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EURASIAN ECONOMIC UNION: HOW TO PRESERVE

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From Russia's point of view, the reintegration of the former Soviet Union countries in the Eurasian format is determined mainly by the geopolitical and security interests, rather than the economic ones. The first year of the existence of the Eurasian Economic Union (EEU) will show if this integration project will succeed in the future. So it is very important for Russia to preserve its attractiveness and positive image in the eyes of the political and business elite, as well as wide circles of society in the EEU countries as well as in the countries that may become members of the Union in the future.

However, the interaction within the EEU is complicated by a number of negative phenomena. The slowdown in the economic growth of the countries – members of EEU – increases the risk of integration's fall in popularity. Remains controversial the comprehension of the future development of the Eurasian Economic Union by the social and political establishment of Kazakhstan, where Kazakh nationalism creates a threat to the EEU.

Even the Belarusian-Russian relations, the flagship countries of the Eurasian integration process, are not cloudless. The situation gets complicated by the inconsistent policy of Minsk, which is very protective of its

national interests and its own formula of integration that aims at getting economic preferences, energy and access to the Russian market in exchange for the relative political loyalty. The process of the further integration of Armenia is complicated by the absence of common borders, as well as by the threat of aggravation of the Armenian-Azerbaijani conflict over Nagorny Kharabakh. It is hard to see positively that the partners seek to cooperate only with Russia, but not with each other. As a result, the initiated economic projects are being blocked, the businessmen and investors is being disinvolved, and more generally the popularity of the Eurasian integration idea is falling.

Transnistria region can be considered relatively integrated with Russia in the linguistic, cultural and spiritual aspects. Officially the Eurasian integration is proclaimed a priority in the Transnistria's Foreign Policy Concept of 2012. However, the ongoing economic, transport and logistics blockade, imposed by Moldova and Ukraine, may lead to a loss of Transnistria as a strategic foothold on the Russian south-western border of the Eurasian space.

Since the reinforcement of the Eurasian Economic Union is one of the priorities for Russia, it should consider

looking for the new ways of cooperation with its partners. As for relations with Belarus, it would be advisable to develop simultaneously such supranational entity as the Union State, to get back to some pending political and legal projects of this union, to intensively promote protracted integrational aspects in the industry. That means creation of the joint ventures, organization of integration projects in innovative branches of economy, enhancement of scientific potential of the Belarus society in the joint high-tech projects. As far as Kazakhstan is concerned, Russia should be aiming at gaining bigger support of the EEU extension among the population as well as active information and media support of the integration processes. It is necessary to better promote hydropower projects in Kyrgyzstan, and as for Armenia – to work on norms of the existing treaties and migration legislation.

There are many obstacles in the way of enhancing the regional integration in the post-soviet space. They are, for example, the Russian currency instability, that leads to reduction of labor migration from the CIS, creates difficulties for the export-oriented enterprises, reduces the attractiveness of the Russian economic space and decreases its economic competitiveness in comparison to the EU market. The position of the actual Ukrainian government has a negative impact on the Eurasian integration. If the present pro-European government in Kishinev remains, the involvement of the Republic of Moldova into integration processes becomes almost impossible. Unresolved boarder disputes affect negatively the bilateral relations of a number of the CIS countries. Numerous incidents on the boarder of Uzbekistan, Kyrgyzstan and Tajikistan are registered every

year. Karabakh conflict is, no doubt, one of the most important obstacles of the integration process.

At the same time, the major problems of the Eurasian integration project can be solved by introducing another project of a larger Novorossiia (New Russia), which could incorporate the entire South-East of Ukraine. Having these areas within the unity would be enough for realization of the project. The intensification of cooperation with only some regions in Moldova, like those traditionally pro-Russian in the south of Moldova (districts of Gagauzia and Taraclia) and in its northern part (mainly russian-speaking Beltsi region) may bring positive results for integration.

Tajikistan and Uzbekistan have taken the waiting stance. Expert communities and mass media are actively discussing possibilities of engagement in the integration project. This process deserves attention and development of ties from the Russian side, for example, in the cotton industry and irrigation.

Azerbaijan deserves special attention from Russia for its growing leadership in the Caucasus region. Its share in the economy of the South Caucasus region reaches up to 75%. In this regard the issue of Karabakh conflict and ways of its resolution become a matter of crucial importance.

In order to involve the CIS countries in the integration processes, it is important to optimize the policy in relation to migrants, to develop transportation networks, to reduce goods shipment and passengers tickets costs, to expand the use of the ruble for trading operations on the territory of the EEU and to conduct extensive humanitarian work.