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THE EURASIAN ECONOMIC UNION (EAEU): HOW SECURITY THREATS WITHIN AND SURROUNDING REGIONS CAN IMPAIR THIS RUSSIAN-LED VENTURE

Abstract

Russia is trying to advance regional integration and economic growth through the Eurasian Economic Union (EAEU). Although, the group has five members but Russian predominance is evident here. It signed trade agreements and ventured into connectivity projects with different parties. There are questions on probable impacts of integration projects like the International North-South Transport Corridor (INSTC) or Belt and Road Initiative (BRI) on the EAEU as they have many parallels and perils involved. For the bloc to compete with the EU, inherent weaknesses, namely in politics, economy, security and foreign policy, etc., stand in the way. The EAEU remains rather vulnerable to multifarious threats from within, nearby regions and partners; for example, Russia's tensions with neighbours and mutual distrust with the EU, the Eastern Partnership (EaP)'s proposal of greater interaction with (excepting Russia) and membership for EAEU and Caucasus states, Iran's troubles with Arab countries, the US, and China's disputes over maritime regions, trade practices, Taiwan, Hong Kong, the Syrian War and participation of Caucasus separatists there, etc., can have remarkable effects on the EAEU. Persistence of these threats may even challenge the bloc like those founded and led by Russia in the past.

Keywords: EAEU, Russia, NATO, China, BRI, Caucasus, EU, EaP

1. Introduction

After recovering from post-Soviet mayhem and resultant calamities, Russia has actively been pursuing restitution of its strong presence in regional and global fora. Besides application of diplomacy and flexing military muscles in some instances, the country has undertaken expansion of economic cooperation through establishment of regional blocs, in this case, the Eurasian Economic Union (EAEU), which aims at boosting Russia's economic relations with ex-Soviet republics of Central Asia and the Caucasus with whom it shares extensive historical ties in many aspects. The EAEU came into being in January 2015 and presently has five members—Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia. The most influential member here is Russia, be that in political, military or economic power

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and influence. Although formal leadership rotates among members and is not limited solely to Russia, who is enthusiastic and active about promoting this bloc. It was initiated mainly by Russia, nevertheless, given member countries' geographical proximity, longstanding relations, affinity of interests, Eurasia's vast resources and other prospects, if can function properly, is expected to enhance economic positions of all members. It is often viewed as Russia's effort to set up a substitute of the European Union (EU)¹ despite the EU being a much older, established body with some of the largest economies in the world. On the contrary, the EAEU, launched in 2015, is yet to attain that standing; and except for Russia, other members do not have troublesome/volatile relations with the EU either.

Meanwhile, there have been other initiatives for promoting regional, even global connectivity and commerce linkages, like the Chinese Belt and Road Initiative (BRI), the EU's Eastern Partnership (EaP), International North–South Transport Corridor (INSTC), etc. All these visibly touch regions Russia is or feels interested about. The country is already a member and strong supporter of the BRI; it is also a founding member of the INSTC. Still, it remains profoundly concerned about the Eastern Partnership, particularly due to ex-Soviet bloc countries of Eastern Europe assuming EU and North Atlantic Treaty Organization (NATO) memberships. Its tensions with the NATO and their eastward enlargement persist while Western reactions about the BRI are often reserved, notably from the United States (US) and several of its allies; some allies are positive about the scheme, e.g., Italy joined this and China launched a rail route linking Yiwu with London. Conversely, Eurasia itself and nearby regions have cases of prolonged bloodshed, e.g., wars in Ukraine, Afghanistan, separatism in the Caucasus, Russia's strained relations with Georgia after the Russo-Georgian War (2008), debate over recognition of Kosovo, spread of the Islamic State (ISIL), etc., are some potent security risks that can create grave troubles in these regions.

In such complex situations, there may arise several queries regarding the EAEU; for example, how does it overlap with other connectivity/integration initiatives and can they reduce its scope/importance? Will the bloc be viable enough to compete with the EU? As Russia has considerable discontent with some neighbours (e.g., Georgia, Ukraine and Moldova) and Western countries also, shall the bloc help improve or aggravate these relations? What impact may extant and future political-military security risks have on the EAEU? Main argument here is, the EAEU as a regional grouping, remains susceptible to a range of threats from within, neighbouring and even partner countries that can prove sufficiently detrimental leading to failure. This article, therefore, expects to contribute in drawing attention

¹ Agnieszka Konopelko, "Eurasian Economic Union: a challenge for EU policy towards Kazakhstan", *The Asia Europe Journal*, 2018, p. 01.

to such risk factors (political and military solely) involving the EAEU, how and what impact they may have on this initiative.

Answers to these questions have been sought here. It is a qualitative research based on secondary materials, e.g., books, journals, newspapers, online sources, etc. It frequently mentions Russia, the country's relations with proximate neighbours (namely, Georgia, Ukraine and Moldova), the EU in discussing about the group (EAEU) and other related issues. It has six sections. First is the introduction. The second section describes the EAEU, its origins, nature, structure, later developments and present status. The third examines whether it is a Russian project, the country's vision behind establishing it, how it crisscrosses with other similar enterprises, e.g., the BRI or INSTC, whether and how they may affect its importance. The fourth will discuss if the bloc can compete with the EU as well as Russia's relations can improve or worsen with that group. The fifth tries to show how existing and future risks from within and adjoining regions may impact the EAEU. The sixth section will conclude the paper with some remarks.

2. The EAEU: Evolution

The EAEU was initiated in the 1990s after the Union of Soviet Socialist Republics' (USSR) demise. Its idea was first proposed by the then Kazakh President Nursultan Nazarbayev in 1994 in a speech at the Moscow State University.² In January 1995, Belarus, Russia, Kazakhstan, Tajikistan and Kyrgyzstan signed treaties for a customs union. A year later, Belarus, Tajikistan and Kyrgyzstan signed another treaty to expand integration into humanitarian and economic fields. In 2000, the Eurasian Economic Community (EURASEC) was founded. They, since 2003, began working on elaboration of legal framework for the Common Economic Space.³ Belarus, Kazakhstan, Russia and Ukraine signed a treaty on a single economic space in 2003 and ratified in 2004, but the Orange Revolution in Ukraine (November 2004-January 2005), hindered this process.⁴ In October 2007, they signed a treaty for setting up combined customs territory and customs union. The global economic recession of 2008 prompted search for new modes of mutual assistance, sustainable economic development, lessen dangers to economies and promotion of economic strategies. In January 2010, the Customs Union began their initial work and since July 2011, as a

² Serdar Yilmaz, "Eurasian Economic Union: a regional economic hegemony initiative", *Journal of Eastern European and Central Asian Research*, Vol. 4, No. 2, 2017, p. 04.

