6. Russia and the Eurasian Economic Union. A Failed Project?

Aldo Ferrari (ISPI, Università Ca’ Foscari in Venice)

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The Ukrainian crisis did not only produce a deep and enduring rift in the relations between Russia and the West; it also led to a phase of considerable difficulty for Moscow with several post-Soviet republics, even with those most interested in the perspective of economic and political re-composition. Many observers believe that the Ukrainian crisis resulted in a substantial and perhaps final setback to the Russian project of Eurasian Union. Is it really so? Or, from another point of view, did the loss of Ukraine make it even more necessary for Russia to realize the Eurasian project?

Eurasia: cultural and geopolitical visions

Putin has invested heavily in this project since the election campaign for his third presidential term. In an article published at the end of 2011 he announced the desire to build a Eurasian Union (Evrazijskij Soyuz) which aims not only at strengthening economic ties between member states, but also at promoting a future political integration:

The Eurasian Union will be based on universal integration principles as an essential part of Greater Europe united by shared values of freedom, democracy, and market laws. Russia and the EU agreed to form a common economic space and coordinate economic regulations without the establishment of supranational structures back in 2003. In line with this idea, we proposed setting up a harmonized community of economies stretching from Lisbon to Vladivostok. […] Soon the Customs Union, and later the Eurasian Union, will join the dialogue with the EU. As a result, apart from bringing direct economic benefits, accession
to the Eurasian Union will also help countries integrate into Europe sooner and from a stronger position\(^1\).

In the West, this project has been met with skepticism and outright hostility by many observers, who have essentially interpreted it as an attempt to re-establish Russia’s “neo-imperial control” over the post-Soviet states; and also in Russia many analysts are convinced that Moscow is unable to pursue such an ambitious goal, combining political, economic and cultural elements\(^2\). As a matter of fact, this project is not only a fundamental test of Russia’s ability to match its ambitions on the international scene, but also its latest attempt to follow an independent historical path, different from the Western one.

It should be noted that the expression used by Putin to name his project is anything but neutral in the Russian cultural and political tradition. Indeed it evokes an intellectual movement – Eurasianism (evrazijstvo) – which constitutes the most radical expression of Russia’s aspiration to develop an autonomous civilization. The Eurasianist movement – created in the 1920-30s by many famous representatives of Russian emigration such as Nikolay Trubetskoy, Roman Jakobson, Georgy Florovskij, Dmitry Svjatopolsk-Mirsky, Georgy Vernadsky, and Pyotr Savickij – build upon the notion that Russia constitutes a distinct geographical and historical area that should affirm its uniqueness, refusing inclusion

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in the European and Western cultural space³.

Ostracized for decades in the USSR, Eurasianism was reborn in the last Soviet period mainly through the mediation of the historian Lev Gumilev, referring back however only in part to the movement of the years 1920-1930⁴. The Eurasianist perspective has been revived in recent years by many scholars who place the issue of Russia’s position in the post-Soviet and post-bipolar scenario within the so-called “civilization approach” (civilizacionnyj podchod), which rejects the idea of the absolute value of Western civilization and proposes a pluralistic view of human history as well as a multi-polar vision of international relations⁵. Moreover, many elements of neo-Eurasianism entered into the ideological platform of Gennady Zyuganov, Secretary of the Russian Communist Party⁶, but this orientation is associated mainly with Alexandr Dugin. This prolific author, close to the positions of the European New Right, has quickly become not only the most famous representative of Russian Neo-Eurasianism, but also a polemical target for many scholars, who probably overestimate his political weight⁷.


⁵ A. Ferrari, La foresta e la steppa... cit., pp. 275-279.


In any case, the neo-Eurasianist discourse has been widespread in the post-Soviet years, representing the most radical expression of Russia’s anti-Western orientation. In addition, the objective of bringing together the territories that were part of the Russian Empire and the Soviet Union is strictly connected with Neo-Eurasianism, considered by some analysts nothing more than “[…] a pseudonym for the re-composition of the post-Soviet space”.

