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THE EURASIAN ECONOMIC UNION: DEVELOPMENT PROSPECTS

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ABSTRACT

he integration unions that have emerged in the post-Soviet region can guarantee its states preservation of their sovereignty, as well as the opportunity to oppose various internal and external threats, challenges, and risks. Kazakhstan and Russia have become the driving forces behind the integration processes in post-Soviet Eurasia, and these two countries bear the responsibility for maintaining stability in the region.

The Customs Union and Common Economic Space formed a platform for launching post-Soviet Eurasia to a higher level of integration—the Eurasian Economic Union (EEU), which has been functioning since 1 January, 2015 as "an international organization of regional economic integration with international legal standing." The EEU is intended for transforming the post-Soviet region into a new, more influential target of geopolitics in the future, a union that is qualitatively different to the CIS.

The very fact that the EEU exists is undoubtedly an important achievement in integration development in the post-Soviet region. Functioning of the union should lead to an increase in goods turnover, a rise in domestic and foreign investments, and significant economic growth. Experts also see certain prospects for reorienting the economy of the regional states from a primarily raw material model to high-tech sectors. In addition, certain countries should receive benefits.

The EEU is faced with the difficult task of competing with alternative projects unfolding in the post-Soviet region: America's New Silk Road program, which places China and Russia outside regional economy and policy; America's Trans-Pacific Partnership project,

which, according to the intentions of its creators, should become an alternative to Asia Pacific Economic Cooperation (APEC), where China holds a relatively strong position; the Turkic project advanced by Turkey and Kazakhstan; and, finally, the Great Silk Road Economic Belt regional trade and transport project launched by the PRC in 2013. Keeping in mind that the participating states and goals of this project partially coincide with the EEU's precepts, they could reciprocate each other and render mutual assistance, drawing up for Russia, the Central Asian and Caucasian states a strategy for responding to internal and external challenges and risks. The Shanghai Cooperation Organization (SCO) continues to be an important lever of influence

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in the APR and Central Asia, giving Russia a unique opportunity to discuss with China many pressing international problems.

Creation of the CU and EEU is, in itself, not enough for full-fledged Eurasian integration. So it is important to encourage such measures as forming a common market in Eurasia and expanding opportunities for mutually advantageous business relations both with individual states beyond the post-Soviet region and on a multilateral basis with other integration unions and organizations. In the new geopolitical conditions, it is important to establish pragmatic relations in Eurasia on an equal basis. This will guarantee stability for the participants in the integration processes.

KEYWORDS: integration, CIS, post-Soviet Eurasia, Customs Union, Eurasian Economic Union, Russia, Kazakhstan, Silk Road Economic Belt, China, Turkey

Introduction

After the collapse of the Soviet Union, the CIS countries encountered a systemic crisis in their economies, and life itself pushed the former Soviet republics toward integration for the following objective reasons:

- crisis of the national economies as a result of the breakdown in reciprocal economic ties during sovereignization of the post-Soviet states;
- collapse of the most advanced, science-intensive branches of national production as a result of the elimination of scientific-technical associations uniting various subdivisions into a single technological chain in the former Soviet republics;
- real threat of the post-Soviet countries, including Russia, turning into the periphery of the world economy and becoming manufacturers of raw materials and semi-finished products.

To this can be added the widespread disappointment in the CIS countries in the role of foreign capital, which, in spite of the artificially high expectations placed on it, did not assist the development of the real sectors of the economy, high technology, and so on, but reduced its activity primarily to the export of energy resources and other types of mineral and biological raw material.¹

It comes as no surprise that the post-Soviet countries found themselves in a strategic impasse. Collective efforts were the most rational way to withdraw from it, both by restoring and activating mutual economic relations, and by creating new relations between public and private companies and enterprises of the post-Soviet countries.

¹ For more details, see: G.I. Chufrin, Ocherki evraziiskoi integratsii, Ves mir, Moscow, 2013.

The experience of relatively successful examples of integration in the world—the European Union (EU), the North American Free Trade Association (NAFTA), and the Association of Southeast Asian Nations (ASEAN)—speaks in favor of closer interaction among the post-Soviet republics. The intensified economic trade contacts achieved by these integration unions have had a positive influence on the entire international political situation in certain regions and continents, have led to an expansion in stability zones, and have promoted a manifold decrease in the risk of internal conflicts. Moreover, in comparison with several other integration groups (the European Union and ASEAN), the post-Soviet republics possess advantageous starting opportunities—they were long part of a single state and, even after acquiring their independence, represent a closely interrelated geographic, economic, and sociocultural region. It is another matter that they have not been able to take full advantage of this.