³ Viktor Khristenko, *Eurasian Economic Integration: Facts and Figures 2015*, EEC Press Office, Moscow, Russia, 2015, p. 07.

⁴ Graeme P. Herd, "Russia and the 'Orange Revolution': Response, Rhetoric, Reality?", *Connection: The Quarterly Journal*, 2005, p. 22.

full-fledged body after forming a common customs territory.⁵ All customs borders were removed and the Eurasian Economic Space was founded in 2012. On 01 January 2015, the EAEU treaty became functional replacing the EURASEC; Armenia joined the EAEU on 02 January and Kyrgyzstan on 08 May 2015.⁶

In October 2016, the EAEU-Vietnam free trade area agreement was signed. In December that year, EAEU heads of states signed the Declaration on the bloc's digital agenda, forming the basis of integration of development in digital sphere. The EAEU, besides five full-fledged members, has observer (Moldova), prospective members (Mongolia, Syria, Tajikistan, and Uzbekistan), agreements on free trade zone (with China, Iran, Vietnam, Serbia, and Singapore) and identical agreements under negotiation (with Cambodia, Chile, Egypt, India, Indonesia, Israel, Thailand, Tunisia, and Uzbekistan). It is striving to establish broader economic relations with different blocs and countries, e.g., the Association of South East Asian Nations (ASEAN), Mercado Común del Sur (Southern Common Market/MERCOSUR), the Andean Community (both in South America), and the EU; individual countries include Argentina, Canada, Greece, Japan, Morocco, New Zealand, Pakistan, South Korea, etc.

2.1 *Nature, Structure and Administration*

The EAEU is an international organization with regulatory framework emphasizing regional and economic integration. It respects and operates within international law, sovereign equality of member states and their territorial integrity, different political structures, endeavours to ensure principles of market economy and fair competition, and refrain from measures that may hamper achievement of its goals—a) to create conditions for stable economic development of members and improve the living standards of their people; b) build a common market for goods, services, capital and labour within the EAEU; c) comprehensive modernization, cooperation and competitiveness of national economies within the global economy. It can engage in cooperation with states, organizations, integrated associations, and independently or together, conclude agreements on matters corresponding to its competence.⁷

The EAEU is, more or less, modelled on the EU⁸ as an organization. Its institutions include the Supreme Eurasian Economic Council (SEEC, comprised

⁵ Khristenko, *op. cit.*, p. 07.

⁶ Yevgeny Vinokurov, "Eurasian Economic Union: Current State and Preliminary Results", *Russian Journal of Economics*, Vol. 3, Issue 1, 2017, p. 57.

⁷ "Treaty on the Eurasian Economic Union", available at https://www.wto.org/english/thewto_e/acc_e/kaz_e/WTACCKAZ85_LEG_1.pdf, accessed on 28 February 2021.

⁸ Ian Bond, "The EU, The Eurasian Economic Union and One Belt, One Road: Can They Work Together?", *Policy Brief*, Centre for European Reform (CER), London, UK, March 2017, p. 03.

of the heads of states from members), the Eurasian Intergovernmental Council (comprised of heads of governments from members), the Eurasian Economic Commission (EEC), the EAEU Court, and the Eurasian Development Bank (EDB). The SEEC is the highest supranational agency in the EAEU. Its functions are: to evaluate the bloc's objectives and activities, make important decisions, determine apposite strategies, directions, prospects for formation and development of the Union. Decisions are taken on the basis of consensus and are binding for all members.⁹ Alexander Lukashenko, President of Belarus, is the present chairman of SEEC. The Eurasian Intergovernmental Council is formed with heads of governments from member states. It works for ensuring implementation and management processes of the EAEU treaty, international agreements within the EAEU and decisions of the SEEC, approve draft, regulations and reports on performance of the EAEU budget, and mandates necessary instructions to the EEC.¹⁰

The EEC is the EAEU's executive body. It has a council and a board. The council is headed by a president and decisions are taken on consensus. For the board, each EAEU country nominates two representatives. Tigran Sargsyan, former Prime Minister of Armenia, currently chairs the board. It develops and compiles proposals from member states for further integration. The EEC, aided by several advisory bodies, aims to create conducive environment for the effective operation of the Eurasian Customs Union, the Single Economic Space and submit proposals to speed up integration process.¹¹

Similar to the European Court of Justice (ECJ), the EAEU also has a court named Court of the Eurasian Economic Union, for dispute resolution. Its other functions are to ensure uniform application of the EAEU treaty by members and bodies, international treaties within the bloc and those with third parties, decisions of EAEU bodies. It consists of two judges from each member, appointed for a term of nine years by their respective heads of governments. Its official language is Russian and headquarters are in Minsk, Belarus. Zholymbet N. Baishev, from Kazakhstan, is the court's incumbent president.

The EDB works to facilitate economic growth and market economies, promotion of trade and other economic ties in member states through investments, support national economic priorities with maintaining focus on integration.¹² Besides all EAEU members, there is Tajikistan here. Membership is open for

⁹ "Treaty on the Eurasian Economic Union", op.cit.

¹⁰ Ibid, pp. 16-19

¹¹ Viktor Khristenko, *Eurasian Economic Integration: Facts and Figures 2013*, Moscow: EEC Press Office, 2013, p. 26.

¹² "Eurasian Development Bank Strategy 2013-2017 (revised)", available at https://eabr.org/upload/docs/strategy_eng_17-05-2017.PDF, accessed on 28 February 2021.

extra-regional countries and organizations. It operates through the council and the board. The EDB's head office is in Almaty, Kazakhstan, has a branch in Saint Petersburg, Russia and representative offices in all member states. It also administers the Eurasian Fund for Stabilization and Development (EFSD)¹³. Its members are same as those of the EDB. The EFSD Council is formed with the acting finance ministers of each member, makes principal decisions on mobilization of resources and related issues. Russia and Kazakhstan are EFSD's biggest contributors with US\$ 7.5 billion and 01 billion, respectively. The rest are Belarus-10 million, Kyrgyzstan, Tajikistan and Armenia-01 million each. It was founded for assisting members to overcome negative effects of crises, ensure long-term sustainable development, and foster economic integration among them. It uses three mechanisms to achieve these aims: financial credits, investment loans, and grants for supporting projects in social sectors.¹⁴ Its total capital now stands at around US\$ 8.513 billion.¹⁵

2.2 *Later Developments and Present Status (2018-current)*

The EAEU after launching, signed various agreements with other countries, groups and undertook initiatives to promote integration. The EAEU Customs Code came into effect in January 2018. Other agreements in 2018 include China-EAEU agreement on trade and economic cooperation, interim agreement with Iran on free trade area, EEC-ASEAN Memorandum of Mutual Understanding. Trade turnover between these two blocs grew 11.5 per cent in 2018.¹⁶ Moldova became an observer in the EAEU in May. In December 2018, the EEC-MERCOSUR Memorandum on Trade and Economic Cooperation was signed, listing areas for broader trade relations, customs administration, technical supervision and standardization.