**Putin, Eurasianism and the Eurasian Union**

Not surprisingly, neo-Eurasianism is viewed with strong suspicion in the West and Putin’s political rise was soon connected to this ideological trend. The speech delivered by Putin on 10 November 2000 that began with the words “Russia has always felt a Eurasian country” (Rossiya vsegda oščušala sebja evraziatkoj stranoj) had already aroused strong concern. It was actually a very pragmatic text, uttered on the eve of an Asian-Pacific Economic Cooperation (APEC) summit, in which Putin noted that its primarily Asian geographical location gives Russia many potential economic opportunities to be exploited. The entire speech consisted of the prospect of a Russia that finally manages to exploit its geographical position to become a center of economic interaction and political stability in Asia, Europe and America. Although these arguments echoed some ideas advanced by one of the founders of Eurasianism, the father of Russian geopolitics Pyotr Savickij, Putin’s speech appeared to be based more on the scarcely deniable evidence of the

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Eurasian geographical positioning of Russia than on a specifically Eurasianist ideological perspective. This did not, however, prevented Dugin from already “enlisting” the president among the supporters of Eurasianism in the aftermath of this speech. However, the inclusion of Putin in Eurasian ideology is largely misleading. As Marlene Laruelle states,

Dugin’s networks are those of the European New Right, rooted in barely concealed fascist traditions, and with some assumed intellectual and individual affiliations with the Nazi ideology and post-Nazi elusive transformations. On the contrary, the Kremlin has progressively created a consensual ideology without doctrine, founded on Russian patriotism and classical conservative values: social order, authoritarian political regime, the traditional family etc.

Although many scholars continue to wonder if his foreign policy should be considered within the Eurasianist orientation, it is certainly a colossal mistake to see Dugin as “Putin’s brain.” Or, sometimes, it is a voluntary distortion of the reality that aims to represent in the worst possible light the politically unwelcome Eurasianist project. In fact one gets the impression that many analysts not only overestimate Dugin’s importance in Russian foreign policy, but also instrumentally tend to look at the project of the Eurasian Union through his ideological lens. The fact that since

11 M. Laruelle, Dangerous Liaisons: Eurasianism, the European Far Right, and Putin’s Russia, in M. Laruelle (ed.), Eurasianism, the European Far Right... cit., p. 23.
the launch of the Eurasian Union project in 2011 many Western scholars and media have tended to analyze it as the victory of Eurasianist ideology is largely misleading. The Eurasian project advanced by the Russian leadership in recent years should instead be studied in its concrete political and economic significance, without attributing an ideological interpretation that seems largely groundless. As noted by the Russian analyst Fyodor Lukyanov,

The enthusiasts of the Eurasianist ideology – according to which Russia is a specific civilization opposed to Europe and with a mission to unite the vast spaces of Eurasia – were galvanized by the idea of Putin, but neither in his article nor in the subsequent explanations, however limited and very practical, is there anything of Eurasianist metaphysics in the spirit of Trubetskoy, Gumilev or Dugin [...] the Eurasian Union proposal is not what you see from the outside. It is not an incarnation of the “great steppe” or a revival of the USSR and only partly an alternative to the European Union. If the project will continue, and will in this sense is very strong, it must be filled with a very concrete content and the benefits that the participants can derive will push them to seek an ideological framework. Currently, the Eurasian Union is another illustration of the transition of the Russian ideological consciousness, that clearly begins to detach itself from the former imperial matrix, but still cannot admit it14.

Even a critic of this project like Nico Popescu remarked that:

Putin may be fond of ideas and is certainly acutely aware of the power of symbols. He is increasingly ideological and nationalist. But he has always been a practical man. For him, the Eurasian Union is a practical project that also reflects the thinking of Russia’s foreign policymaking class as a whole. The overlap between Putin’s project and the historical and theoretical Eurasianism put forward by earlier thinkers is almost accidental – except that both have their roots in Russia’s eternal need to define its place between Asia and Europe15.

Nevertheless, if the inclusion of Putin in the Eurasianist ideology appears substantially groundless, his political action has certainly shown a strong interest in the Eurasian area as such. One cannot underestimate the scale of Putin’s well-known statement of 25 April 2005, when he declared he considered the dissolution of the USSR “the greatest geopolitical catastrophe of the twentieth century”\textsuperscript{16}. The re-composition of the post-Soviet space in a more concrete form than what is represented by the CIS is obviously a key objective of Putin’s political agenda, which from this point of view can be put near the Eurasianist vision, but does not coincide with it.

