

International Roundtable

THE EURASIAN NETWORK OF REGIONAL INITIATIVES AND ORGANISATIONS:

Elements of Interconnectedness

Editor: Rosa Turarbekova

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Eurasian integration requires mature and decentralised systems at the level of individual states. In this way, cooperation, competition and collaboration will lead to establishment of horizontal links within the associations.



New international relations should be based on a bottom-up approach. The focus should be on the projects exploring ways to strengthen dialogue and recognition of local interests.



One important condition for cooperation among major players is the formation of links among their strategies. Common goals could become a platform for "connectedness" or partial compatibility among various initiatives.

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INTRODUCTION

With traditional global players both West and East undergoing significant transformations, security problems growing in Eurasia, and China, the EU and Russia's growing roles, more rigid international structures, such as the SCO and the EAEU, can no longer fully meet the global players' needs. As a result, new initiatives have been emerging, offering more flexible and convenient formats, such as the Eastern Partnership, Belt and Road Initiative, and the Greater Eurasian Partnership.

On 29 October 2020, an international roundtable entitled "The Eurasian Network of Regional Initiatives and Organisations: Elements of Interconnectedness" looked at different Eurasian integration projects and their interrelations.¹ The event included two panels: "Regional organisations of Eurasian Integration" and "Global Players' Initiatives for Regional Integration."

The general agenda of the event became clear in the presentation by Rosa Turarbekova, who suggested going beyond the terms of regional integration when assessing political, social and economic processes in Eurasia, and using the concept of "cooperation." By doing so, it becomes possible to avoid negative judgements about the organisations' poor functionality and unfavourable comparisons with the more successful European integration project.

Professor Elena Korosteleva reviewed the nature of cooperation in increasingly complex conditions in terms of multiple orders and resilience. She stated that the latter could be achieved by building new "bottom-up" international relations and overcoming the problems caused by competition between the EU, China and Russia in Eurasia.

Although Eurasia still remains a battlefield for different forces, cooperation and integration processes continue. In particular, Ukraine has been building its own strategies for Asia, as Serhiy Gerasymchuk reports. Even as it has a limited field of activity due to a prolonged armed conflict with one of the global players, Ukraine is improving its resilience.

There are plenty of vulnerabilities in Eurasian integration projects, as highlighted by Yuri Poita and Natalia Skirko in their presentations. Within his functional approach, Poita identified the causes and consequences of the crises faced by CSTO, the EAEU and SCO as regional organisations. Skirko noted that the commodity "selfishness" of national governments is one of key obstacles to deeper integration within the EAEU, as it hinders the development of industrial cross-sector cooperation.

Summing up the reports on regional organisations, Zheng Huawei applied content analysis to the Supreme Eurasian Economic Council's documents to confirm that an exclusively functional or geopolitical assessment of the union does not fully explain its essence.

The second section was dedicated to regional and megaregional initiatives: the Eastern Partnership, the Belt and Road Initiative, and the Greater Eurasian Partnership.

Having analysed the results and transformations of the Eastern Partnership, Irina Petrova identified the main dynamics of its development and pointed at internal contradictions that could alter its original goals.

China's Belt and Road Initiative was launched as a global initiative with a broad geographic reach. Maryia Danilovich spoke about the goals, opportunities and also limitations of this initiative from the viewpoint of Chinese expert discourse.

Russia's Greater Eurasian Partnership (GEP) is the latest initiative, although it remains rather unclear in terms of institutionalisation and specific content. Olesya Rubo's presentation was devoted to Russia and China's cooperation priorities within GEP.

In the current difficult and changing conditions, it is crucial to use the full potential of integration projects, not only in the pursuit of influence, but also in building new international relations based on cooperation, interconnectedness, sustainability and development. This publication presents the discussions of the roundtable participants about the origins of the current situation in Eurasia and proposals about constructive approaches to integration intentions and processes.

¹ The roundtable was held in Minsk in the framework of the annual conference "Belarus in the Modern World" (FMO BSU) with the support of GCRF COMPASS.





1

REGIONAL ORGANISATIONS OF EURASIAN INTEGRATION

Eurasian integration has been a complex and sometimes contradictory process. Nonetheless, a number of regional organisations and unions have been established so far, including the CIS, the Union State of Russia and Belarus, the Shanghai Cooperation Organisation, the Eurasian Economic Union and the CSTO. Despite the natural centrifugal drift after the collapse of Soviet Union, these associations continue to function and manifest various forms of cooperation with nominally equal participation among member states.

Despite criticism that — either reasonably or prejudicially — questions the effectiveness of the existing integration structures, these continue to act as important political institutions. Today, most expert attention is drawn to the Eurasian Economic Union, the Shanghai Cooperation Organisation and the CSTO. The section "Regional Organisations of Eurasian Integration" presents analytical reports about the functioning and positioning of these structures.

1.1

EURASIA: REGIONAL COOPERATION OR INTEGRATION?

Rosa Turarbekova

Director of the Center for Eurasian and European Studies,
Associate Professor of the Department of International Relations,
State University of Belarus

Despite the proclamations by such regional associations as the CIS, the Union State and the EAEC, the ambitious goals of these organisations were never achieved, and herein lies the fundamental problem with Eurasian integration. Nonetheless, public demand for restoring or creating a new integrated entity has remained surprisingly strong in many post-Soviet republics.

After the collapse of the Soviet Union, the new national political elites in the former republics came up with initiatives to establish regional organisations. Kazakhstan and Belarus were the most active in this regard, as both countries lacked the necessary industrial and economic autonomy to break ties with Russia. But, so far, attempts to fill the vacuum with institutional links of a social, economic and political nature in Central Asia only led to standard answers to the question "What should we do?" And they were not effective.

To preserve economic ties, first the Commonwealth of Independent States (CIS) was set up in 1992, and then the Union State in 1998, but they were not so much integration as reintegration projects — attempts to re-establish a fragmented version of the Soviet space. The next step should have been their transformation into a new type of organisation, but that never happened. The CIS and the Union State continued to establish themselves in parallel with successful European integration processes. Indeed, in many ways, the European integration served as a role model for the CIS's new national elites.

Kazakhstan's EAEC initiative, launched in 2000, was the first attempt to set up a Eurasian organisation of a "new type," based on market principles to be as open and inclusive as possible. These efforts on the part of the Kazakh government were driven by internal economic and foreign policy factors: a landlocked country with post-transition economy that was dominated by raw materials, Kazakhstan needed maximum cooperation

with its neighbours in order to enter the global market. Unfortunately, China has already launched its own integration initiatives by then, which Kazakhstan was not well placed to compete with.

SHANGHAI COOPERATION ORGANISATION (SCO)

China has been actively involved in Eurasia's development since the early 2000s. What made SCO distinctive as a regional organisation was four main features:

- China's first integration initiative in Eurasia;
- the absence of an ideological framework;
- a multi-industry approach, but no broader cooperation in the traditional military and political sense;
- no distinct integration objective.

As the first regional organisation bringing Russia and China together, expectations were that SCO would consolidate the position of these two prominent actors in the region. The threat of Islamism in border areas and in the region as a whole was of particular concern, so the 2001 Shanghai Convention on Combating Terrorism, Separatism and Extremism drawn up became one of the founding documents of the organisation. For China, the main goal was to ensure security in the border region of Xinjiang, home to compact communities of Uighurs and Kazakhs.

However, plans to maintain the Russian-Chinese order in Central Asia were significantly modified after the events of 11 September 2001, which led to direct US military intervention in the region. The establishment of several military bases in Central Asia and a military contingent in Afghanistan halted SCO's growth as a security organisation for five years. Over 2001–2008, it became clear that Beijing had reconsidered its priorities within

the SCO framework. China's leadership became more focused on economic cooperation with member states. In time, Russia's and China's visions of the SCO's further role became increasingly more competitive, with Russia continuing to push for cooperation in the security sphere, and China increasingly interested in building economic ties with Central Asia.

Institutionally, the adoption of foundation documents was quite slow. For example, the Charter of the Shanghai Cooperation Organisation was adopted only in 2002. A number of important provisions were missing, such as the designation of spheres of responsibility, enlargement issues, and so on. The SCO Executive Committee was also slow to be established. Ultimately, Beijing took over most of the administrative costs, and it became obvious over time that the organisation was about cooperation rather than integration.

It was possible to observe collaboration, regular meetings, attempts to introduce a favourable regime and even to establish some kind of common space, all of which are aspects of "cooperation." But "integration" implies a merger, something that was highly unlikely, given that the newly independent states had just rebuilt their state institutions and were still defining their national interests.

The key issue here is to understand why the parties persistently talk about "integration" when "cooperation" clearly dominates.

When we look at SCO activities, we can see how this organisation has adapted its priorities regardless of conflicts around specific issues and even differences in the vision of the SCO mission.

From 2001 to 2008, Russia's and China's approaches competed latently — until the Russo-Georgian war and the global financial crisis. Hostilities erupted in the Caucasus during the 2008 Summer Olympics in Beijing. SCO member states had to decide on a common position regarding this conflict. Moscow's expectations of support did not materialise, as separatism remained one of China's three "evils" to counter. And so, the SCO took a neutral, balanced position.

The financial crisis of 2009–2010 meant that many member states urgently needed financial and other economic support. Beijing offered loans and some countries took advantage of China's assistance, including Tajikistan and Kyrgyzstan. Since 2009, China has been persistently pushing SCO towards strengthening its economic component. The main objective has been to establish a free-trade zone.

Faced with persistent resistance from Moscow, Beijing has been unable to use the SCO platform to advance its goals, since voting in the organisation is consensus-based. A change of leadership in China has led to changes in country's foreign policy from cautious and gradual to

more proactive and assertive. In 2013, China's new leader, Xi Jinping, announced the global Silk Road Economic Belt initiative at Nazarbayev University in Astana¹, thereby changing the format of interaction from multilateral to a more convenient bilateral one, and "cooperation" began to prevail over "integration."

EURASIAN ECONOMIC UNION (EAEU)

In response to China's soft but persistent offensive, Russia came up with its own integration initiative, which evolved a proposal to set up the Eurasian Economic Union or EAEU in 2011. A famous "debate" in *Izvestia* in autumn 2011 involving Vladimir Putin, Nursultan Nazarbayev and Alyaksandr Lukashenka marked the beginning of this new Eurasian integration project.

The idea of the Eurasian Economic Union actually began with the establishment of the Customs Union, intended to "shield" Eurasian markets against Chinese economic expansion. But, since Chinese partners were working to transfer production to Kazakhstan and Belarus, Russia insisted on intensifying integration processes into its Single Economic Space (SES) with the aim of establishing a Union.

The necessary steps commenced in January 2010, such as the signing of the Agreement on the Common Customs Tariff (CU), and the pace of establishing an integrated association picked up. From January to 17 December 2010 basic international treaties were elaborated in the SES framework. By November 2011, the Declaration on Eurasian Economic Integration was signed and the decision to set up a Eurasian Economic Commission institutionally formalised the establishment of the organisation. In December 2011, the presidents of Belarus, Kazakhstan and Russia issued a Decision "On enacting international treaties establishing the SES" dated 1 January 2012. This, in turn, paved the way for the Treaty on the Eurasian Economic Union, which was signed on 29 May 2014, and entered into force on 1 January 2015.

All these facts suggest that Moscow was seeking to create an integration instrument that was superior to all previous competing projects. European integration was taken as a model, but by that time the European Union had already expanded significantly, especially to the East. Moreover, it had adopted a new Eastern Partnership initiative as a part of its European Neighbourhood Policy. This initiative attracted countries that were also involved in the EAEU, such as Belarus and Armenia.

Russia's perception of the Eastern Partnership as a rival, even expansionist project became the starting point for a chain of fatal decisions and developments that led to

¹ Renamed Nur-Sultan in March 2019.

the political crisis in Ukraine. But, setting the events of 2013–2015 aside looking into the cooperation and integration process from an institutional viewpoint, it becomes clear that the Kremlin, while fancying itself as a global player in old geopolitical terms, perceived China's "offensive" from the East and that of the EU from the West as a direct threat. Guided by the desire to prevent Central Eurasia from leaving the "Russian sphere of influence," Moscow decided to accelerate the EAEU project as one aimed at integration. In the meantime, Eurasian institutions like the commission, national commissioners, and so on had clear weaknesses and were unstable structures. Apart from Russia's "imperial ambitions," the problem mainly lay in the fact that neither these states nor their societies had had enough time to recognise and formulate their interests within this project.

Russia's persistence, based on its desire to protect itself from a perceived external threat, failed to inspire confidence in the project among Kazakh and Belarusian elites, igniting fierce disputes among the three governments regarding violations of accepted norms on one hand, excessively binding obligations on the other, and the resulting multitude of exemptions and restrictions. But most importantly, both Minsk and Astana insisted that the nature of the Union remain purely economic.

Various remarks and open criticism aimed at the EAEU highlighted the fear and frustration of various interest groups in the member states.

The institutionalisation of the Eurasian Economic Union as a single economic entity has been taking place in extremely difficult and contradictory conditions. By setting up quasi-supranational bodies like the Eurasian Commission and the Eurasian Court, which in reality do not have supranational powers, the project is effectively being challenged from within. In 2020, Belarus's attempt to improve their functionality by amending the Treaty was blocked by its Kazakh partners for reasons of a "practical nature." In the meantime, cooperation — not integration — continues to move forward.

THE EURASIA OF THE FUTURE

Across the globe, technological changes have been altering the global economic model, and have been followed by changes of a social and political nature.

Industrial society with its "heavy" forms of production, communication, housing, education and life strategy of staying within borders of the home country is slowly becoming obsolete. Until now, the system of international

political relations was mostly inert. International inter-governmental organisations reflected the model of "heavy" industrial economies. This means that the transfer of certain functions to supranational institutions that bear signs of the same "heavy" form is already inconsistent with a rapidly changing reality.

The EU as an "institution-making machine"—as described by economist Sergei Guriev — was the first to produce flexible or "light" forms of cooperation and possible integration. With its Eastern Partnership initiative, the EU offered the world a new, hybrid form of regional cooperation-integration. Despite much criticism and rejection of this European initiative, conceptually it has become a model, just like the European integration process itself, and China's Road and Belt initiative is a good example. Putin's Greater Eurasian Partnership is another example.

Because of their rigid institutional structure and the need to reckon with weaker partners in a new round of global competition, international organisations are no longer attractive to global players. Lack of time and the need to recognise the interests of small and mid-sized countries forces them to invent formats that may look multilateral but are essentially bilateral.

As for recommendations to the governments and societies of small and mid-sized countries, simply strengthening rigid forms of international organisations is a backward-looking strategy.

In short, it is time to invent fluid models of sustainability, such as simultaneous participation in multiple major player initiatives and introducing new forms of international cooperation of small and mid-sized states and virtual alliances, based not only and not so much on traditional principles of geographic proximity, military and strategic interests, but also on the building of communication hubs.

For Eurasia, it is also a way out of continental isolation, where the fate of many countries and peoples literally depends on relations between continental giants like China, Russia and the EU. Instead of being passive participants in relations among big countries, smaller countries need to initiate new forms of cooperation, not only vertically or horizontally, but also by multiple cooperation across all areas and shifting from "pure" cooperation and integration to more mixed models of both. Examples include Armenia between the EAEU and the EU, Azerbaijan between Russia and Turkey, Georgia between Russia and the EU, Belarus between Russia and the EU, and Kazakhstan between China and Russia.

