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#### Editor's Note

The Eurasian Economic Union (EEU) Treaty, which was inked on 29 May 2014, is yet to be ratified by all of the EEU member states. Although the Treaty has not been submitted to the parliaments of the Eurasian partners so far, there is hardly any doubt that the parliaments of Russia, Belarus, and Kazakhstan, which are firmly under the control of the respective executive authorities, will approve the accord within the timeframe necessary to launch the EEU starting 1 January 2015. In this second Eurasian Review issue we present two materials analyzing various aspects of the Treaty.

The article that centers on the **recent developments** in Eurasian integration addresses some peculiarities of the EEU Treaty vs. the agreements in the framework of the European integration project. Which document on the long list of agreements in the framework of European integration —spanning almost 50 years — does the EEU Treaty correspond the most? Does it comprise provisions on Eurasian values and principles? What is the specific nature of decision-making in the scope of Eurasian integration? How can Belarus withdraw from the EEU, if it should want to make such a move? These are the main questions that this material raises.

The Main Feature of this Eurasian Review issue focuses on the prospects of the development of political integration in the framework of the Eurasian project. The agreed EEU Treaty does not mention any political aspects, although some of them had been thoroughly discussed by Belarus, Kazakhstan and Russia during the drafting phase. Arseni Sivitski, director of the Center for Strategic and Foreign Policy Studies, shares his insight on the proposals that the Eurasian partners had debated to deepen political integration and explains why the member states never reached an understanding on these issues. The author outlines the future of Eurasian integration as seen by the Russian Federation and argues when and in which circumstances Russia can expedite the creation of a full-fledged political bloc with its Eurasian partners.

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## **HIGHLIGHTS**

## EEU and EU: Similarities and Differences

Andrei Yeliseyeu

#### **Eurasian Project: Principles in lieu of Values**

The analysis of the provisions of the Eurasian Economic Union (EEU) Treaty signed by the Presidents of Russia, Belarus and Kazakhstan on 29 May 2014 at a meeting of the Supreme Eurasian Economic Council in Astana shows that there is no unambiguous answer to the question to which agreement in the framework of European integration the EEU Treaty corresponds.

According to the EEU Treaty, from the point of view of the declared objectives and its content, the Union is a regional project with purely economic objectives. In this respect, the Eurasian integration accord rather resembles the European Economic Community (EEC) Treaty, signed in Rome in 1957. The Treaty of Rome suggested establishing a customs union, a common market for commodities, services, workforce and capital, as well as common transport and agricultural policies. The 12-year transition period introduced by the Treaty of Rome looks a lot like the 10-year transition period in some economic sectors proposed by the EEU Treaty. The EEU Treaty identifies the following timeframes for eliminating barriers to trade in the most sensitive goods:

- a common market-for medications and medical products starting 1 January 2016;
- a common electricity market by 1 July 2019; the Supreme Council is supposed to approve the concept by 1 July 2015 and the program for the establishment of the common market by 1 July 2016, with all arrangements envisaged by the program to be completed by 1 July 2018;
- a common market for natural gas, oil and oil products by 1 January 2025; the Supreme Council is supposed to approve the respective concepts by 1 January 2016 and the programs for the establishment of the common markets for natural gas, oil and oil products by 1 January 2018, with all arrangements envisaged by the programs to be completed by 1 January 2024.

In accordance with the EEU Treaty, Belarus is also granted a transition period until 2016 to gradually bring down the amount of state support for agribusiness to 10% of the gross value of agricultural commodities. Similar to the Treaty of Rome, the EEU Treaty also lacks references to general (Eurasian) values. The principles of freedom, democracy, respect for human rights and fundamental freedoms appeared as late as in the Treaty of Maastricht of 1992, whereas clear references to values emerged even later, in the Treaty of Lisbon of 2007. The current Treaty on the Functioning of the European Union expressly lists the values underlying the European Union — respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. Given that the Eurasian partners failed to include political integration aspects into the accord, it is no surprise that the 'values section' is absent.

