

# Five years after Maidan: Toward a Greater Eurasia?

MAY 2019





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# **FIVE YEARS AFTER MAIDAN: TOWARD A GREATER EURASIA?**

Edited by Elena Korosteleva, Zachary Paikin and Stephen Paduano



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## **contents**

**4**

**Contributors/editors**

**7**

**Introduction**

Elena Korosteleva  
Zachary Paikin  
Stephen Paduano

**5**

**Foreword**

Michael Cox

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## **section 1**

**Greater Eurasia:  
What Purpose?**

**10**

**Greater Eurasia:  
it's great-power  
status, stupid!**

Marcin Kaczmarski

**14**

**Russia between  
East and West:  
Greater Eurasia  
Reconsidered**

Derek Averre

---

## **section 2**

**A Shanghai Spirit?**

**20**

**The Shanghai  
Cooperation  
Organisation:  
a fractured basis  
for Eurasian order**

Roy Allison

**26**

**An expanded  
Shanghai Cooperation  
Organisation:  
reinvigorated, or on the  
road to redundancy?**

Natasha Kuhrt

---

## **section 3**

**Ordering  
Central Eurasia**

**34**

**What Role for  
the Eurasian  
Economic Union  
in Greater Eurasia?**

Rilka Dragneva-Lewers

**39**

**The Linchpin of  
Eurasia: Kazakhstan  
and the Eurasian  
Economic Union  
between Russia's  
defensive regionalism  
and China's new  
Silk Roads**

Moritz Pieper

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# FOREWORD

Michael Cox

The West's increasing self-absorption verging on the narcissistic—a trend that has become all the more pronounced since the Brexit referendum and the Trump election in 2016—has made many of us 'over here' forget that there is another very different world 'out there' about which most of our leaders know very little and think about even less. Yet as our contributors here show, in this 'new' world, other people in other places have other, rather more important things to worry about than the comings and goings of western politicians and pundits—few of whom travel or ever leave their desks, and the majority of whom happen to live comfortable, incredibly parochial, lives in Washington, Paris, London, and Rome. It is one of the great virtues of this excellent Report that it forces us all to come to terms with a quite different part of the world, that stretching from Russia across the whole of Asia encompassing well over half of the world's population and a larger and larger share of the world's wealth. Here, new institutions and new deals are being struck, new complex alliances being forged by actors with hardly any reference at all to the West. The West may still retain considerable assets. But unless it begins to take a lot more notice of decisions being taken by 'others' who do not necessarily share its outlook, it will soon find itself becoming increasingly marginal in a world where its once influential voice will carry less and less weight. This Report is not only highly informative: in its own way it also stands as a warning. ■

This LSE IDEAS report is the result of the daring imagination and boundless energy of Zachary Paikin, our talented final-year PhD student at Kent, and the intellectual and financial backing of the GCRF COMPASS and H2020 UPTAKE projects. The success of this workshop also owes a debt of gratitude to the tireless backstage work of the LSE IDEAS staff (Emilia Knight and Dora Hegedus especially) and the visionary leadership of Professor Michael Cox, as well as the enthusiastic commitment of all participants—that is, despite the impending festive season, unfinished Christmas shopping and piles of marking to deliver. We are grateful to you all!

**–Professor Elena A. Korosteleva**



# INTRODUCTION

## FIVE YEARS AFTER MAIDAN: TOWARD A GREATER EURASIA?

Elena Korosteleva, Zachary Paikin and Stephen Paduano

This report, building on a workshop held at LSE IDEAS in December 2018 and supported by the Horizon 2020 UPTAKE and Global Challenges Research Fund COMPASS projects, brings together some of the UK's foremost scholars on Russia, the EU and the post-Soviet space to evaluate the challenges and opportunities facing Russia's 'Greater Eurasia' foreign policy concept.

**E**arlier this year marked the fifth anniversary of the Maidan Revolution, resulting in the dismemberment of Ukraine. The country's territorial integrity has yet to be restored following Russia's annexation of Crimea and its intervention in support of anti-government rebels in the Donbas, where a hot war continues to rage.

At a minimum, two processes simultaneously drove the onset of crisis in Ukraine. First, upon the collapse of the Soviet Union, Ukraine was left effectively as a rump state with little to no tradition of independent statecraft. The process of both state-building and nation-building that followed—on a multi-ethnic borderland no less—has only been partially consolidated, leaving the country politically fragile, regionally divided, and a public grown tired of promises to do something about corruption.

Second, however, were the broader trends in Russia-West relations. Much as the interwar years were conceived of as a 'twenty years' crisis' by E.H. Carr, the period from 1989 to 2014 has been called a twenty-five years' crisis by some. Dreams of a 'common European home' and a 'Europe whole and free' were conjured up, but disagreement on the substance as well as entrenched political and security structures rendered them difficult to realise. The unintended outcome was the launch not of unifying, but parallel region-building initiatives—the Eastern Partnership (EaP) by the European Union (EU), and the Eurasian Economic Union (EAEU) by Russia—effectively targeting the same space in-between, with Ukraine becoming the tragic epicentre of these initiatives.

With both the EU and the EAEU attempting to woo Ukraine, two seemingly incompatible regulatory orders collided, inaugurating a period of outright hostility between Russia and the West and bringing the post-Cold War era to an end. Gone were the visions of a Greater Europe from Lisbon to Vladivostok, eventually replaced by Russia's calls for a 'Greater Eurasia'—an integrated supercontinent that could bring different regional orders together in a cooperative fashion across the entire Eurasian space. However, achieving dialogue for cooperation has proven difficult, being driven on both sides by differing normative and regulatory visions for the integrated space. In particular, the Kremlin's emphasis on 'polycentrism' has come up against Brussels' vision of expanding the reach of EU norms and standards.

Although the EAEU now appears to be more focused on Central Asia and China, aiming to strengthen Russia's position as a bridge between Asian and European markets, one of its original intentions was to provide Ukraine with an alternative to signing an Association Agreement with the EU. This raises questions as to whether Russia's vision of Greater Eurasia is more reactive than thought-through. Some contend that Moscow and Beijing may have begun to construct a shared regional order in Eurasia, rooted in common rules of the game such as respect for each other's interests and the avoidance of zero-sum dynamics. Others assert that Russia largely remains psychologically oriented toward (or at least rooted in) the European political-cultural space, and that its failure to convince Ukraine to join the EAEU is evidence of its declining influence, regardless of its 'Greater Eurasian' efforts.

The apparent collapse of the pan-European security system and the effective end of the post-Cold War era in 2014 appear not to have altered the rival principles that the EU and Russia would like to see order international affairs. In the face of China's Belt and Road Initiative (BRI), however, Brussels and Moscow have transposed their European visions onto the wider Eurasian scene. Russia, ever keen to be accepted as an equal great power, emphasises political pluralism, polycentrism and the harmonisation of equal regional integration projects. The EU, although perhaps more cautious in the wake of the battle over Ukraine, continues to stress regulatory standards and a rules-based framework in its recently outlined Europe-Asia connectivity strategy—principles which are central to the functioning of its own internal political order.

Five years after Maidan, is Moscow's commitment to the Greater Eurasia paradigm a sign of global power's continued eastward shift, or rather an indication of Russia's weakness and reliance on other rising powers to maintain a global profile? How committed is Russia to integrating politically and economically with the rest of Eurasia? And following Volodymyr Zelenskiy's election and the peaceful transfer of power in Ukraine, will Russia again look west, with

the European model once more proving attractive to a critical mass of Russians?

This report, building on a workshop held at LSE IDEAS in December 2018 and supported by the Horizon 2020 UPTAKE and Global Challenges Research Fund COMPASS projects, brings together some of the UK's foremost scholars on Russia, the EU and the post-Soviet space to evaluate the challenges and opportunities facing Russia's 'Greater Eurasia' foreign policy concept.

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Marcin Kaczmarek of the University of Glasgow and Derek Averre of the University of Birmingham begin by evaluating the macro-level sources and consequences of the Greater Eurasian vision. The report then turns to two specific examples of Russia-backed order-building in Eurasia—the Shanghai Cooperation Organisation (SCO) and the EAEU—drawing conclusions for the strength and viability of the Greater Eurasia paradigm. Roy Allison of the University of Oxford looks at the SCO's ability to serve as a pillar of Eurasian order, while Natasha Kuhrt of King's College London explores the organisation's future following its recent expansion to include India and Pakistan as full members. Rilka Dragneva-Lewers from Birmingham then analyses the wider dynamics at play within the EAEU, before Moritz Pieper from the University of Salford concludes with a case study of Kazakhstani foreign policy and what it can tell us about the EAEU's long-term cohesiveness.

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**SECTION 1**  
**GREATER EURASIA:**  
**WHAT PURPOSE?**

# GREATER EURASIA: IT'S GREAT-POWER STATUS, STUPID!

Marcin Kaczmarski

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Russia's concept of Greater Eurasia is difficult to comprehend without setting it in the context of the Chinese initiative. Six years ago, Beijing proposed a loose and vague formula for regional cooperation, which has taken on a life of its own since then.

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**R**ussian elites long sought a way to retain a privileged position in the post-Soviet space, including the Customs Union proposed in the aftermath of the 2008-09 global economic crisis, but it was only when Vladimir Putin proposed the Eurasian Union during the 2012 presidential campaign that a breakthrough seemed apparent. However, the idea suffered a series of setbacks.

The first blow came from Belarus and Kazakhstan, which opposed a political union and forced Moscow to limit its project to the Eurasian *Economic* Union (EAEU). The second was even more severe. The Kremlin failed to convince Ukraine to join the EAEU and at least partially fuelled pro-European sentiments among the Ukrainian opposition that culminated in the Maidan Revolution. The developments in Kyiv and Russia's overt aggression meant that Ukraine would not become a jewel in the crown of Russian-led integration for the foreseeable future. Escalating Russia-West tensions since 2014 foreclosed another path for the EAEU's development—a dialogue with and a formal recognition by the European Union.

Parallel to the losses in the western corners of its regional project, Moscow had to face another challenge in the East. In autumn 2013, Xi Jinping proclaimed a new initiative directed at the post-Soviet space—the Silk Road Economic Belt, part of the New Silk Road, initially known as *One Belt One Road* and later renamed the *Belt and Road Initiative* (BRI).