The integration processes in the CIS have been hindered by the so-called civilized divorce ideology that initially laid the foundation of this interstate union. The Russian Federation's course toward primary development of relations with the West, which has essentially been going on uninterrupted since the beginning of the 1990s, has also objectively hindered integration. Integration failures were also caused by the fact that the national elites in the newly independent former Soviet republics placed the emphasis on strengthening their acquired sovereignty, while the symbiosis that emerged in the overwhelming majority of the CIS republics in the form of power-accreted capital was not conducive to the integration processes. So, although they supported the unifying ideas in word, in practice the post-Soviet leaders saw a threat to their own interests, both economic and political, in the integration initiatives, particularly if they came from stronger Russia.

However, since the beginning of the 2000s, the need to knit together the scattered economic spaces in post-Soviet Eurasia through intensified integration has been dictated by objective international reality:

- the global financial and economic crisis at the end of 2008, the waves of which continue to shake the world system;
- the growing chaos in international affairs, which was largely related to the crisis in international multilateral institutions with gradual deformation of the postwar world order;
- the erosion of the very phenomenon of state sovereignty under the impact of political globalization;
- the frequently occurring precedents in world policy of a change in regime through interference from the outside (humanitarian intervention, color revolutions, and so on).

The fact that the different vectors and models of integration already functioning or only beginning to form in the post-Soviet region—economic, political, cultural, and military—could guarantee the states of the region the opportunity to preserve their sovereignty and oppose the various internal and external threats, challenges, and risks became the imperative in these conditions. The leaders of Kazakhstan and Russia have been placing special emphasis on this. They have become the driving forces behind the integration processes in post-Soviet Eurasia, and these two countries bear the main responsibility for maintaining stability in the region.

On the Way to a Eurasian Economic Union

President of Kazakhstan Nursultan Nazarbaev voiced the idea of forming a Eurasian Union of States when he spoke on 29 March, 1994 at Moscow State University during his first state visit to the

Russian Federation. According to the Kazakhstan President's idea, the Eurasian Union was to pool its potential and revive transport communication among the Eurasian countries, which would make it possible for them to function as a transit corridor between the East and the West, as well as act as a mediator between the two continents in their trade and economic interactions. It was presumed that the project would be based on the concept of varied-speed integration, in which the forms and rates of cooperation would depend on the interest and willingness of the participating countries.²

In July 1994, the integration project proposed by Nursultan Nazarbaev was sent to the heads of the CIS states, and the media began calling this project the Eurasian Union.

The Union was to form a unified approach to market reforms, guarantee the participating countries national security, and promote their incorporation into the global economy by creating a unified political, economic, humanitarian, and customs space controlled by supranational institutions. In so doing, there were plans to engage in cooperation not only in the economy, but also in politics, security, and defense.³

On 29 March, 1996, Belarus, Kazakhstan, Kyrgyzstan, and Russia signed an agreement on intensifying integration and founded a new regional organization (the Customs Union), which was to ensure the gradual intensification of economic and social integration with respect for sovereignty, equality, border inviolability, and non-interference. But the union never got underway: customs regulation was not coordinated, the free trade regime remained incomplete, and the states introduced various restrictions for protecting their own markets. In 1998, the gradual course of economic integration was interrupted by the financial-economic and currency crises, as well as the default on government short-term bonds in Russia. The participants in the CU felt the negative consequences of this crisis and began taking serious measures to protect their manufacturers, national financial and currency systems, and commodity markets.

The functioning of the CU and further intensification of integration were also hindered by Kyrgyzstan's accession to the WTO in 1998; the republic's leadership agreed to significant concessions to the international organization in an attempt to complete the accession process as quickly as possible. For example, Kyrgyzstan pledged to carry out several demands that did not have legal status and were not formally enforced, which prevented the CU from unifying customs duties. In so doing, the CU participating countries were supposed to coordinate WTO accession efforts and exchange information on negotiating strategy, which also did not happen.

At the same time, at the turn of the new millennium, in order to prevent further erosion of economic trade ties, a regional structure that could realistically function in the post-Soviet region had to be created that would ensure greater effectiveness of mutual cooperation among the countries and establish contact with other similar associations. And this was the Eurasian Economic Community (EurAsEC) founded on 10 October, 2000. Its full members included Belarus, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan, while Moldova, Ukraine (since May 2002), and Armenia (since January 2003) became its observers. The International Aviation Committee (IAC) and Eurasian Development Bank (EDB) also received status of observer in the EurAsEC. After becoming an economic integration organization that presumed the gradual creation of an economic union, the EurAsEC was able to determine many long-term integration vectors of multilateral cooperation among the post-Soviet states.