The EDB's priority target industries between 2018 and 2022 include: infrastructure (transport and utility), electric power, chemical and petrochemical, mechanical engineering, metallurgy and mining, oil and gas, agro-industrial complexes, financial sector and information technologies. Besides, the EFSD disbursed over US\$ 217 million in financial credit, loans and grants to Belarus, Kyrgyzstan and Armenia for various development projects.¹⁷ In 2019, several

¹³ Eurasian Development Bank, *Annual Report of the EURASEC Anti-Crisis Fund Resources Manager 2010*, Kazakhstan, 2010, p. 02.

¹⁴ "Eurasian Fund for Stabilization and Development Annual Report 2017", available at https://efsd.eabr.org/upload/iblock/c5b/EABR_AR_2017_EFSD_EN-1_.pdf, accessed on 28 February 2021.

¹⁵ Y. Vinokurov, A. Efimov and A. Levenkov, *Eurasian Fund for Stabilization and Development: A Regional Financing Arrangement and Its Place in the Global Financial Safety Net*, Moscow: Eurasian Development Bank, 2019.

¹⁶ Center for Integration Studies, "Eurasian Economic Integration-2019", Moscow: Eurasian Development Bank, 2019.

¹⁷ "Eurasian Development Bank Strategy for the period from 2018 to 2022", available at <https://eabr.org/>

countries showed willingness and signed trade agreements with the EAEU, e.g., Cambodia, Singapore, Serbia,¹⁸ Iran,¹⁹ Israel, Egypt, etc. There is a possibility of EAEU free trade agreement with the Gulf Cooperation Council (GCC). In January 2020, Russia showed keen interest about India's admission into the EAEU.²⁰ In March, South Korea and Russia held discussions on free trade agreement in service and investment sectors.²¹ As of May 2020, the bloc kept up discussions and negotiations for expanding partnerships with Israel, Egypt and India.

This discussion shows that the EAEU has many similarities with the EU in terms of structure and objectives; for example, free trade, dispute resolution mechanism, socioeconomic development, regional integration and equivalent institutions established for these purposes. Both blocs emerged after a crucial paradigm shift, i.e., the EU after the Second World War and the EAEU after the USSR's collapse. They also have free trade agreements with countries and alliances beyond their localities. While the EU has become a noteworthy example worldwide concerning regional cooperation and integration (even absorbed several ex-communist countries), how far the Russian-led EAEU, having many commonalities with the EU, can materialize its stated goals, remains topic of speculation.

3. Is the EAEU a Russian Project?

The idea of the bloc was first floated by Kazakhstan and there are five members currently in it; but Russia is the most prominent member, biggest contributor to various related initiatives, has the largest territory, population and GDP²² in the EAEU. Total military spending of other members makes up less than 4 per cent of that of Russia.²³ They had all been under imperial Russia and the USSR for long; the Russian language, besides in the EAEU itself, has official status in other regional groupings, like the Commonwealth of Independent States (CIS), Collective Security Treaty Organization (CSTO), and Shanghai Cooperation Organization (SCO; here alongside Chinese). When Russia intervened in Ukraine in 2014, other EAEU members showed separate reactions to Western economic sanctions on Russia, it

upload/iblock/d06/FINAL_eng_strategy.pdf, accessed on 28 February, 2021.

¹⁸ World Bank Group, *Kazakhstan Economic Update, December 2019: Sustaining Growth Momentum*, Washington, D.C.: World Bank, 2019.

¹⁹ Amat Adarov and Mahdi Ghosdi, "The Impact of the EAEU-Iran Preferential Trade Agreement", *Working Paper*, No. 179, *The Vienna Institute for International Economic Studies*, 2020, p. 10.

²⁰ Dipanjan Roy Chaudhury, "Russia pushes India's entry into Eurasian Economic Union strengthening third country coop", *The Economic Times*, 05 January 2020.

²¹ "Seoul, Moscow hold FTA talks for service sector", *The Korean Herald*, 23 March 2020.

²² Rilka Dragneva and Kataryna Wolczuk, *The Eurasian Economic Union: deals, rules and the exercise of power*, The Royal Institute of International Affairs, London, UK, 2017, p. 07.

²³ Jeronim Perović, "Russia's turn to Eurasia", available at https://css.ethz.ch/content/dam/ethz/special-interest/gess/cis/center-for-securities-studies/pdfs/PP6-5_2018.pdf, accessed on 28 February 2021.

unilaterally sanctioned them.²⁴ With its leading role in regional affairs including in the EAEU, the bloc can be called a Russian project, and the country's overwhelming presence is clearly visible here.

Russia has for long been greatly interested in Central Asia, Eurasia and East Europe (post-Soviet states) considering these as its sphere of influence.²⁵ But with the USSR ceasing to exist, there was loss of vast amounts of territory, manpower, and resources. This made it more vulnerable against Western influence and expansion too, as many former constituents in the bloc, notably Poland, Czech Republic, Bulgaria, Hungary, Romania, etc., had become NATO members and opposed equally towards the country. There was no common ideological (communism), military (Warsaw Pact) or economic (Council for Mutual Economic Assistance—COMECON) bonding factor to keep them together, which could no more of any use, and restore Russia's previous commanding authority over those countries. Aside from NATO expansion (and encirclement) near its borders, the EU's Eastern Partnership (2004) and Eastern Neighbourhood Policy (2009) brought more concerns. Hence, the country put its own integration enterprise forward, the EAEU; it continues to actively seek new members or tries to deter new members from developing deeper economic ties with the EU, at least.²⁶

3.1 *The EAEU's Connection/Overlap with Other Integrations Projects*

The EAEU is a regional platform for expansion of development cooperation, connectivity and integration; nonetheless, given the resource bases in its members (all are rich in minerals), their locations along the ancient Silk Road, physical nearness and relations with Europe, China, growing efforts to establish broader ties with various countries and organizations, mean their interests and aims may become interlinked more. For example, the BRI of China proposes nearly analogous goals—free trade, seamless connectivity and infrastructural development, open membership, economic cooperation and integration, etc. Some of its proposed land corridors include EAEU members, like Kazakhstan, Russia and Belarus in the New Eurasian Land Bridge (in its Chongqing-Xinjiang-Europe Railway segment), the China-Mongolia-Russia Corridor running from northern China to the Russian Far East, Armenia, Kyrgyzstan and Tajikistan in the China-Central Asia-West Asia Economic Corridor. The EAEU

²⁴ Ibid.