Russia's response to these challenges came several years later in the concept of *Greater Eurasia*, often referred to as the *Greater Eurasian Partnership*.<sup>1</sup> Initially, it was elaborated by a group of analysts from the Valdai Club, who in 2015 put forward the idea of Central Eurasia, within the framework of which Russian and Chinese projects could be merged. Vladimir Putin made it into an official policy in mid-2016, briefly sketching the idea at the St. Petersburg Economic Forum.<sup>2</sup> The concept was almost deliberately vague, with a broadly sketched vision of bi- and multilateral cooperation between Russia, China, India, SCO, and ASEAN, with the Eurasian Economic Union as a core.

Russia's concept of *Greater Eurasia* is difficult to comprehend without setting it in the context of the Chinese initiative. Six years ago, Beijing proposed a loose and vague formula for regional cooperation, which has taken on a life of its own since then. Dozens of Chinese think tanks have embarked upon BRI promotion. In the process, the concept lost its focus and for many in the expert community became identical with China's foreign policy in general. *Digital* and *Polar* Silk Roads have only reinforced this impression. Increasingly equated by critics with China's expansionist agenda, the BRI suffered a serious backlash and lost much of its previous appeal. Nonetheless, it cannot be denied that China has managed to make the concept universally recognizable, setting the tone for subsequent debates.<sup>3</sup>

Greater Eurasia has not enjoyed a similar success. While it gained some popularity among scholars of post-Soviet states and Russian foreign policy, it remains on the margins of the expert community's imagination, not to mention the general public's. It is, however, doubtful if the aim behind Greater Eurasia was to shape global discourse. I argue that from the Russian leadership's perspective, the notion of Greater Eurasia was primarily supposed to address several deficiencies of its flagship regional cooperation project—the Eurasian Economic Union—and thus revive Russia's regional agenda.

First, Greater Eurasia allows Moscow to go beyond the boundaries of the post-Soviet space without losing what it perceives as a privileged or special position among its neighbours. The main incentive behind the EAEU was to maintain Moscow's grip on its vicinities. The EAEU did, however, chain Russia not only to its post-Soviet *space* but also to its Soviet *past*. With the concept of Greater Eurasia, the EAEU is to remain the pillar on which additional layers of regional cooperation can be constructed. At the same time, Russia and its ambitions of arranging its regional space are no longer confined to the territory of the former Soviet Union.

Second, the vagueness of the concept leaves it up to the Kremlin to decide when and whether its declared aims have been achieved. Any form of cooperation with China, India or ASEAN states can be portrayed as another successful step in implementing the concept. Small steps, such as the free trade agreement between the EAEU and Vietnam, may be presented as part of building the Greater Eurasian Partnership. The lack of a concrete agenda that would have to be implemented according to a pre-planned schedule increases Moscow's room for manoeuvre. As the experience of the EAEU illustrated, the Russian bureaucratic apparatus is not well prepared for coping with mundane efforts. The Ministry of Foreign Affairs in particular feels more at home when dealing with grand albeit vague 'strategic visions'.

Third, Greater Eurasia positions Russia as an equal vis-à-vis both the European Union and China. Toward European states, it is portrayed almost as a form of defiance—'you did not want to pursue Greater Europe, we will now construct Greater Eurasia'. With respect to China, Russia demonstrates its strategic independence and its ability to exercise regional leadership. There is therefore no need to discuss Russia's joining (or not) of the Belt and Road Initiative, which would suggest some form of subordination to China. Instead, both states can now debate how to harmonize their large-scale political-economic projects. Once the EAEU and BRI are synchronized, it is China that joins Russia in the process of building the Greater Eurasian Partnership.<sup>4</sup>

All these aspects of Greater Eurasia have one underlying feature—they allow the Russian leadership to maintain the impression of great-powerhood, to cling to the status of a Eurasian great power. The ruling elite and the analytical and scholarly communities have found a common goal: to promote Russia as one of the pillars of the post-Western international order. Russia may either become an independent pole, a representative of Eurasia

in the global concert of great powers, or a co-leader of a broader Sino-Russian Eurasian bloc. The concept of Greater Eurasia allows Moscow to retain maximum flexibility and quickly adapt to changing circumstances, regardless of the extent to which it can be translated into concrete policies.

Meanwhile, the probability of Greater Eurasia going beyond the conceptual stage appears to be low, if not impossible. Russia faces a number of obstacles that prevent it from making Greater Eurasia a viable project.

In economic terms, Russia does not have much to offer its (Eur)Asian partners. The EAEU has already facilitated China's transportation links with Europe. It removed custom barriers between EAEU members and made paperwork easier. The trains travel between Sino-Kazakhstani and Belarusian-Polish borders uninterrupted. This was, however, relatively low-hanging fruit and the Greater Eurasian Partnership has nothing substantial to add to this. China signed a framework free trade agreement with the EAEU, but the number of exceptions limits its impact. At the same time, Beijing focuses its attention on creating an East Asian free trade area, building the Regional Comprehensive Economic Partnership (RCEP). Neither Russia nor its partner states have much to offer in terms of market size or industrial production. Their key resources—oil and gas, arms, civilian nuclear technology—are traded within specific frameworks and are usually left outside multilateral trade agreements. Another commodity of growing importance to Russia—food—also requires separate agreements with potential customers, including China. Moscow cannot afford to invest in the development of infrastructure, either. Russia's attempts to build a parallel financial infrastructure have failed. The Eurasian Development Bank, established by Russia and Kazakhstan over a decade ago, has not managed to attract international attention and both states decided to join the China-led Asian Infrastructure Investment Bank (AIIB) in 2015 and 2016 respectively. With China's help, this may change as the growing role of yuan in place of the US dollar in Sino-Russian trade illustrates. Still, the success will depend on the health of China's economy and Beijing's willingness to weaken the dollar's domination than on Russia's own efforts.<sup>5</sup>

Within the strategic and security realm, the biggest and probably insurmountable challenge to Moscow is how to reconcile conflicting interests and tensions between India, China and Pakistan. Despite its enlargement, the Shanghai Cooperation Organisation (SCO), another building block of Greater Eurasia, has not narrowed down differences between the three antagonists. The recent tensions between New Delhi and Islamabad following the February Kashmir

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terrorist attack illustrate the fragility of peace in South Asia. Moreover, with the deepening power asymmetry between Russia and China, Moscow will not be able to play the role of a 'balancer' in Eurasia. There is also speculation that China's close ties with Pakistan may have facilitated closer Russian-Pakistani ties too. Nonetheless, it cannot be denied that these ties endanger Russia's partnership with India. Moscow's ever-closer cooperation with Beijing may pose a challenge for another element of the Greater Eurasian Partnership, i.e. ties with ASEAN members. Even states that have long enjoyed a fruitful relationship with Russia, such as Vietnam, are beginning to question Moscow's ability to retain neutrality in the face of growing Chinese influence.

However, even though the potential of Greater Eurasia as a framework for regional cooperation is limited, the concept remains a useful instrument for the Kremlin. Given how deeply great-power identity is embedded in Russian political and intellectual elites' mindsets, Greater Eurasia is a way to find a new mission for Russia in an evolving international order. China's rise and Beijing's trans-regional aspirations pose a particular challenge in this regard. The concept of Greater Eurasia papers over Sino-Russian differences and postpones competition over influence in the post-Soviet space. It is a face-

saving initiative that helps to maintain the illusion of equality between Russia and China.

Nonetheless, Greater Eurasia does not solve the underlying tensions between Russia's aspirations to great power status and its shrinking material base. Rather than forcing the Russian elite to reconsider to-date functioning of the political-economic system, it perpetuates illusions of Russian leadership. The Kremlin has at its disposal a number of instruments which allow it to perform certain roles traditionally associated with great powers, such as the UNSC membership and a strong military-industrial complex. However, it lacks the material foundation to implement more ambitious schemes, such as the establishment of durable regional cooperation, which would go beyond patron-client relations as in the case of Russia and Belarus.

The question thus emerges whether the concept of Greater Eurasia could be useful for scholars. The key challenge is that it is by default associated with Russia's foreign policy, just as the Belt and Road Initiative is with China's. Under such conditions, it can be difficult to make Greater Eurasia a relatively neutral term. Its political and normative context will trump its descriptive and explanatory functions. ■

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- 1 On Greater Eurasia, see for instance: Glenn Diesen *Russia's Geoeconomic Strategy for a Greater Eurasia*, Routledge, 2018; Seçkin Köstem, *Russia's Search for a Greater Eurasia: Origins, Promises, and Prospects*, Kennan Cable No. 40, 26 Feb 2019.
  - 2 Plenary session of St Petersburg International Economic Forum, 17 June 2016, <http://en.kremlin.ru/events/president/news/52178>.
  - 3 On China's BRI, see for instance Maximilian Mayer (ed.), *Rethinking the Silk Road. China's Belt and Road Initiative and Emerging Eurasian Relations*, Singapore: Palgrave Macmillan, 2018; Nadège Rolland, *China's Eurasian Century? Political and Strategic Implications of the Belt and Road Initiative*, National Bureau of Asian Research, 2017.
  - 4 On relations between Russia and China in Eurasia, see for instance, Gaye Christoffersen, 'Sino-Russian Accommodation and Adaptation in Eurasian Regional Order Formation', *Asian Perspective*, 42(3), 2018, pp. 439-462.
  - 5 On the economic component of Sino-Russian relations, see: Ray Silvius, 'Chinese-Russian economic relations: developing the infrastructure of a multipolar global political economy?' *International Politics*, online first, 2018.

# RUSSIA BETWEEN EAST AND WEST: GREATER EURASIA RECONSIDERED

Derek Averre

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The breakdown of arms control regimes, the current US military posture and the criticism of Russian actions in Ukraine have encouraged disruptive responses from Russia....

The Russia-EU estrangement is no less unsettling. Here the driving factor is Russia's governing elites' defence of their political privileges and business interests against the encroachment of European norms of governance.

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**T**oday, the immediate prospects for any ‘cooperative’ East-West engagement are unpromising. The current Russia-US animus, despite the unpredictability of President Trump’s policy preferences and attitude towards Vladimir Putin, is deep-seated. The fundamental driving factors are, first, Russia’s defence of its sovereignty and regime legitimacy against perceived US attempts to undermine it, and second the reciprocal mistrust between the Russian and US defence and security establishments; these factors operate against the background of structural power shifts in the international system.

The breakdown of arms control regimes, the current US military posture and the criticism of Russian actions in Ukraine have encouraged disruptive responses from Russia. This has primarily manifested itself in ‘asymmetrical responses’ in the form of cyber, disinformation and low-level kinetic activities. It has also been made clear in Putin’s strident rhetoric about Russia’s readiness to scale up a military response to NATO’s presence in Poland and the Baltic states, its missile defence deployment and the US’s likely withdrawal from the INF treaty. In addition, Russia has launched a diplomatic offensive at the global level in the UN and at the regional level in the OSCE, as well as contesting the impartiality and legitimacy of international organisations where they are perceived as threatening Russian interests (for example, the Organisation for the Prohibition of Chemical Weapons over the alleged use of chemical weapons by the Syrian government and over its role in the Skripal affair).