On 19 September, 2003, the presidents of Russia, Belarus, Kazakhstan, and Ukraine signed an Agreement on the Formation of a Common Economic Space (CES) in Yalta. It was presumed that it

² See: Speech by Nursultan Nazarbaev on 29 March, 1994, in: *History of Kazakhstan*, available in Russian at [http://e-history.kz/567], 26 February, 2015.

³ See: N.A. Vasilieva, M.L. Lagutina, "K voprosu o formirovanii Evraziiskogo soiuza," *Evraziiskaia integratsiia*, No. 11, 2010, p. 69.

would unite the customs territories of the participating states and ensure the freedom of movement of goods, services, capital, and labor, as well as a unified foreign trade and coordinated tax, monetary, and fiscal policy. The establishment of the CES as an integration regional organization was based on the principle of varied-level and varied-speed integration enforced in the basic agreement.

However, Ukraine began to hamper the integration process, striving to achieve unilateral political and economic advantages. When Viktor Yushchenko became president of Ukraine in 2005, the republic's leadership placed top priority on Euro-integration (Ukraine's accession to the European Union and NATO). Due to Ukraine's particular position, implementation of the CES project in the form it had been conceived was essentially halted. Based on this situation, the heads of the EurAsEC member states made a decision on 16 August, 2006 to transfer work on forming the CU to this organization. Here an important stage on the way to building the CES was to be implemented by means of three states—Belarus, Kazakhstan, and Russia.

On 19 December, 2009, an action plan to form a CES of Belarus, Kazakhstan, and Russia was approved by a decision made at a summit meeting of the EurAsEC Interstate Council. However, unification of economic policy in certain branches of their economies, which should have been accompanied by a gradual cancellation of tariff and non-tariff restrictions, went relatively slowly. In order to overcome this situation, a decision was made at a summit meeting of the EurAsEC Interstate Council on 5 July, 2010 in Astana to accelerate this process, and on 8-19 November, 2010 the following agreements were signed at heads of government meetings of the EurAsEC Interstate Council in St. Petersburg: on unified principles and rules of technical regulation from third states; on the legal status of work migrants and the members of their families; and on ensuring access to the services of natural monopolies in power engineering, including the foundations of price formation and tariff policy. On 9 December, 2010, at summit meetings of the EurAsEC Interstate Council—Supreme Body of the Customs Union (SBCU), all the remaining international agreements included in the CES contractual-legal framework were signed.

On 1 January, 2010, the Customs Union of Belarus, Kazakhstan, and Russia began functioning and launched full-scale work on 1 July, 2011 in compliance with international standards. The EurAsEC continued, nevertheless, to engage in the regulation of labor migration, social-humanitarian problems, and coordination of the efforts of national structures in the main international issues.

Thus, the formation of the CES's contractual-legal framework was essentially complete. The presidents of Russia, Belarus, and Kazakhstan adopted the Declaration on the Formation of a Common Economic Space, in which they expressed their certainty that integration in the Eurasian region would continue to develop effectively. And on 18 November, 2011, the heads of Russia, Belarus, and Kazakhstan signed the Declaration on Eurasian Economic Integration, in which the sides announced the transfer to the next stage in integration-building—the CES. The basic documents on establishment of the CES came into force on 1 January, 2012.

The CU and CES became the platform for launching the region to a higher level of integration—the EEU. This project received a boost after publication on 3 October, 2011 in *Izvestia* of an article by the then Russian Prime Minister Vladimir Putin called "New Integration Project for Eurasia—The Future of Which Is Being Born Today." In turn, Kazakhstan President Nursultan Nazarbaev proposed that this union be initially created as a competitive global economic association that would head toward accelerated industrial and innovative development. According to the idea of the Kazakhstan president, the new union was to become a bridge between the Euro-Atlantic and Asian arenas of economic development.