1.2

ASIA'S REGIONAL ORGANISATIONS: A WINDOW OF OPPORTUNITY FOR UKRAINE

Serhiy Gerasymchuk

Deputy Executive Director,
Director for Regional Initiatives and Neighborhood Programme,
Foreign Policy Council "Ukrainian Prism"

In recent years, Ukraine has actively prioritised European and Euro-Atlantic integration. The necessary provisions have been enshrined in the Constitution, in numerous documents, treaties and political statements, remaining the one and only option at the country's current stage of development — one of the main achievements of the 2013–2014 Revolution of Dignity.

Compared to the intense contacts with the European Union, the implementation of the Association Agreement and active cooperation with NATO, activities in relation to Asia remain somewhat low-profile. References to Asian countries can only be found in a few sector-oriented documents, such as the Strategy for the Development of the Military-Industrial Complex through 2028 or the Export Strategy for 2017–2021. When it comes up, Asia is mostly mentioned in the context of the region's prospects as a market.

THE NEED FOR A NEW ASIAN STRATEGY

And yet, the scale and potential for cooperation suggest the need for a new Asian strategy. On one hand, China and Japan are among Ukraine's largest importers, while China and India are key export partners. Moreover, exports to Bangladesh, China, Laos, Malaysia and Thailand rose rapidly in 2019—by more than 40% in most cases, which is impressive even given very low baselines. On the other, Asian countries in general are slowly but steadily increasing their weight in the global system, making it essential to develop relations with them, given the region's strategic importance.

Clearly, Southeast Asia is a very promising market, while Northeast Asian countries can potentially emerge as significant sources of investment.

With Ukrainian Foreign Minister Dmytro Kuleba announcing Asia as one of Ukraine's foreign policy priorities — without

in any way diminishing the country's European and Euro-Atlantic aspirations—, there is definite progress in this direction. Indeed, the economisation of foreign policy is becoming one of the dominant trends.

Given this, Ukraine should begin by strengthening its diplomatic representation in the region, both qualitatively and quantitatively. It is simply unacceptable to have the Embassy of Ukraine in India also cover Bangladesh, Bhutan, the Maldives, Nepal, and Sri Lanka. Worse, few staff at the Embassy of Ukraine in China speak Chinese.

Apart from searching for countries in the region that might agree to become a "gateway to Asia" partner for Ukraine, it makes sense to look for the windows of opportunity that might open up through cooperation with regional organisations.

For obvious reasons, Ukraine does not view cooperation with Russia-dominated organisations as something that has added value. Moreover, this area of cooperation, for example, with the Eurasian Economic Union, will conflict with Ukraine's European and Euro-Atlantic goals. However, there are other organisations with untapped potential for cooperation. Until recently, their role was largely overlooked, and their and Ukraine's common interests were not taken into account.

REGIONAL ORGANISATIONS AND ASSOCIATIONS: PARTNERSHIP PROSPECTS

ASEAN

One of the largest of these organisations is ASEAN, which includes Brunei, Vietnam, Indonesia, Cambodia, Laos, Malaysia, Myanmar, Singapore, Thailand, and the Philippines. Interestingly, ASEAN's philosophy is fairly consonant with



the philosophy of regional associations in Central and Eastern Europe. ASEAN works towards economic development, social progress and regional stability, which middle-sized and small countries can only achieve by combining efforts and interacting with bigger players.

Singapore plays a significant role in ASEAN — and Kyiv appears to recognise this fact. It is no coincidence that Dmytro Senik, who served as Ambassador to Singapore over 2015–2020, was recently appointed Ukraine's Deputy Minister of Foreign Affairs responsible for the digitalisation and economisation of the country's foreign policy.

ASEAN offers several supporting formats, such as ASEAN Plus One with four dialogue partners — Norway, Pakistan, Turkey and Switzerland—, who are ASEAN partners in sector-based dialogue, while Germany is a development partner. ASEAN Plus Three involves major regional players — China, South Korea, and Japan—, while ASEAN Plus Eight is a broader format with the participation of Australia, India, China, New Zealand, South Korea, Russia, the United States, and Japan.

For Ukraine, the ASEAN countries primarily represent a promising 600 million consumer market. Free trade zones with individual countries in the region could open up prospects for a free trade zone with ASEAN as a whole, with its enormous economic potential. On the other hand, Kyiv is interested in investments from the ASEAN region, while many ASEAN members have both the opportunities and the interest to invest in up-and-coming Eastern Partnership countries.

Important areas of cooperation beyond trade and investment include countering terrorism, cyber security and collision avoidance in the air and at sea. The development of universal, global rules on these issues is of mutual interest to both Ukraine and ASEAN.

ASEM

The Asia-Europe Meeting or ASEM is another, even more promising, format which brings together the countries of East Asia and Europe. This organisation focuses on cooperation in politics, security, finance and the economy, the socio-cultural sphere, and transport and infrastructure. ASEM includes the EU and European Commission countries Norway and Switzerland, ASEAN members China, Japan, South Korea, India, Pakistan, Mongolia, Bangladesh, the ASEAN Secretariat, plus Australia, New Zealand and Russia.

ASEM also focuses on trade and investment, sustainable development and climate, migration and various security issues — terrorism, non-proliferation of nuclear weapons and cyber security. All these are of interest to Ukraine as well.

Ukraine applied for ASEM participation back in 2014. This process could be accelerated, including through consultations with European partners and with Ukraine's natural allies, such as Australia, South Korea, Singapore, New Zealand and Japan. Collaboration with Japan should further improve thanks to the appointment of Serhiy Korsunskiy, an excellent diplomat, as Ambassador.

APEC

Hypothetically, Ukraine's larger representation in the APEC framework could also work well. This forum of Pacific Rim economies includes 21 states: Australia, Brunei, Canada, China, Hong Kong, Indonesia, Japan, Malaysia, Mexico, New Zealand, Papua-New Guinea, Peru, the Philippines, Russia, Singapore, South Korea, Taiwan, Thailand, United States, Chile, and Vietnam. However, this organisation is currently facing strong headwinds and potentially stagnation. The 2018 APEC Papua New Guinea summit failed to agree on

a final resolution, the 2019 summit in Chile was postponed, and rivalry between China and the US in the region is undermining the prospects for unification.

17+1, SINO-CEEF, TRIMORYE

Last, but far from least, is a regional association called "17+1." Geographically adjacent to Ukraine, apart from China, it includes many of the country's neighbours: the Western Balkan countries, Bulgaria and Romania, the Visegrad Four, the Baltic states, and Greece. Most participants in "17+1" are also members of the Trimorye or Three Seas Initiative, which brings together the Baltic states, the Visegrad Four, Austria, Slovenia, Croatia, Romania and Bulgaria. At this point, Ukraine has expressed considerable interest in its projects.

The "17+1" association is currently causing some controversy both in the EU and the United States, as it is often seen as an instrument of China's influence in the region. But, setting aside the geopolitical aspects and focusing solely on the economic component, the regional investment vehicle called SINO-CEEF is worth some attention. This \$10-billion Luxembourg-registered investment fund focuses on infrastructure projects in the Adriatic, Baltic and Black Sea regions and in "17+1" countries, and its activities are monitored by the IMF. Its key contributors include the Chinese EXIM Bank, the Hungarian EXIM Bank, the Silk Road Fund, and CEE Equity Partners Ltd. The fund is managed by the SINO-CEEF Capital Management Company Limited, which has offices in Hong Kong, Warsaw and Munich.

Obviously, should tensions between the United States and China escalate, the Fund's activities will have a hard time being effective. On the other hand, a de-escalation in strains between Beijing and Washington could lead to the coupling of Chinese investment projects in the Western Balkans and Trimorye projects. At that point, Kyiv should be interested in observer status in both Trimorye and "17+1," as well as in access to financial facilities aimed at attracting investment to the region.

This will make it far easier for Ukraine to implement projects within the Gdansk-Black Sea transport corridor development,

to expand the geography of container shipping between Poland and China, to strengthen cooperation with "17+1" and Trimorye countries on the development of intermodal transport, maritime, rail and road transport in the context of TEN-T — which extends to Ukraine and other EaP countries—, with the Silk Road and in the movement of goods between Europe and Asia.

SUMMARY

Ukraine increasingly understands that, along with European and Euro-Atlantic integration processes, it is also crucial to strengthen the Asian aspects of its foreign policy. Some key staff appointments, the economisation of foreign policy and the development of a new Asian strategy suggest that Kyiv is taking this issue quite seriously. At the same time, Ukraine is staking on bilateral relations with friendly countries in the region, and on interaction with regional organisations. The latter include those established directly in Asia and those that in some ways project an Asian influence in Central and Eastern Europe, such as the "17+1" association, which projects China's influence.

It can be expected that, apart from the economic agenda, Kyiv will try to intensify cooperation in other areas of common interest, such as combating international terrorism, freedom of navigation, cyber security, and climate change. The goal of such cooperation is to demonstrate common approaches among small and medium-sized countries to problems in these areas and to develop universal rules to leverage the interests of such states.

In the end, however, no one can afford to disregard relations between the US and China as they affect the situation both at the regional and global levels. De-escalation between Washington and Beijing would clearly contribute to strengthening regional projects, in which investments from the West and the East complement each other and offer synergistic potential. If this does not happen, then Kyiv and other international players will have to re-calibrate their Asian strategies. Even so, this by no means eliminates the option of observer status in structures dominated by China.

1.3

INDUSTRIAL COOPERATION IN THE EAEU

Natalia Skirko

Associate Professor, Department of Customs Affairs,
State University of Belarus

The significance of intraregional ties is generally measured by the increase in mutual trade among the countries of integration associations as a share of the total volume of their foreign trade. In mutual trade, countries set different goals for themselves and have different opportunities to participate, as there can be significant sectoral differences among them. These factors complicate the implementation of mutual trade efforts and increase the costs of integration agreements — which, in fact, increases the transaction costs of foreign trade. Thus, not all efforts to stimulate foreign trade lead to an increase in prosperity: the sector itself may not lend itself to this.

THE EAEU: INTEGRATION GOALS AND OPPORTUNITIES

According to research by the Eurasian Economic Commission (EEC), the potential for industrial cooperation among EAEU member states that emerged with the establishment of the Customs Union is now exhausted. In addition to the deliberate facilitation of customs and tariff policy measures, this suggests that industrial cooperation could stimulate

regional trade. The scale of mutual trade depends on the proximity of the sectoral structures of the individual economies in the union, meaning the structure of imports of intermediate goods.

Within the EAEU, Russia, Belarus and Kazakhstan account for significant volumes of cooperative trade. In overall EAEU trade, however, Russia is a net exporter, and the rest of the members are net importers. Both industrial cooperation and trade in final goods has been defined by a prevailing feature: the production in the EAEU is dependent on Russian raw materials and energy.

The data in Table 1 shows that the basis of cooperation in the Russian economy is the export of goods and raw materials, while Belarus and Kazakhstan import, that is, buy and process, more from other countries in the Union than they export. The shares of mutual exports to EAEU markets in trade flows between Kyrgyzstan and Armenia are 10–30 times less than comparable shares among EAEU trade leaders, while the shares of mutual imports are 4–5 times less. All EAEU member states have very different sectoral

Table 1.
Share of intraregional exports and imports among EAEU member states, %

	2018		2019	
	export	import	export	import
Russia	64.6	32.3	63.5	33.1
Belarus	23.1	38.1	23.8	36.3
Kazakhstan	10.0	23.6	10.4	24.5
Kyrgyzstan	2.2	6.0	2.3	6.1
Armenia				

Source:

https://eabr.org/upload/iblock/c6g/EDB_Centre_Report_52_Eurasian_Economic_Integration_2019_rus.pdf

https://eabr.org/upload/iblock/d21/EDB_Integration_2020_2020_08_25.pdf

Table 2.

Commodity structure of EAEU mutual and external exports, %

	2018		2019	
	to the EAEU	to third countries	to the EAEU	to third countries
Raw materials	23.2	42.1	22.8	43.0
Energy products	13.3	22.3	9.7	22.4
Finished goods	63.3	35.5	67.5	35.7

Source: https://eabr.org/upload/iblock/d21/EDB_Integration_2020_2020_08_25.pdf

structures, which explains these differences in trade and industrial cooperation in the EAEU. But the main thing that these figures demonstrate is the differences and division between countries in their search for competitive advantages, in promoting the competitiveness of their economies, and in their expectations of integration.

Thus, the practice of protecting domestic producers, preserving sales markets for them, meaning a permissible and non-prohibited increase in barriers to mutual trade is widespread in the EAEU. The strengthening of integration initiatives not only reflects the interest of various countries in specializing in the most profitable sectors and areas of business while using their competitive advantages, but also by their desire to preserve national sales markets for domestic producers. Each country within the integration project is looking to expand markets for its goods and services while, at the same time and by all available means, decisively trying to limit access to domestic segments of the union market.

This practice clashes with similar efforts among neighbours and hinders the development of common approaches. Technically, if the markets for goods and services of the EAEU were unified as to the origin of goods and the domestic segments were mutually linked through trade and cooperation, then broader competitiveness would form in these economies and the basic drivers of growth in the EAEU's foreign trade. Instead, EAEU producers compete with each other both in third country markets and within the Union itself.

"Economic integration in various formats with less developed economies is less risky for manufacturers in industrialized countries, but it does not create significant added value — and mutual trade grows slowly."¹ In this sense, even without taking into account the level of development of individual EAEU member states, the observed structure of mutual trade flows demonstrates the difference in their interest towards establishing cooperation ties. In other words, each of the countries in the Union is pursuing its own goals for integration, often defending its national interests and not seeing any benefit from developing the common EAEU

space. The reason is that industrial cooperation and mutual trade are not leading to a more productive use of resources and are not associated with expectations of growth in added value.

Meanwhile, the Treaty on the EAEU links the main goals of the Union — comprehensive modernization and increased competitiveness in domestic segments of the economy — with industrial cooperation, and in general, these factors are believed to ensure the sustainability of foreign trade growth and overall economic growth.

EAEU EXPORT INDUSTRIES AND COMMODITY STRUCTURE

An analysis of the commodity structure of EAEU exports to both member states and third countries shows that the main mutual export is finished goods, while exports outside the EAEU are mostly raw materials.