The Russia-EU estrangement is no less unsettling. Here the driving factor is Russia’s governing elites’ defence of their political privileges and business interests against the encroachment of European norms of governance. This has given rise, first, to a values-based narrative of Russia’s cultural/civilisational exceptionalism, underpinned by a carefully cultivated national consensus. Second, it has encouraged Russian efforts to promote its own model in its neighbourhood using various instruments of statecraft, including a targeted information campaign. To my mind, the results in terms of constructing a coherent ‘ideology of conservatism’ and a set of practices likely to bind the



countries of the post-Soviet states to Russia are unconvincing. Add to this a certain inertia in the way that Russia and Europe's democracies perceive each other's behaviour and we have at the present juncture a low level of trust and engagement over important policy issues.

I would describe Russia's response to this state of affairs generally as 'gaming' the system. Moscow relies on tactical, pragmatic, instrumental moves in situations where it can afford to (for example in the conflicts in Ukraine and Syria), improvising and reacting to events rather than following a coherent and sustained strategy to shape international processes. But we should not ignore the fundamental tenets that constitute a national belief system and guide Russian foreign policy thinking, even though they are sometimes manipulated in specific cases and their normative foundations are certainly open to dispute. This belief system is based on the statist

international legal norms of sovereignty and the sovereign equality of states in the international system, and the right of peoples to determine their own domestic order and not bow to external standards of legitimacy.

To turn to the future of the wider Eurasian space, a vision of a 'Eurasian Union' was presented by Vladimir Putin in his *Izvestiya* article in October 2011 (well before the Ukraine crisis, note) and developed in later speeches, for example at the Valdai Club in September 2013. Putin declared that 'The Eurasian Union is a project for maintaining the identity of nations in the historical Eurasian space in a new century and in a new world. Eurasian integration is a chance for the entire post-Soviet space to become an independent centre for global development, rather than remaining on the outskirts of Europe and Asia'.

To what extent has Moscow been successful in forming an alternative to a 'European choice'—widely spoken of during Putin's first presidency—in the form of a 'Greater Eurasia' with Russia as its hub?

Three aspects may be considered here:

1. **Trade** (including labour migration, energy and investment): A recent paper by Rilka Dragneva, Laure Delcour and colleagues<sup>1</sup> argued that, while there are formal and informal agreements binding Russia and neighbouring countries in the post-Soviet space, they provide few constraints on Russia's unilateral action. At the same time, modernising regional economies in Eurasia want to diversify (and indeed have already done so to an extent) their trade/technology links. Russia—facing its own challenges in terms of structural reform and with its policy options limited by a number of political and economic constraints (problems with corruption, weak economic governance, and demands for welfare provision to lessen risk of social disintegration)—can provide only limited benefits to these countries. In this context, can we really talk about 'hard regionalism'? These difficulties are compounded by the economic tensions between Russia and China in the Shanghai Cooperation Organisation (SCO), which is one of the factors that have prompted Beijing to promote alternative trade and infrastructure projects. These projects may well impact on Eurasian states' policy preferences and consequently on their relations with Russia. Relations between China and the Eurasian Economic Union are very much at the formative stage. Russia's own economic relations with Asian countries, though improving in recent years, are still dwarfed by the latter's trade with the Western economies.
2. **Security**: In a recent article, Roy Allison argued persuasively that the functionality of the Collective Security Treaty Organisation (CSTO) and the SCO 'is low judging by their ability to implement various ambitious projects'.<sup>2</sup> The emphasis in both cases has been on 'protective integration': deep regional

At the same time Russia's elevation of the state as a rhetorical reference point, and the use of the security apparatus to manage domestic policy and allow governing elites to monopolise the rules, risk stagnation and the 'empty illusions' of authoritarian modernisation.

integration and collective approaches to conflict management are notably absent, despite some actions directed at addressing emerging security challenges and diplomatic coordination over specific issues. Their fundamental aim is to reinforce the sovereignty of their member states and ensure regime security and normative legitimacy. 'Protective integration' has suffered from Russia's annexation of Crimea, and China has its own regional security ambitions which leave little space for anything more than its selective partnership with Russia. The CSTO and SCO are likely to endure, as there are common interests in privileging state sovereignty and preserving a 'thin' regional order to maintain stability and attenuate regional rivalries. However, the lack of reciprocal penetration into each other's affairs, and the limited commonality in their domestic arrangements, means that they do not constitute a regional international society, still less a 'security community'. An additional problem is that NATO and the EU tend to avoid interaction with Eurasian organisations, preferring to maintain links with individual states in the region.

- 3. Identity:** To my mind any 'Eurasian identity' is partial, contested and prey both to domestic forces and, increasingly, to influences from outside the region. As early as the 1990s scholars noted that differences in history, society and culture across the USSR successor states were producing a wide variation in types of post-communist state-building and that, despite a common Soviet legacy, political systems in these states have reflected considerable diversity. Is it time to do away with the idea of a 'post-Soviet space'? Is Eurasia no more—to adapt the well-known concepts—than an 'imagined community' or an 'imagined geography'?

I offer two final points. The first point relates to the diminishing utility of notions of authoritarian/democratic, illiberal/liberal, East/West binaries in explaining Russia's role in Eurasia in the context of wider developments in the contemporary international system. This because of (i) the constraints placed on governments arising from turbulence on international markets (protectionism, energy/commodities prices); (ii) the emergence of sudden and unforeseen crises that often have an impact globally as well as regionally (9/11 and international terrorism, the Arab Spring and migration); and (iii) socio-economic and technological developments arising from globalisation that manifest themselves in different ways in terms of demands for political expression and social change (all too apparent in Europe itself). Against this backdrop, all governments face difficulties in maintaining effective domestic governance and have diminished capacities to manage international conflicts.

The second point is that, while Russia-West relations do pose problems (aside from the methodological ones of assessing empirical evidence and subjecting it to appropriate rigorous analysis in the face of Russian, and sometimes Western, disinformation), this is more because of the disorder and fluidity that marks the contemporary international environment: politically, because of the (at least partial) shift away from Western hegemony; normatively, because it embodies conflicting norms; economically, because of contradictions inherent in globalisation that enshrine inequality; and in terms of security because it remains fundamentally statist.<sup>3</sup> Western liberalism is in a bit of trouble and is struggling to manage change. At the same time Russia's elevation of the state as a rhetorical reference point, and the use of the security apparatus to manage domestic policy and allow governing elites to monopolise the rules, risk stagnation and the 'empty illusions' of authoritarian modernisation, as Vladimir Gelman has argued.<sup>4</sup>

One last point relates to the normative approach that a lot of academic writing has taken to analyse Russian foreign policy vis-à-vis Europe in the post-Cold War world. An objective presentation of Russian foreign policy narratives and action, intended to form the basis for a deeper understanding of Russia's approach, should not be attacked as justifying the norms that Russian elites appeal to. As Gelman has noted, the tendency in much commentary is to see authoritarian elites in Russia and Eurasia as 'the "bad guys" responsible for their countries' descent into the hell of authoritarianism',<sup>5</sup> but they simply pursue their own self-interest depending on their own perceptions and the institutional resources available. The maximisation of power by these elites is due to weak institutional and political constraints. We should aim to offer, as far as possible, an objective explanation of the roots of Russian elites' thinking and how it informs and underpins policy preferences and actions. Otherwise we are in danger of missing the fact that European norms are becoming much less important as a reference point against which Russia's political elite measures its policy. Indeed, Ted Hopf's argument—that Russia constructs its identity in relation to the US/Europe as its 'significant others'<sup>6</sup>—should be subject to reappraisal at this time of far-reaching change in Russian foreign policy. ■

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1 Rilka Dragneva, Laure Delcour, Marta Jaroszewicz, Szymon Kardaś and Carolina Ungureanu, *How Bilateral, Regional and International Regimes Shape the Extent, Significance and Nature of Interdependencies*. EU-STRAT Working Paper no 8, March 2018, at <https://refubium.fu-berlin.de/bitstream/handle/fub188/22524/EU-STRAT-Working-Paper-No-8.pdf?sequence=1> (accessed 11 November 2018)

2 Roy Allison, Protective Integration and Security Policy Coordination: Comparing the SCO and CSTO. *The Chinese Journal of International Politics*, 11(3), 2018, p. 297.

3 See Ian Clark, *The post-Cold War order: the spoils of peace* (Oxford: Oxford University Press, 2001), chapter 1.

4 Vladimir Gel'man, *Authoritarian Russia: Analyzing Post-Soviet Regime Changes* (Pittsburgh: University of Pittsburgh Press, 2015) chapter 5.

5 Ibid., p. 8.

6 Ted Hopf, Identity, legitimacy, and the use of military force: Russia's Great Power identities and military intervention in Abkhazia. *Review of International Studies*, 31(S1), 2005, p. 227.



**SECTION 2**  
**A SHANGHAI SPIRIT?**

# THE SHANGHAI COOPERATION ORGANISATION: A FRACTURED BASIS FOR EURASIAN ORDER

Roy Allison

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Surprisingly little has materialised over the years from formal SCO multilateral processes which did not already exist in bilateral relations or most probably would have occurred anyway through bilateral channels or other regional initiatives.... However, the SCO has a significant discursive role for its member states.

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**T**he Shanghai Cooperation Organisation (SCO) is the only longstanding multilateral framework with Russia and China as core member states which has had the potential to underwrite some Greater Eurasian order normatively and perhaps institutionally. However, this potential has never been realised and the prospects for a SCO-based Eurasian order have receded further in recent years.<sup>1</sup>

The SCO has displayed much top-down political fanfare, declarations of policy intent and claims of achievements. However, it has operated essentially as an intergovernmental network. Surprisingly little has materialised over the years from formal SCO multilateral processes which did not already exist in bilateral relations or most probably would have occurred anyway through bilateral channels or other regional initiatives.<sup>2</sup> This is obscured by China’s reference ‘to its bilateral engagements with the Central Asian states as “SCO” projects or initiatives’, even on issues where the organisation has not defined any common policy or adopted Beijing’s proposals.<sup>3</sup> A multilateral stamp, therefore, is placed on output generated outside the SCO framework.