Nevertheless, Article 3 of the EEU Treaty lists a series of principles that the EEU is supposed to comply with when it conducts its activities:

- respect for generally recognized principles of international law, including the principles of sovereign
  equality of the member states and their territorial integrity;
- respect for the peculiarities of the political order of the member states;
- facilitation of mutually beneficial cooperation, equality and respect for the national interests of the member states;
- compliance with the principles of market economy and fair competition;
- operation of the customs union without exceptions and limitations after the conclusion of the transition periods.



Institutionally, the EEU Treaty has a lot in common with the agreements on European integration signed later than the Treaty of Rome of 1957. The EEU Treaty has it that the supreme authority of the Union that identifies its strategy, priorities and prospects of the organization and development of the EEU is the Supreme Eurasian Economic Council (the Supreme Council), which comprises the heads of the member states. This authority is similar to the supreme political body of the European Union (the European Council), which was finalized as late as 2009, when the Treaty of Lisbon came into effect, and had operated as an informal EU authority since 1975. However, the EEU Treaty does not envisage the creation of any supranational parliamentary body, which, albeit with quite limited competencies, was created in Europe back in 1957 by the Treaty establishing the European Economic Community (the Treaty of Rome).

#### Objectives of the Eurasian Project: Lack of a Global Agenda

Article 4 of the EEU Treaty lists the three main objectives of the Eurasian integration project:

- to create conditions for a sustainable development of the economies of the member states with a view to improving the living standards of the population;
- to strive for the formation of a common market for commodities, services, capital and workforce in the framework of the Union:
- to pursue all-round modernization, cooperation and increase in the competitiveness of the national economies in conditions of the global economy.

As of today, integration within the EU has a broad range of aims and addresses a variety of aspects. In comparison with the EEU, they are markedly more varied in the economic (building a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment, etc.), social (combating social exclusion and discrimination, and promoting social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child) and cultural dimensions.

The EEU has a modest regional agenda with no ambition to promote its principles in its relationship with the external world. In contrast, the European Union, which has already developed the political aspect of integration, is positioned as a global project and strives to promote its agenda in the outside world. In its relations with the wider world, the Union upholds and promotes peace, security, the sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty etc.

Inasmuch as the Eurasian integration project for the time being focuses exclusively on the economy, the contents of the EEU Treaty look way more state-centric than those of the Treaty on the Functioning of the European Union. The EEU Treaty has no references to the rights of the citizens of the member states (except for the only mention in the preamble), let alone a provision similar to the Charter of Fundamental Rights of the European Union. The EEU Treaty does not declare the bloc's commitments to the principles of subsidiarity and proportionality. To compare: the Treaty on the Functioning of the European Union includes the Protocol on the application of the principles of subsidiarity and proportionality, which aim at bringing the decision-making process closer to citizens.

## EEU's Three-Tier Hierarchy

In addition to the Court of the Eurasian Economic Union, three authorities operate in the framework of the Eurasian Economic Union. Firstly, it is the Eurasian Economic Commission (the Commission), the permanent regulatory authority of the Union. Secondly, it is the Eurasian Intergovernmental Council (the Intergovernmental Council), which comprises the heads of the governments of the member states, convenes at least twice a year, and whose decisions have precedence over those made by the Commission. Thirdly, it is the Supreme Council, comprising the heads of the member states, who convene at least once a year. The decisions made by the Supreme Council have precedence over those made by the Intergovernmental Council and the Commission.



Unlike the Supreme Economic Council at the level of the heads of state and heads of governments in the current Eurasian legislation, the Intergovernmental Council and the Supreme Council envisaged by the EEU Treaty are two separate authorities. In the Eurasian Economic Community (EurAsEC), equivalent functions were performed by the Interstate Council, which comprised the heads of state and heads of governments of the EurAsEC member states <sup>1</sup>. Therefore, two intergovernmental cooperation authorities (the Supreme Council and the Intergovernmental Council) are superior to the Commission as a supranational Eurasian institution in the tentative hierarchy <sup>2</sup> of the Eurasian authorities.