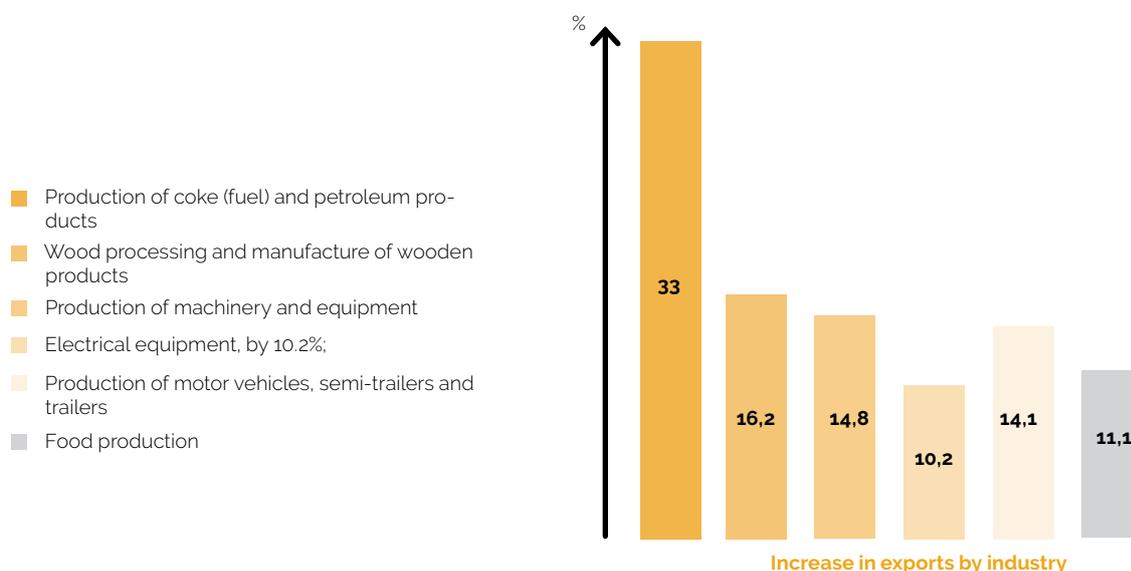
Sectorally, the largest volumes of EAEU cooperative exports were in the metal industry, mechanical engineering and chemical products in both 2018 and 2019. These industries tend to be geographically fragmented, which means that their growth depends on and is determined by cooperative ties. Industrial cooperation is gaining particular relevance in light of the import substitution policy being carried out by the member countries, especially by engaging in import substitution. Firstly, this concerns components for mechanical engineering equipment, according to the 2018 EEC Report "On the Results of the Annual Monitoring of Cooperative Interaction and the Implementation of Cooperation Projects"². Thus, for mutual trade to grow, domestic markets will be taken advantage of, and this is associated with stimulating domestic consumer and investment demand. This conclusion is supported by the fact that mutual exports among EAEU countries have remained above 60% for several years now.

In 2018, cargo vehicles occupied a key position among high value-added goods (5%) and trade in them has been

¹ Kukushkina Y.M., The relationship between regional integration and global value chains, *International trade and trade policy*, #4, 2016, pp 66–82.

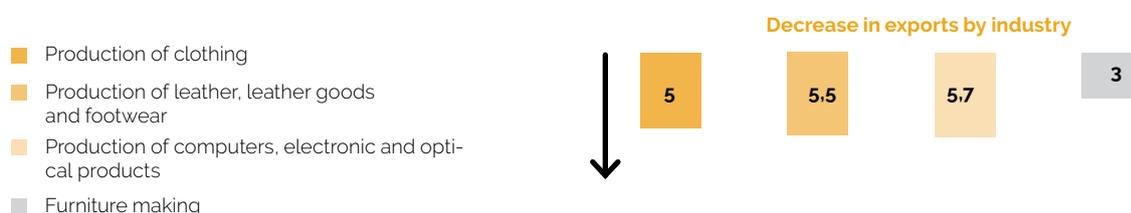
² Eurasian Economic Integration 2019, Moscow: EDB Center for Integration Studies, 2019, 140 pp. [Electronic resource] Eurasian Development Bank, Center for Integration Studies of the Directorate for Analytical Work of the Eurasian Development Bank. Accessed at: https://eabr.org/upload/iblock/c6g/EDB_Centre_Report_52_Eurasian_Economic_Integration_2019_rus.pdf. Access date: 10.10.2020

Figure 1.
Supply growth in manufacturing industries in 2018, %



Source: https://eabr.org/upload/iblock/c6g/EDB_Centre_Report_52_Eurasian_Economic_Integration_2019_rus.pdf

Figure 2.
Reduction in supplies in a number of industries in 2018, %



Source: https://eabr.org/upload/iblock/c6g/EDB_Centre_Report_52_Eurasian_Economic_Integration_2019_rus.pdf

growing since the EAEU was launched. Metals and foods are the main mutually traded semi-finished products in the EAEU.

Also, in 2018, cooperative supplies increased in 16 out of 21 manufacturing industries (Figure 1). At the same time, a decrease in supplies was observed in a number of other industries (Figure 2).

In 2019, domestic exports of certain types of chemical (household chemicals and nitrogen fertilizers) and food (rapeseed oil, spirits, mineral waters) products rose. At the same time, intraregional supplies of rolled steel, sugar, detergents, propylene polymers, and others fell. Mutual trade in low added value goods in the EAEU was based mostly on agricultural and metal products.

In 2019, cooperative supplies accounted for almost half of EAEU mutual trade turnover. Sectoral opportunities came mainly in the traditional industries:



machine building



chemical processing



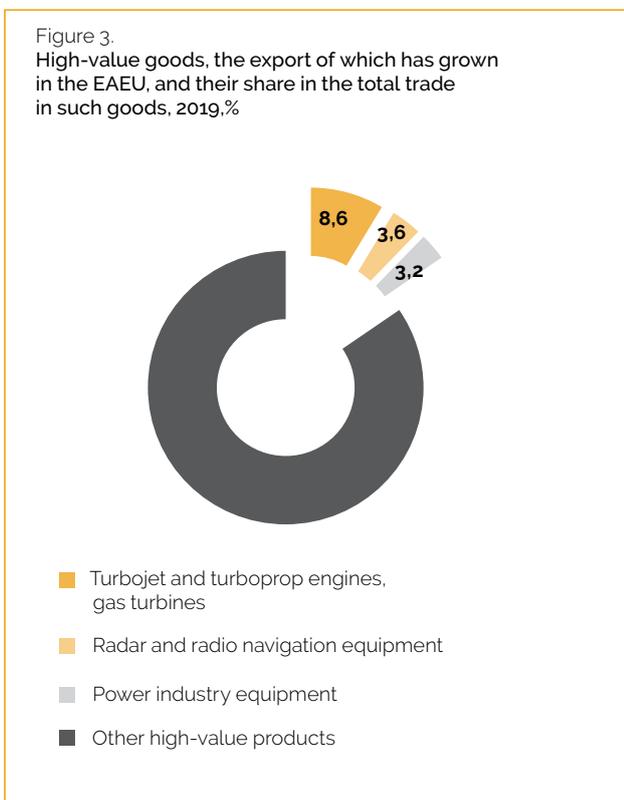
metal extraction and processing



food processing

Highly processing goods exported from the EAEU to third countries is, like intra-union exports, dominated by hi-tech products and vehicles, chemicals and processed food.

In 2019, exports to third countries rose in a number of positions (Figure 3).



The export structure of semi-finished goods from the EAEU to third countries is dominated by the metal and chemical industries, with the shares noted:

- refined copper and copper alloys, 14.4%;
- untreated aluminium, 10.6%;
- potassium fertilizers, 9.6%;
- mixed mineral fertilizers, 7.2%;
- nitrogen fertilizers, 6.4%.

The export structure of unfinished goods from the EAEU to third countries in 2019 by share was:

- semi-finished unalloyed steel products, 40.1%;
- ferroalloys, 20%;
- cast iron, 9.2%, and more.³

In conclusion, not all efforts to stimulate foreign trade lead to an increase in prosperity if the sectors themselves do not provide sufficient opportunities. That is why there are strong expectations that industrial cooperation in the EAEU will contribute to more intense regional trade. However, EAEU member states have different expectations of integration in this area and are actively protecting domestic producers. Developing common and unified EAEU markets and common features of competitiveness could stimulate the growth of trade and the economy as a whole.

Other exports from the EAEU declined significantly:



tugs and pusher vessels



trailers and semi-trailers



radar and radio navigation equipment



aluminium fittings for pipes and tubes, and so on



steel containers (reservoirs, cisterns, vessels, tanks, and so on)

³ Eurasian Economic Integration 2020, Moscow: EDB, 2020. 80 pp. Accessed at: https://eabr.org/upload/iblock/d21/EDB_Integration_2020_2020_08_25.pdf. Access date: 10.10.2020

1.4

THE CRISIS IN EURASIAN INTERNATIONAL ORGANISATIONS

Yurii Poita,

Director, Asia-Pacific Section

Center for Army, Conversion and Disarmament Studies (Ukraine)

Recent events in the Eurasian region — a deteriorating socio-economic and military-political situation, a surge in public protest moods, the emergence of new and “thawing” of old internal and international conflicts in the post-Soviet space, and the emergence of new threats to regional security — should elicit a timely, proper response from international organisations that were established and function in the region for the purpose of maintaining regional security and establishing favourable conditions for stable economic development.

However, these organisations often appear to be ineffective in resolving regional clashes and contradictions. This only aggravates the economic situation of their members, undermines their security, and triggers talk in political, expert and academic circles and the media about insolvency and the crisis in regional organisations and initiatives. Most criticism focuses on the ineffectiveness of the Collective Security Treaty Organisation (CSTO), the Eurasian Economic Union (EAEU), and, more recently, the Shanghai Cooperation Organisation (SCO). According to experts, the three largely play a window-dressing role, sometimes even pursuing the interests of some members to the detriment of others.

DEVELOPMENTS IN THE POST-SOVIET SPACE

The situation developing across the post-Soviet space has a number of common features:

- sharp economic downturn that has been equally induced by the COVID-19 pandemic, falling oil prices, ineffective economic and political reforms across the region, plus the specifics of EAEU policies and actions. This has contributed to the growth of protest moods and socio-economic conflicts between governments and their citizens at home;

- interstate rivalry is widespread amid the lack of common solutions to burning issues and no effective security mechanisms in place; significant escalation in long-running conflicts and other inter-state clashes aggravate the situation. At the same time, the employment of conventional armies with high-precision systems and weapons (both tactical and ballistic) can already be observed, as well as the use of irregular proxy forces and formations;
- the formation of a new geopolitical order and realignment of forces in the region in response to the active participation of old / new players in the region, in particular Turkey (politically and militarily) and China (economically);
- the emergence of new threats linked to the spread of radical Islamism, terrorism and extremism in Central Asia following the US withdrawal of its contingent from Afghanistan and the ongoing Afghan negotiations, which are likely to result in the Taliban joining the country's government.

In this context, these international and regional organisations are failing to effectively fulfil their missions and objectives, which leads to further aggravation of the situation and the emergence of new hotbeds of tension.

CRISIS IN THE CSTO AND IMPACT FOR REGIONAL SECURITY

The CSTO is an intergovernmental military alliance in the Eurasian region, including Russia, Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Tajikistan.

Apart from additional and auxiliary tasks such as arms trade at domestic prices, training personnel for the armed forces, special services and law enforcement agencies, the main purpose of the CSTO is to ensure the collective security of



its Member States in the event of threat to their security, stability, territorial integrity and sovereignty, according to Art. 3 and 7 of the CSTO Charter.¹ To achieve this goal, the CSTO set up temporary and permanent command and control bodies, as well as military forces and means, including the CSTO Joint Staff, the Collective Rapid Deployment Force of the Central Asian Region (CRDF), the Collective Rapid Reaction Force (CRRF), and the Collective Peacekeeping Force to eliminate any imminent military threat. To ensure a timely response to threats to the security, stability, territorial integrity and sovereignty of one or several Member States, or threats to international peace and security, the CSTO developed an action mechanism in line with Art. 2 of the Collective Security Treaty.² According to its provisions, in the event of a threat, Member States are expected to immediately launch the mechanism of joint consultations to coordinate their positions, develop and take measures to provide assistance, including military assistance.

In practice, however, this mechanism does not work, as the latest events in Belarus and Nagorno-Karabakh illustrate.

¹ Charter of the Collective Security Treaty Organisation. Accessed at: https://odkb-csto.org/documents/documents/ustav_organizatsii_dogovora_o_kollektivnoy_bezopasnosti/

² Treaty on Collective Security. Accessed at: https://odkb-csto.org/documents/documents/dogovor_o_kollektivnoy_bezopasnosti/

In the first case, statements by Alyaksandr Lukashenka in August 2020 about the threat of a NATO invasion and the external influence aimed at destabilising the political situation in the country according to a “coloured revolution” scenario,³ should have launched the CSTO mechanism of joint consultations with the subsequent use of its various forces and means to protect the sovereignty and territorial integrity of Belarus. However, despite these statements by a leader of a CSTO Member State, the regional mechanism of consultations was not put into action and the organisation’s reaction to events in Belarus was limited to a formal statement by the CSTO press secretary.

The second case was the recent hostilities in Nagorno-Karabakh in September–October 2020 between Azerbaijan (conducting an offensive using precision-guided weapons and airborne force), and Armenia, a CSTO Member State eligible for collective protection by this organisation. According to international law, the territory of the military operation belongs to Azerbaijan, which is the official reason why CSTO did not fulfil its obligations. However, Armenia was under a direct military threat, since the hostilities were taking place in close proximity to its borders. Meanwhile, Azerbaijan was receiving political and technical military assistance from a NATO

³ “Lukashenka accused the West of plans to ‘cut off’ the Grodno region.” Accessed at: <https://www.interfax.ru/world/722729>

member, Turkey, and separate missile strikes by Azerbaijani UAVs were carried out against military facilities located directly on the internationally recognized territory of Armenia. Still, the CSTO consultation mechanism and other means, including Collective Peacekeeping Force, have not been put into action, which raises the question of just how effective this regional security organisation is when it comes to the collective protection of its members.

The main reason of the current CSTO crisis seems to be that this military-political bloc was built on the principle of "Russia+" format, for Moscow to achieve its own geopolitical goals in the region, such as ensuring continued influence in the post-Soviet space, often without regard for the interests of other CSTO members.

In other words, there is a strong discrepancy between the declared and real goals of the organisation. The official goal is to ensure the collective defence and security of Member States. In reality, Russia is trying to preserve the military and political dependence and loyalty of post-Soviet states by using this format, all the while selling weapons to the adversaries of CSTO members — including to Azerbaijan and Turkey — and effectively fostering further militarisation among its partners. According to Russian experts, Russia's share of military equipment supplies to Azerbaijan is up to 63% of the total volume of arms purchased by Baku.⁴ Moreover, in 2017, Moscow and Ankara signed a contract for the supply of Russian S-400 Triumph air defence systems worth \$2.5 billion, and this contract was never terminated.⁵

In other words, Russia prioritises the interests of its own military industrial complex and economic benefits over the security of its allies. Meanwhile, hostilities in Nagorno-Karabakh revealed the ineffectiveness of Russian weapons that Moscow has been successfully selling to its partners for years, including air defence and electronic warfare systems, against Western weapons, especially the Turkish-made Bayraktar TB2 UAVs.⁶ Similar conclusions can be drawn about the quality of combat training of Armenian troops and officer corps at all levels in Russia based on Russian standards, and those of Azerbaijan that received military education in Turkey in line with NATO standards.

The second reason for the CSTO crisis is Russia's reluctance to accept responsibility for ensuring the security of its allies both individually and as part of the CSTO, if it poses a risk to

Moscow's own interests. The situation in Nagorno-Karabakh in autumn 2020 demonstrated that Russia's willingness to maintain more-or-less acceptable relations with Turkey in pursuit of some of its own interests (such as building the Turk Stream gas pipeline and the Russian Akkuyu NPP, co-operating militarily and technically, as well as cooperating in Libya and Syria), makes the security of its allies, in particular that of Armenia, no longer a priority for Moscow and takes no steps to protect them. The signing of a ceasefire agreement in Nagorno-Karabakh on 10 November 2020, and the deployment of Russian peacekeeping force from the Russian Group Forces to the region took place after Armenia's absolute military defeat in Nagorno-Karabakh, and more importantly — with no involvement or even formal mentioning of the collective peacekeeping forces of the CSTO.

