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EURASIA SIMMERS: the Eurasian Union in the light of the Ukrainian Crisis

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At a solemn summit held in Astana on the 29th of May, the presidents of Kazakhstan, Belarus and Russia signed the treaty establishing the Eurasian Economic Union (EAEU). Putin seemed satisfied, Lukashenko and Nazarbayev, in particular, seemed less so. For the Kremlin, the treaty is meant to be a clear step forward in its project to reintegrate the post-Soviet area with Moscow at its centre. For the rest of the participants, the project has acquired an unforeseen dimension in the light of the crisis in Ukraine. The Russian annexation of Crimea and its manoeuvring to destabilise the east of Ukraine is a turning point and opens a new, extremely uncertain phase for the Eurasian space.

The agreement—which includes free movement of goods, capital, services and workers—is a first step towards the establishment of a single economic area and entails, in the words of the signatories, the establishment of a global growth pole with a combined market of 170 million people and a GDP of 2.3 trillion US dollars. However, broken down by country, the EAEU is, largely, Russia, with its 143 million inhabitants and approximate GDP of 2 trillion dollars (World Bank, 2012).

Further doubts are raised by the three economies' degree of compatibility, their levels of development and the secondary effects. For instance, the agreement favours trade between the three members, but the question of whether it will ease or complicate commercial and economic relations with the rest of the world remains unanswered. As a result of this, further questions are raised as to whether it contributes to their economic modernization and development, or to the maintenance—through protectionist methods and captive markets—of obsolete industries. Kazakhstan, for example, has had to notably increase tariffs with a view to making them equal to Russia's. The entry of Kyrgyzstan, likely to follow soon, and perhaps Armenia will not substantially alter either the existing imbalances, or assuage the concerns about the attractiveness and viability of the EAEU.

Nevertheless, the principle doubts surrounding the process of Eurasian Union are of a political nature. The crisis in Ukraine has triggered a serious dilemma throughout the former Soviet space, particularly intense in the case of Kazakhstan. On

the one hand, Astana shares the Kremlin's view that the fall of Yanukovych and Euromaidan were merely the result of a foreign (read: Western) meddling, whose only goal was the geopolitical reorientation of Ukraine. From this perspective—dominant among the post-Soviet elites—the Colour Revolutions (and their echo in the Arab Spring) are no more than “post-modern coups d'état”, orchestrated and financed by the West.

But on the other hand—and this is the novelty—Astana greatly fears a revisionist Russia that questions existing borders, appeals to the “unity of the Russian nation” and arrogates the right to intervene where its “compatriots” are. It is enough to remember that some 23.7 per cent of the citizens of Kazakhstan are ethnic Russians (2009 census) who are concentrated in the north of the country in the areas bordering Russia, and have long been a recurring element in the Russian nationalist narrative (from Solzhenitsyn to Dugin).

Thus, the strengthening of integration with Moscow puts President Nazarbayev now in an uncomfortable position. Critical voices, especially those originating in Kazakh ethno-nationalism, are being heard at an unusual volume, spurred on by recent economic difficulties caused by the devaluation of the tenge, which many in Kazakhstan blame on its connection to the Russian rouble as a result of membership of the customs union. Hence the insistence of Nazarbayev—even during the signing ceremony in Astana—that the treaty does not in any sense diminish the sovereignty of its members and will have no political implications. This affirmation appears to be contradicted by the Ukrainian crisis, and by the mixture of subsidies and explicitly coercive and threatening measures that the Kremlin has used to construct the EAEU.

As is well known, the EAEU project owes a great deal to the personal effort of President Putin and to his aspiration to recover Kremlin control of the relations of the ex-Soviet republics with the European Union and the rest of the world. However, it is worth remembering that the driving force behind it (and the person who kept the idea alive in the 90s) was Nazarbayev himself, who dreamed of making Astana the capital of Eurasia and the bridge that would connect Asia with Europe (whether via Russia or Turkey). The goal of his initial project was to cope with the risks to the territorial integrity of Kazakhstan posed by a possible Slavic union (Belarus, Russia and Ukraine). That is to say that closer relations to Moscow were meant, specifically, to reinforce Kazakh integrity and sovereignty.

This position, along with his policy of promoting “inter-ethnic harmony”, allowed Nazarbayev to count on a receptive Kremlin that was little interested then in playing the ethnic card. At the same time, it allowed Astana to implement its so-called multi-vector foreign policy with which it seeks to develop balanced relations with all the major actors in the international system and not to be trapped within any particular bloc. In other words, it is a doctrine that attempts to make a virtue out of necessity and to avoid renewed domination by Russia or by another great power (read: China). In this sense, an increasingly assertive Russia and the apparent Eurasian drift of the Kremlin presents Kazakhstan with a complicated scenario that is plagued with uncertainties and risks.

Traditionally, Russian leaders and thinkers can be divided into three categories when it comes to foreign policy: pro-Western liberals, Eurasianists and the *derzhavniki*. This last group dominate mainstream opinion and are pragmatic nationalists whose priorities are “national interest” and the status of Russia as a “great power”. The current Eurasian universe is multiple and diverse, but in general, it confers a special civilising mission on Russia and challenges existing borders. Because of his realist, pragmatic approach, Putin has, up to now, been considered a typical representative of the *derzhavniki*. Nevertheless, his Eurasian and traditionalist turn does not appear to be only a tactical ruse, but is, rather, an

important strategic rethink whose consequences remain to be seen. An intellectual as Aleksandr Dugin, for example, has long ceased to be a marginal far-right ideologist, and become a highly influential thinker in the Russian mainstream.

Therefore, the EAEU project has acquired a new dimension and is added to a whole series of political processes and transnational phenomena—from the withdrawal from Afghanistan to the succession processes taking place in Central Asia and the frozen conflicts—that are simmering on a low heat in the Eurasian area but which threaten to come to the boil in the near future.