Under the EEU Treaty, the jurisdiction of the heads of state covers the most important issues. Among other things, the Supreme Council identifies the development strategy of the EEU, approves the composition of the Commission board and distributes duties between the board members, appoints judges of the Union Court as advised by the member states, determines the amounts of contributions of the states to the Union budget, approves the Union budget, and provides instructions for the Intergovernmental Council and the Commission. The Intergovernmental Council is a certain intermediate link between the Supreme Council and the Commission. In the framework of the Eurasian legislation, the heads of governments are qualified to consider the issues, which did not have the consensus of the Council of the Commission and submit to the Supreme Council candidacies of the members of the Council and board of the Commission, and approve draft budgets of the Union for further approval by the Supreme Council.

The equal representation of the three states in the Commission bodies is only secured for the officials appointed as directors of departments and their deputies. When it comes to the selection of candidates to occupy other positions in departments, they are nominated based upon the contributions of the states in the financing of the Commission. The amounts of contributions are to be set by the Supreme Council. Chances are very high that most of the positions in the permanent supranational authority of the EEU will be occupied by Russian citizens. Anyway, the stipulated equal representation of the officials who hold the key posts at the Commission looks a worthy compromise of the Eurasian partners.

#### Withdrawal from the EEU: Hard, but Doable

The Eurasian integration partners took into account the EU experience and included in the EEU Treaty a provision on the withdrawal from the Union. Prior to the Treaty of Lisbon, which came into effect in December 2009, there was no provision in the European Union legislation enabling its members to voluntarily withdraw from the bloc.

If analyzed separately from the rest of the provisions of the document, Article 13 of the EEU Treaty may make it look like the withdrawal from the EEU will become an impossible mission for a member state. The article reads: "The decisions of the Supreme Council associated with the cessation of the membership of a member state in the Union shall be made based on the formula 'consensus minus the vote of the member state that notified about its intention to cease its membership in the Union'."

However, the meaning inferred from a particular provision cannot control the meaning of the entire agreement if such an inference conflicts with the agreement's overall scheme and spirit.. Article 118 of the EEU Treaty indicates that the 'consensus minus the vote of a member state' scheme applies to the procedure for resolving financial obligations arising from the participation in the Treaty of the member state that seeks to withdraw from the EEU. Under the agreement, financial obligations remain in effect despite the withdrawal of a state from the EEU Treaty until they are fulfilled.

The accord does not stipulate the financial obligations subject to settlement; however, one can assume that once a member state declares its wish to withdraw from the Union, the issue of the payment of import customs duties and compensation for short-paid duties under previous Eurasian agreements will be raised. For instance, the goods imported for the 2014 IIHF Ice Hockey World Championship in Minsk were exempted from customs duties. Under the applicable legislation of the European Union, the withdrawal from the Union is subject to negotiations between a member state and EU authorities on account of vari-

<sup>1</sup> The provision on the Interstate Council of the Eurasian Economic Community, http://www.evrazes.com/docs/view/5

<sup>2</sup> The tentative hierarchy in this particular case is determined based upon the precedence of decisions by the EEU authorities. In fact, the Eurasian legislation does not stipulate the hierarchy of the EEU authorities. The EEU institutions operate within the scope of their powers identified by the EEU Treaty and international agreements in the framework of the EEU.



ous difficulties that arise from that withdrawal (primarily those associated with the functioning of the euro). When it comes to the timeframe for the withdrawal from the Eurasian bloc, the agreement ceases to apply to a member state 12 months after the day the Eurasian Economic Commission receives a written notice through diplomatic channels of the intention of a member state to withdraw from the EEU Treaty.