However, the SCO has a significant discursive role for its member states. The foundational principles and norms of the SCO have played an important regime-legitimation function. For the Central Asian states, lying between the large power patrons of the SCO (Russia and China), the role is one of ‘encoding’ various ‘alternative norms in the texts and written rules of an international organization’. These contest norms associated with the OSCE and a wider set of Western actors. Alongside negotiated summit declarations, speeches and interviews, such texts offer valuable legitimation for local leaderships. SCO meetings, therefore, serve both to embed these norms among local elites and societies and gain acceptance for them regionally.<sup>4</sup>

The SCO does not claim that such norms, especially those expressed in the core values in official SCO documents and summit declarations—the so-called ‘Shanghai spirit’—represent an ideology. But the language has an ideological tenor, expressing as it does the need to maintain a diversity of cultures, civilisations and political and economic models

within its organisation, non-alignment or a non-bloc approach, as well as the principles of non-interference in domestic affairs and territorial integrity. Notably, the SCO dedicated itself to combat the 'three evils' of 'terrorism, separatism and extremism'.<sup>5</sup> Since these challenges are left undefined, member states can decide which domestic order problems are attributed to which 'evil'. The SCO Charter pointedly refrains from referring to democracy as a goal in domestic politics, or to the self-determination of peoples. It contains no reference to the potential rights of non-state actors or more direct representation of citizens. This encourages a permissive environment for state action against various forms of domestic political opposition and reinforces the statist character of SCO norms.

A central SCO norm at the global level is multipolarity. This serves as a discursive foil to 'hegemonic' policies led by the US and in essence appears as a soft form of power play between Russia and China on the one hand (with Russia more vociferously asserting the claim) and the leading Western powers on the other hand. However, Russia and China have not shared the same fervour to instrumentalise the SCO on the global stage.

Beijing may have had greater interest in developing 'a viable regional organisation infused with Chinese-orientated values, which could in the future be replicated elsewhere'.<sup>6</sup> This practical goal is impeded by Russia's repeated efforts to pump up the global image of the organisation, to make maximal use of the SCO to claim that global structural power has shifted in favour of the 'non-West' and a levelling with Western power has been achieved. China prefers a more oblique, gradual and less confrontational approach to revising the Western-inspired international order, an order which it decries like Russia. Moscow and Beijing maintain a rhetorical common front over a state- and sovereignty-oriented understanding of international order. But as Russia's relations with Western states have become more adversarial and as its economy has remained in the doldrums, it has become more dependent on

China in an increasingly asymmetrical relationship. Meanwhile, since 2014, Beijing has wished to avoid being railroaded into a vociferous Moscow-driven geopolitical campaign against Western states, in or beyond the SCO, despite Beijing's fractious trade relations with the Trump administration.

## Separatism as a challenge to consensus on Eurasian order

The SCO charter defines separatism as a threat. It is one of the 'three evils' of the ideology of the Shanghai Spirit. Article 1 of the 2001 SCO Convention on Combating Terrorism, Separatism and Extremism determined that separatism means 'any act intended to violate territorial integrity of a State including by annexation of any part of its territory or to disintegrate a State, committed in a violent manner, as well as planning and preparing and abetting such act'.<sup>7</sup>

Russia's revisionist approach to separatism on its Eurasian perimeter has thrown into question the concept of statehood in the Eurasian territory of the former USSR, according to which only former Union republics' borders could be recognised as state borders. Prefigured by Russian recognition of South Ossetia and Abkhazia in 2008, this challenge became acute with Russia's annexation (note the 2001 SCO Convention language on this) of Crimea in March 2014 and its subsequent 'deniable' support for separatist movements in eastern Ukraine.

The other SCO state leaders were inclined to bond with Russia in deploring the Maidan Revolution in Ukraine as illegitimate and extra-constitutional 'extremism'. However, the Russian actions which followed struck at the normative core of the Shanghai Spirit. They cast a shadow over the 2013-15 cooperation programme for combating terrorism, separatism and extremism. At the Dushanbe SCO summit in September 2014, Chinese President Xi Jinping had to accept that among the 'three evils', 'it is necessary *at present to focus* on the fight against

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The SCO Charter pointedly refrains from referring to democracy as a goal in domestic politics, or to the self-determination of peoples. It contains no reference to the potential rights of non-state actors or more direct representation of citizens. This encourages a permissive environment for state action against various forms of domestic political opposition and reinforces the statist character of SCO norms.

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religious extremism and cyber terrorism’ (author’s emphasis).<sup>8</sup> The summit declaration still outlawed separatism, but effectively diluted this and the other two ‘evils’ by expanding the blacklist to include the ideologies of ‘radicalism, fascism and chauvinism’, apparently reflecting Russia’s discourse on the crisis in Ukraine.<sup>9</sup> This genuflection to Russian thinking was toned down the next year to the generic notion of ‘other radical ideas’; at subsequent summits the ritual reference to the ‘three evils’ resumed.

This could not conceal that Russian claims about resisting separatism in its neighbourhood now appeared hollow. SCO declarations pointedly avoided any support for Russian claims over Ukraine. As with almost all other states in the international community, no SCO state (besides Russia itself) recognised Crimea as part of Russia. In their official national responses on the issue, China was muted but was aware that Moscow’s promotion of pro-Russian separatism on its borders ‘implicitly undermines China’s efforts to contain separatists in Tibet, Xinjiang and, most importantly, Taiwan’.<sup>10</sup> Kazakhstan and Kyrgyzstan hedged their language to avoid confronting Russia, but the Kazakh leadership in particular was clearly nervous once again over Russian attitudes to the ethnic Russian-populated regions of their state. Uzbekistan in response openly deplored actions ‘that contradict the UN Charter and international norms’, specifying ‘sovereignty, territorial integrity and political independence of a country’.<sup>11</sup>

## Implications of enlargement

What are the implications of membership enlargement to include India and Pakistan for the functionality of the SCO and its consensus on Eurasian order? The joint inclusion of India and Pakistan in the SCO balances respectively Russian and Chinese regional partnerships. However, the question is whether the SCO is likely to become less coherent and more diffuse as form increasingly determines function rather than the other way around. The inclusion of India and Pakistan makes it likely that the SCO will limit its spheres of operation to political sub-state security, to the extent that agreement is achievable here, and to economic programmes, eschewing the deeper cooperation that a narrower membership might aspire to.

The political and security policy differences between India and Pakistan threaten divisive effects of their accession to the SCO. First, they differ starkly in how they define terrorist groups in their neighbourhood. Secondly, we have argued that Russian empowerment of separatism in Ukraine has caused deep concern among other SCO states. India, with its longstanding struggle with separatism in Kashmir, with territorial



disputes with both China and Pakistan who claim historical, ethnic or religious linkages with groups in India, has a similar reaction.

India shared the general SCO disapproval of US and EU actions prior to and during the protests in Ukraine during 2013-14, reflecting an opposition to external actors becoming involved in other country's domestic political affairs. It shared a SCO concern at the overthrow of a government (which it also noted was constitutionally elected), however unpopular, by street protests. But its disapproval of external political intervention as it saw it, has been outweighed by its disapproval of military intervention (by Russia), especially in support of separatism.<sup>12</sup> So New Delhi enters the SCO with an underlying uneasiness over Russia's policies on separatism and their implications for Pakistan's claims on Kashmir.

It is true that India—like its new SCO partner states—supports the non-interference principle and upholding national sovereignty. However, India will find it additionally awkward to bond around strategies to reinforce regime security within the SCO while it has a political system which prizes the diversity and turnover associated with democratic political practices. India and Pakistan hope to gain new economic relationships in Central Asia from SCO membership. But the overall cohesion and normative bonds of the SCO are likely to weaken with this enlargement.

## **Continued dilution of SCO-based Eurasian order**

The potential for practical cooperation on the basis of the SCO, to undergird supposed normative congruence, has relied ever more on Chinese and Russian active interest in such cooperation in the regional centre of gravity of the SCO (until the recent enlargement, Central Asia) and a healthy balance of interests between these powers. However, since 2014, China's reliance on the SCO in its wider foreign and economic policy priorities has been

displaced by commitment to the 'Belt and Road Initiative' (BRI).<sup>13</sup> This concept 'serves as a format for multilateral cooperation and as an umbrella for a network of bilateral relations' and with its 'loose construction of normative underpinnings allows China to retain flexibility'.<sup>14</sup> It signifies declining interest in the future trajectory of the SCO, perhaps even an acknowledgement by Beijing that having failed to advance its preferred goals by working within the organisation it has selected to bypass it.

China was frustrated, for example, by a perception of routine Russian resistance to its attempts to establish a SCO Development Bank, as well as a regional free trade zone. Russia, aware that China would be the country with the largest investment share in the bank, felt this could contribute to Moscow's relative marginalization in the region. Overall, Chinese geo-economic interests are much more effectively advanced now through infrastructure development programmes directly with Central Asian states in the BRI framework than through the SCO structure, with its consensus decision-making process. This shift has been accompanied by still greater Chinese reliance on bilateral channels in regional security discussions with Central Asian states. It is ironic that Moscow's obsession with the contribution of the SCO to multipolarity and relative neglect of regional Chinese interests in the SCO in Central Asia has had the opposite effect to the one desired. China has opted to privilege bilateral ties with Central Asian states rather than be fully entrenched into the SCO's multilateral framework.

This helps explain Beijing's readiness to concede the expansion of the SCO to South Asia and perhaps even to the Middle East in future. China seems less ready to view the SCO as a serious high-level platform for publicising normative congruity with Russia, beyond summit formalities, although the importance of seeking common positions over extremism and terrorism (with Xinjiang in mind) remains. Overall, the SCO has begun to stagnate between the crosscurrents of Chinese economic and Russian military/geopolitical interests.

With the sharp increase of confrontational rhetoric between Russia and Western states after 2014, Russia has tried to institutionalize the military profile of the SCO beyond its longstanding regime security functions. Russian officers have floated the idea even of the SCO acquiring permanent executive responsibilities for different aspects of defence cooperation and of creating a military Cooperation Coordinating Committee.<sup>15</sup> But this goes too far for other SCO states, since it would fuse the regime security functions of the SCO, skating over the aforementioned controversy with separatism, with defence alignment. China for one will continue to oppose such a profile of alignment for the SCO.