²⁵ Hannes Adomeit, "Russia and its Near Neighbourhood: Competition and Conflict with the EU", available at https://www.coleurope.eu/sites/default/files/research-paper-covers/adomeit_0.jpg, accessed on 28 February 2021.

²⁶ Esther Ademmer, Laure Delcour and Katarzyna Wolczuk, "Beyond geopolitics: exploring the impact of the EU and Russia in the 'contested neighborhood'", *Eurasian Geography and Economics*, Vol. 57, No. 1, 2016, p. 01-02.

wants to strengthen trade linkages with other countries and blocs, for which the BRI connectivity can be a valuable apparatus. The 21st Century Maritime Silk Road can also provide landlocked Central Asian members of the EAEU with easier access to sea, particularly for trading with the ASEAN. As the EAEU is situated between Europe and China, the latter can trade more comfortably with European countries via land routes.

Russia, Iran and India jointly initiated the INSTC, a multimodal transport network of rail, roads and shipping routes, in 2002. Other members are Armenia, Tajikistan, Oman, Belarus, Azerbaijan, Ukraine, Kazakhstan, Turkey, Kyrgyzstan and Syria. In this endeavour, besides all EAEU members, three (Oman, Syria and Iran) are from Western Asia/the Middle East. Iran-EAEU relations are already close. Rail routes in the INSTC go through Azerbaijan, Iran, Russia, Kazakhstan, India and Armenia while maritime routes are on the Caspian coast, in Iran and India. If fully implemented, it may well serve the EAEU's goals of boosting trade and development cooperation with other regions by easing their access to the Persian Gulf and the Indian Ocean.

The EU's Eastern Partnership (EaP) has been extended under the European Neighbourhood Policy²⁷ to Armenia, Belarus, Georgia, Moldova, Ukraine and Azerbaijan. This enterprise aims at acceleration and expansion of political and economic ties (including free trade agreements) between the EU and its partner countries.²⁸ Priority areas are: democracy, good governance and stability; economic integration and convergence with EU policies; energy security; people-to-people contacts and improved mobility; and more effective connectivity. From its objectives/focal areas, the EaP seems to have interests overlapping with those of the EAEU, e.g., increased economic interactions with the EU, greater transport and business linkages, infrastructural development, efficient management of energy resources, etc. But Russia has not been welcoming of the initiative and rather, views it with suspicion as a ploy for EU's expansion into what it thinks its own sphere of influence.²⁹ Furthermore, the country fought Georgia in 2008, annexed Crimea in 2014, and the Ukraine conflict still goes on, resulting in critical deterioration of relations with them as well as the EU. Thus, despite having comparable aims, amid Russia-EU distrust and subsequent unstable nature of bilateral relations, the EAEU and Eastern Partnership may not be complementary to each other.

²⁷ Johann Wolfschwenger, "10 years Eastern Partnership—The EU and its Strategic Dilemma", available at <https://www.oegfe.at/policy-briefs/10-years-eap-strategic-dilemma/?lang=en>, accessed on 28 February, 2021.

²⁸ Pavel Barakhvostov and Andrei Rusakov, "Eastern Partnership countries and Eurasian countries in 2012-15", *Journal of Economic Integration*, Vol. 32, No. 4, 2017, p. 807.

²⁹ Ian Bond, "Contested space: Eastern Europe between Russia and the EU", available at https://www.cer.eu/sites/default/files/pb_eastern_part_IB_9march17.pdf, accessed on 28 February 2021.

Whether and how the BRI, INSTC or EaP can affect the EAEU's importance, may be subject for debate. All EAEU countries support the BRI, are members of the Asian Infrastructure Investment Bank (AIIB), and have comprehensive relations with China in various spheres which also fall within the purview of the EAEU's objectives. The bloc has several agreements with other countries, probable members from different parts of the globe and the EDB has open membership policy for different entities; but owing to lack of diversification in sectors of economic activities (arms and energy industries mostly) and Russia-West hostilities, the EAEU may not be as appealing as the BRI, since the latter has transnational targets and plans of connectivity compared with the former's regional one, has much higher financial capacity and many of EAEU's ventures are crisscrossed with BRI's, particularly regarding infrastructure and communications.

The INSTC, albeit not an EAEU programme, can help augment the bloc's significance as EAEU countries are also its members with Russia being one of the founders and the scheme intends to open prospects of multilateral trade with other countries. Its transport routes are vital for that purpose and can also facilitate infrastructural development in member states. But there are numerous threat factors again: the ongoing war in Syria and visible Russo-Turkish involvement in it, occasional violent clashes erupting between Armenia and Azerbaijan, Russia-Ukraine tensions, Iran's enmity with neighbours and the US, may render the INSTC itself into becoming unusable, disrupt the EAEU's objectives, and put its viability into question, which is bound pretty much to happen, if and when an organization/venture is unable to deliver on pledges, or members find it not suitable for fulfilling their demands and interests.

Will the EaP become challenge to the EAEU? There are possibilities. It calls for partnership with Armenia, Belarus, other countries of East Europe and the Caucasus but not with Russia. The country views the EaP may complicate integration process between and among EAEU members.³⁰ The EaP's intended reforms in partnership countries may not be attained under their current political system, and they have not been equally responsive although are interested about free access to the European Single Market. In December 2019, an EU resolution in Tbilisi, Georgia, suggested memberships for Georgia, Moldova and Ukraine and spoke on hybrid threats they faced from Russia.³¹ If the EaP succeeds in adding them (for strained relations with Russia) and other EAEU countries as members, who are to fulfill the EaP's conditions yet, they may not be willing much to retain affiliation with the EAEU, and thus put the bloc itself into abysmal predicament.