The EEU Treaty therefore looks a lot like the Treaty of Rome establishing the European Economic Community of 1957 as far as the contents are concerned. Both documents stipulate standard principles of economic integration: a free flow of commodities, services, workforce and capital, the establishment of a customs union, coordinated or concerted policy in some economic sectors, as well as certain transition periods. At the same time, the system of the EEU authorities differs dramatically from that established within the EEC. Apart from lacking a parliamentary authority, the EEU is also peculiar for having the Intergovernmental Council, which stands in between the Supreme Council and the Commission in the tentative hierarchy of the EEU authorities. The founders of the Eurasian bloc made use of the European integration experience by immediately formalizing the Supreme Council as the supreme authority of the EEU and including in the EEU Treaty a provision on the withdrawal from the EEU — something that only the recent Treaty of Lisbon introduced into the EU legislation.



## MAIN FEATURE

## A Union with Political 'Exceptions'

Arseni Sivitski

The presidents of Belarus, Kazakhstan and Russia initialed the text of the Eurasian Economic Union (EEU) Treaty, making another move to deepen economic integration in the former Soviet Union. The final text of the EEU Treaty markedly differs from the original drafts, because following lengthy negotiations between the signatory states all controversial issues arising from the text of the Treaty were withdrawn from the troika format.

#### EEU Treaty: No Politics, Just Business

The Treaty lacks even a suggestion of political integration within the EEU. The Preamble of the final version of the document misses even a declarative provision on the intention of the parties to pursue a new phase of Eurasian integration by shifting from the Eurasian economic community towards the establishment of the Eurasian Union. The Treaty only formalizes the willingness of the parties to found the EEU and ensure, within the framework of the Union, free flows of commodities, services, capital and workforce, and carry out coordinated, concerted or common policies in some branches of economy. This is essentially economic integration, with no room for politics. Apparently, to rule out any speculations on this issue, the Treaty makes use of the term "Eurasian economic integration", rather than "Eurasian integration", which, as a rule, has political connotations.

As is known, when the text of the document was being drafted, Belarus and Kazakhstan maintained their position of principle to keep their political sovereignty "inviolable". In this context, economic integration is destined to "strengthen the national statehood, making it more stable", not the other way round. It was through the efforts of Belarus and Kazakhstan that all provisions pertaining to border control, common citizenship, foreign policy, defense and security systems, healthcare, education, science, and culture were withdrawn from the Treaty, because they are irrelevant to economic integration. It was proposed that these cooperation forms should be fulfilled in other integration bodies (such as the Collective Security Treaty Organization (CSTO) and the Commonwealth of Independent States (CIS)), as well as on a bilateral basis.

#### Russia's Vision: From the Economic to Political Union?

Interestingly, on 5 June, a few days after the EEU Treaty was signed, Aliaksandr Lukashenka made a statement during his meeting with Chairwoman of the Council of Federation of Russia Valentina Matviyenko and heads of Russian regions that the EEU would eventually become a framework for political and military integration. He assumed that the EEU would soon incorporate the CSTO as its military component <sup>3</sup>. Apparently, what the Belarusian head of state had in mind was the idea that after the hypothetical accession of Armenia, Kyrgyzstan and Tajikistan to the EEU, the two organizations — the EEU and the CSTO — will have the identical compositions. However, whether or not this will result in a merger of the two integration bodies into a single bloc remains quite doubtful. The track record of political integration in the former Soviet Union (especially in the framework of the Union State) shows that the potential parties will have totally different visions of the hypothetical political Eurasian Union.

It is indicative that Russian experts attribute the decision of Armenia and intention of Kyrgyzstan and Tajikistan to join the Customs Union to the security benefits that these three countries will reap from integration. Armenia will allegedly enjoy a more serious military and political commitment of Russia in case of a potential conflict with Azerbaijan, and the same holds for Tajikistan and Kyrgyzstan, which might suffer

<sup>3</sup> Lukashenka: the Eurasian Union will end up as a political and military integration project http://news.tut.by/politics/402068.html http://news.tut.by/politics/402068.html



from the 'export of instability' from Afghanistan once the International Security Assistance Force has been withdrawn from that country. It all goes to show that the top priority for the Russian side is the political dimension of Eurasian integration, which is primarily associated with security assurance.