The third reason for the CSTO crisis can be found in the conflicting viewpoints and interests of other Member States. For example, Kazakh experts say that Kazakhstan's involvement in possible military operations by the CSTO is very unlikely, especially with regard to Azerbaijan, which Nur-Sultan views as a fraternal country. Moreover, the sale of weapons by Belarus to Azerbaijan, including the Polonaise MLRS, despite objections from Armenia and diplomatic skirmishes between Minsk and Yerevan in 2018 over the post of CSTO Secretary General, once again demonstrates the complexity and sometimes impossibility of finding consensus among Member States in the face of emergency situations.

CRISIS IN THE EAEU AND ITS IMPACT

Meanwhile, the declared goal of the EAEU, is to develop the economies of its Member States by establishing a single economic space that ensures free movement of goods, services, capital and labour, along with the implementation of a coordinated, agreed-upon or unified policy in various economic sectors. If the reports on dozens of signed third-party memoranda of mutual understanding, achievements in "deep integration" and draft regulations, as described in the EAEU's "5 Years: The EAEU Anniversary"⁷ report are set aside for a moment and the focus is solely on economic indicators, the ineffectiveness of all its declarations on the development of the economies of participating countries becomes very obvious. In short, all the initiatives and attempts to achieve significant GDP growth, develop the economies of EAEU members, deepen integration, expand industrial cooperation, and strengthen the technological component⁸ over 2015–2019 failed.

There are five key reasons for the EAEU's lack of effectiveness in economic development among its Member States.

4 "Korotchenko: Russia is Azerbaijan's reliable arms partner." Accessed at: <https://eadaaily.com/ru/news/2018/05/23/korotchenko-rossiya-nadezhnyy-oruzheynyy-partner-azerbaydzhana>

5 Media reports: "Erdogan promotes S-400 in the arms market by shooting down British drones." Accessed at: <https://eadaaily.com/ru/news/2020/10/23/smi-erdogan-prodvi-gaet-s-400-na-oruzheynom-rynke-sbivaya-britanskie-drony>

6 "In Russia, they tell stories about the 'tarnished reputation' of Pantsirs S-300s." Accessed at: <https://lenta.ru/news/2020/10/21/s300/>

7 "Five Years: The EAEU Anniversary." Accessed at: http://www.eurasiancommission.org/ru/Documents/3057_ЕЭК_Книга%202019_англ.pdf

8 A. Migranyan, Russia in the EAEU by 2025. Accessed at: <https://russiancouncil.ru/analytics-and-comments/analytics/rossiya-v-eaes-k-2025-godu/>

First, just like CSTO, the EAEU also functions in the "Russia+" format, due to "the gravitational model of a dominant Russian market and Russian input to trade within the EAEU". This confirms Russia's leadership in the union and its role in "setting trends in the economic development of all countries in the context of different-sized integration."⁹ This means that, despite the stated equality and consensus in decision-making, in reality Russia holds a monopoly over key decisions. Indeed, most of the EAEU's goals are either declarative or political in nature.¹⁰

Second, the system allows Russia to use freedom of movement of goods to gain access to the markets of other Member States, even as it simultaneously sets up artificial barriers to its own markets. And so, the basic principles of the free market, such as free movement of goods, services, capital and labour, are not fully functional in the EAEU, leading to multiple complaints from Lukashenka, as Belarus is very interested in obtaining duty-free oil, cheap loans and access to Russia's domestic market and government procurements.¹¹ Kazakhstan has made similar claims.¹²

Third, Moscow uses the EAEU as a tool for economic pressure against several players at once in order to achieve its own geopolitical goals. For example, in 2016, Russia banned the transit of Ukrainian goods to Central Asia across its territory.¹³ As a result, Ukraine's trade with the countries in the region has fallen by about 30% annually. Obviously, in addition to putting the screws on Kyiv, Moscow has managed to replace Ukrainian goods in Central Asian markets with Russian equivalents. Other examples include a ban on the transit of Kazakh coal to Ukraine in 2019¹⁴ — the Ministry of Trade and Integration of Kazakhstan criticised Russia's restriction on the freedom of transit of products to third countries — and Kazakh oil to Belarus¹⁵ during the difficult Russia-Belarus oil negotiations, which once again causing President Lukashenka a lot of frustration.

Fourth, Russia tends to use labour migrants from the Central Asian countries and offers a simplified procedure for obtaining Russian citizenship to citizens of EAEU Member States, primarily Kazakhstan and Belarus, to counter its own demographic decline. This poses both short- and long-term risks for its partners.¹⁶ The possibility for a simplified procedure allowing labour migrants to stay is also being used to lure Uzbekistan and Tajikistan into the union.

And lastly, Russia is making overt attempts to establish supranational governing bodies within the EAEU and thereby limit the sovereignty of the Member States. These attempts have been generating negative reactions from the other members, as can be seen in recent statements of Kazakhstan's Kassym-Jomart Tokayev at a meeting of the Supreme Eurasian Economic Council in 2020. He criticised attempts to include certain clauses in the document "On strategic directions for the development of Eurasian economic integration until 2025" that would significantly limit the sovereign rights of Member State governments and legislatures.¹⁷ Other initiatives, such as the introduction of a common currency, are consistently opposed by Belarus and Kazakhstan.

The development of the EAEU is further stymied by other factors, such as Moscow's prioritisation of its geopolitical and image goals in the union, the deterioration of Russia's own economy, the West's sanctions in connection with the conflict in Ukraine, the lack of progress in modernising political systems and liberalising members' economies, and the different and sometimes contrary opinions of EAEU members on both international and domestic issues.

In this regard, it is most likely that the EAEU will continue its limited and often declarative activities despite multiple internal and external crises, which will prevent this organisation from achieving its main goal — the development of the economies of its Member States.

THE SCO'S ROLE IN THE REGION

Although the SCO has stated goals of strengthening mutual trust, friendship and good neighbourliness, maintaining peace and security, and promoting economic growth in the region hosting its members,¹⁸ it is obvious that this organisation's role in resolving crises in the region is not significant. Examples of its ineffectiveness include regular

⁹ Ibid.

¹⁰ G. Mostafaa, M. Mahmood, "The Eurasian Economic Union: Evolution, challenges and possible future directions," *Journal of Eurasian Studies* Volume 9, Issue 2, July 2018, pp 163–172. Accessed at: <https://www.sciencedirect.com/science/article/pii/S1879366518300149>

¹¹ Lukashenka on the EAEU: "Indifference, gimmick, fuss, up to fisticuffs." Accessed at: <https://regnum.ru/news/polit/2869622.html>

¹² Dariga Nazarbaeva, "The EAEU increases obstacles and barriers for Kazakhstan." Accessed at: <https://www.zakon.kz/5008769-dariga-nazarbaeva-dlya-kazahstana-v.html>

¹³ "Russia introduced additional restrictions on the transit of Ukrainian goods." Accessed at: <http://economics.unian.net/transport/1398709-rossiya-vvela-dopolnitelnyie-ograni-cheniya-na-tranzit-ukrainskih-tovarov.html>

¹⁴ "Russia hinders the supply of Kazakh coal to Ukraine. The industry sustains losses — MTI." Accessed at: <https://www.zakon.kz/4991952-rossiya-prepyatstvuet-postavkam.html>

¹⁵ "Lukashenka: Russia blocks oil supply from Kazakhstan to Belarus." Accessed at: <https://rus.azattyq.org/a/30389680.html>

¹⁶ Roundtable on "Passport policy as an instrument of the Kremlin's hybrid influence in the post-Soviet space." Accessed at: https://cacds.org.ua/?p=8804&fbclid=IwAR07jLHwL7HbjOx-85QsfCtsVmocmcH1zCrkW4_JSwdhrlVgr1x7s3VPN3yY

¹⁷ "Tokayev criticised the strategy for the development of Eurasian economic integration through 2025." Accessed at: <https://vlast.kz/novosti/39666-tokayev-raskritikoval-strategiu-razvitiya-evrazijskoj-ekonomiceskoj-integracii-do-2025-goda.html>

¹⁸ Charter of the Shanghai Cooperation Organisation. Accessed at: <http://www.kremlin.ru/supplement/3450>



cross-border clashes between Tajikistan and Kyrgyzstan, or Uzbekistan and Kyrgyzstan, the destabilisation of the political situation in Kyrgyzstan in 2005, 2010 and 2020, with the SCO making no attempt to settle any of these crises.

Moreover, the SCO recently transformed into a platform for declarations that lack the tools for practical implementation.¹⁹ The causes for this include Russia's blocking of any Chinese attempts to establish economic instruments within the SCO, such as a Development Bank and a free-trade zone, and the accession of new players with conflicting interests, such as Pakistan and India.²⁰ As a result, China's influence in the SCO has become limited, while its attempts to strengthen economic cooperation with the Central Asian countries through this organisation have been blocked. Despite the difficult internal situation in Kyrgyzstan and possible deterioration in the military political situation in Central Asia linked to processes in Afghanistan, the SCO continues to take no action.

CONCLUSIONS AND OUTCOMES

1. Under the current conditions, the likelihood that the CSTO will actually act to protect its members is very low. This is preconditioned by both internal disagreements among Treaty members and Moscow's

policy in the region, which is aimed at achieving its own interests at the expense of its partners.

2. The emergence of new players in the region is likely to fill the existing power vacuum. This primarily means Turkey at this time, which is ready to play a more proactive role in expanding its sphere of influence, possibly in Central Asia, as well as the Taliban, whose actions will be almost unpredictable after their anticipated coming to power. Also, Central Asia is attracting steady interest from China, which is currently pursuing a cautious but focused and consistent policy of expanding its geo-economic influence. Also, China could well play a more active political and military role in the region in the long run.
3. The inability to address economic difficulties, the failure to modernise political systems and liberalise economies, and Russia's problems associated with technological weakness coupled with Crimea- and Donbass-related sanctions will gradually aggravate the socio-economic situation across post-Soviet countries, but especially those with close economic links to Russia. It is likely that this will increase the public protest mood and ignite conflicts between governments and their citizens, thus increasing the likelihood of internal political destabilisation in the region.

¹⁹ A. Kaukenov, "Shanghai Cooperation Organisation in a new format of geopolitical realities." Accessed at: <https://cacds.org.ua/?p=9065>

²⁰ A. Gabuev, "Bigger, not better: Russia makes the SCO a useless club." Accessed at: <https://carnegie.ru/commentary/71212>

1.5

IDENTITY OF THE EURASIAN ECONOMIC UNION: EVIDENCE FROM THE SUPREME COUNCIL DOCUMENTS

Huawei Zheng,

PhD student, University of Kent (UK)

The Eurasian Economic Union (EAEU) represents the latest effort to reintegrate this region, amongst the extensive organisations and initiatives in the post-Soviet space. Tracing the history of economic integration after the collapse of the USSR, the EAEU inherited the legacy of previous waves of reintegration, both in terms of ideas and institutional frameworks. As early as in 1995, the idea of a Customs Union was proposed within the Commonwealth of Independent States (CIS) framework, and was founded by Russia, Belarus, and Kazakhstan. Thereafter, within the framework of the Eurasian Economic Community, more substantial economic integration was pursued in the form of the Eurasian Customs Union and the Single Economic Space. As an independent cluster of institutions, the EAEU incorporated these previous efforts both legally and institutionally.

SCHOLARS' APPROACH TO STUDYING THE IDENTITY OF THE EAEU

However, the identity of the EAEU has been subject to contestation. It presents a puzzle that to what extent is the EAEU really about economic integration. Various views over the EAEU identity can be found in the literature, which can be summarised into three camps. The first school of thought takes a functionalist and economic approach. For example, Vinokurov argues that "the EAEU is best viewed as a functioning customs union with a rich (economic) agenda".¹ Following this functionalist and economic approach, scholars have recognized plenty of achievements of the EAEU, such as "a common external tariff, a common set of WTO

compliant technical standards, and a common labour market, which has already been in place or in effect".²

The second group of scholars puts an emphasis of the geopolitical dimension of the EAEU, arguing that it could be used as a tool to achieve Russia's own geopolitical goals. In this regard, Mostafa and Mahmood point out that the union "allows Moscow to present an image of itself as a great Eurasian power that enhances its own self-esteem and, supposedly, its standing in the eyes of foreign audiences".³ Kaczmarek offers an interpretive study of how Russia understands regionalism, arguing that "with regard to the EAEU, Russia opts for universal and legally binding norms, which would create a barrier to the exercise of influence by other actors, in order to maintain its influence in the post-Soviet space".⁴ His study further demonstrates that from the Russian perspective, "the ultimate expected outcome of the Eurasian integration is to create a political rather than just an economic union".⁵ Dragneva examined the EAEU's external relations, concluding that "they predominantly serve Russia's geopolitical and strategic interests and therefore, these external deals are unlikely to either engender a significant boost in trade or further functional connectivity outside of Russia's political motivations".⁶

¹ Evgeny Vinokurov, 'Eurasian Economic Union: Current state and preliminary results,' *Russian Journal of Economics*, Vol. 3 (2017), p. 69.

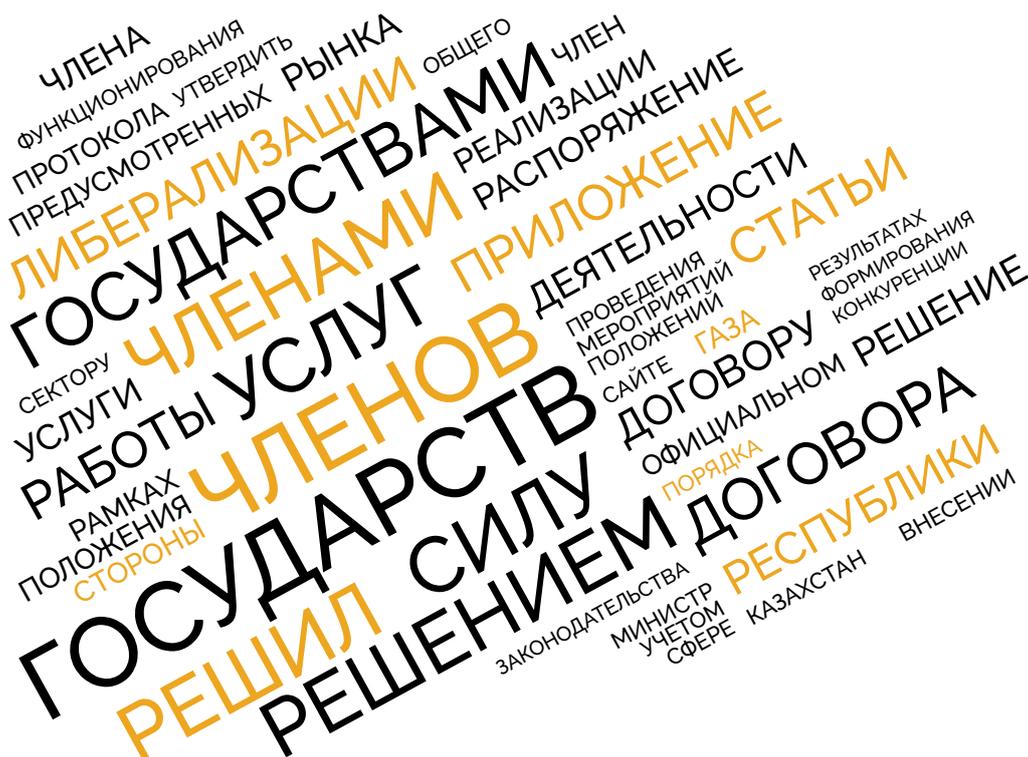
² Evgeny Vinokurov, Mikhail Demidenko, Dmitry Korshunov, and Mihaly Kovacs, 'Customs Unions, Currency Crises, and Monetary Policy Coordination: The case of the Eurasian Economic Union,' *Russian Journal of Economics*, Vol. 3 (2017), p. 281.