³⁰ Andrei Zagorski, "Eastern Partnership from Russian perspective", *Journal for International Relations and Global Trends*, No. 3, 2011, p. 41.

³¹ "Resolution on the Future of the Trio Plus Strategy 2030: Building a Future of Eastern Partnership", *International Politics and Society*, Official Journal of the European Union, 24 April 2020.

4. Can the EAEU Compete with the EU?

The EAEU has not been in existence as long as the EU. It aims so far for economic development, but politics and other matters hold importance when question of competition between these two comes up. First, in contrast to the EU, the EAEU is an economic integration initiative and not a political one; its stated goals say nothing about politics or military issues. The EU has relatively more political stability than the EAEU that contributed immensely to its stature of a crucial actor in global affairs. Notwithstanding their vast differences in economic, political and military power, EU members enjoy fairly equal representation or weight, whereas the EAEU has political uncertainties along with evidently huge differences between Russia and other members; autocratic governments, high rate of corruption, conflicts involving members, e.g., the one in Nagorno-Karabakh between Armenia and Azerbaijan, Russia's aggravated relations with Georgia and Ukraine after wars with them, anti-Russian allegations of fuelling separatist movements in these two, etc., can further obstruct the EAEU to become an effective coalition like the EU.

Freedom of expression for people and the press is regularly quelled with force in some EAEU countries; dissidents and civil society groups therein face similar difficulty.³² Protests by citizens against their governments are common. This generates more instability for a somewhat new association that is in development process and likewise, persistence of instability will further weaken it from emerging as a successful one, which means, the EAEU will continue to fall back when competing with the EU.

The EAEU has been styled after the EU, but unlike them, it so far does not have any defence/military security mechanism. It lacks uniform foreign and security policies also, as members maintain their individual ones. This is another drawback for the EAEU, because differing stances by members on defence, security and foreign policy issues may wane the group's cohesion, necessary for a successful union. The EU has the Common Foreign and Security Policy (CFSP);³³ the Council of the European Union oversees this policy and the Common Security and Defence Policy (CSDP) while the European Council oversees the Command and Control Structure (C2 Structure). Consequently, with absence of such important frameworks at internal, regional or extra-regional level, the EAEU may not become as influential and functional like the EU has been.

³² Eugene Rumer and Bogdan Belej, "Belarus: With Friends Like These", available at <https://carnegieendowment.org/2017/05/31/belarus-with-friends-like-these.-.-pub-70135>, accessed on 28 February 2021.

³³ Annegret Bendiek, "A Paradigm Shift in the EU's Common Foreign and Security Policy: From Transformation to Resilience", available at https://www.swp-berlin.org/fileadmin/contents/products/research_papers/2017RP11_bdk.pdf, accessed on 28 February 2021.

The EU faces no parallel regional or extra-regional group (which may try to interfere, spread their influence and reduce the EU's; Russia has regularly accused of trying, but it is a country only and not a group) in Europe and remains highly influential in world affairs too. On the contrary, the EAEU has not still attained such position, and exclusive of Russia, other members do not have the required capacity. Though Russia is a major power, foremost actor in the EAEU, as such in Eurasia and Central Asia, it is not the only player there. China has emerged as another key player in these regions with its much greater economic might. It is Turkmenistan's largest creditor, holds nearly 50 per cent of Tajikistan's US\$ 2.8 billion foreign debt, over 40 per cent of Kyrgyzstan's US\$ 04 billion foreign debt, and became the second largest trading partner of Armenia. After Kyrgyzstan's economy was plagued by COVID-19 outbreak, the country sought Chinese assistance and not from Russia. Even Russia itself has seen growing dependence on China for some time. Moreover, there are other actors whose involvement or role may not be as high as that of Russia or China, nevertheless, deserve to be mentioned; among them are, Turkey (role in political, economic and ethnic issues), South Korea (political and economic), Japan (economic, human resource development and security), the UAE and Saudi Arabia (economic) etc.³⁴ If these up-and-coming extra-regional challengers can assume higher position in these regions that will undermine the EAEU's own, especially Russia's. The EU does not face such a situation in its domain, either from within or outside, which facilitates its smooth functioning.

Although the EAEU aims at boosting trade among members and globally, it still falls far behind the EU in these sectors. For example, intra-EU trade (goods exports) was € 3,061 billion in 2019. The bloc has about 15 per cent share in global trade in goods.³⁵ By contrast, such trade for the EAEU was merely US\$ 59.72 billion in 2018.³⁶ In global trade, the EAEU's share is only 2.2 per cent.³⁷ Here, the prior limitation for this grouping steps in once more, i.e., age-old reliance on traditional sectors—military equipment, minerals, energy resources, textiles and chemicals to some extent, whereas the EU economies are highly diversified. In the EAEU, only Russia is ahead of them in the weapons, energy and spacecraft industries. The country in recent times, though lagging behind European neighbours, made some

³⁴ Paul M. Stronski, "There Goes the Neighborhood: The Limits of Russian Integration in Eurasia", available at <https://carnegieendowment.org/2020/09/16/there-goes-neighborhood-limits-of-russian-integration-in-eurasia-pub-82693>, accessed on 28 February 2021.

³⁵ "International trade in goods: statistics explained", available at https://ec.europa.eu/eurostat/statistics-explained/index.php/International_trade_in_goods_-_a_statistical_picture, accessed on 28 February 2021.

³⁶ "Eurasian Economic Commission: figures and facts 2019", available at http://www.eurasiancommission.org/ru/Documents/year_2019.pdf, accessed on 28 February 2021.

³⁷ "EAEU Trade and Geopolitics amidst a Slowing Global Economy and the Rearrangement of International Relations", available at <https://roscongress.org/upload/medialibrary/fab/eaEU-trade-and-geopolitics-amidst-a-slowing-global-economy-and-the-rearrangement-of-international-relatio.pdf>, accessed on 28 February 2021.

progress in software industry; other EAEU members could not. But allegations of cyber security can land Russian IT sector in severe trouble and spoil the progress. Common currency and central bank still do not exist in the EAEU as opposed to the Euro and the European Central Bank (ECB) of the EU. In addition to these, EAEU members are not planning a monetary union unlike the Euro.³⁸ None of them wants to allow the Russian ruble as the common currency due to its unsteady nature and retain use of their own national currencies in its place.³⁹ Since the union has no common central bank, there is no authority to supervise its monetary policies.