On the one hand, it is hard to discover even a hint of political integration in the policy speeches of the presidents of Russia, Kazakhstan and Belarus focusing on Eurasian integration processes. Belarus and Kazakhstan are especially cautious when choosing terms. They consistently insisted on making use of the 'Eurasian Economic Union' name rather than 'Eurasian Union' when referring to the new institution. On the other hand, the logic of argumentation of many Russian officials and experts came down to the conclusion that any economic integration eventually leads to political integration. The most characteristic example that they cited was that of the European Union, which evolved into a political bloc from an economic union. In this context, one of the proposals of the Russian side was to create a parliamentary dimension of the EEU by analogy with the one that existed in the European Economic Community (EEC) since 1957 — the European Parliament.

#### Eurasian Parliament: a Failed Attempt

The idea to create the Eurasian Parliament was for the first time voiced by Chairman of the State Duma of the Russian Federation Sergey Naryshkin, who suggested that the Union should not confine itself to the Eurasian Assembly, but establish a full-fledged Eurasian Parliament by analogy with the European Parliament <sup>4</sup>. However, this task cannot be tackled immediately and envisages a gradual transformation of the Interparliamentary Assembly of the EurAsEC into the Eurasian Interparliamentary Assembly, which will eventually turn into the full-fledged Eurasian Parliament.

It was originally planned that the provision about the Eurasian Parliament would make part of the EEU Treaty. Back in September 2012, representatives of the parliaments of Belarus, Russia and Kazakhstan already discussed the possibility of establishing a parliamentary authority of the Eurasian Economic Union. However, no specific arrangements were made then, and the only result was the approval of the procedure for the operation of the working group for the parliamentary dimension of Eurasian economic integration. Sergey Naryshkin, who spoke on behalf of Russian during those talks, was clearly frustrated by such outcomes, because the delegations of Belarusian and Kazakhstan as good as blocked the discussions that directly addressed the fundamental issues of the functioning of the future Eurasian Parliament.

The competencies of the hypothetical Eurasian Parliament also remain vague. Sergey Naryshkin proposed to empower the Eurasian Parliament to initiate legislation and vest supervisory powers in it, which would make it similar to the European Parliament. In this context, the creation of the Eurasian Parliament would affect primarily Belarus and Kazakhstan, as it was hard to imagine Eurasian parliamentarians to codify international treaties. Moreover, the establishment of the Eurasian Parliament would automatically transform the EEU into a political unit, meaning that some competencies of the national authorities would have to be delegated to supranational institutions, which would result in restrictions of state sovereignty. At the end of the day, Belarus made a stand against any political supranational institutions; whereas Kazakhstan claimed that the EEU should not be politicized, thus taking the issue off the table indefinitely.

The draft EEU Treaty comprises a reference to the Eurasian Interparliamentary Assembly, a unicameral parliamentary cooperation agency, which is designed to facilitate the fulfillment of EEU goals and objectives. According to the principle of equal representation, each member state was supposed to delegate 30 deputies. One of the missions of the future Eurasian Interparliamentary Assembly was to form a concerted legal policy of the Union subject to the development of model projects that the member states would be using as the basis to develop the regulatory legal acts of their legislations. Further, the Assembly would provide recommendations as to the harmonization (approximation, unification) of the legislations of the member states and proposals concerning the synchronization of the procedures for adopting regulatory legal acts by the parliaments of the member states.

Having failed to include the Eurasian Parliament in the structure of the EEU authorities, the Russian side made a softer offer concerning the Eurasian Interparliamentary Assembly. However, judging by the draft

<sup>4</sup> Naryshkin: The Eurasian Parliament should be formed by popular vote. http://ria.ru/world/20120425/634964685.html



EEU Treaty, even that soft version of the parliamentary dimension could have undermined the national sovereignty of the member states. Therefore, there is hardly any surprise that the final version of the text of the EEU Treaty has no provisions whatsoever on a parliamentary authority.