Russia's ability to persuade the SCO states to sidestep the separatist controversy and to harden security and defence coordination has also been constrained by its narrative on Russian civilizational entitlements. Notoriously this was used as part of Moscow's justification for the annexation of Crimea. This jars with a UN Charter-focused restrictive view of sovereignty shared among other SCO states—and still rhetorically by Russia itself. At the regional level a new emphasis on the prominence of the 'Russian world', the rights of Russian 'compatriots' and the role of 'historic justice' detracts from the regime security of smaller SCO states and qualifies the

cherished principle of non-interference. The latest example of this assertion of entitlements was in April 2019, with the Russian offer of citizenship en masse to residents in part of Ukraine's Donbas region and subsequently to some other categories of Ukrainian citizens.

These underlying concerns of Russia's SCO partners mean that rising global tensions between the United States and Russia or China are unlikely to foster a new form of substantial SCO Eurasian security integration on an anti-Western platform, even if a Russian-Chinese bilateral axis in international diplomacy assumes more substance. This does not bode well for the development of Russia's amorphous 'Greater Eurasia' paradigm, beyond its current role of seeking to obscure the reality of the shifting Eurasian power balance from Russia to China. Efforts at forming a more coordinated and integrated Greater Eurasian space are unlikely to advance beyond photo opportunities, thin cooperation and a limited normative agenda, both regional and global. Meanwhile, the normative bonds of the SCO in particular are likely to continue to fray in response to assertive unilateral policies by Russia, as well as China's growing confidence in its capacity to influence regional processes in Central Asia through other means. ■

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- 1 For a much fuller analysis than presented here, which compares the functions of the SCO and Collective Security Treaty Organisation, see Roy Allison, 'Protective Integration and Security Policy Coordination: Comparing the SCO and CSTO', *The Chinese Journal of International Politics*, Col. 11, No. 3, 2018, pp. 297-338.
  - 2 As concluded, for example, by a Mikhail A. Molchanov, *Eurasian Regionalism and Russian Foreign Policy* (Farnham: Ashgate, 2015), pp. 38-9, 132-3.
  - 3 Alexander Cooley, *Great Games, Local Rules: The New Great Power Contest in Central Asia* (Oxford: Oxford University Press, 2012), p. 79.
  - 4 David Lewis, 'Who's Socialising Whom? Regional Organisations and Contested Norms in Central Asia', *Europe-Asia Studies*, Vol. 64, No. 7, p. 1224.
  - 5 *Declaration on the Establishment of the Shanghai Cooperation Organization*, 15 June 2001, at <http://sectsco.org/documents> (2001).
  - 6 Stephen Aris, *Eurasian Regionalism: The Shanghai Cooperation Organisation* (Basingstoke, Palgrave, 2011), p. 147.

- 7 SCO Convention, 15 June 2001, <http://sectsco.org/documents> (2001)
- 8 Statement by Xi Jinping on 12 September 2014, *Tajik Television First Channel*, Dushanbe, 12 September 2014, BBC Monitoring Online.
- 9 Dushanbe Declaration of SCO Council of Heads of State, 12 September 2014, <http://www.eng.sectsco.org/documents> (2014).
- 10 Mikhail Molchanov, *Eurasian Regionalism and Russian Foreign Policy*, p. 129.
- 11 Speech by President Karimov, 9 May 2014, Uzbek TV first channel, 9 May 2014, BBC.
- 12 Tanvi Madan, 'India's Reaction to the Situation in Ukraine: Looking Beyond a Phrase', Brookings Institution, 14 March 2014, <http://www.brookings.edu/blogs/up-front/posts/2014/03/14-ukraine-india.madan>
- 13 For assessments of the latter in terms of regionalism, see Marcin Kaczmarski, 'Non-Western Visions of Regionalism: China's New Silk Road and Russia's Eurasian Economic Union', *International Affairs*, 93 (6), 2017, pp. 1362-8; William A. Callahan, 'China's "Asia Dream": The Belt Road Initiative and the New Regional Order', *Asian Journal of Comparative Politics*, Vol. 1, No. 3, 2016, pp. 226-43.
- 14 Marcin Kaczmarski, 'Non-Western Visions of Regionalism', p. 1367.
- 15 Lt General A.F. Klimenko, 'Collapse of Enduring Freedom: Security in the SCO Area', *Military Thought*, No. 1, 2016, p. 10

# AN EXPANDED SHANGHAI COOPERATION ORGANISATION: REINVIGORATED, OR ON THE ROAD TO REDUNDANCY?

Natasha Kuhrt

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Although China promotes the BRI as a purely economic project, China will likely need a secure environment to pursue its objectives. India is the only SCO member to oppose the BRI, which will cross Central Asia on its overland route. Further, will India's entry, as the only parliamentary democracy, mean that the SCO will no longer be viewed as a 'league of authoritarian gentlemen'?

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**B**oth India and Pakistan have now entered the Chinese-sponsored and expanded Shanghai Cooperation Organisation (SCO), which raises a number of questions: First of all, does this signal the emergence of a new regional order in Eurasia and acceptance of a Chinese-led cooperative arrangement? It further raises not only the question of the place of the Russian-sponsored Eurasian Economic Union (EAEU) and Indian regional initiatives in South Asia in Eurasia, but also of the future role of the SCO vis-a-vis One Belt One Road (OBOR), now known as the Belt and Road Initiative (BRI). Although China promotes the BRI as a purely economic project, China will likely need a secure environment to pursue its objectives. India is the only SCO member to oppose the BRI, which will cross Central Asia on its overland route. Further, will India's entry, as the only parliamentary democracy, mean that the SCO will no longer be viewed as a 'league of authoritarian gentlemen'?<sup>1</sup>

A common view is that the SCO is already—or will become—moribund, discarded as irrelevant once the BRI is rolled out: 'After the enlargement the SCO can be expected to be even less able to reconcile the visions of its particular members, which may result in its long-term marginalization'.<sup>2</sup> On the other hand, could the underlying norms at the heart of the SCO (non-interference, anti-separatism and anti-fundamentalism: 'the three evils') prove more durable than expected?

One of the challenges for the future role of the SCO is the fact that fundamental and underlying tensions remain in Chinese and Russian political visions for Central Asia, between constituting this as an open or closed region. With India (and Pakistan's) entry into the SCO, India is now being drawn into 'Greater Eurasia', a growing region for now understood to include the SCO member states, plus Iran (possibly Afghanistan) and EAEU member states.

For both Russia and India, uncertainty regarding the nature and timing of any power transition from the United States to China presumes the need to continue to maintain a distance from China.

On the other hand, the US has been widely viewed as attempting to 'groom' India as its proxy in the East Asian Regional Security Complex ever since President Obama announced the rebalancing strategy to the Asia-Pacific, and Trump has followed with 'IndoPacCom'. Both Russia and China therefore view India's role in the APR with ambivalence. All these developments are part and parcel of the fact that a 'contest is emerging over how to define Asia conceptually, including choice of terminology'.<sup>3</sup> Not only that, but what happens in one region is increasingly difficult to separate from what happens in another. In many respects China's march westward is not only a logical solution to its surplus economic capacity and drive for stability in the Northwest, viz. Xinjiang and beyond, but also a response to US geopolitical pressure in East Asia.

Russia is also trying to put forward its own variant of regionalism, seeking to create its own 'supercomplex' of a 'Greater Eurasia'. This pivot to Greater Eurasia has gained momentum since the Ukraine crisis, as a key part of what Sergei Karaganov sees as a means to counter the Western-led global order. Now there is no longer talk in Russia of a Greater Europe stretching from Lisbon to Vladivostok, but rather of a more land-based Eurasian concept, going from Shanghai to St Petersburg.

Aleksandr Lukin has described the potential harmonisation of the EAEU and the BRI as a paradigm change in geopolitical terms. However, he warns that if the SCO becomes a more unwieldy organisation with the addition of new members, this will make it more difficult to coordinate future plans for Greater Eurasia within the SCO.<sup>4</sup> In its own vision for the BRI however, China appears to be going beyond Asia: apart from concerns expressed by multiple Asian countries regarding lack of transparency and the loans-based nature of many projects, including in India, Sri Lanka and Malaysia (where politicians have run on anti-BRI tickets) several European countries are also ambivalent.<sup>5</sup> This concept goes beyond the EAEU and follows a Chinese approach to regional cooperation which is far broader and has no clear boundaries, potentially including 'all players from

China to India and ASEAN'.<sup>6</sup> While the agreement between the BRI and the EAEU in theory creates a Greater Eurasia Partnership that would connect EAEU to the BRI and thus create a boundless space as per the remit of the BRI, Russia tends to see Greater Eurasia as a means of protecting its own space,<sup>7</sup> quite differently to the functionalist Chinese approach which could include Africa, the Arctic and Latin America. In David Lewis' words, for Russia, Greater Eurasia is a 'geopolitical imaginary' and tightly bound up with Russia's identity as a Eurasian power which is not the case for China.<sup>8</sup>

Nevertheless, despite charges that China aims to challenge the Russian-backed EAEU, or to counter the US 'pivot' to the APR, China has sought to present the BRI as a strategy of 'reassurance' and mutually beneficial cooperation, although this has met with limited success. India, in particular, has made its opposition to the BRI clear.

What is the new rationale for the expanded organisation? Originally the SCO was established to monitor border agreements in Central Asia/China. Yet borders have long ceased to feature much on the agenda of the organisation. Russia has always resisted China's attempt to turn the SCO into an economic and energy club, while China has often been depicted as a free rider on Russia for regional security.

China was eventually forced to shift the focus of its economic strategy in Eurasia from the SCO to the BRI, and the idea of a free trade zone among members is hardly ever mentioned in the latest SCO documents. For China, despite its frustration with Russian sabotaging of its attempts to use the SCO to promote regional economic cooperation, the SCO has nevertheless been highly significant. For example, it has been suggested that China has learned lessons via the SCO regarding 'advancing geostrategic interests through multilateral organisations'<sup>9</sup> and that China is in effect 'practicing' for its future global role. This echoes Alexander Cooley who describes the SCO as one of China's 'most important contributions to global governance, embodying a

new IR that rejects US unilateralism and [...] promotes cooperation based on principles of sovereign non-interference and cultural diversity.<sup>10</sup> Does this imply then that other members are practising for roles as subordinate states that follow Chinese norms?