However, there is no clear distinction within the Eurasian project between its practical, economic dimension and the ideological and geopolitical one. As noted by a scholar who looks at this with concern and skepticism at the same time,

In fact, however, there are two Eurasian Unions: one real, and the other imaginary. One is economic, and the other geopolitical. The real Eurasian Economic Union is an international organization like many others. It has a legal identity, a secretariat and is staffed by bureaucrats who would not look out of place in the European Commission building in Brussels or the WTO secretariat in Geneva. Its member states exchange trade concessions among themselves and rely on the institution as an external enforcer of rules. But there is another Eurasian Union, one fuelled by geopolitical aspirations\textsuperscript{17}.

Indeed, it is key to note that apart from its economic dimension, the Eurasian project has an important and still largely undefined strategic significance.

\textsuperscript{16} http://archive.kremlin.ru/appears/2005/04/25/1223_type63372type63374type82634_87049.shtml

\textsuperscript{17} N. Popescu, op. cit., p. 7.
The Eurasian project after the Ukrainian crisis

The actual aim of the Eurasian project is to be viewed primarily as the desire to strengthen, first from an economic point of view, cooperation among the countries of the post-Soviet space. This project began to develop in July 2011 with the birth of the Customs Union of Russia, Belarus and Kazakhstan, which became the Common Economic Area on 1 January 2012 and the Eurasian Economic Union on 1 January 2015 with the inclusion of Armenia and Kyrgyzstan. This initiative, covering over three quarters of the post-Soviet space and 183 million people, is in effect Moscow’s most serious attempt at integration since the fall of the Soviet Union, because the founders of the new structure envisage it as combining both political and economic functions.18

In recent years Moscow has exerted strong pressure on the post-Soviet republics in order to convince them to adhere to this initiative. In particular this pressure has regarded Ukraine, which due to its large population and economic potential is the key country for the realization of this integration process. As a matter of fact Ukraine would be much more important for the realization of the Eurasian project than all the other post-Soviet states. Besides, the insertion of Ukraine in the Eurasian Union could also show that this project is not monopolized by Russia. As has been remarked, “With only a little exaggeration, it could be said that Russia needed Ukraine to play in the Eurasian Union the sort of role that France has played for Germany in the EU – that of a de facto weaker partner that pretended to be equal – to create at least the perception that Russia was not dominant”19.

Nevertheless, Ukraine’s integration into the Eurasian project was hampered by the strong pro-Western inclination of a large part of the population and of the political elite of this country, which is also the main goal of the eastward projects of the UE, particularly of the European Neighborhood Policy (2004) and the Eastern Partnership (2008).20

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20 On this issue see my article EU-Russia: What Went Wrong?, in A. Ferrari (ed.), Beyond Ukraine. EU and Russia in Search of a New Relation, Milan, Epoké-ISPI, 2015,
However we judge the evolution of the political scene in Kiev after the regime change in February 2014, there is no doubt that the entry of Ukraine into the Eurasian project seems to have largely vanished. And this is a very strong blow to the whole process of integration desired by the Kremlin, which loses its main goal. Besides, one should not underestimate the concern caused by the annexation of the Crimea and the Russian military intervention in the Donbass in countries such as Belarus and especially Kazakhstan, which hosts a large Russian community in its northern regions. The already considerable resistance that these countries were showing to transformation of the Eurasian Economic Union into a political subject has in fact strengthened after the Ukrainian crisis. The entry into the Eurasian Economic Union of politically and economically not very significant countries such as Armenia (October 2014) and Kyrgyzstan (May 2015) has certainly not offset the loss of Ukraine. Nor would that of Tajikistan, still undecided on this step.

The Eurasian integration project is negatively affected by a variety of factors. First should be considered the hostility of the West, particularly of the United States, which strongly opposes the revival of a unified political space in the heart of Eurasia. We should still remember Brzezinski’s well-known words: “America’s primary interest is to help ensure that no single power comes to control this geopolitical space and that the global community has unhindered financial and economic access to it”.