#### **EEU Secretary General: Only Expert Discussions**

It became clear that Russia sees political integration as the ultimate goal of the Eurasian integration project when it attempted to expedite the creation of the bloc: Moscow had suggested that the member states not only draft the EEU Treaty by 1 May 2013, but also establish the Union as early as 2013. Given the logic of the natural progress from economic to political integration, this attested to Moscow's intention to bring nearer the phase, when a political union was supposed to be created.

At about the same time, online media began circulating rumors about the alleged introduction of the post of the EEU Secretary General in the structure of the EEU authorities. However, the reports were almost immediately refuted by First Deputy Prime Minister of Russia Igor Shuvalov. Anyway, at the level of expert discussions, the idea developed in a very interesting way. Some experts and diplomats were making unofficial suggestions that the symbolic post would be offered to one of the EEU leaders (Lukashenka or Nazarbayev) in exchange for partially delegating the national sovereignty to the supranational level. Speculations about the need to introduce the post of the EEU Secretary General coincided with debate in the Russian expert community that a powerful and effective Eurasian Union would be impossible if nationally-oriented elites remained in power, especially in Belarus and Kazakhstan. Experts assumed that those elites would always find an excuse to stall Eurasian integration processes if they fail to meet the national interests or if they are required to share even a slightest part of their sovereignty with a supranational authority.

These arguments suggest that in order for Russia to have a successful Eurasian Union project, a certain 'reformatting' of the national political elites in the former Soviet Union is called for. The soft reformatting scenario envisages the creation of various political supranational institutions (for example, the Eurasian Parliament), or the establishment of various posts (for example, that of the Secretary General), which could contribute to the formation and nurturing of a stable Eurasian political identity. Since Russian experts consider the absence of a stable rigid framework for integration — except for the political will of the leaders of Russia, Belarus and Kazakhstan — to be the main threat to the Eurasian Union project, as soon as these leaders step down, the Eurasian Union may fall apart at the seams<sup>5</sup>.

In the end, Moscow had to give up on that plan. Anyway, it is hard to imagine a situation where even a tiny part of the real national sovereignty is exchanged for some symbolic EEU post, whatever its name. At any rate, this will never happen while the incumbent leaders of Belarus and Kazakhstan stay in power, because for both of them sovereignty is the pillar of their political power.

## Ukrainian Crisis and Prospects of Political Integration

The positions of official Minsk, Astana and Moscow concerning the recognition of the outcomes of the referendum in Crimea, as a result of which Crimea and Sevastopol became Russian constituents, were in discord since the commencement of the Crimean crisis. Both Belarus and Kazakhstan immediately called for maintaining the territorial integrity of Ukraine and settlement of the Crimean crisis strictly in the framework of international law. Although at a later phase, the positions of both Astana, which eventually recognized the results of the referendum as a free expression of the will of the local population, and Minsk, which recognized the accession of Crimea to Russia de facto, but not de jure, were made to agree with Moscow's stance, the capitals of the Eurasian partners still differ considerably over the interpretation of the Ukrainian developments.

The Crimean-Ukrainian crisis uncovered a serious credibility gap in the relationships between Moscow, Minsk and Astana. One should bear in mind that Belarus and Russia are still members of the Union State, they operate a common regional force and (as Kazakhstan) are members of the CSTO. Moreover, there is an agreement between Belarus and Russia on the coordination of their foreign policy and security policy.

<sup>5</sup> See, for example, V. Zotov. The Integration Project of Russia, Belarus and Kazakhstan: Political Risks and Threats. http://www.regnum.by/news/analitics/1493393.html



However, in the case of the Crimean crisis, the decision for Crimea to accede to the Russian Federation (and the Union State along with the Customs Union) was made by the Kremlin at its sole discretion. The consultations in the framework of the Union State and CSTO institutions became a mere formality that was not supposed to make any difference.