## Russia And The SCO

Russian policymakers are more likely to express disappointment with the organisation, at times due to its lack of activity, at others due to the perception that it serves merely as a vehicle for Chinese interests. For example, Andrei Kortunov notes that 'In practice the role of the SCO was reduced to that of bringing bilateral or tripartite sub-regional economic projects together under one roof...This umbrella may have done something to conceal China's economic domination in the region, but it didn't change the essence of ongoing processes.'<sup>11</sup>

The enlarged SCO is being held up by some as a stronger, reinvigorated organisation. For example, the Secretary-General of the SCO, Rashid Alimov, has claimed that 'the importance of the SCO's expanding trans-regionality from the Pacific to the Baltic and from the Arctic Ocean to the Indian Ocean, suggests that with the accession of India and Pakistan, the SCO has acquired a global profile. We are witnessing important processes related to the crystallisation of a new type of organisation, which is based on mutual respect, deep dialogue of cultures and civilizations, aspiration for joint development and prosperity.'<sup>12</sup>

This echoes Xi Jinping's speech at the 2018 SCO summit where he suggested that the new SCO 'transcends outdated concepts such as clash of civilisations, Cold War and Zero-sum mentality.'<sup>13</sup> One optimistic article by a Chinese scholar stresses that China expects support from other SCO member states in building a 'community of shared future for humanity' and that the SCO has emerged as a security community, and 'unlike either NATO based on U.S. hegemony or the EU with common security policy, it is a new type of security community'.<sup>14</sup>

India's entry into the SCO had been mooted for some time, and often seen as a means for Russia to dilute China's weight in the organisation. Yet India's identity is as a parliamentary democracy, and it projects itself to a certain extent as an alternative to China and as a 'model for other developing states'.<sup>15</sup>

Why then should India wish to participate in an organisation that consciously pits itself against the US-led order?

Russia (and to some extent China) has presented the SCO as an institution capable of promoting certain regional and local norms distinct from those being promoted by the unipolar world, and as further evidence of the emergence of a multipolar world. Yet this remains mostly declarative. On the other hand, returning to the issue of norms and their possible re-legitimation via the SCO, Alexander Cooley has suggested seeing civilizational diversity as the new 'counter-norm' and as the guiding principle of the SCO.<sup>16</sup> This certainly fits with the idea of 'norm antipreneurs' put forward by Bloomfield and Scott.<sup>17</sup> Although one might hesitate to place India in such a category, it also, along with China and Russia, increasingly embraces a certain civilisational rhetoric,<sup>18</sup> India has sought to present itself as a 'synthesiser' of civilisations, drawing on its rich multi-ethnic and multi-religious heritage.<sup>19</sup>

## Terrorism

At a presidential meeting in June in Astana, Kazakhstan, the presidents of the member states signed a declaration on combating extremism and international terrorism, and reiterated their commitment to a peaceful, non-military solution to the Afghan issue.

The shared regional agenda around terrorism is the one area that appears to have strengthened in particular since the crisis in Syria and Russia's involvement there. Russian Foreign Minister Sergey Lavrov drew particular attention to the proposed

membership of India and Pakistan in the SCO in this regard, and to the fact that their involvement would strengthen the fight against terrorism in Eurasia, while the SCO chief, Nikolai Patrushev, suggested that 'all disagreements between Iran, Russia, China, India and Pakistan would be cast aside' due to the pressing need to coordinate in the face of the growing shared threat from terrorism.<sup>20</sup> On the other hand, others have questioned the extent to which the SCO might function in this way, pointing to the proposal by China to establish an anti-terrorism alliance with Afghanistan, Pakistan and Tajikistan outside the SCO framework and not to include Russia in the setup. For some this demonstrates a failure on Russia's part to contain Chinese power via the SCO and highlights limitations in the area of intelligence-sharing and counterterrorism.<sup>21</sup>

India has said that the SCO platform can 'enhance trade and connectivity' but has also emphasised that security is 'our top priority'. Prime Minister Modi laid the ground for India's opposition to the BRI project during his plenary speech when he said that India welcomed connectivity projects but only those that 'respect the sovereignty and territorial integrity of nations'.<sup>22</sup>

The question then arises as to whether China's proposed BRI project could also assist India in developing such ties. India has approached it with caution, as might be expected, given difficult bilateral relations, and further, China has not invited India to join the overland route, but only the maritime one. On the other hand, as some have pointed out, by joining the SCO it might seem as if India is more likely to connect to the Silk Road Economic Belt than the Maritime Silk Route. However, given that both Russian and even US plans for regional projects are jeopardised by the more ambitious Chinese plans, India might therefore be expected to be more enthusiastic in the future about schemes with other regional players like Russia. Yet at the same time, Russia's increasing dependence on China and its acquiescence in Chinese economic plans for the wider region mean that the cooperation agreement

between the EAEU and the BRI on developing links across Eurasia might look more threatening to India, as it could serve to increase Chinese economic dominance in both East and South Asia.

## Conclusion

The new rationale for the SCO appears elusive, and the accession of India and Pakistan has revealed differences between members' priorities. Chinese dominance of the SCO and the diverging views of China and Russia on SCO objectives over the years remain a problem. Previously, the division of labour within Central Asia appeared clear, as the Chinese tended to try to push the SCO in an economic direction, while Russia emphasized political and security aspects. It has become commonplace to suggest that the 'Chinese vision is about prioritizing economics while Russia's is political',<sup>23</sup> and certainly this was true to a large extent of the SCO.

Yet as the BRI evolves, politics and economics could be harder to separate, in particular if the SCO is potentially reconfigured towards security concerns, as some have predicted.<sup>24</sup> China is showing signs of becoming a more political actor, with officials making speeches that hint at a more proactive and engaged approach to ideas about regional international order, a development that is a cause of anxiety in Moscow. Russia is playing for time by signing deals with China such as the BRI-EAEU agreement, but it has no real strategy for dealing with China as a potential regional and global security actor. The lack of strategy is partly because it has long been taboo to discuss China as a threat, at least on an official level, while China is conspicuous by its absence in the military doctrine. The SCO is the only institution that has the potential to dilute Chinese influence, but China may fear being constrained by it. In 2017 Russia began to refocus on the CSTO: it allocated more money to the organisation and has increased military assistance to Tajikistan as well as sharing Special Forces Operation training with Central Asian Countries.<sup>25</sup> However, the extent to which such institutions can

constrain China is unclear, as Dmitri Trenin points out, '[E]ven if Beijing sees some value in continent-wide geopolitical constructs—such as the SCO and the RIC [Russia-India-China] promoted by Russia and where China is the most powerful member—Moscow will find it increasingly harder to make those constructs work'.<sup>26</sup>

The fears of many states regarding the trajectory of BRI reflect wider fears of Chinese hegemony at the global level. China's future status may well depend on its ability to deliver the public goods that it has promised by means of the BRI project. This ability will be highly contingent on geopolitical, geo-economic and geostrategic risks that to a large extent remain unquantified. For now, the interests of regional powers appear more related to advancing their own narrow interests than a concerted attempt to build a pan-regional agenda based on norms.

Underlying tensions remain in Chinese and Russian political visions for the region, between constituting this as an open or closed region: with India's entry into the SCO and its apparent interest in a free trade agreement with the EAEU, India is now being drawn into the Greater Eurasian region, one that may be increasingly dominated by China, at least in economic terms. Although in the context of worsening relations with the West, Russia has

deepened its substantive partnership with China and the cooperation agreement signed in May 2016 between the EAEU and BRI confirms this pattern. On the SCO, there is a danger that China's need for a secure environment in Central Asia means that the organisation's focus will become counterterrorism as practised in Xinjiang, and that the serious geopolitical divisions between Russia, China and India, not to mention India-Pakistan, will prevent any convergence of norms. The future of the SCO should not be dismissed outright: Even if not a fully-fledged security community, it can still serve as a platform for regional powers to discuss mutual concerns. Yet in the words of Andrei Kortunov, the SCO has 'obviously entered adulthood, but it has not yet emerged as a fully mature international institution. Furthermore, it runs the risk of becoming an "eternal teenager"'.<sup>27</sup>

Given the lack of information about the precise contours and trajectory of the BRI project, and how existing institutions will coexist with or connect to it, Russia can afford to sit back and take comfort in its 'geopolitical imaginary' of Greater Eurasia which is similar in its proposed scope to the BRI, but arguably of a more geopolitical hue. As a recent Russian analysis points out, the vagueness and elusiveness of the Greater Eurasian vision allows Russia to 'fill it with any substance, fearing no consequences, and boost its own image, taking no risks whatsoever'.<sup>28</sup> ■

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**SECTION 3**  
**ORDERING CENTRAL EURASIA**

# WHAT ROLE FOR THE EURASIAN ECONOMIC UNION IN GREATER EURASIA?

Rilka Dragneva-Lewers

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The inception of the Eurasian Economic Union (EAEU) project is inextricably related to its international role. For Russia, the EAEU serves primarily a geopolitical function, which is two-fold: firstly, to endow the country with the regional clout to participate in the structuring of a post-Western world, and secondly, to provide it with a ‘gate-keeper’ framework through which Moscow can influence the access of external actors to ‘its’ region.

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While the specific institutional detail behind the strategy is scarce, the EAEU has been attributed a central role within it as a vehicle for these interactions. This has been presented both as a legal necessity, given the level of integration between the members of the EAEU, and a testimony to the viability of the organisation and its attractiveness to international partners. From the perspective of the Russian elite and many outside observers, the EAEU appeared to be indispensable to Greater Eurasia. Upon closer inspection, however, the potential of the EAEU to deliver on this agenda is much less convincing. This is because of the institutional nature of the EAEU, its record in engaging in international trade and economic cooperation to date, and the extent to which it continues to be its members’ preferred vehicle for dealing with external actors.

## The EAEU as an external actor

The international role of the EAEU is premised on it being an organisation with its own legal personality, endowed by its member states with important autonomous powers to pursue a set of common economic objectives. This translates into the argument that external actors should deal with EAEU bodies rather than the national authorities of its member states. In particular, similarly to the European Commission, the Eurasian Economic Commission (EEC) is presented as an independent technocratic party, pursuing the interests of the Union and able to appear on its behalf. The institutional reality, however, is different from the rhetoric. The legal powers of the EAEU and its relevance as a formal partner in the international arena depend on the issue in question.

In areas such as tariff and customs regulation, trade regulation and the imposition of trade defence measures, EAEU member states have transferred significant powers to the EEC. However, this delegation of powers does not translate into the competence to negotiate independently. According to the established process, dealing with third parties always occurs with the participation of the member states. Unlike the European Commission, the Eurasian Economic Commission is not empowered to appear on its own; in practice, it supports the member states in their own negotiations. In other areas, where delegation of national powers has not occurred, such as transport, services or investment, the Commission is not part of the negotiations at all. Instead, the approach adopted by the EAEU is for negotiating teams to be composed by the member states' representatives under Russia's general leadership, with the Commission acting only as a facilitator.