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22 See chapter 4 in this volume


And the recent deterioration of relations with the West after the Ukrainian crisis induced the Russians to think that this negative attitude is now even stronger: “Finally, the new Cold War increases the influence of external factors on the Eurasian Union. Before the Ukraine crisis, the US and Europe simply refused to recognize the process of integration; now they will try to block it.”

Another important negative issue is China’s cold attitude to the Eurasian project. Beijing is quickly expanding its economic penetration of Central Asia and cannot view with enthusiasm this Russian project of integration. But besides Western and Chinese resistance one should consider the reservations of many post-Soviet countries about this reintegration that inevitably would see the overwhelming pre-eminence of Russia. Apart from Belarus and Kazakhstan – which anyway aim at a real and difficult equality with Russia in the Eurasian Union – the other post-Soviet states do not seem particularly enthusiastic about a prospect that clearly implies the surrender of a share of their sovereignty.

More generally it can be observed that in spite of a long historical coexistence today’s Russia seems unable to become a really attractive political, economic and cultural model for the post-Soviet countries. Several of these countries have joined the Eurasian Economic Union only due to a lack of viable alternatives or sometimes under strong political pressure from Moscow. This is indeed the main obstacle for Russian projects to reconstruct post-Soviet space.

Besides the Baltic republics, which are already part of the EU and NATO, the remaining post-Soviet countries can be divided into three groups as regards their attitude toward the Eurasian project. In the first group we can put Belarus, Kazakhstan, Armenia, Kyrgyzstan and Tajikistan. These republics want to remain

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25 T. Bordachev, Eurasian Russia in the Twenty-First Century, in K. Liik (ed.), op. cit., p. 31; see chapter 3 in this volume.
26 However, Chinese attitude towards the Eurasian project is more ambiguous than openly hostile. S. Kisacik, China’s Approach toward the Eurasian Economic Union, http://www.hazar.org/blogdetail/blog/china%E2%80%99s_approach_toward_the_eurasian_economic_union_918.aspx
independent from Moscow but joined the Eurasian Union or are about to do so, albeit with very different motivations. Three of the remaining countries – Ukraine, especially after February 2014, Moldova and Georgia – are not willing to participate in the Eurasian project and aim at a difficult European integration. Finally, Azerbaijan, Turkmenistan and Uzbekistan do not accept any form of political integration.

In light of this situation, many scholars, especially the Western ones, believe that the Eurasian project should be considered substantially failed. For example Nicu Popescu argues that:

The Eurasian Union has been an attempt to reverse the disintegration of the former post-Soviet space by turning it into a new Eurasia. Yet efforts in this direction seem to have precipitated the end of Putin’s dream of a larger Eurasia. The real, but small, Eurasian Economic Union will continue to exist. Time will tell whether it will be a success or not. But the dream of a geopolitical Eurasia died in Ukraine. “Eurasia” will remain confined to its existing members, and a few small and poor states that will not necessarily make the union stronger. The key question is how the real Eurasian Union will build its relationship with the European Union.”

This judgment appears well founded for many aspects, but it can be supplemented by some considerations. Indeed the current situation could change, starting from Ukraine. Despite the regime change of February 2014, this country has not solved any of its political and economic problems. The further deterioration of the internal situation could bring back to the Ukrainian agenda of a rapprochement with Russia and then with the Eurasian project. At the present time it is certainly a far away perspective, but it cannot be completely excluded. But above all, despite the many political and economic difficulties, the Eurasian project remains at the center of Russian strategy and preserves a potentially great

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27 K. Hoffmann, “Eurasian Union – a new name for an Old integration idea”; M. Laruelle, “When the “near Abroad” looks at Russia: the Eurasian Union Project as seen from the southern Republics”, Russian Analytical Digest, No. 112, 20 April 2012
28 N. Popescu, op. cit., p. 36.
importance, especially as regards its “Eastern dimension”. In this sense, however important relations with the European Union could be, the Eurasian Union has in store a no less promising alternative, namely China and more generally the Asian world. As was noted by one of the most influential Russian analysts, “If Ukraine is to be excluded, the ‘Eurasianness’ of the project becomes more palpable. The union without Ukraine would be focused on the east and the southeast”29.