This fact demonstrates a lack of trust between the integration partners (preliminary consultations were not held for fear of information leaks by the allies) and points to the fact that Moscow does not feel it should take its partners' positions into account. Given the economic, military and political interdependence of Russia and other former Soviet Union states, especially in the context of the Eurasian integration process, this conduct may damage the integration project rather than contribute to its success. At least it is clear that following the Crimean and Ukrainian crises, Belarus and Kazakhstan will hardly agree, in the medium term, to delegate a portion of their political sovereignty to hypothetical Eurasian supranational political superstructures.

The experience of the operation of the Union State and the CSTO in crises shows that despite the declared equality of the parties, Moscow de facto makes all decisions independently and then piles political pressure on Minsk and Astana for them to support Russia's actions (for instance, when it comes to joining the trade war against Ukrainian products). A similar situation was observed in the issue of the recognition of the independence of South Ossetia and Abkhazia after the Russian—Georgian conflict of 2008. In conditions when the main partner fails to comply with the principles of equality and does not believe its activities need to be sanctioned, it is unwise to take up any additional political obligations in the framework of the EEU, especially when Russia's actions bring about serious consequences such as sanctions imposed by the international community. Some hotheads in the United States, mostly neoconservatives, suggested imposing sanctions not only on Russia, but also on its allies, which supported Moscow's campaign concerning the Crimean—Ukrainian crisis <sup>6</sup>. Obviously, if the EEU had already been formed as a military and political union, the West would have already slapped sanctions on the entire bloc, rather than on Russia alone.

Apparently, the Crimean—Ukrainian crisis gave Belarus and Kazakhstan additional bargaining chips in their talks over the EEU Treaty. Amid the external difficulties in the wake of Crimea's accession to Russia, Moscow could not afford any frustration of the EEU Treaty and had to put up with many claims of Belarus and Kazakhstan, isolating all of the issues of concern. However, it is clear that as the Ukrainian crisis nears its resolution, the Kremlin will table the political issues Eurasian integration once again.

### A New Geopolitical Center of Power. Ambition and Reality

The EEU Treaty introduces a transition period up until 2025 for the launch of the common markets for electricity, natural gas, oil and oil products. The same year, the EEU is expected to introduce a common financial megaregulator — a supranational authority implementing a concerted financial policy, supervising and regulating the money and credit systems of the EEU member states. Furthermore, the signatories also agreed to harmonize their macroeconomic, antimonopoly, foreign exchange and financial policies by the same year.

By analogy with consistent European integration, it would be logical to raise the question of a political union only after a solid economic union has been established, i.e. after the year 2025. However, it is quite likely that the Kremlin will seek to expedite this process a lot earlier. For the time being, amid the crisis in Ukraine, Russia will not bring up the issue of political integration within the EEU not to scare away its allies, which have been quite sensitive about the developments in the region. However, sooner or later, the Ukrainian crisis will be resolved, and the Kremlin will be encouraged to voice the idea of political integration in the scope of the EEU and table the issues of the Eurasian Parliament and Eurasian Secretaries General.

One should remember that the next presidential election will be held in Russia in 2018. During his election campaign of 2012, Vladimir Putin focused on the Eurasian Economic Union as one of his keynotes. It cannot be ruled out that in 2018 the world will see a new election program, which will justify the need for the former Soviet Union to turn into a new major geopolitical center of power, with all ensuing political consequences. Moreover, recent opinion polls have revealed the demand for such a move in Russian society. If the Russian elite keeps on with its ideology based upon the confrontation between Russia and the West,

<sup>6</sup> Russian Aggression Prevention Act of 2014.https://beta.congress.gov/bill/113th-congress/senate-bill/2277/text



and if a neoconservative wins the next presidential election in the United States in 2016, such a wish of the Russian side will be quite realistic. One thing is obvious: if Russia continues to set political prestige before economic feasibility by building its official ideology on so-called 'quasi-mystical chauvinism' (the term coined by Zbigniew Brzezinski<sup>7</sup>), then there is little chance the EEU will succeed as an effective economic integration project, let alone the prospects of its turning into a political union.



7 Brzezinski, Z. Confronting Russian Chauvinism. http://www.the-american-interest.com/articles/2014/06/27/confronting-russian-chauvinism/