³ Golam Mostafa and Monowar Mahmood, 'Eurasian Economic Union: Evolution, challenges and possible future directions,' *Journal of Eurasian Studies*, Vol. 9 (2018), p. 164.

⁴ Marcin Kaczmarek, 'Non-Western Visions of Regionalism: China's New Silk Road and Russia's Eurasian Economic Union,' *International Affairs*, Vol. 93 (6) (2017), p. 1359.

⁵ *Ibid.*, p. 1370.

⁶ Rilka Dragneva, 'The Eurasian Economic Union: Putin's geopolitical project,' *Foreign Policy Research Institute* (2018), p. 1.



In terms of the normative aspect or the core principle of the self-expressed EAEU identity, the word that is worth noting is *liberalizatsii* (либерализации; liberalization). In the concordance of this word, it is heavily collocated with *plan* (план) and *uslug* (услуг). Considered together with the prevalence of the service market / sector, we can argue that the liberalisation of service market / sector accounts for a significant aspect of the EAEU identity.

If we unpack the dataset and approach the EAEU identity on a yearly basis, the year of 2016 is significant and noteworthy. The two significant words (service and liberalization) have been frequently mentioned in the 2016 corpus. This indicates that the year 2016 is an important period, during which the EAEU started to focus on the key issue areas it intended to function. Furthermore, the concordance hits of the word *uslug* lead us to Decision no. 23, which included detailed plans of liberalisation of the service sector. To give a few of the examples of the specific field, Decision no. 23 covered general construction services, engineering, renting and leasing, advertising, property valuation, and travel agency services, etc. Therefore, Decision no. 23 (2016) significantly contributed to this important aspect of the self-expressed EAEU identity.

Another field worth noting is the external actions of the EAEU in this year. In Decision no.3 the FTA with Vietnam was declared to enter into force, which serves as an

important outcome of the EAEU's external engagement. Furthermore, the word *peregovory* (переговоры; negotiations) appears in the high-ranking vocabulary list and hits 10 times. If we examine the concordance of this word, it is collocated with countries such as Egypt, Singapore, Serbia, Iran, and India. Therefore, the year 2016 also marks the beginning of the EAEU's intensive effort to conclude freetrade agreements (FTA) with its external partners. This claim is also supported by the analysis of the word *svobogno* (свободной; free), which is heavily collocated with *torgovli* (торговли; trades), *zona* (зона; zone), and *soglasheniia* (соглашения; agreements).

Based on the evidence from the Supreme Council documents and the above discussion, we conclude that the EAEU presents itself predominantly as an economic and functional organisation. Although Russia may have its own geopolitical ambitions or interests, they have not been added to the EAEU agenda at the top decision-making level, and have not been translated into EAEU policies. More specifically, the liberalisation of the service sector / market accounts for a significant part of the EAEU identity. However, this study acknowledges that the Supreme Council documents only represent the self-expression or self-presentation of the EAEU identity. The other external actors may perceive the EAEU identity in their own ways. Although the EAEU presents itself as an economic organisation, the external actors may have concerns about its geopolitical implications.



2

GLOBAL PLAYERS' INITIATIVES FOR REGIONAL INTEGRATION

The 21st century began with accelerated technological changes. Speed is becoming a key factor in international relations as well. Apart from already familiar forms of cooperation and integration, new, more flexible and more efficient forms besides regional organisations have come to the fore.

The major players in Eurasia have come up with initiatives that reflect their visions of international cooperation: the EU's Eastern Partnership, China's Belt and Road Initiative, and Russia's Greater Eurasian Partnership. These are also forms of international competition for Eurasia that have been designed to strengthen and expand the influence of the major actors behind them. For experts, these processes contain the seeds of increased conflict in Eurasia, since differences in visions of the continent's future could lead to a conflict of perceived interests.

The section "Global Players' Initiatives for Regional Integration" includes articles that review the content of these initiatives and their interaction, both cooperative and conflicting.

2.1

FROM 'THE GLOBAL' TO 'THE LOCAL' IN TIMES OF COMPLEXITY: THE POTENTIAL FOR COOPERATION IN MULTI-ORDER WORLD OF WIDER EURASIA

Elena Korosteleva

Professor of International Politics, Director of the Global Europe Centre, University of Kent (UK)
Principal Investigator of the Global Challenges Research Fund COMPASS project

We live in a complex world. Anyone with a stake in managing some aspect of that world will benefit from a richer understanding of resilience and its implications.¹

COMPLEXITY AS A FRAMEWORK

To live in times of change is a curse according to a Chinese proverb. To live with change knowingly, observing its accelerating pace² and the emergence of what is now known as a VUCA-world — of increasing volatility, uncertainty, complexity and ambiguity³ — may even lead to an ontological crisis, affecting an individual's sense of order and continuity with the future, their relationships and experiences.⁴ However, depending on how one responds to change, living under these conditions could either become a curse or a blessing, and this is what seems to form the operating premise of today's changing international environment caught between complexity, rampaging crises, diminishing control and rigid instruments for tackling uncertainty. How should one respond to change to make it work for both individuals and global orders, to make the uncertain future more manageable?

'Taking back control', in times of complexity (and crisis) seems to be a popular action these days taken by a range of governments around the world, in an effort to secure their authority and disconnect from global challenges to nurture national survival in isolation. Its long-term benefits, however, are uncertain and highly controversial, as the COVID-19 pandemic has vividly demonstrated.⁵ While shutting borders and imposing central control may have helped to contain the virus short-term, coping with it and exiting the pandemic lockdown would require a far more complex and collective action than individual governments could afford on their own,⁶ given the 'inherent dynamism, and connectedness of the modern world'.⁷ If anything, these insulating strategies are likely to bring about even more uncertainty and fragmentation, making these nationalist scenarios unsustainable.

The other option is to 'go global' and expand existing hegemonic orders, which are often seemingly legitimised on the grounds of their historical longevity, and claims to normative 'universality' and inter-cultural affinity. The premise of this logic is to export 'rules / values-based order', to make the external environment behaving 'like us' and aligning 'with us', this way also hoping to extend one's authority and

- 1 Walker, B and Salt, D. (2006) *Resilience Thinking: Sustainable Ecosystems and People in a Changing World*. Islandpress.
- 2 Beck, U. (1992) *Risk Society: Towards a New Modernity*. Thousand Oaks: SAGE.
- 3 Burrows, M. and Gnad, O. (2017) *Between 'Muddling Through' and 'Grand Design': Regaining Political Initiative — The Role of Strategic Foresight*. *Futures*, 97: 6–17.
- 4 Flockhart, T. (2020) *Is This the End? Resilience, Ontological Security, and the Crisis of the Liberal International Order*. *Contemporary Security Policy*, 41(2): 215–240.

- 5 A notable example is the UK's rejection, due to Brexit, of three rounds of EU collective PPE procurement, hoping to outsource the supplies independently. It however failed to secure a deal with Turkey, which directly jeopardised the lives of many frontline medical staff and key workers. *The Guardian*, 13 April 2020..
- 6 Tocci, N. (2020) *Resilience and the Role of the EU in the World*. *Contemporary Security Policy*, 41(2): 176–194.
- 7 Korosteleva, E., and T. Flockhart. (2020) *Resilience in EU and International Institutions: Redefining Local Ownership in a New Global Governance Agenda*. *Contemporary Security Policy*, 41(2): 153–175.

also prevent importing threats.⁸ While there is nothing wrong with engendering 'like-minded orders', their expansion to date has often resided on a one-way conditional co-optation generating dependency instead of healthy competition (e.g. China-US current relations), or in more extreme cases, military intervention (e.g. Crimea; Iraq; Libya, or Iran more recently). With the advent of a multi-order / multiplex world⁹ and further redistribution of wealth and resources, this option, too, proves unsustainable. This is manifest, for example, in a crisis of liberal international order:¹⁰ the upsurge of populism and 'petty trade wars' between the established and rising powers.¹¹

A third option, as advocated by this paper,¹² is actually to embrace complexity in full, both conceptually and practically. This means moving from 'the global' to 'the local' but not to disconnect (as the first option implies); rather — to understand change and its effect on 'the person' locally, and connect it back to 'the global' by enabling collective resilience and facilitating cooperative orders, as was posited by the European Union's (EU) Global Security Strategy (EUGS) in 2016. For this to happen the foundations of how the world is governed today must be rethought, both in theory and practice. As Kavalski argues, one ought to make complexity-thinking an integral part of International Relations (IR) — Complex IR (CIR), which is the conceptual premise of this article — to advocate for a new 'vision of politics that emphasises responsibility' and 'immanent self-ordering'.¹³ This, in turn, implies a new way of bottom-up governing, enabling 'the person' (as a collective) to handle change and actualise their potential the way they specify, which would be inclusive of a people's sense of 'good life', their identity reflected in power projections, and the principles and practices to guide daily behaviour — this way, forming foundations for the emergence and co-existence of new orders.

FOCUS ON EURASIA

Applying this new thinking to understand how the newly emergent orders may co-exist, would be particularly relevant for such complex geography as 'Wider Eurasia', spanning Belarus in the west to Tajikistan in the east and the Caucasus in the south.¹⁴ This geographical space has been besieged by power struggles for order-making initiatives between the EU, China and Russia, to name but a few, who in their zeal to extend influence often fail to acknowledge not just the sheer complexity of this historically vibrant region, but also its multiple voices and the need for cooperation if more sustainable orders were to occur.

The focus on Eurasia as locality for the discussion of the established and emergent orders, owes itself to recent developments that have been accumulating over the past several years and decades. While the relative importance of dominating the Eurasian 'Heartland' has long been a concern of geopolitics, focus on the challenges facing the so-called 'liberal international order' has hitherto caused much analysis to be focused on the global level.¹⁵ And while questions surrounding the rise of regionalism have featured prominently in the field of international relations since the end of the Cold War, the gradual redefinition of Washington's global role — taking its fullest form thus far under the Trump administration — and the late rise of Central Asia and the Caucasus (as a gateway to the Middle East) suggest that the future of the Eurasian supercontinent may lie, to a large extent, in the hands of its indigenous (and yet previously neglected) actors, and a need to shift to the local level, to understand better the emergent ordering dynamics there. Notably, Russia's recent assertiveness has emphatically coincided with the perceived further consolidation of the European Union and its extended outreach to the 'neighbours of the neighbours' following the launch of a new EU Strategy towards Central Asia,¹⁶ as well as with the initiation of China's BRI effectively targeting the same space.¹⁷ And while much of the EU's continued dependence on American security guarantees may alter the shape of Eurasian integration, the launch of the EU's Asian connectivity strategy indicates a willingness to respond in some form to China's entreaties. To this end, the EU Global Security Strategy (2016) explicitly reflected on the need to develop cooperative orders across the region and beyond; and yet, it proves difficult to put it to practice.

8 Diez, T. (2005) Constructing the Self and Changing Others: Reconsidering "Normative Power Europe". *Millennium*, 33(3): 613–36.

9 Flockhart, T. (2016) The Coming Multi-Order World. *Contemporary Security Policy*, 37(1): 3–30.
Acharya, A. (2018) *Constructing Global Order: Agency and Change in World Politics*. Cambridge: Cambridge University Press.
Tang, S. (2018) The Future of International Order(s). *The Washington Quarterly*, 41(4): 117–131.

10 Mearsheimer, J. (2019) Bound to Fail: The Rise and Fall of the Liberal International Order. *International Security*, 43(4): 7–50.
Ikenberry, J.G. (2018) The End of Liberal International Order? *International Affairs*, 94(1): 7–23

11 Cox, M. (2017) The Rise of Populism and the Crisis of Globalisation: Brexit, Trump and Beyond. *Irish Studies in International Affairs*, 28: 9–17.

12 This paper is based on the article by Korosteleva, E. and Petrova, I. (2020) 'From "the global" to "the local": the future of cooperative orders in Central Eurasia in times of complexity', *International Politics*, available here: <https://link.springer.com/article/10.1057/s41311-020-00262-4>

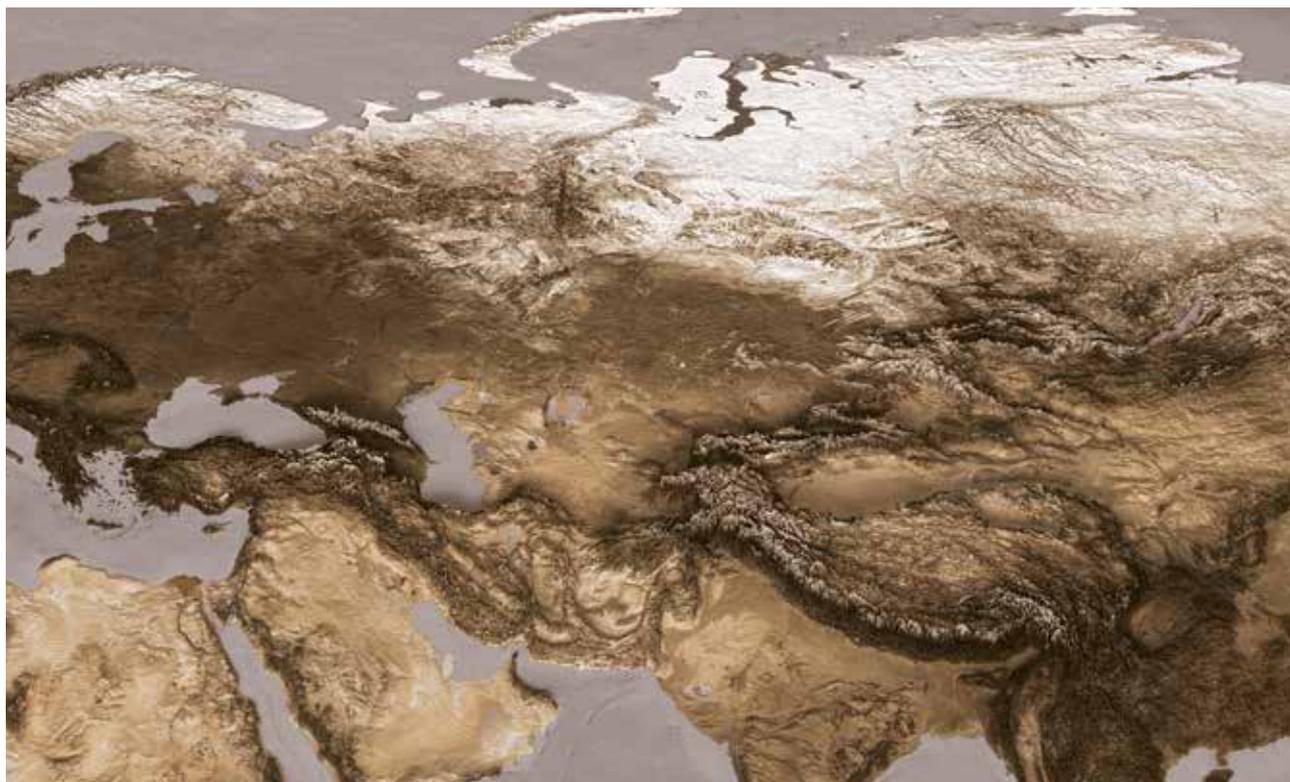
13 Kavalski, E. (2007) The Fifth Debate and the Emergence of Complex International Relations Theory. *Cambridge Review of International Affairs*, 20(3): 433–454.