On 29 May, 2014, in Astana, at a meeting of the Supreme Eurasian Economic Council, the presidents of Belarus, Kazakhstan, and Russia signed an Agreement on the Establishment of the EEU, which was ratified by the end of 2014 by all three participants. The Agreement came into force

on 1 January, 2015, after which the EEU began officially functioning as "an international organization of regional economic integration with international legal standing." Armenia, Kyrgyzstan, and Tajikistan applied to join the organization. But the Agreement on Accession to the EEU was only signed by the Republic of Armenia (Minsk, 10 October, 2014) and with the Kyrgyz Republic (23 December, 2014), whereby on 2 January, 2015, Armenia acquired the status of full-fledged member of the EEU. Tajikistan, which also submitted an integration application to join the EEU, is still waiting for it to be examined.

The EEU is intended for transforming the post-Soviet region into a new, more influential target of geopolitics in the future, a union that is qualitatively different to the CIS. Nor is it any secret that security considerations became key aspects in the formation of the EEU. What is more, its non-Russian participants are placing the emphasis at present on the economic, and not on the political-ideological or supranational (for which some Russian politicians called) component of the EEU. It is worth noting in this respect the viewpoint expressed by Director of the Institute of International and Regional Cooperation at the Kazakhstan-German University Bulat Sultanov: "The Europeans have been creating a common market for more than 30 years, and all this time they have managed without any ideology. And only then did they decide to create the European Union, because they felt that they could compete with the U.S. and could create a new currency. So we do not need to pose ideological tasks now or talk about any projects. We are creating a common market."⁴

It is obvious that the creation of supranational structures (a Eurasian Parliament based on the example of the European Parliament, as was proposed at one time by certain Russian politicians) is not on the EEU agenda today, since this could discredit the very idea of integration. An emphasis on its political dimension could add fuel to the flames in the domestic political situation of the countries participating in the integration processes and play into the hands of ultranationalist and chauvinist forces that see the integration economic undertakings being carried out as something akin to an attack on the national sovereignty of their countries and accuse Russia of great power strivings.

So the primary goal of the EEU is the reciprocal opening of markets. Signing by the CIS countries (apart from Azerbaijan, Uzbekistan, and Turkmenistan) of an Agreement on a Free Trade Area (FTA) on 18 October, 2011 in St. Petersburg became a perceptible step toward implementing this project. It will allow the CIS countries to accelerate the process of mutual adaptation and unification of their national economies, possibly according to the same model of "varied-speed integration" that economically unified the EU. Attention is also drawn by the fact that very different countries are beginning to show an interest in the FTA—beginning with Uzbekistan and Turkmenistan, which traditionally avoid participating in any kind of international associations, either economic or political, and ending with Turkey, Vietnam, Mongolia, and several others.

The very fact that the EEU exists is of course a major achievement in the development of integration in the post-Soviet region. The functioning of the union should lead to an increase in goods turnover, a rise in domestic and foreign investments, and significant economic growth. Experts also see certain prospects for reorienting the economies of the states with a primarily raw material model to high-tech sectors. Moreover, certain countries should also receive benefits.

Eurasian Integration: For and Against

Russia largely views the integration unions in Eurasia as a tool for protecting its national interests in talks with the West, on the one hand, and from China, on the other, since Kazakhstan's pro-

⁴ Iu. Maiskaia, "Kuda idem, soiuzniki?" Nomad, 12 February, 2015.

spective accession to the WTO will open up the Russian market primarily for Chinese commodities. What is more, by establishing the CU/EEU, Russia is eliminating several problems existing in its relations with some of the CIS member states, the leaders of which are accusing Russia of deliberately freezing the integration processes in the post-Soviet region.

Russia is not interested in launching integration with all the EurAsEC countries at once, since they differ too much in terms of economic development level, and there are also too many contradictions and mutual claims among them. This is why Russia first asked Belarus and Kazakhstan to integrate with it—states that, in its opinion, had matured enough for this process and would not be able to reject it. This is particularly true since the creation of such a large regional union as the EEU promises the countries belonging to it and potential participants future strategic value.

Russia is essentially creating a zone, along with Kazakhstan and Belarus, for developing its own business. It is impossible for Russia to create this kind of zone with the European Union in the fore-seeable future, and it is afraid of doing this with China. In this respect, the value of the CU/EEU as an important step toward comprehensive integration in post-Soviet Eurasia is growing, and the results of this interaction, which is limited for the time being at the initial stage to the economy and trade, are important for Russia's development not only in the long term, but also in the short term.