In this perspective, the importance of the relationship between Russia and the EU should not be overestimated. According to another Russian scholar, “[…] in the longer-term, integration with the EU is not the most important challenge for Russia. Rather, Russia must look east and integrate the huge territory that stretches from Yekaterinburg to Vladivostok into modern civilization”30.

In fact, regardless of the Eurasianist ideological vision, the enormous growth of the economic weight of China and the Far East is for Moscow a decisive and still not adequately exploited opportunity. The prospect of making Russia a kind of Eurasian bridge between Europe and the Far East has long been widely present in the Russian political, economic and cultural debate31. And, as we have already seen, Putin himself spoke about this issue at the beginning of his first term. In the last fifteen years, however, very little has been done in this direction. Russia has not hitherto been able to actively participate in the momentous transformation determined by the shift towards the Pacific Ocean of the global political and economic axis. The main reason for this delay must probably be considered the persistence within the Russian elite of a political, cultural and economic mentality that remains largely oriented towards the West. For example one can read Vladislav Inozemtsev’s clearly pro-Western vision of new Russian policy in the Far East:

Many Russians support the project because they value the geopolitical position of their country, but at the same time, they see themselves as Europeans. The Eurasian integration project involves not so much a “gathering” of Slavic and non-Slavic peoples around Russia but rather a clear refocusing towards Asia. That is why Ukraine is so important to the enterprise: without it, the Eurasian Union would become a tool for the “Asianization” of Russia, which a significant part of the Russian electorate does not want. The EU is attractive not only to those who gathered on Kiev’s Maidan but also to many Russians, especially those who have long been familiar with the European way of life. A perception of the Eurasian Union as a less attractive alternative to the EU that would block Russia from moving closer towards the West would cause huge disappointment among the Russian public – even if after the annexation of Crimea this public seems united around President Putin.

In the last years, however, the idea that the immense and still insufficiently exploited Asian regions of Russia should become the main driving force of the country’s development has become more and more widespread. Recently some leading Russian scholars have written from this perspective that:

[...] Russia should make a resolute move to redirect its efforts toward the new Asian markets. Such a transition is long overdue. It first of all needs to review its traditional Euro-centric mentality to see the opportunities and challenges the Eastern markets offer and become aware of the shift of the global economic and political center to the Pacific region. However, relations with Europe should remain the core of Russia’s cultural and ideological focus. Its powerful economic ties with Europe should also be preserved. At the same time the creation of its own integration group based on the Eurasian Union should become a component part of Russia’s new foreign policy. We call this partial re-orientation Russia’s new globalization.

32 V. Inozemtsev, Russia turns east: Eurasian integration, regional development, and the West as East, in K. Liik (ed.), op. cit., p.65.
Without therefore predicting reduction of the political, economic and cultural relations with Europe, this understanding of the Eurasian Union seems to be strictly linked to a new strategy for the development of Siberia and the Russian Far East. Such a strategy aims to largely abandon the imperial and Soviet legacy to make Russia a modern state, able to take concrete economic advantage of its favorable position between Europe and Asia. According to these scholars, in order to have a truly decisive impact such a policy should even consider moving the Russian capital from Moscow to Vladivostok, on the Pacific coast. This move would repeat Peter the Great’s famous choice of “opening a window”, no more on Europe, but on Asia.\(^34\)

Vladivostok, which means “ruler of the East”, can therefore assume a strong symbolic value in a project that aims to fully exploit the geographical position of Russia as a “bridge” between Europe and Asia. A position that is particularly promising in today’s situation of impetuous political and economic growth in Asia. In this perspective, the effective exploitation of the Siberian and Far Eastern regions of the country can really make a decisive contribution to the process of modernization and development of Russia, determining the specificity of the whole Eurasian project. In this sense, the Eurasian Union can be seen not only as another embodiment of traditional Russian expansionism, but also as a creative participation in the most advanced international dynamics. This way, as Fyodor Lukyanov wrote, “Eurasia could potentially claim a leading role in defining the principles of globalization, by becoming a place where regional institutions can be built and new rules for relations can be set down”\(^35\).