Thus, in formal terms, not only does the EAEU not function as a unified actor, it also masks the prominence of its member states even in areas of delegated authority. At the same time, while according to its founding treaty all EAEU member states enjoy equal representation and have equal

ability to determine the EAEU's strategic direction, in practice Russia determines the agenda. Its dominance in the external dealings of the EAEU is even more pronounced than in its internal matters. This is not only because for Russia, more than for the other member states, the external role of the EAEU defines the primary utility of the organisation. It is also derived from its superior resources and expertise in dealing with the complex technical issues involved in negotiating international trade agreements. Indeed, the record of the EAEU's external engagement to date offers ample illustration of Russia's strategic initiative in selecting partners.

## The record so far

Since its launch, the EAEU has been keen to show itself as a dynamic global actor. It has concluded memoranda of understanding with countries across four continents as well as trade agreements with Vietnam in 2015 and Iran in 2018, and an economic cooperation agreement with China in 2018. Since late 2015, it has also been negotiating free trade agreements with India, Israel, Singapore and Egypt.<sup>3</sup>

One notable feature of this record is that the choice of partners, the impetus for advancing relations with them as well as the negotiation process are all clearly driven by Russia's geopolitical interests. The main attraction of entering a free trade agreement with Vietnam, for example, was not its trade importance—Vietnam accounts for less than 1% of the EAEU's total trade—but its significance as representing the economic dimension of an important geopolitical shift.<sup>4</sup> The agreement was built on Russia's traditionally close political relations with Vietnam, while seeking to establish a strategic partner in the Asia Pacific, thus advancing the multipolarization of Eurasia in the face of rising Beijing. Moscow's leadership has been notable in relations with China too. The initiative of linking the EAEU with China's Belt and Road Initiative was a Russian move announced at a high-level bilateral meeting without prior consultation with its EAEU partners. While the project was endorsed at a subsequent EAEU summit,

it has not removed the preference of those partners to deal with China on a bilateral basis. Similarly, the EAEU's current negotiating agenda, including Israel, Singapore, India and Egypt, is defined by their significance for Russia's global agenda.<sup>5</sup>

Given this justification, it is unsurprising that in terms of their substance the EAEU's agreements contribute little to trade liberalisation. The agreement with Vietnam covers 88% of mutual trade in goods, yet it is highly protectionist. The agreement with Iran is a temporary agreement with a very limited scope: it covers a short list of commodities and envisages few trade concessions. The agreement with China is not a free trade agreement at all, but a deal that provides for procedural cooperation and exchange of information on the basis of existing WTO arrangements.

The potential economic benefits of the EAEU's deals relate to the development of investments, infrastructure and logistics. For example, a deal with Singapore, which already applies low tariffs, will only deliver economic added value if services and investments are liberalised. The agreement with Iran or the planned deal with India can bring benefits only if transport infrastructure, such as the International North South Transportation Corridor, is developed. This dimension is particularly strong in terms of relations with China where cooperation on specific infrastructure, logistics and transport projects is at the heart of what was described as the 'mutual synchronisation [linking] of the processes of constructing the EAEU and the Economic Belt of the Silk Road'.<sup>6</sup> Critically, however, these are areas which fall outside the current remit of the EAEU. Thus, Russia has been keen to bring its EAEU partners' external dealings within the common EAEU framework.

## Common interests

It is notable that, unlike Russia, the primary interest of its EAEU partners has not related to the organisation's external dealings, but its consolidation and delivery of economic benefits. There has been little commonality in members' approaches to addressing the international agenda of the EAEU.<sup>7</sup> EAEU members have acquiesced to Moscow's lead as part of a complex regional bargain.<sup>8</sup> At the same time, they have been keen to retain a degree of flexibility within the organisation and autonomy in their external relations. Notably, Russia's partners have abstained from supporting its economic warfare with the West. Instead, Belarus and Kazakhstan have sought to profit by circumventing the sanctions regime.



In terms of their substance the EAEU's agreements contribute little to trade liberalisation.... Despite Russia's effort to place the EAEU in the centre of its Greater Eurasian strategy, the results to date are highly limited.



Furthermore, given the continued sensitivity to Russia's regional dominance, they have sought to balance its power by maintaining and developing bilateral relations with key external partners, such as China and the EU. While interest in developing EU-EAEU relations has been shown, the support for a mega-deal has increasingly become a matter of rhetoric. Instead, in December 2015, Kazakhstan completed a bilateral non-preferential agreement with the EU aiming to strengthen political dialogue and promote mutual trade and investments. In November 2017, Armenia signed a Comprehensive Partnership Agreement (CEPA) with the EU. Both agreements exclude matters falling within the core competences of the EAEU, such as tariff regulation. Nonetheless, CEPA contains extensive commitments related to services, investment and sectoral regulatory approximation, while both frameworks chart an ambitious agenda which can be developed by the bilateral bodies set up under the respective agreements. This dynamic is also seen in relation to dealing with China and its Belt and Road Initiative. Kazakhstan, for example, has been keen to pursue its own 'linking' agenda to receive Chinese investment for projects outlined in its 2014 *Nurly Zhol* state programme.

Despite the constraints of the EAEU framework, this preference for bilateralism can be expected to grow stronger not least because of Russia's own actions. Moscow supplements the EAEU framework with its own bilateral arrangements: the FTA with Vietnam contains a chapter on services and investment which applies only to Russia; similarly, Moscow is discussing its own Russia-China bilateral agreement on the Eurasian Economic Partnership.<sup>9</sup> Such actions make the geopolitical utility of the EAEU framework even more transparent, but also send a signal to its EAEU partners.

## Conclusions

Despite Russia's effort to place the EAEU in the centre of its Greater Eurasian strategy, the results to date are highly limited. The EU, being the largest trade partner of the EAEU's members, has to date refrained from recognising the EAEU or entering into a mega-deal with it.<sup>10</sup> At a symbolic level, China has shown greater flexibility. President Xi committed to stating that 'China supports Russia's active efforts to advance the integration processes within the EAEU', thus securing the external recognition desired by the Kremlin.<sup>11</sup> This step was a major concession given Beijing's preference for developing relations within the format of the Shanghai Cooperation Organisation where its economic dominance is manifest. Yet, the impact of this has proven limited, with Beijing's preference for dealing directly with Astana (or Nur-Sultan, as recently renamed), Yerevan or Minsk in plain view. Other Asian partners have been sceptical about the opportunistic nature of Russia's commitment, in particular, its propensity to strike 'unconnected bilateral deals exacerbated by a lack of follow through', raising doubts about its long-term commitment 'once other opportunities beckon'.<sup>12</sup>

Thus, it is hard to conclude that the EAEU will be a defining actor in any Greater Eurasian Partnership framework. Its instrumental role for Russia has been important. However, both its institutional set-up and its record so far have shown that it is unlikely to replace the complexity of bilateral relationships in Eurasian politics. ■

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# THE LINCHPIN OF EURASIA: KAZAKHSTAN AND THE EURASIAN ECONOMIC UNION BETWEEN RUSSIA'S DEFENSIVE REGIONALISM AND CHINA'S NEW SILK ROADS

Moritz Pieper

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Kazakhstan remains caught between Russia and its 'Greater Eurasia' vision on the one hand and the Belt and Road Initiative on the other, and does not want to exclude partnerships with Western governments either.

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**K**azakhstan sees itself as the linchpin of Eurasia and has long been a staunch supporter of cross-border initiatives that help alleviate its disadvantages as a landlocked country. The government was therefore quick to embrace the construction of new rail and road links as part of China's overland 'Silk Road Economic Belt' (SREB) after Chinese president Xi Jinping came to Nazarbayev University in Astana in September 2013 to announce the creation of new economic corridors across Eurasia as part of the 'Belt and Road' Initiative (BRI).<sup>1</sup> The creation of a new 'Eurasian' order, however, will likely be the outcome of the interaction between China's new Eurasian policies, Russia's various foreign policy concepts (including its 'Greater Eurasia' vision), and other regional actors' reactions, including Kazakhstan's.

## Kazakhstan within the BRI

On Xi's visit, China and Kazakhstan signed contracts worth US\$ 30 billion. Some of the investments, now rebranded under the BRI banner, predate the launch of the initiative: China had already made substantial investments in the energy sector in the 2000s, e.g. competing with Russian companies Transneft and Gazprom, well before Xi launched the BRI initiative.

The announcement of the BRI was convenient timing for Kazakhstan, as the government had embarked on its own government spending programme, Nurlı Zhol, to kick-start the economy after the 2008-9 financial crisis and the depreciation of the Tenge, the national currency. Infrastructure investments were seen as a complement to the country's "Kazakhstan 2050" strategy for economic diversification.<sup>2</sup>

Even though Nurlı Zhol predates the BRI, officials have quickly identified potential synergies between both frameworks. In September 2015, on a state visit to Beijing, President Nazarbayev then formally aligned Nurlı Zhol with the SREB by signing a declaration on a docking ('*sopriazhenie*') of the two frameworks. What this means in practice is harder to pinpoint, but there is talk of some 48-51 projects.<sup>3</sup>

According to a joint plan issued in 2016, the three top priorities of Chinese-Kazakh economic cooperation are investments in transport infrastructure, trade, and the manufacturing industries.<sup>4</sup> Chinese funding for Kazakh infrastructure development primarily goes into the railway and road connections to increase transborder trade.

A new dry port for westbound cargo has been built at the Kazakh-Chinese border for the transshipment of Chinese trains. Like most European trains, Chinese trains operate on a track gauge of 1.435 meters, while the track gauge in countries of the former Soviet Union, such as Russia, Belarus and Kazakhstan, is 1.52 meters. Consequently, freight containers entering Kazakhstan from China need to be shifted onto the wider track gauge by cranes. With six parallel railway tracks, the Khorgos port has an efficient handling capacity. And after China ratified the UN's International Road Transports (TIR) Convention in 2016, special bloc trains can be sealed with certificates that obviate the need to inspect the contents at each border crossing. Transcontinental trains en route to Europe began transiting Khorgos already in the summer of 2015.

## **Kazakhstani critiques of Chinese business practices**

China's investments in Kazakhstan are not without criticism, however. These usually involve a loan given by one of the Chinese policy banks (Chinese Development Bank and Exim Bank in most cases), which requires that the recipient (and guarantor) of the loan reinvest the money in a project that involves a Chinese contract partner.<sup>5</sup> The Chinese partner involved either provides EPC (engineering, procurement, construction)—which in essence is a turn-key operation—or EPCF (engineering, procurement, construction and financing). The Kazakh Samruk-Kazyna national fund then functions as the investor.<sup>6</sup> Large projects often stipulate a minimum of Chinese content (49 %) as

part of interest-bearing concessional loans. Such 'concessions' in the form of project oversight hardly benefit the local economy.