The EAEU continues to evolve but with so many arrangements not being present, it is not likely to appear as a viable competitor for the EU in near future. The same logic applies to the question whether formation of this group will help improve or cause further deterioration of Russia-EU bilateral relations. In spite of tough sanctions and economic downturn going rampant, Russia did not resolve its disputes with three neighbouring countries. With the EU, difficulties keep on mounting as well. The country's use or preference of military methods as solution for quashing disagreements, dealing with threats, safeguarding and promoting interests, is in significant opposition to the EU's application of diplomacy in most cases. Even if the EU and Russia truly engage on a collision course, role of the rest of the EAEU, who will be in dire straits, is uncertain. Neutrality or taking part—both will be harmful for them. They will be unable to oppose either the bloc leader Russia or the EU, with whom they desire to expand relations and receive more benefits. When a new alliance or individual tries to confront a far more prominent, experienced and longstanding counterpart, that generates strife, particularly when they have many goals in common; in light of these, it can be said the EAEU will not help improve relations with the EU, but in reality, do the contrary.

5. Potential Impact of Risks from Within, Nearby Regions and Partners

The EAEU has a vital geopolitical location. This region contains huge bases of important resources and many potential routes for enhancing transport connectivity. But at the same time, there are conflicts here and in regions close by, which can jeopardize the group and thus, disrupt attainment of its goals to a great extent.

³⁸ Nargiz Sadikhova, "No single currency for EAEU countries", available at <https://en.trend.az/business/economy/3124925.html>, accessed on 27 April 2020.

³⁹ Golam Mostafa and Monowar Mahmood, "Eurasian Economic Union: Evolution, Challenges and Future Directions", *Journal of Eurasian Studies*, Vol. 9, Issue 2, 2018, p. 169.

5.1 *Intra-EAEU Threats and Russia-EU Troublesome Relations*

To start with, the EAEU is often termed as a Russian strategy to bring its former ascendancy back over post-Soviet countries.⁴⁰ This may not be, however, utterly baseless; after personally taking leadership of the EAEU in 2012, President Vladimir Putin said his stated goal would be to create a Russian-led trading bloc and counterweight to the EU. A year later, Russia pressed Armenia not to sign an association agreement with the EU. The annexation of Crimea in 2014 worried Kazakhstan intensely, as northern part of the country has a substantial ethnic Russian population and Russia has long history of interfering there.⁴¹ Putin in his speech at the State Duma in 2014, said Kazakhstan did not even exist as a state before 1991.⁴² When a more powerful member of a bloc tries overtly or covertly to enforce its own choices on other members, that bloc is obviously going to become dysfunctional and thus, contentions involving EAEU members themselves can pose serious challenges. Russia also has antagonized neighbours; after warring with Georgia in 2008, it recognized South Ossetia and Abkhazia but Georgia does not. Despite attempts for normalizing relations, anti-Russian protests again broke out in Georgia since June 2019.⁴³ Russo-Ukrainian bad blood rages on in eastern and southern Ukraine, along with Russia being under hefty sanctions from the West; it supports Moldova's troubled region of Transnistria⁴⁴ although Moldova is an observer in the EAEU and one of the three (besides Georgia and Ukraine) to whom the European Parliamentary Assembly/EURONEST openly called for granting EU membership.⁴⁵ If that happens, Russia's fear of encirclement by the EU (and NATO too) will come true and create more unease. Both Armenia and Azerbaijan are prospective EaP members; there is the unrecognized, separatist Republic of Artsakh, which Azerbaijan claims to be its own and Armenia continues to back it. Russia and Belarus are witnessing complications in their mutual relations too. Russia is Belarus' largest trading partner. Despite being close allies and having formed a union state, there have been rifts over oil and gas prices and supplies, debts of Belarus, trade restrictions and Russian border controls.⁴⁶ In February 2020, Russia refused further oil subsidies for Belarus.

⁴⁰ Nadezhda Arbatova, "Three faces of Russia's neo-Eurasianism", *Survival*, Vol. 61, Issue 6, 2019, p. 21.

⁴¹ Paul M. Stronski, op. cit., pp.04-05.

⁴² Stephen Blank, "The Intellectual Origins of the Eurasian Union Project", in Stephen Frederick Starr and Svante E. Cornell (eds.), *Putin's grand strategy: the Eurasian Union and its discontents*, Washington, D.C.: Central Asia-Caucasus Institute, Paul H. Nitze School of Advanced International Studies (SAIS), and the Silk Road Studies Program, Institute for Security and Development Policy (ISDP), 2014, p.18.

⁴³ Madeline Roache, "Georgians have now been protesting Russian interference for a week: here's why", *Time*, 27 June 2019.

⁴⁴ Eilish Hart, "Tensions are growing in Moldovan-Russian relations: here's why", *Hromadske International*, 02 October 2019.

⁴⁵ "Resolution on the Future of the Trio Plus Strategy 2030: building a future of Eastern Partnership", op. cit.

⁴⁶ "Belarus: An Overview", available at <https://crsreports.congress.gov/product/pdf/IF/IF10814>, accessed on 28 February 2021.

It should be noted the US Secretary of State Mike Pompeo visited Belarus just a week prior to this refusal incident. Since then, Belarus seems to have become rather inhospitable towards the aforementioned union state.⁴⁷ It also complained of being pressured by Russia for the merger.⁴⁸ These tensions and conflicts have probabilities of complicating further, and their perilous aftermath may not remain limited within the bloc merely.

Russia and the EU continue to hold each other in profound mistrust. While Russia accuses them of causing destabilization through expansion into its domains or perceived sphere of interest and persuading close-door countries to join that group, the EU similarly accuses Russia of subverting them through clandestine means, e.g., espionage and propaganda. They allege the country is doing these to spawn divisions within the EU and undermine liberal values.⁴⁹ There have been cases and accusations implicating Russia for cyber security attacks or breaches, meddling in elections, attempts and assassinations by poisoning in European countries. As right-wing governments and groups gain more ground in some European countries and other parts of the globe, the EU's allegations on Russia are getting stronger. Hungary and Poland, over their governance, have nowadays become notably critical of the EU; Hungary is broadening its relations with Russia.⁵⁰ Even, Britain's exit from the EU is seen as due to Russian interference.⁵¹ NATO's eastward expansion has been a recurring displeasure for Russia who strongly opposes and forbids countries in its vicinity from joining either the NATO or EU, e.g., Ukraine⁵² who, after planning for association agreement with the EU, has been in massive turmoil since Russia's intervention in 2014. Promotion of digital connectivity, free trade and energy business are important goals of the EAEU. But Russia continues to be blamed for cyber-attacks and also uses energy resources as tools against EU countries when needed. These can bring open conflicts. The NATO will intervene in case of any real confrontation which will place NATO and Russia at war with each other; moreover, barring Russia, other EAEU members do not have necessary abilities and reasons to engage in or wage warfare as for having no animosity with the EU or NATO. Thus far, there have not been open combats, but apprehensions or likelihood cannot be

⁴⁷ Andrew Higgins, "Putin rejects oil deal with Belarus, increasing pressure for merger", *The New York Times*, 07 February 2020.

