ The connotation of the term "post-Soviet space" frequently refers to the analysis of problems, associated with a completed historical period, while the "CIS countries" and "Eurasia" concepts reflect the processes unfolding nowadays in international relations. The analysis of the terms has allowed us to conclude that the newly independent states and the CIS countries are the most appropriate terms to be used in the studies of international processes and the states' integrative efforts. We should also consider the kinds of discourses in which these terms are used.

The color revolutions have also demonstrated that the social and economic spheres in individual countries, as well as within the frameworks of multilateral cooperation, required more and a much closer attention.

Vladimir Petrovskiy is convinced that bolstering the humanitarian component is the condition, guaranteeing not only the survival of the CIS as such, but also the development of integrative processes in political and economic areas of the post-Soviet space.¹⁶

Conclusion

The jurisdictional basis accepted by the European and Eurasian unions was formulated within the requirements of the WTO, the organizational structures and working mechanisms of the two unions being very similar. They ensure the necessary impetus needed to create a free trade area between these integrative structures. There are enough shared economic and political reasons to build up an integrative symbiotic relationship between the EU and EAEU, supported by their members, as well as their supranational structures (EC and EEC). This provides an added incentive for the two unions to integrate.

Today, the problems of WTO membership for Kazakhstan and Belarus, the mandate for official talks with EEC on the EU-EAEU free trade area and technical barriers inside the latter can be described as the toughest barriers on the road toward the European-Eurasian integration in the classical form of a free trade area. In fact, its realization is fraught with certain economic risks for the EAEU members; they can be removed, however, by a mechanism of redistribution of advantages between the members and even between their economic branches. The risks may be compensated by the ad-

¹⁴ See: D. Trenin, "Rossia i novaia Vostochnaia Evropa," POLIT.RU, 22 April, 2010, available at [http://polit.ru/article/2010/04/22/trenin/], 15 December, 2016; A. Zagorskiy, "Traditsionnye interesy bezopasnosti Rossii na Kavkaze i v Tsentralnoy Azii," in: *Bezopasnost Rossii: XXI vek, Prava cheloveka*, Moscow, 2000; "Tsentralnaia Azia kak regionalnaia pod-sistema mezhdunarodnykh otnosheniy," in: A.D. Voskresenskiy, *Vostok-Zapad. Regionalnye podsistemy i regionalnye problemy*, MGIMO (U), ROSSPEN, Moscow, 2002; K.P. Borishpolets, "Ekonomicheskoe vzaimodeystvie Rossii so stranami Tsentralnoy Azii," in: *Yuzhny flang SNG. Tsentralnaia Azia-Kaspiy-Kavkaz: Vozmozhnosti i vyzovy dlia Rossii*, ed. by M.M. Narinskiy, A.V. Makgin, MGIMO (U), Logos, Moscow, 2003; B. Akhmetova, I. Karabulatova, P. Dudin, Zh. Dorzhiev, "Tension around the Problem of the South China Sea as a Factor of Geopolitical Confrontation and Transformation of the Present World Order," *Central Asia and the Caucasus*, Vol. 17, Issue 4, 2016, pp. 49-58; A. Shadzhe, I. Karabulatova, R. Khunagov, Z. Zhade, "Ethnopolitical Influence in Regulating National Security in Border Territories of the Countries in the Caucasian-Caspian Region," *Central Asia and the Caucasus*, Vol. 17, Issue 3, 2016, pp. 66-75.

¹⁵ See: M. Petrakov, "O kontseptsii dalneishego razvitiya SNG," *Mezhdunarodnaia zhizn*, No. 8, 2009, pp. 40-52.

¹⁶ See: V. Petrovskiy, "Gumanitarnoe napravlenie postsovetskoj integratsii," *Mezhdunarodnaia zhizn*, No. 3, 2006, pp. 121-128.

vantages, created by settling the fairly complicated political conflicts that so far remain in the absence of interaction between the sides.

Therefore, to sum up the above, we should assess the long-term results of this integration agreement before approaching the EU-EAEU free trade area issue and we should abandon the logic of the relationship between the EU and Russia that concentrates on relative advantages rather than guaranteed ones, offered in the long-term perspective by the tenets of the no-risk game. In this way, both sides will be able to abandon their short-term approaches in order to concentrate on the advantages offered by the long-term cooperation, otherwise the so far fragile relationship stands no chance of becoming not only an alternative to the failed relationship between the EU and Russia but its continuation.

Today, the members of both alliances, Russia and the EU countries, primarily, should not miss the unique chance to begin at the beginning and abandon the logic of the previous years' "zero sum game." It will be no exaggeration to describe this as an option of historic importance: the sides can either use the objective possibility and work together toward a zone of economic and political stability or remain in the zone of confrontational rationalizing of the last few years that might deepen the crisis and create new dividing lines on the European continent.