14 The definition of Wider Eurasia in this paper refers more to a geographical locality joined by its past experience, rather than a socially constructed region. The locality in this paper excludes China, Russia, and the EU, for the purpose of examining the latter's engagement and governing strategies in shaping the future order(s) across the region.

15 Ikenberry, J.G. (2018); Acharya, A. (2018); Tang, S. (2018)

16 <https://www.consilium.europa.eu/en/press/press-releases/2019/06/17/central-asia-council-adopts-a-new-eu-strategy-for-the-region/>

17 China is now working on the launch of BRI 2.0 to specifically promote the 'people-to-people' dimension.



ARE COOPERATIVE ORDERS POSSIBLE IN THE EMERGENT COMPLEXITY OF WIDER EURASIA?

This paper argues that all three powers — the EU, Russia and China — targeting Wider Eurasia have been mindful of complexity and adapting their governing strategies towards this multivocal region accordingly. Notably, all three powers, to various extent, have been reflective of their policies premised on regional response, and tried to adjust to the emergent environment accordingly. They became more adept at differentiating their governance to regional needs, and with time, more engaged with developing horizontal people-to-people relations, each using different approaches and instruments. At the conceptual and rhetorical levels, the EU's approach has proven most comprehensive, taking its governance, post-EUGS to a seemingly new 'decentred' level of engagement with 'the local' via 'resilience'. China initially prioritized bilateral relations with governments, and is only now coming to realise that it must foster a bottom-up engagement, for BRI 2.0 to succeed. Russia, in turn, has been using both hard and soft means of power, especially its cultural affinity through language and media presence, to manage the growing complexity of the region more efficiently. And yet, each power, while reflective, still centres their governing strategies on their own vision of development priorities for this multifaceted region, and their own understanding of peoples' needs, thus proving un-relational to the region's complexity, and vis-à-vis each other's initiatives.

Putting reflective power projections and principles to practice, to make respective governing strategies more

adaptable and responsive to change, has appeared to be the most problematic. While each power emphasises the rhetoric of cooperation and local ownership, none succeeded in properly connecting with local communities, in a cooperative way, to prioritise capacity-building bottom-up and inside-out. One of the possible explanations are, as Bossuyt and Bolgova argue,¹⁸ 'the underlying geopolitical rivalry between the three actors, as well as their divergent beliefs and approaches to development'. However, while the approaches may indeed be different, what should seemingly unite them all is the pledged effort for connectivity in the context of strategic development goals. The dialogue is slowly emerging at the bilateral level, but multilateral cooperation, especially with a stronger regional voice(s), is still a distant future. It could alter, if in response to uncertainty and change, the leading powers, chose to embrace complexity in full, and engage with multiple actors bottom-up and directly, rather than just through the financial intermediaries (e.g. EBRD or AIIB). At the very least, this would offer a better insight to how to make governance more effective, and development — more resilient. To live in times of change (and crisis) is a curse; building resilient lives collectively could turn it into a blessing. This would only be possible, if complexity-thinking is fully embraced, turning the future into an opportunity.

¹⁸ Bossuyt, F. and Bolgova, I. (2020) Connecting Eurasia: Is Cooperation between Russia, China, and the EU in Central Asia possible? // Lagutina, M. (ed.) Regional Integration and Future Cooperation Initiatives in the Eurasian Economic Union. Ch.13, pp. 234–50.

2.2

BELT AND ROAD INITIATIVE IN 2020: A NEW ASSESSMENT

Maryia Danilovich

Associate Professor at the Department of International Relations,
State University of Belarus

It is always a lot easier and more practical to assess the prospects of a partly-travelled path than drawing a path that is yet to be travelled—especially when it is meant to lead in several directions at the same time, as is the case for China's Belt and Road Initiative.

By the end of 2020, assessing its prospects has become a much more realistic task than it used to be — but not because the path ahead has become more visible. Its emergent trajectory is visible and its pace can be felt. In addition, the impact of positive and negative factors that could only be guessed at in the beginning has already materialised enough to determine what should be taken into account going forward. Moreover, unpredictable events that affect each and every path, as experience suggests, have already taken place, and their consequences are just facts of life that must be reckoned with.

FIRST STEPS AND CRITICISM

The conditions for launching this initiative and its main implementation vectors began to take shape in late 2013. By that time, China had concluded bilateral agreements with a number of potential participants in the project, and all these documents focused equally on economic co-operation that promised significant benefits to the participants, in the form of Chinese investment.

After the official announcement of the initiative, China probed the readiness of potential partners for two years. In the meantime, no plans, roadmaps or other official documents were published to indicate any onward motion or at least an elaboration of future routes. This created a sense of uncertainty among many external observers. But China was actively examining how its offer was being received by existing and potential partners. Following this

"reconnaissance" period, China spent the next two years, 2015–2016, softening the ground. It took two more years, 2017–2018, to tune the system up.

The main reason for scepticism about the Chinese initiative was its vagueness and ambiguity. Realizing this, the Chinese side invested significant amounts of money and put much effort into spreading clear and positive information about the project, primarily by publishing materials both domestically and abroad, and by holding various public events.

Potential partners expected deeper elaboration and greater detail about the initiative. In many respects, the Second Belt and Road Forum in spring 2019 was meant to address these gaps. The abundance of materials published on the eve and on the heels of the Forum should have adjusted the discourse and perception of the Belt and Road concept. Various issues associated with promising projects under the Initiative were identified and action plans to resolve them were put together. For example, in response to assumptions that the Belt and Road would foster corrupt ties between Chinese companies and local officials, Beijing announced an anti-corruption Clean Silk Road plan. Similarly, in response to widespread criticism of voluminous Chinese loans leading to a bad debt problem, China announced a Debt Sustainability System.

FACTORS HINDERING PROJECT IMPLEMENTATION

The hindering factors that have surfaced over seven years have been specifically addressed by Chinese experts. Although they generally follow the official line in their assessments and traditionally view the prospects of the project, which is the main brainchild of Xi Jinping, as "brilliant," they nevertheless point to several categories of challenges:



1) Intraregional or within Eurasia, primarily interpreted as post-Soviet space:

- Lack of trust towards China among some participating countries. At the grassroots level, the distrust of China's neighbours is a historical fact that still has to be confronted, based on the perception of the Chinese initiative as hidden expansionism;
- The risk of "coloured revolutions" leading to instability in some regimes and the violation of agreements;
- Conflicts among various states along the Belt and Road;
- The threat of terrorism and extremism from radical movements.

2) Major external players:

- Confrontation with the United States. This is the paradigm, much like the Russia-China confrontation for the US and the EU, through which recent upheavals in Belarus are interpreted in China. Given the instability in Ukraine, Belarus was previously viewed as a key element of the Chinese project in the western part of the post-Soviet space.
- Russia's EAEU project. The initial idea was to integrate the EAEU into the Belt and Road at the multilateral regional level and promote the Agreement on Trade and Economic Cooperation between the EAEU and the PRC. However, the process did not advance beyond signing a document with no clear obligations in October 2019. Chinese experts tend to associate the EAEU with Russia and view it as a carrier of Russian interests — China's major partner in Eurasia. This raises questions about the "multilateral regional level of cooperation" bit. By acting through the EAEU, the Chinese side can continue to build relations with Russia

and bilateral relations with other EAEU members. At the same time, the interests of both China and Russia overlap in many respects, such as resistance to "Western expansion" and the traditional unity of positions in the UN Security Council. But their international behaviour is already very different, as China is much more interested in the stability and predictability of the international system. This can all complicate the partnership.

ADAPTING TO REALITIES

And finally, the third point concerns the most recent assessments of the Belt and Road prospects. The unexpected did happen and the world is going through a pandemic that will be strongly felt for the foreseeable future. The Chinese project has already been affected by the consequences of COVID-19, as Chinese experts and officials tend to admit. The movement of goods, services and labour markets has slipped. Chinese experts note that, in the short term, meaning at least within the next year, the central government and regions will have to respond to reduced capital flows. Small and medium business will need to go through shock therapy. Experts also admit that domestic enthusiasm for the Belt and Road prospects has somewhat subsided, a problem that also needs to be addressed.

The slowdown in the implementation of the Initiative is also recognised by Chinese officials, as, for example, evidenced by a report¹ released in mid-October by the Ministry of Commerce. According to the Ministry,

¹ 商务部对外投资和经济合作司负责人谈2020年1-9月我国对外投资合作情况

non-financial direct investment in 54 Belt and Road countries decreased by 0.6% over January-September 2020. Southeast Asia remains the region that accounts for the lion's share of investment. A 4% decrease in construction projects outside China was also observed. The project completion rate has also dropped by 4% compared with the same period last year. A second, more general, September report² from the Ministry of Commerce highly appreciates all previous years of Belt and Road implementation, but omits 2020. Tellingly, the report summarises the scale rather than specific results. According to the document, in 2013-2019 China signed 200 "agreements on cooperation in the field of joint construction" of the Belt and Road with 138 countries and 30 international organisations, while trade with "countries along the Belt and Road" increased by \$0.3 trillion.

2020 is still being actively reviewed by experts and officials, suggesting possible "new" content for the Initiative and new emphases to be made shortly. One of them was repeatedly mentioned in recent months on the websites of the PRC's ministries and departments involved in implementation of the Initiative: "Digital Silk Road," which was proposed back in 2016. The Belt and Road Digital Trade Report³ was published in September 2020. Its key conclusions point at the closest possible ties established with the countries of Southeast Asia and suggest the importance of developing ties with other partners. It also highlights the onset of a "historic moment" for the Digital Silk Road, including intensified cooperation to introduce the Chinese 5G technology.

CONCLUSIONS AND RECOMMENDATIONS

When analysing the situation in terms of indicators in these three categories, China's potential partners in the project should not miss out on the opportunities the Initiative offers. Due to the COVID-19 pandemic, the tuning up stage launched in spring 2019 has been delayed. As the Belt and Road Initiative has been identified as a priority by the Chinese government, China is still working on developing a clear and positive image of this Initiative in order to

understand the doubts and objections within each country and try to eliminate them. By the same token, participating countries must continue to clearly define their own interests by not only responding to China's offers, but also offering proposals of their own, based on their own national development programmes.

In case of Belarus, the perception of the Belt and Road is coloured by China's image as a source of "dangerous" loans. At the same time, the procedure for selecting Chinese companies is non-transparent, while timely and quality performance in line with technical and environmental standards remains a problem. Guaranteeing compliance with European standards in everything, from selecting contractors to ensuring technical safety and environmental compliance, would be beneficial to Belarus, also safeguarding the success of Chinese endeavours. In short, changing the perception of Chinese projects by changing approaches to them would be mutually beneficial, and something that is equally true for Belarus and for other countries.

The second observation concerns relations between China's Belt and Road and the EAEU. China initially viewed multi-lateral cooperation in this area as one of keys to success of the Belt and Road in Eurasia. The reality, however, is that the transition from a bilateral to a multilateral format has been delayed. Secondly, the EAEU, originally initiated by Russia in response to growing China's influence in the post-Soviet space, to a certain extent remains an alternative to the Belt and Road despite the declared "conjugation" of the two. By taking these two points for granted, the project partners have the following opportunities:

- To include their needs, such as specific trade interests, in negotiations between the PRC and the EAEU as the institutionalisation of China-EAEU cooperation is taking place.
- To promote their own interests in cooperation with China at the bilateral level. Implementing the Belt and Road Initiative, China will not reduce the importance of bilateral relations in favour of multilateral negotiations with the EAEU.

² 中国“一带一路”贸易投资发展报告2020

³ “一带一路”数字贸易指数发展报告

2.3

SINO-RUSSIAN COOPERATION IN THE GREATER EURASIAN PARTNERSHIP

Olesya Rubo

Associate Professor, Department of International Relations,
State University of Belarus

Geo-economically, the most significant condition that enabled the emergence of the Greater Eurasian Partnership initiative in Russia was an objective assessment of opportunities for Eurasian economic integration within the Eurasian Economic Union (EAEU) in the short and medium term. In 2015, combined EAEU GDP was estimated at \$2 trillion, or 3.2% of the world market.¹

THE BACK STORY

Russia's President Vladimir Putin presented the concept of a Greater Eurasian Partnership (GEP) at the plenary session of the St. Petersburg International Economic Forum (SPIEF) in June 2016. There, he called for a major partnership that would link Asia and Europe. According to Putin, Russia and other EAEU countries favoured the establishment of a broad Eurasian partnership that would include China, India, Pakistan, Iran, the CIS countries, and a number of other states.²

In November 2017, the Russian president published an article entitled "The 25th APEC Summit in Da Nang: Together Towards Prosperity and Harmonious Development," in which he proposed forming a Greater Eurasian Partnership with the Eurasian Economic Union and the Chinese Belt and Road Initiative as the basis. He emphasized that the Greater Eurasian Partnership was to

be a "flexible, modern project, open for other participants to join."³

Most Russian experts believed that the relatively small impact of the EAEU in the global economy could only be enhanced within the framework of Eurasian integration through preferential conditions of trade with fast-growing Eurasian countries.⁴

The decline of WTO's reputation due to the stagnation of the Doha round caused some concern in Russia. In response to this new agenda, the Russian leadership called for the harmonization of various regional economic formats based on WTO norms and standards, the principles of transparency and respect for each other's interests. Russia's official position was that pairing the Eurasian Economic Union with the Belt initiative would have a positive impact on the operation of the EAEU.⁵

KEY GEP SECTORS

The idea of the Greater Eurasian Partnership involved setting up preferential conditions for trade and economic cooperation, establishing a network of bilateral and multilateral

¹ Petrovsky, V., Towards a Greater Eurasian Partnership: Challenges and Opportunities. Accessed at: <https://interaffairs.ru/jauthor/material/1874>. Access date: 10.10.2020

² Putin Calls for Creation of Greater Eurasian Partnership. Accessed at: <https://tass.ru/ekonomika/3376295>. Access date: 15.10.2020

³ Putin, V.V., XXV APEC Summit in Da Nang: Together Towards Prosperity and Harmonious Development. Accessed at: <http://kremlin.ru/events/president/news/56023>. Access date: 15.10.2020

⁴ Petrovsky, V., Towards a Greater Eurasian Partnership: Challenges and Opportunities. Accessed at: <https://interaffairs.ru/jauthor/material/1874>. Access date: 10.10.2020

⁵ Putin, V.V., XXV APEC Summit in Da Nang: Together Towards Prosperity and Harmonious Development. Accessed at: <http://kremlin.ru/events/president/news/56023>. Access date: 15.10.2020



trade agreements of various depths, speeds and interaction levels, with market openness based on the readiness of a given domestic economy to engage in such joint work.⁶ The concept paid particular attention to the development of mainland, transport, information and energy infrastructure.