⁴⁸ "Belarus being forced to merge with Russia, president says", *The Daily Sabah*, 27 February 2020.

⁴⁹ Alina Polyakova, Marlene Laurelle, Stefan Meister and Neil Barnett, "The Kremlin's Trojan Horses", available at https://www.atlanticcouncil.org/wp-content/uploads/2016/11/The_Kremlins_Trojan_Horses_web_0228_third_edition.pdf, accessed on 28 February 2021. ,

⁵⁰ Daniel McLaughlin, "Hungary defends Putin ties as Orban eyes more cooperation", *The Irish Times*, 30 October 2019.

⁵¹ Dan Sabbagh and Luke Harding, "PM accused of cover-up over report on Russian meddling in UK politics", *The Guardian*, 04 November 2019.

⁵² Gustav Gressel, "Russia's Ukraine policy: change to stay the same", available at https://ecfr.eu/article/commentary_russias_ukraine_policy_change_to_stay_the_same/, accessed on 28 February 2021.

ignored amidst so yawning distrust between two neighbouring blocs; and the EAEU seems, will suffer worse as regards its comparatively lesser capacities in various points.

5.2 *Turkey, Saudi Arabia, UAE in Eurasia and Their Dissonance*

Turkey has been emerging as an important player in Eurasia, and like Russia, keen to spread and maintain influence there. In the Nagorno-Karabakh conflict, Turkey keeps up explicit backing for Azerbaijan and Armenia receives Russian backing. While Russia claims to work or justifies its actions for safeguarding rights of Russians living in post-Soviet countries, Turkey also invokes ethnic, cultural, linguistic and religious ties with Central Asia and Eurasia. For now, Russia-Turkey bilateral relationship is quite good; on the other hand, there has been distance growing between Turkey and its Western allies, for example, concerning Turkey's bid for EU membership and recognition of the Armenian Genocide. Albeit a NATO member, it purchased the Russian *S-400 Triumph* air defence system after being rejected the *MIM-104 Patriot* anti-missile defence system from the US.⁵³ It has showed interest in the INSTC. Moreover, nationalistic narratives and sentiments are steadily growing in Turkey and Russia for some years. Like Russia is accused of trying to revive the USSR or the Romanov Empire under Putin,⁵⁴ Turkey is also alleged of attempting to reinstate the bygone Ottoman Empire under President Erdogan.⁵⁵ These two countries may not presently have any direct confrontation in or over Eurasia, but there is no permanent enemy or friend in politics either. Russo-Turkish relations have seen many ups and downs for centuries; erstwhile empires of both countries covered Eurasia and they fought series of wars against each other (the Russo-Turkish Wars). If there reemerges any clash between them in the course of intensifying supremacy here at present or in future, that will not only take horrible tolls on themselves, but also spell devastation on the EAEU in particular and Eurasia as a whole. This may also come from the growing bitterness of relations among Turkey, Saudi Arabia and the UAE (i.e. during the Qatar Diplomatic Crisis and the Jamal Khashoggi assassination), who have varying degrees of involvement in Eurasia nowadays.

⁵³ Grzegorz Kuczyński, "What's next for Turkey's NATO membership after s-400 purchase?", available at <https://warsawinstitute.org/wp-content/uploads/2019/10/Turkeys-NATO-Membership-After-S-400-Purchase-Warsaw-Institute-report.pdf>, accessed on 28 February 2021.

⁵⁴ Chaim Shinar, "Vladimir Putin's aspiration to restore the lost Russian Empire", *The European Review*, Vol. 25, No. 4, 2017, pp. 648-653.

⁵⁵ Amelia Sullivan, "Unconditional surrender: the rise of President Erdogan and the end of Kemalist Turkey", *History in the Making*, Vol. 11, No. 5, 2018, p. 31.

5.3 Risks Posed by Partner Countries' Disputes: China, India and Iran

China is a crucial affiliate of the EAEU and Russia's ally as well. It has severe disputes about the South and East China Seas, trade practices, charges of spying, human rights issues, etc., with regional and extra-regional countries. Disputes have deepened of late over Taiwan, Hong Kong, and Chinese weapon modernization. Frontier skirmishes with India flare up occasionally. China and India have close relations, are members in the Brazil-Russia-India-China-South Africa (BRICS) group, the SCO, etc.; even then, their acrimony does not subside. India did not join the BRI expressing suspicion and voiced stern reservation about the China-Pakistan Economic Corridor (CPEC)⁵⁶ calling it a security risk. Eruption of a Sino-Indian war will substantially endanger the EAEU; as these two countries are its vital partners and bloc leader Russia has wide-ranging relations with them both in many sectors; not only shall the bloc's goals, initiatives (including those linked with the BRI) and potentials incur heavy damage but also produce a dilemma about whom to support, primarily for Russia. In the present Syrian Civil War, Russia and Iran are directly involved. The war created thousands of refugees, contributed to the eponymous crisis in Europe, and helped spread the ISIL there. Within the EAEU's very own boundary, the Caucasus, it operates under the name ISIL-Caucasus Province (ISIL-CP). Armed separatist groups from the Caucasus, e.g., *Ajnad-al Kavkaz* (Soldiers of the Caucasus), the Crimean Jamaat, *Ansar-al Sharia*, *Hay'at Tahrir al Sham* (Assembly for the Liberation of Syria, HTS), etc., are active in Syria.⁵⁷ If they return and restart insurgency movements at home, that will be debilitating for the EAEU, as countries here and in surrounding regions have regularly been prone to wars. Iran has longstanding discords with some of the Arab countries and the US on many cases. In late May 2020, it sent oil tankers to Venezuela⁵⁸ though both are under strict US sanctions. It borders the Middle East, the Caspian Sea, Central Asia, Afghanistan and Eurasia; hence, conflicts involving Iran can spread into these areas which can in turn, affect the EAEU too.