Based on the fact that there are plans to create a single currency for all the member states in the EEU, as well as a unified emission center, Russian President Vladimir Putin came forward with a proposal at a recent meeting of the leaders of the EEU countries in Astana to transfer to a single currency. To this end, he assigned the Central Bank and government the task of determining the economic expediency of this reform before 1 September, 2015. Nevertheless, a currency union is the deepest form of integration interaction, in contrast to the FTA and CU. However, a perceptibly higher level of coordination of macroeconomic policy is needed to introduce a single currency than what we are seeing in the EEU today. In order to introduce a common currency, a perceptibly larger volume of trade among the union members is desirable. According to the results of last year, however, the goods turnover volume among the CU countries decreased by 11% and amounted to \$57.4 billion. The indices for mutual investments are also low.⁵

Kazakhstan, like Russia, occupies a special position in the implementation of Eurasian integration projects due to its significant economic and resource potential. These projects attract Kazakhstan for several reasons.

- First, it is concerned about China and regards Russia as a good counterbalance to China's economic expansion.
- Second, President Nursultan Nazarbaev is a long-term and consistent supporter of the idea of Eurasian integration.
- Third, the republic is positioning itself as a bridge between Europe and China, for which a green corridor through Russian territory is vitally important.

One of the main arguments in favor of creating the CU and EEU for Kazakhstan is the possibility of expanding the sales market for local commodity manufacturers. After all, Kazakhstan, with its limited domestic market formed by a population of 16.6 million people, has gained access to the Russian and Belarusian markets.

By showing an interest in creating the CU as a kind of defense system, Kazakhstan is trying to build it keeping in mind its own interests, which do not always and not in every way coincide with those of its CU/EEU partners.

⁵ See: A. Gushchin, "Evraziisky ekonomichesky soiuz poka ne gotov k edinoi valiute," *Nezavisimaia gazeta,* 9 April, 2015.

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For *Armenia*, the pluses of integration are related to the legalization of work migrants, as well as to the fact that this country, which is in transport isolation, hopes that within the framework of the CU/EEU, some commodities will become cheaper for the population. According to Head of the Integration and Development NGO Aram Safarian, the almost 225,000 citizens of Armenia who depart every year for Russia and other EEU countries send remittances of between \$1.5 and 1.8 billion home every year. And since Armenia has, according to the businessman, the most liberal economic system in the EEU, this makes it possible for many companies to open new businesses here, which is much cheaper than in Russia. Armenia's position is weakened by the fact that it does not have common borders either with Russia, or with the other participants in the Eurasian integration project, which could complicate the republic's cooperation with other members of the union in the future.

For *Kyrgyzstan*, which acceded to the EEU in May 2015, this is also a chance to improve the economic situation in the republic. It is no accident that President Almazbek Atambaev called 2015 a year for strengthening the national economy.

The situation with *Tajikistan* looks more complicated, the authorities of which, although they welcome the EEU, for which they are striving, experience certain doubts about the possibility of resolving their problems within the framework of this union, particularly in migration policy. The situation itself in the republic remains vague due to its geographic distance from Russia and from Kazakhstan, and most important, due to the economic and political crisis that has hit Tajikistan. This is aggravated by its proximity to Afghanistan, where events might begin to develop in accordance with an even more negative and unpredictable scenario.

The disputes around the EEU are not abating in the other countries participating in this integration union either. Here the representatives of business circles are worried that they will not be able to fully protect their national interests, keeping in mind Russia's absolute economic domination. They also see the risk of having to compromise not only their economic, but also political interests. The situation is further complicated by the fact that the natural resources, capital, and so on of the Central Asian and South Caucasian regions are only partially sovereign, and there are still many unresolved contradictions (due to disputed territory, water resources, deposits, routes of energy and transport lines, etc.) between some of their states—current and potential participants in the integration process in post-Soviet Eurasia.

In addition to these and other fears and phobias, in 2014-2015, a situation has been created, in which the entire integration process faces serious challenges. The matter concerns the unfavorable geopolitical background that has emerged with respect to the Ukrainian crisis, the sanction activity of the U.S. and European Union, and the economic difficulties Russia is experiencing because of this. This has resulted in a certain decrease in the EEU's appeal for Russia's partners.

- First, due to the decline in the ruble, commodities from Belarus, Kazakhstan, and Armenia have become too expensive compared with Russian goods, which has had an impact on reciprocal trade volumes.
- Second, the drop in oil prices has devalued another vitally important plus of integration preferential prices for Russian energy carriers.⁶

In so doing, attention is drawn by the fact that the information wave coming from the West has been taking advantage of the emergent difficulties, playing on fears—not so much real as perceived—about Russia's striving to take revenge in the wake of Crimea in other directions, revive the so-called

⁶ See: Iu. Vishnevetskaia, "Gotovy li strany EAES razdelit s Rossiei tiagoty krizisa?" *Nemetskaia volna*, 30 January, 2015, available at [http://www.dw.de/готовы-ли-страны-еаэс-разделить-с-россией-тяготы-кризиса/а-18225876], 31 March, 2015.

imperial policy of the Soviet Union, and oust the local business and political elite from its advantageous position.