In May 2014, Gazprom and the China National Petroleum Corporation (CNPC) signed a Sales and Purchase Agreement for Russian gas via the "eastern" route, that is, the Power of Siberia gas pipeline. This 30-year agreement involves the annual supply of 38 billion cubic meters of gas to the PRC. On 2 December 2019, the Power of Siberia pipeline went on line, launching the supply of Russian natural gas to China. This signalled a long-term partnership in the energy sector between the two countries.⁷

The development of the Primorye-1 and Primorye-2 international transport corridors will provide China's north-eastern provinces of Heilongjiang and Jilin with the shortest access to seaports on the south coast of Russia's Primorye or maritime region, reduce cargo transport time, including to China's southern provinces, and optimize transportation logistics.⁸

Russia and China have considerable experience working together in the security sector. This has been aimed at "ensuring the national security of the two countries and creating favourable conditions for their sustainable development,

as well as effectively confronting various traditional and new challenges, and threats in the security sector."⁹

Both countries also emphasize the importance of stability and development in neighbouring countries and regions: the inclusion of a greater number of participants in the integration process will diversify interactions between the two big players and their smaller neighbours, which should contribute to the sustainable development of all participating countries. Without doubt, both the Russian Federation and the PRC are interested in preserving their traditional spheres of influence, especially in Central Asia, and standing up to any confrontational "extra-regional" actors.¹⁰

Both countries are showing significant interest in expanding humanitarian exchanges, which could also contribute to pairing the Belt and Road Initiative with the EAEU by establishing a social basis for their development.¹¹ Trust and friendship between the two countries are critical, and full-fledged cooperation will certainly only strengthen them. Both China and Russia aim to expand cultural exchanges among regions and to promote the exchange of personnel and professional training in culture and the arts.¹²

VECTORS OF INTERACTION AND COORDINATION

As part of the Greater Eurasian Partnership, there are three identifiable vectors of interaction between Russia and China: pairing the EAEU and the Belt and Road Initiative; cooperating multilaterally with the Eurasian Economic Union, the SCO and Belt and Road; and cooperating multilaterally with the EAEU, ASEAN and Belt and Road. These encompass the entire Eurasian continent, from Europe in the north to ASEAN in the south, from Japan and South Korea in the east to Lisbon in the west.¹³

Since 2015, the comprehensive coordination of integration initiatives has been carried out by the Russian-Chinese working group on the integration of EAEU development plans

⁶ Multi-Level and Multi-Speed Integration: Outlines of the Greater Eurasian Partnership. Accessed at: <http://council.gov.ru/media/files/j2jC2EeeuM6ZpTKwBapAiDsrk24pC5eo.pdf>. Access date: 20.10.2020

⁷ The Power of Siberia Gas Pipeline. Accessed at: <https://www.gazprom.ru/projects/power-of-siberia/>. Access date: 18.10.2020

⁷ Drobysheva, I., Corridors of Hope. Accessed at: <https://rg.ru/2019/01/20/reg-dfo/mezhdunarodnye-koridory-optimiziruiut-logistiku-gruzoperevozok-primoria.html>. Access date: 22.10.2020

⁹ Joint statement by the Russian Federation and the People's Republic of China on the development of a comprehensive partnership and strategic interaction entering a new era. Accessed at: <http://kremlin.ru/supplement/5413>. Access date: 10.10.2020

¹⁰ Kulintsev, YV., SCO Development Strategy and the Concept of the Silk Road Economic Belt: The integration potential of cultural and humanitarian cooperation, China in World and Regional Politics. History and Modernity, Issue XXIV: Annual publication, compiled by Safronova, E.I., Moscow, IDVRAN, 2019, pp 131-144.

¹¹ Li Yonghui, Greater Eurasian Partnership and Sino-Russian Relations, China in World and Regional Politics. History and Modernity, Issue XXIII: Annual publication, compiled by Safronova, E.I., Moscow, IDVRAN, 2018, pp 42-51.

¹² Joint statement by the Russian Federation and the People's Republic of China on the development of a comprehensive partnership and strategic interaction entering a new era.

¹³ Li Yonghui, Ibid.

and the Belt and Road Initiative. This group focuses on the key vectors of Sino-Russian cooperation at its meetings.

On 5 June 2019, Russia and China signed a Joint Statement on a new phase in the development of a comprehensive partnership and strategic interaction, in which they reflected their intention to build a relationship based on agreed-upon focus areas. Thus, Russia supports the Belt and Road Initiative, while China supports integration within the Eurasian Economic Union. The two are stepping up joint efforts to combine the formation of the EAEU and the Belt and Road Initiative. The Chinese also support the Greater Eurasian Partnership. According to the official statements, the Chinese initiative and the Greater Eurasian Partnership idea should develop “in parallel and in a coordinated manner”.¹⁴

RESERVATIONS AND PROSPECTS

According to the RAS IFES experts Sergey Luzyanin and Andrey Klimenko, a key prerequisite for the successful development of the Greater Eurasian Partnership is mutually beneficial cooperation among countries within the SCO as a constituent element of the Greater Eurasian Partnership.¹⁵

Fearing serious geo-economic consequences, Russia is cautious about expanding economic cooperation with China. For that reason, the country's leadership is now trying to include the idea of partnership with China in the broader format combining EAEU, SCO and ASEAN.¹⁶

Going forward, cooperation between Russia and China under the Greater Eurasian Partnership could develop in three possible ways.

The first scenario is “harmonizing the EAEU and the Belt and Road Initiative, and building the Greater Eurasian Partnership based on the principles of equality and consideration of mutual interests”. This optimistic perspective would mean overcoming differences and disagreements, avoiding direct competition, and developing constructive strategic relations not only between Russia and China, but also among other Eurasian countries.

The second scenario is “reorienting the Greater Eurasian Partnership to support China's interests”. It is highly likely that, in the medium term, a significant number of regional integration projects involving Russia and China, and the possible pairing of initiatives by the two countries will primarily serve China's interests.

The third scenario is “increased competition between Russia and China for economic and political leadership in Eurasia”. From the geopolitical standpoint, competition among Sino-Russian integration projects could have a negative impact on the development of bilateral and multilateral cooperation for the two countries in the short and medium term. For example, the Chinese Belt and Road Initiative offers more attractive investment opportunities than GEP and EAEU projects, since China's leadership is willing to invest considerable financial resources in several large-scale projects.¹⁷

For this reason, Russia has put forward the idea of the Greater Eurasian Partnership to avoid competition between the Belt and Road Initiative and integration processes within the EAEU. Cooperation with China under the Partnership is intended to strengthen Russia's position in Eurasia, ensuring that it has a balanced system of external relations, while also strengthening cooperation with both China and other Eurasian countries.

¹⁴ Joint statement by the Russian Federation and the People's Republic of China on the development of a comprehensive partnership and strategic interaction entering a new era.

¹⁵ Luzyanin, S.G., Klimenko, A.F., Cooperation between Russia and China in the SCO to Implement the Concept of the Greater Eurasian Partnership, *China in World and Regional Politics. History and Modernity*, Issue XXIV: Annual publication, compiled by Safronova, E.I., Moscow, IDVRAN, 2019, pp 98–113.

¹⁶ Laumulin, M., Limitations and Opportunities of Eurasian Integration. Accessed at: <http://mirperemen.net/2019/04/pre-delny-i-vozmozhnosti-evrazijskoj-integracii/>. Access date: 22.10.2020

¹⁷ Kulintsev, Y.V., Greater Eurasian Partnership in the System of Regional Integration Processes, *China in World and Regional Politics. History and Modernity*, Issue XXV: Annual publication compiled by Safronova, E.I., Moscow, IDVRAN, 2020, pp 66–79.

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EASTERN PARTNERSHIP 3.0: NEW TRENDS AND THE ROLE FOR THE REGION

Irina Petrova,

Post-Doctoral Research Associate, University of Kent (UK)

The initiative of the Eastern Partnership (EaP) celebrated its 10th anniversary in 2019. Anniversaries are always a good occasion to look back, take stock of achievements and lessons learnt, and to plan ahead. This anniversary was no exception: the European Union (EU) policy-makers together with their EaP counterparts indeed took some time to reflect on the first decade of the EaP policy and develop the vision of the future. Ultimately, over that first EaP decade substantial changes took place on all levels of international relations — ranging from global shifts in the international system, evolving actor-ness of the EU to the sub-regional and local dynamics. These changes resulted in substantial policy adaptations, some of them challenging universally-acknowledged maxims of the previous decade. This short piece will discuss these new dynamics in the EU-EaP cooperation arguing that the policy is undergoing a profound transformational change.

NEW TRENDS IN THE EASTERN PARTNERSHIP POLICY

Today the EU is operating in a dramatically different environment as compared to early 2000s when the European Neighbourhood Policy (ENP) and EaP were programmed. This is particularly obvious when we take a longer-term approach of the three decades. From the perspective of the international system, the leading role of the West has been eroding with the rise of populism, decreasing trust in institutions, isolationism of the US — all coming together under the 'Westlessness' label. At the same time the emergent multi-order world¹ is increasingly challenging the West. Connected to the evolution of the international system, it is important to note that the current period is characterised by descending wave of democratisation

¹ Flockhart, T. (2016.) The Coming Multi-Order World. *Contemporary Security Policy*, 37(1): 3–30.

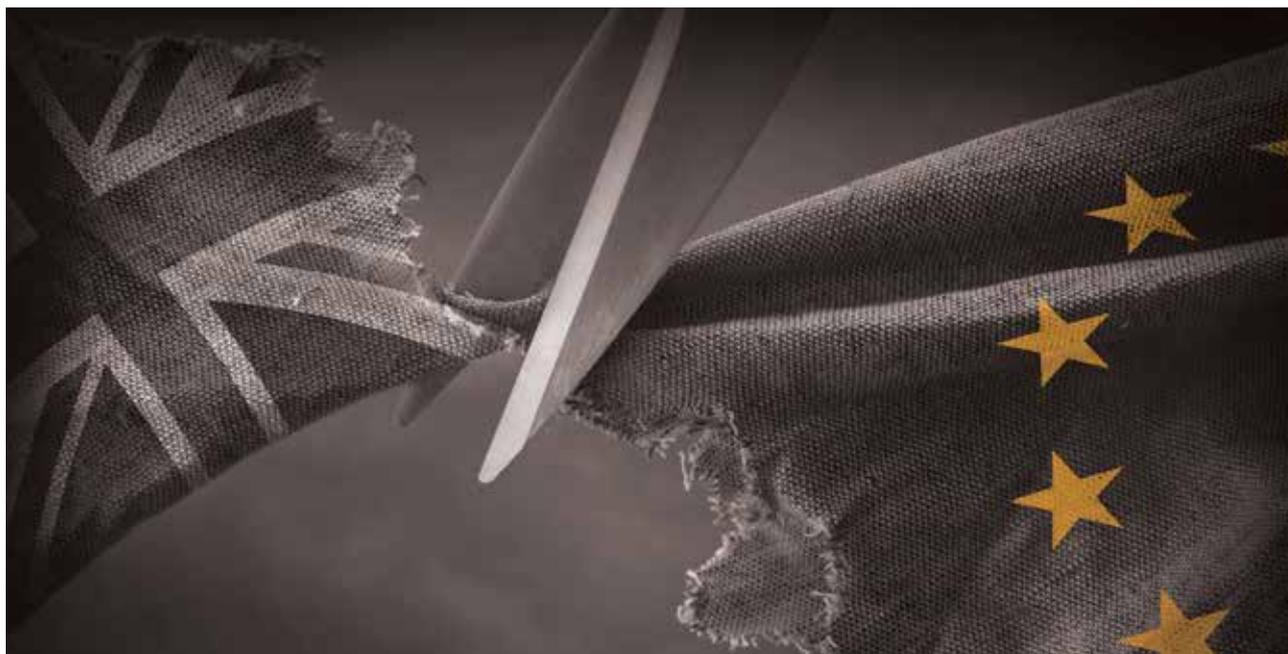
globally,² which makes democracy promotion more difficult for the EU. In addition, the EU has been facing a range of internal crises (economic and migration crises, Brexit, rise of illiberalism, etc.), which all together stimulated the EU to revise its approaches towards neighbourhood. Yet, what has changed in particular?

GEOPOLITIZATION

The geopolitical rivalry with Russia over Ukraine, which mounted from early 2010s and reached its peak in 2013–2014, made a profound impact on the EU's strategic thinking, self-perception and foreign policy identity. Already in 2016, the newly devised long-term EU foreign policy strategy (European Union Global Strategy) shifted away from the 'Normative Power Europe' (NPE) and primary focus on norms in foreign policy to the so-called 'principled pragmatism'. The latter put the EU's interests bluntly into the heart of the EU external action referring to the EU's readiness to exercise its power in international competition, while trying to combine interests with the EU's principles. This trend was boosted by the labelling the new European Commission by the President von der Leyen as the 'geopolitical Commission'. The need for the EU to become a great power player was also expressed by the EU's High Representative Borrell in his depiction of Eurasia as increasingly dominated by resurgent empires — the Russian, Turkish and Chinese — 'to be able to negotiate and settle peacefully our conflicts with these new empires, which are built on values that we do not share, we also need to learn what I have called the language of power. This is the price to be paid to give birth to a geopolitical Europe'³ Hence, the geopolitical narrative can be seen as

² Huntington, S. (1991) *The third wave: Democratization in the late twentieth century*. Norman, OK: University of Oklahoma Press.

³ Borrell, J. (2020) Europe in the face of the new empires. *European Union External Action*. https://eeas.europa.eu/diplomatic-network/eastern-partnership/84754/europe-face-new-empires_en



indeed the major trend in the EU's relations with its neighbours in the past few years.

It is worth noting, however, that despite the normative power rhetoric preceding the geopolitical turn, it was widely argued by the scholarly community that the geopolitical dimension was built-in into the EaP since its launch. Cadier's study (2019) showed that geopolitical dimension was present in rationale, content and impact of the EaP.⁴ In a similar vein, Haukkala (2010) and Casier (2017) developed the argument about the EU's 'normative hegemony', which shows the geopolitical nature of the EaP.⁵ Geopolitical turn therefore can be seen as recognition of the logic which has already been in place but was largely concealed by the NPE discourse in the previous years. This clear geopolitization as a relatively new trend will have implications both for the cooperation in the Eastern Partnership states, as well as for the Wider Eurasian region.

In terms of integration and cooperation with the EaP states, geopolitization is already affecting bilateral relations. In particular, the 'Normative power' foreign policy identity sits uneasily with the geopolitical approach. As a result, the choice in the dilemma between democratization and stability is given more often to maintaining stability. This is particularly clear in the EU's very cautious approach to the political crisis in Belarus.