6. Concluding Remarks

The EAEU was created with a view to ensuring economic growth and connectivity through greater regional cooperation among former USSR countries. Kazakhstan was its first proponent and there are four other members, but Russian prevalence sustains. The group undertook various measures to promote intra-EAEU

⁵⁶ Huma Siddiqui, "India expresses concerns over China-Pak Economic Corridor, says J&K integral part of the country", *The Financial Express*, 10 September 2019.

⁵⁷ Caleb Weiss, "Transformative networks: the case of North Caucasian and Central Asian jihadist networks", *Illini Journal of International Security*, Vol. 3, No. 1, 2017, pp. 55-57.

⁵⁸ "Iranian oil tankers reach Venezuela in defiance of US", *The Independent*, 25 May 2020.

integration and membership is open for others, which have interested and attracted many potential groups and countries. It also has taken transport linkage development projects, notably under the Chinese BRI. Together with Iran and India, Russia founded the INSTC containing members from different parts of the world and EAEU countries are also members here. The bloc carries on dialogues and negotiations for establishing free trade agreements with various parties. There can be questions however, on how the EAEU be overlapping with and/or affected by the BRI and INSTC. While they may benefit the EAEU, the INSTC can become unusable due to the Syrian War, Iran's feuds with Gulf countries and the US. Besides, the BRI's far superior financial strength, geographical reach and range of issues covered, can lessen or largely overshadow the EAEU's importance due to the latter's basic weaknesses and intertwined, common connectivity routes.

The EAEU can be called a Russian project in reference to the country's overall stature, immense differences with other members and influence on the group. It was founded on the EU model, but has to go a very long way to successfully compete with them. The bloc lacks adequate political stability, multifaceted economy, high internal trade, a common currency and a central bank, organized frameworks for defence, security and foreign policy affairs. Members here have serious deficit of trust on Russia; the country's aggressive attitudes and acts often remind of its totalitarian past, e.g., Putin's remarks about Kazakhstan, esteem for the USSR and Romanovs, intimidation and aggression against countries who want to join or expand relations with the EU (like, pressuring Armenia and warring with Ukraine), etc. It is claimed the EAEU is an instrument of Russia's neo-imperialism in the name of regional integration.⁵⁹ What is more, other post-USSR bodies set up by Russia, namely the CIS, CSTO, SCO, etc., are not linked with the EAEU, as contrary to the NATO-EU linkages; these add into the EAEU's shortcomings and impedes from vying with the EU.

The bloc may not in reality, help improve relations with the EU. The EAEU's stated goals are purely economic so far and nothing political or security is mentioned. Huge differences exist between Russia and other EAEU members; there are internal conflicts involving members, e.g., the Nagorno-Karabakh war between Armenia and Azerbaijan, Russia's heavily disturbed relations with neighbours (with Georgia and Ukraine after wars), with Moldova over Transnistria, oftentimes uneasy Russia-EU relations are some recurring concerns; another concern for Russia is (ex-USSR) countries planning to join the EU or NATO. The EU on the other hand, views the EAEU as an attempt of reviving the USSR. This may have been buttressed by Russia's wars with neighbours and President Putin's declaration of establishing a

⁵⁹ Ksenia Kirkham, "The formation of the Eurasian Economic Union: how successful is the Russian regional hegemony?", *Journal of Eurasian Studies*, Vol. 7, Issue 2, 2016, p. 114.

bloc similar to yet expected for countering the EU. In such apprehension and mutual distrust, relations can complicate further between the two neighbouring blocs in lieu of improving.

Existing and potential security risks can severely imperil the EAEU. First is Russia-EU misgiving of each other. Both sides blame one another for destabilization and subversion, although other EAEU members have no hitch with the EU. The EaP initiative proposes widening political-economic interactions with the EAEU (excluding Russia), some ex-USSR states and membership for three countries Russia has turbulent relations with. The country remains gravely wary of the EaP and believes it aims at luring countries near its borders away to the EU, hence, tightening the encirclement. In the same way, the EU accuses Russia of espionage, misinformation and interference into their affairs. These charges have not produced open conflicts to date, but possibilities stay on.

Even though the EAEU's vital geographical position and rich resource bases offer ample opportunities for integration and economic growth but simultaneously, just like Russia-EU tensions and ensuing risk factors in that case, threats emanating from within the bloc, nearby regions, and some partner countries can greatly challenge and undermine its prospects. Russia's relations with Georgia and Ukraine have already nosedived and may become tenser with Moldova. The Nagorno-Karabakh war goes on unresolved between Armenia and Azerbaijan with occasional flare-ups. Russo-Belarus frictions are growing too. After Russia rejected oil subsidies, Belarus imported oil from the US via Klaipeda in Lithuania.⁶⁰ This can prompt the EU to seek more convenient sources for energy, Russia will lose its leverage and such fissures can surely fail a bloc, if not worse. The EAEU may suffer also from disputes involving partners, e.g., Iran's rivalry with Arab countries and the US, China's stressed relationship with India and others on a variety of issues, the ongoing Syrian war and involvement of insurgent groups there from the Caucasus, fear of their return and resuming separatist movements at home, growing presence of UAE, Turkey, Saudi Arabia in Eurasia who lately engaged in diplomatic row, Turkey's invocation of ties with Central Asia and inconsistent Russo-Turkish relations—can have crippling impacts on the EAEU.

In the past, Russia founded several regional and international bodies, for instance, promotion of global communism, the Eastern Bloc, COMECON, Warsaw Pact, etc., where its primacy was always obvious. The EAEU is also Russia-led, faces compelling vulnerabilities and shortcomings. Despite having vast resource bases, the group could not make any noteworthy mark on global trade. Its potentials

⁶⁰ Andrius Sytas, "U.S. oil for Belarus reaches Europe as country seeks to stand up to Russia", *The Financial Times*, 05 June 2020.

to compete with the EU can be debated. Political instability, inequality among members, and security concerns in the EAEU may discourage prospective partners while existing members may depart for availing EU membership. Russia itself has been under heavy sanctions after annexation of Crimea; this is not positive sign for a grouping whose leader itself has various problems and also similar issues to address with neighbours. These enduring challenges, internal and external alike, if push the EAEU towards a fate similar to that of earlier institutions Russia set up and led, that will be hardly something unusual.