Local protests in Kazakhstan in 2016 over a land reform bill (and similar reactions to a perceived Chinese attempt to lease Kazakh agricultural land already in 2010) further drove home the message that Kazakhs are concerned about Chinese labour migration and that more soft power efforts are needed to counteract a simmering Sinophobia. The 2016 legislation would have extended the maximum lease on farming land for foreigners from 10 to 25 years. Any foreigners would have been eligible under the terms of the law, but the public outburst was directed at China. Popular protests quickly formed against the legislation, which was seen as paving the way for a Chinese land grab. In a rare retreat, the Kazakh government had to suspend the proposed legislation, the agriculture minister resigned, and Prime Minister Karim Masimov even issued a public apology for the government's handling of the land reform bill.<sup>7</sup>

## **Multilateralising China's influence in the region**

A key transit hub for China, Kazakhstan is also a member of the Eurasian Economic Union (EAEU). The EAEU, as a regional integration project with supranational institutions, theoretically reduces customs duties and eliminates non-tariff barriers between member states. This opens Kazakhstan up to a bigger regional market while protecting domestic industries from the competitive prices of imported Chinese products. Kazakhstan also makes money from the transit of goods coming from China (even though infrastructure maintenance costs might eat up the revenues from transit). At the same time, Kazakhstan's geographic location at the crossroads of other Central Asian markets, as a transit country for at least two of China's economic corridors in the BRI framework (China-Central and West Asia, and

the new Eurasian land bridge), and as a recipient of Chinese outward direct investments and increased cross-border commerce are all ostensible benefits for the Kazakh economy.

In terms of tariff policies, the EAEU is an instrument to contain China's economic influence in the region, as it ties recipient countries of Chinese imports and investments like Kazakhstan to the operating rules of a customs union. EAEU external tariffs will no longer be imposed unilaterally by Kazakhstan after the government committed to raise its external tariffs in order to converge towards the higher Russian tariff when it became a member of the Eurasian Customs Union (ECU).<sup>8</sup> Trade, however, remains a member state competence and there are EAEU tariff harmonisation exceptions until 2024 that were agreed upon when Kazakhstan joined the WTO in November 2015.<sup>9</sup>

A 2015 Valdai report argued that cooperation between China's SREB and the EAEU could mark the birth of the 'Central Eurasian Moment'.<sup>10</sup> Officially, both Russia and China have embraced a discourse of inter-regional economic cooperation. In May 2015, Russia and China signed two economic framework declarations,<sup>11</sup> and prospects for greater convergence between the SREB and the EAEU were also on the agenda of the Shanghai Cooperation Organisation (SCO) summit in July of the same year, but concrete projects have not yet gotten off the ground. Unofficially, Russia – the predominant actor within the EAEU – is not interested in the prospect of an FTA between the EAEU and China. A compromise was found for the declaration of May 2015, where paragraph II.4 speaks of an FTA between the EAEU and China as a 'distant goal'.<sup>12</sup>

The Kazakh government does not support the idea of a Free Trade Area between China and the EAEU either. The free-trade agreement signed in Astana in May 2018 between China and the EAEU is non-preferential, meaning that tariffs remain in place. The government's language on free trade between China and the EAEU therefore sounds rather non-

committal. At the Belt and Road Forum in May 2017 in Beijing, President Nazarbayev vaguely applauded the idea of a common economic space as follows: 'The Silk Road Economic Belt can advantageously link the platforms of the SCO, the EAEU and the European Union in a single regional territory of prosperity.'<sup>13</sup> Embracing the idea of enhanced cross-border trade in general, such language brushes over the partially incompatible complex regulatory frameworks of the different projects involved.

Russia and Kazakhstan have their own disagreements over the EAEU too. Former President Nazarbayev has criticized the 'politicisation' of the Eurasian Economic Union, has refused to devolve trade policy competences to the EAEU's Commission, and has resisted Russian attempts to give the EAEU a bigger say in security and defence matters.<sup>14</sup>

The perception that Russia uses the EAEU to advance political (rather than purely economic) objectives was further nurtured by the fact that there are BRI-EAEU working groups that bring together Russian and Chinese officials before policy discussions are taken to an enlarged format that comprises all five EAEU members.<sup>15</sup> In other words, Russia implicitly speaks on behalf of the EAEU in these groups.

## **Kazakhstan within the 'Greater Eurasia' paradigm**

Kazakhstan signed an Association agreement with the European Union and is working with the EU on its Central Asia strategy. As a bridgehead state in Central Asia, Kazakhstan has been receptive to ideas of pan-continental connectivity projects. Russia's 'Greater Eurasia' concept is one such example of a vision of regional order that comes with foreign policy implications for Kazakhstan. With its 'Greater Eurasia' vision, the Russian government seeks to create a common space in Eurasia in concert with other influential powers like China, but where Russia remains an indispensable power pole. It

has replaced the earlier 'Greater Europe' vision and has positioned Russia as a self-perceived counter-hegemonic actor in opposition to the West. On a discourse level, Russia's 'Greater Eurasia' narrative is partly also a response to China's BRI: It reclaims the public discourse over Eurasian order and dilutes China's economic domination in the form of a pan-continental, and vague, vision of a 'Greater Eurasian partnership' to potentially include actors as varied as EAEU member states, India, China, Pakistan, or organisations such as the SCO and ASEAN.

Here, Russia's narrative of 'Greater Eurasia' is not necessarily congruent with Kazakhstan's idea of its own 'multi-vector foreign policy', which entails an equidistance between Russia and China. Kazakhstan's location as a geostrategic "hub" at the crossroads of the SREB and the EAEU means that it is at the sharp end of frictions between the main sponsors of the two projects: Russia and China. For the first time in modern history, Russia's power is receding while China has already replaced Russia

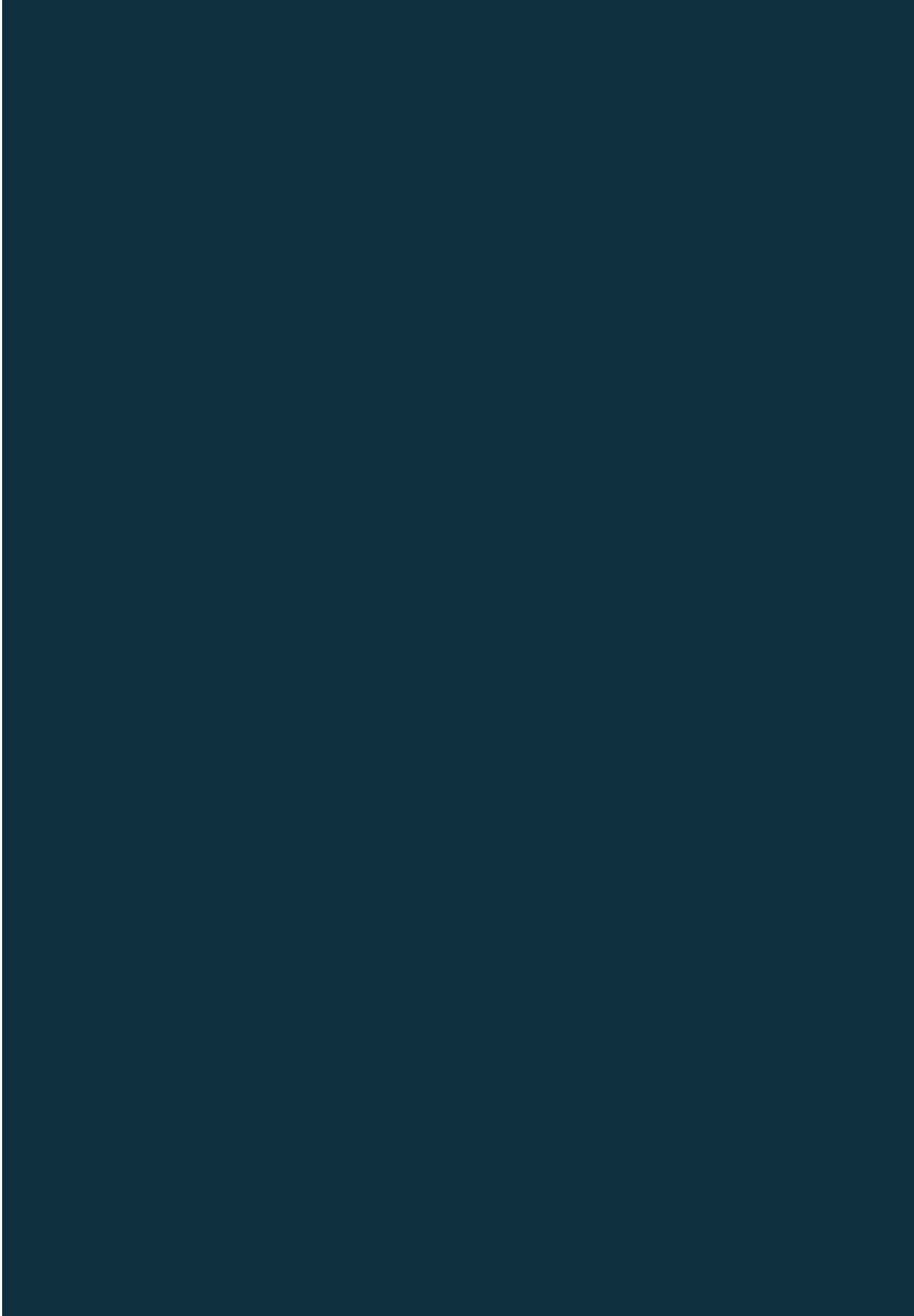
as the region's most important trading partner. So far, however, Russia's long-standing cultural ties with Central Asian states, their shared Soviet history and memory politics, and a common language all continue to give Russia lasting influence in the region, alongside its significant military presence and predominance in the Collective Security Treaty Organisation (CSTO).

Nevertheless, Russia's Greater Eurasia paradigm will still not be the silver bullet to solve its or its region's difficult identity questions. Pressures on Kazakhstan in particular will still remain. Kazakhstan remains caught between Russia and its 'Greater Eurasia' vision on the one hand and the Belt and Road Initiative on the other, and does not want to exclude partnerships with Western governments either. China's growing profile in Central Asia in particular represents a tectonic geopolitical shift in the making of a new Eurasian order, which both Kazakhstan and Russia hope to be able to co-manage in one way or another. ■

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