The implications of geopolitization of the EU foreign policy are also obvious in its relations with the major actors in the

Wider Eurasia. Whereas a decade ago Brussels pursued, at least discursively, cooperation and potential synergy of regional projects, it is now put bluntly that in substance, cooperative orders put forward in the EU Global Strategy, is only about cooperation with like-minded partners, whereas competition and rivalry is possible with the partners that do not share the EU's values.⁶

DIFFERENTIATION AND FLEXIBILITY

Differentiation has been a gradual process unfolding over the past two decades. The European Neighbourhood Policy launched in 2004 adopted the same approach to 16 states neighbouring the EU. The introduction of the EaP in 2009 was a step in the direction for differentiation, given profoundly different background of the EaP states as compared to the South Mediterranean states. Yet, the EU has also realised that not all EaP states would be willing to deepen integration with the EU through the Association Agreements (AAs) and Deep and Comprehensive Free Trade Areas (DCFTAs). As a result, while AAs were signed with Georgia, Moldova and Ukraine, the cooperation with the remaining three EaP member states took different paths: Comprehensive and Enhanced Partnership Agreement (CEPA) with Armenia, new comprehensive agreement is being negotiated with Azerbaijan and Partnership Priorities were negotiated with Belarus. In addition to the differentiation of the formats of cooperation reflected in the framework agreements, the EU also opened up different instruments

⁴ Cadier, D. (2019) The Geopoliticisation of the EU's Eastern Partnership. *Geopolitics*, 24:1, 71–99.

⁵ Haukkala, H. (2008) The European Union as a Regional Normative Hegemon: The Case of European Neighbourhood Policy. *Europe-Asia Studies*, 60:9, 1601–1622.

⁶ Korosteleva, E. and Petrova, I. (2020) From 'the global' to 'the local': the future of 'cooperative orders' in Central Eurasia in times of complexity. *International Politics*. <https://link.springer.com/article/10.1057/s41311-020-00262-4>

and funds for partners depending on their level of cooperation. Similarly, the reporting which used to take place simultaneously for all EaP states now also reflects the level of ambition and takes place more often for the AA states and can take place for the rest once in a few years. This differentiation clearly demonstrates that the EU abandoned its initially-accepted one-size-fits-all or 'package approach', which makes the EU cooperation with the states of the region more flexible and adjusted to their cooperation objectives.⁷

FROM GLOBAL TO LOCAL

Another notable trend in the EaP policy is the increasing focus on citizens and on engaging 'the local'. This trend originates from the 'local turn' in peacebuilding and development studies in late 1990s. The rationale behind it is the idea that only locally-owned policies and reforms can be effective and legitimate. To this end, the EU is gradually expanding the scope of the local stakeholders it deals with: the major expansion to the civil society in the aftermath of the Arab Spring (2011) was followed by the adoption of 'whole-society' approach in the recent policy revisions (2015/2016). The 'whole-society' approach aims to reach out as widely as possible (given the limited resources possessed by the EU) to different groups of people in order to make effect on ordinary citizens. Indeed, the major objective put forward in the 2020 EaP revision is that the positive change facilitated in the region by the EU could be directly felt by the citizens.

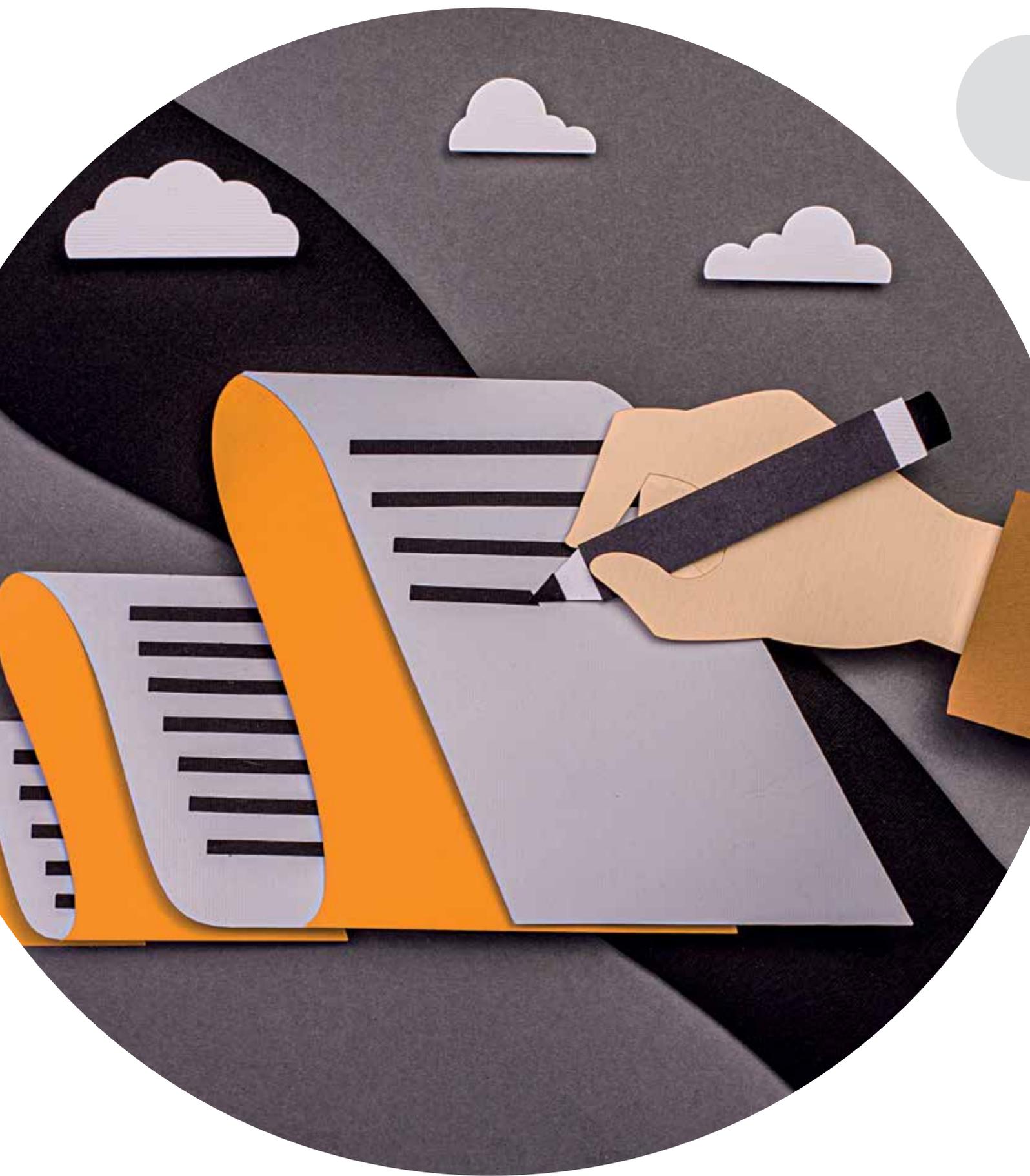
Yet, a number of issues persist with this approach. Firstly, the lack of knowledge and awareness about the EU by ordinary citizens. The EU is well-aware about this problem and has been seeking for years to improve its communication strategies, yet the engagement remains insufficient. Secondly, while reaching out to the EaP citizens, it is still often the EU's objectives on the agenda, rather than the

needs as perceived by the locals (top-down approach as opposed to more bottom-up logic of cooperation). Thirdly, and connected to it, the tools and mechanisms to address local problems are often originating from the EU's own experience, rather than drawing on the local practices and support infrastructures. Hence, while the turn to the local has been made, it is still at the very beginning and there is still a long way to go.

EASTERN PARTNERSHIP: WHAT ROLE FOR THE REGION?

Being a sui generis regional integration organisation, the EU has actively advocated regional integration all over the world, including in the EaP region. Up until now, one can conclude that the EU's role in creation of the EaP socio-cultural region has been rather marginal. The EaP states have been pursuing bilateral relations with the EU much more than cooperation as a region. This objective is becoming even more distant in view of the EU's geopolitization and a more cautious approach to democratization. In addition, differentiation of policy instruments, while necessary for improving bilateral cooperation, creates the 3+1+1+1 format of relations (Georgia, Moldova, Ukraine + Armenia + Belarus + Azerbaijan), which is not conducive of regionalisation. It is even more worrying that the European Union is taking the path towards geopolitization and more vocally adopts exclusionary worldview, which might lead to confrontational dynamics with the regional powers, including Russia, China, Turkey and others. On the other hand, a positive development, which might be beneficial not only for the states of the region, but also for the cooperation with the regional great powers, is the EU's focus on the local. By supporting the local aspirations, needs and building support on the local support infrastructures, the EU could work with the EaP communities, while also engaging other powers in a more constructive and cooperative interaction.

⁷ Korosteleva, E., Petrova, I. and Merheim-Eyre I. (2020) The Eastern Partnership 3.0: Change or Continuity? Dahrendorf Forum: <https://www.dahrendorf-forum.eu/the-eastern-partnership-3-0-change-or-continuity/>



CONCLUSIONS

The discussion on integration processes in Eurasia made several important points:

1. Current analytical and expert assessments of Eurasian regional international organisations build on a theoretical base that is not fully capable of generating a positive foundation for cooperation. *The theoretical search for new strategies is a key task.*
2. The functional approach, in which integration is examined as a process aimed at uniting and establishing supranational governing bodies, implies a critical assessment of the results of SCO, EAEU and CSTO development. Indeed, *under the influence of various external and internal factors, these organisations have failed to fully achieve the goals declared when they were founded.*
3. A purely geopolitical view makes it difficult to adequately understand the motives and goals of major players. *For example, apart from their own interests, Russia and China care for the security of the entire continent and want to see favourable conditions for developing cooperation with the states located between them. Moreover, they are not interested in a direct confrontation with each other, or with the European Union.* The founding and activities of the SCO, as well as the ideas of linking the Belt and Road Initiative with the EAEU suggest that geopolitics is not the only thing that matters.
4. The analysis of formal legal elements of the EAEU through the Supreme Council documents reveals its liberal nature. By imitating EU institutions as an integration model, *the Eurasian Economic Union adopted the ideas and partially the philosophy of integration as a voluntary economic cooperation based on market principles.*
5. A comparative analysis of European and Eurasian integration shows that the latter requires more mature and decentralised systems at the level of individual states. In this case, cooperation, competition and collaboration will lead to horizontal links within such associations. *Given the incomplete transition of some Eurasian societies with their rigid systems of administration, vertical chain of command, weak business community and nascent civil society, such integration will be politically motivated.*
6. Experts argue reasonably that Eurasian economic integration has serious potential, which might be realised at the next stage, industrial intersectoral cooperation. *The departure from "commodity selfishness" seems to be an important recommendation for the governments of EAEU members, which, despite the declaration of this goal, have been reluctant to follow the path of deeper integration. Fear of loss of economic autonomy, evident in the protection of domestic manufacturers, remains very strong. These tendencies have been exacerbated by the pandemic. The crisis of integration projects increases the risk of social protests and conflicts between governments and their societies.*
7. Some interesting evidence of improving stability in the positions of the middle Eurasian states can be observed. For example, *Ukraine is formulating a new strategy for the Asian region and is looking for the most suitable cooperation organisations, as well as advocating for cooperation with various subregional initiatives, such as 17+1 and Trimorye. This could help strengthen the country's transit potential. The emphasis on ASEAN and similar structures that are conceptually close to Ukraine's foreign economic goals, involves cooperation among small and mid-sized countries on various economic, humanitarian development and security issues. In this way, a new network of horizontal links is being built in global economy and politics. This could potentially become the basis for adopting universal rules.*
8. The flexibility of Eurasian integration initiatives such as the Eastern Partnership, Belt and Road Initiative and GEP is in the spirit of the times. As the idea of "reclaiming control" gains popularity in a VUCA world — a world of increasing *volatility, uncertainty,*

- complexity and ambiguity* —, such initiatives could raise the level of conflict in Eurasia. The geopolitical dimension of these initiatives could also lead to indirect clashes between the EU, Russia and China. *Experts suggest looking at new, complex international relations as relations that can be built from the bottom up.* In this case, the local level should become the starting point. This means that major players must learn to see beyond their own interests and avoid insisting solely on their vision of integration, also giving due consideration to the local visions. *Emphasis should be on developing projects that will enhance sustainability through dialogue and recognition of local interests.*
9. As a continuation of the European Neighbourhood Policy, the Eastern Partnership partly offers a format for building relations through the local. Providing assistance to projects of local significance is one example, but, as experts note, *this approach may involve exporting visions and even value systems, even if it's not a projection of interests*, so it needs to be adjusted.
 10. One important condition for cooperation among major players is the formation of links among their strategies. *Common goals and objectives could become a platform for "connectedness" or partial compatibility among various initiatives.* Such unifying areas could include *climate change, cyber security, the fight against the COVID-19* and more.
 11. The opportunities and goals of initiatives such as the Eastern Partnership and Belt and Road Initiative are currently being re-evaluated. Experts note multi-directional changes in the EU strategy. *On one hand, differentiation and flexibility allowed Europe to adapt to cooperation goals and to abandon the universalist approach. On the other, the geopoliticization of the EU seems to be a step back to an intensification of conflict potential.*
 12. Belt and Road Initiative is also subject to revision, and the initiative is being adapted to new realities. The COVID-19 pandemic became the main factor hampering its implementation. Small and mid-sized countries could take advantage of current conditions as a window of opportunity to clearly articulate their interests at both the bilateral and multilateral levels, such as in the EAEU and with China. *China's leadership is interested in improving the initiative's perception at the national level, but does not seriously work at the local level.* As a result, local projects, such as the construction of a battery plant in Brest, could undermine perceptions of the initiative. *Experts recommend more persistently expressing the interests at both the national and the local levels, for example, to call for more innovative and environmentally friendly technologies.*
 13. Despite the fact that, unlike organisations, the initiatives have a greater potential for conflict, they are better equipped to respond appropriately to rapidly changing international relations. Flexibility and adaptability could help initiatives to ensure greater compatibility both among themselves and among participants in individual projects.
 14. One of the key final proposals was the need to build new international relations based on a bottom-up approach. *Despite its complexity, the movement from the local to the global will enable a multi-order to take shape, in which local voices and needs will no longer be a peripheral factor, but an important element of decentralisation, adding to the flexibility and sustainability of new international relations.*

AUTHORS:

**Rosa Turarbekova, Serhiy Gerasymchuk,
Natalia Skirko, Yuri Poita, Huawei Zheng,
Elena Korosteleva, Maryia Danilovich,
Olesya Rubo, Irina Petrova**

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The publication presents articles by the roundtable participants, dedicated to a wide range of Eurasian integration issues. The authors delve into the problems of functioning of regional organisations of Eurasia; look into international initiatives of the European Union, China and Russia; study rivalry and cooperation between "major players" and explore the role of small and middle-sized states and communities.

CONTACTS

The Friedrich Ebert Foundation in Ukraine /
Project Belarus

Christopher Forst | FES Representative for Belarus
St. Pushkinska, 34, Kyiv, 01004, Ukraine

Tel.: + 38-044-234-10-38 | Fax: + 38-044-234-10-39

All texts are available on the website:

<http://www.fes.kiev.ua>

Orders / contacts:

belarus@fes.kiev.ua

International Roundtable

THE EURASIAN NETWORK OF REGIONAL INITIATIVES AND ORGANISATIONS:

Elements of Interconnectedness



Eurasian integration requires mature and decentralised systems at the level of individual states. In this way, cooperation, competition and collaboration will lead to establishment of horizontal links within the associations.



New international relations should be based on a bottom-up approach. The focus should be on the projects exploring ways to strengthen dialogue and recognition of local interests.



One important condition for cooperation among major players is the formation of links among their strategies. Common goals could become a platform for "connectedness" or partial compatibility among various initiatives.