When analyzing this whole situation, Russian scientist Nabi Ziyadullaev notes: "The caution and mistrust of several CIS countries toward closer integration with Russia comes from the long years of imperial and Soviet history. Nevertheless, in the contemporary world, deep economic integration is imperative, and if Russia is indeed bent on long-term cooperation with the former republics, it must prove that the EEU project is an entirely new type of relations among the post-Soviet states based on the inviolability of political sovereignty, territorial integrity, and equality of partners that excludes the domination of Moscow."⁷

In this respect, Russia faces the difficult task of ensuring that the EEU can compete with the alternative projects unfolding in the post-Soviet region: America's New Silk Road program, which places China and Russia outside regional economy and policy; America's Trans-Pacific Partnership project, which, according to the intentions of its creators, should become an alternative to Asia Pacific Economic Cooperation (APEC), where China holds a relatively strong position; the Turkic project advanced by Turkey and Kazakhstan; and, finally, the Great Silk Road Economic Belt regional trade and transport project launched by the PRC in 2013.

It is worth noting that the U.S. intends to put up active opposition to the CU and EEU projects. It is enough to remember how severely Hillary Clinton, contender in the 2016 presidential U.S. election, reacted to the first signs of the appearance of the EEU as early as 2012 as Secretary of State in the Barack Obama administration, saying that Russia was aiming to Sovietize the post-Soviet region: This process "is going to be called a customs union, it will be called Eurasian Union and all of that... But let's make no mistake about it. We know what the goal is and we are trying to figure out effective ways to slow down or prevent it."⁸

As for China's Silk Road, keeping in mind that the participating states and goals of this project partially coincide with the EEU's precepts, they could reciprocate each other and render mutual assistance, drawing up for Russia, the Central Asian and Caucasian states a strategy for responding to internal and external challenges and risks. The Shanghai Cooperation Organization continues to be an important lever of influence in the APR and Central Asia, giving Russia a unique opportunity to discuss with China many pressing international problems.

Conclusion

Creation of the CU and EEU is, in itself, not enough for full-fledged Eurasian integration. So it is important to encourage such measures as forming a common market in Eurasia and expanding opportunities for mutually advantageous business relations both with individual states beyond the post-Soviet region and on a multilateral basis with other integration unions and organizations. In the new geopolitical conditions, it is important to establish pragmatic relations in Eurasia on an equal basis. This will guarantee stability for the participants in the integration processes.

There are also prerequisites for the EEU's rapprochement with China's Silk Road Economic Belt project, but only if the regulations for this interaction are drawn up. Otherwise, one project might be mutually absorbed by another.

⁷ "Ukrainsky krizis postavil pod ugrozu sudbu EAES," Institute of Caspian Cooperation, available at [http://casfactor. com/ru/processes/100.html], 12 September, 2014.

⁸ Quoted from: Ch. Clover, "Clinton Vows to Thwart New Soviet Union," 6 December, 2012, U.S. Politics & Policy, available at [http://www.ft.com/cms/s/0/a5b15b14-3fcf-11e2-9f71-00144feabdc0.html#axzz3dysd3C2U].

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The EEU is a promising and competent tool of regional integration, being an important geopolitical achievement promising specific benefits for the states that belong to this kind of union. In the event the EEU is successfully implemented, it could turn the participants of economic cooperation into full-fledged partners in institutional political and military unions. In this context, this integration union can be seen as a decisive strategic breakthrough in the former Soviet expanse.

Russia will continue to be the main driving force behind integration in the post-Soviet expanse, preferring selective cooperation with those post-Soviet states that, like Kazakhstan and Belarus, show their willingness to engage in intensified interaction. In so doing, due to its significant economic and resource potential, Kazakhstan, like Russia, will occupy a special position in implementing the Eurasian integration project.

For the post-Soviet republics, which, on the whole, still represent a closely interrelated geographical, economic, and sociocultural expanse, intensification of economic trade contacts is a positive factor, since this promotes an expansion of stability zones and a manifold decrease in the risk of internal conflicts.