According to one of the most enthusiastic proponents of the Eurasian project, the Western (and Chinese) opposition can be considered a clear signal of its growing importance: “The intensity of European and Chinese opposition to the Eurasian Union refutes critics’ statements that the union is artificial, amateur, and doomed.


\(^35\) F. Lukyanov, op. cit., p. 18.
The EU says that any rapprochement with the Customs Union blocks off the “road to Europe” for any country. China is less direct but also ‘raises concerns’ about the impact of Eurasian integration on freedom of trade and investment in the CIS – by which it means on the scale and depth of penetration of Chinese business in the former Soviet republics. In fact, the Europeans and the Chinese have made a fairly accurate assessment of the potential of this new union and are taking steps to prevent it from being a reality.\textsuperscript{36}

However, skepticism about this project does not come only from the Western or Chinese players; even many Russian observers think that the Russian government is essentially failing in developing the Siberian and Far Eastern regions of the country. Despite the creation of a Ministry of Development of the Far East and the move from Moscow to Vladivostok of some government agencies, none of the major problems of the area have been concretely addressed: demographic crisis, infrastructural weaknesses, corruption\textsuperscript{37}. Up to now Moscow hasn’t wanted to give these regions more real autonomy, but maintains a kind of colonial attitude towards the eastern part of the country. In such a situation, the region will never be fully developed\textsuperscript{38}.

Conclusions

A well-known US analyst wrote that: “For now this [the Eurasian Union Project] may be an integration project, but most likely this, like previous incarnations of the Russian empire, will promote war, insecurity, instability, and the very centrifugal forces it was meant to block”\textsuperscript{39}.

Nevertheless, if we avoid such a prejudicially antagonistic view of Russia and its foreign policy, the Eurasian project can be read not only as a new expression of the Russian traditional imperial model.

\textsuperscript{36} T. Bordachev, op. cit., p. 30.
\textsuperscript{37} Ibid., p. 27.
\textsuperscript{38} V. Inozemtsev, op. cit., pp.66-67.
\textsuperscript{39} S. Blank, The Intellectual Origins of the Eurasian Union Project, in F. Starr. S.E. Cornell, op. cit., p. 27.
From another point of view the Eurasian Union can also be considered an ambitious strategic response to the challenge posed by an international situation where the risk of progressive marginalization is very high for Russia despite its energy sources. Besides, in a global context that imposes increasing integration, the political and economic reconstruction of the post-Soviet space appears potentially desirable not only for Russia. If the end of the Soviet ideological system can only be welcomed, the dissolution of the political, cultural and economic commonwealth emerging over the centuries around Russia has had largely negative outcomes for almost all the countries involved and the attempt to work towards a new form of integration cannot be a priori refused. Instead we should ask whether this path is actually workable. As a matter of fact, the Eurasian project is seriously weakened not only by the opposition coming from the United States and China and by the limited enthusiasm of the other post-Soviet States. The main question must probably be considered Russia’s actual ability to realize this project. As written by a Russian scholar, “The eventual outcome of the Eurasian idea depends on a range of factors, such as Russia’s ability to present itself as an attractive economic partner and its capacity to guarantee security in the context of global and regional instability. If things turn out this way, the Eurasian idea could lead to the creation of a Greater Europe that stretches from the Atlantic to Vladivostok...”

This indeed is the crucial point. To use an expression introduced by Lev Gumilev, the founder of neo-Eurasianism, today’s Russia seems to lack the “passionality” necessary for a breakthrough of this kind. The effective implementation of the Eurasian project requires a “creative” approach - both internally, especially towards the Asian territories of the Russian Federation, and externally, towards the post-Soviet countries - that Moscow so far has not demonstrated. Without a radical change of attitude and political capacity from the Russian authorities, the project of the Eurasian Union will hardly match the ambitions of those who proposed it.

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40 P. Stegny, Russia’s foreign policy: searching for a new Paradigm, in K. Liik (ed.), op. cit., p. 44.