

# ➤ Executive Summary

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The recent crisis in Ukraine cast a spotlight on those countries located between Russia and the EU, a region that had long existed beneath the radar of international politics. Indeed, even its name remains indeterminate: the term 'post-Soviet' is too encompassing (it could also designate Estonia or Tajikistan) while the notion of 'Eastern Europe' has long lost any geographical anchor. Instead, this space is often named after regional powers' attempts to shape it: as the EU's 'Eastern Neighbourhood' or as Russia's 'Near Abroad'. The new region-building endeavour pursued by Russia through Eurasian integration frameworks is a crucial development in this regard.

On the 29 of May 2014, Russia, Belarus and Kazakhstan signed the Treaty establishing the Eurasian Economic Union (EEU), which extends the provisions of the existing Eurasian Customs Union (ECU) and comes into being in 2015. This integration regime has been lauded by Russian President Vladimir Putin as a new, better version of the European Union, and castigated by US Secretary of State Hilary Clinton as a new form of the Soviet Union. This report shows that it is neither. The EEU is a modern and far-reaching attempt at economic integration, but one that is weakened by internal and conceptual contradictions. What was designed as a geo-economic framework is increasingly becoming a geopolitical issue. In attempting to counter the influence of the EU's alternative integration regime (the Eastern Partnership), Russia has shifted its diplomacy from persuasion to coercion, and Moscow is increasingly resorting to using the EEU as a foreign policy tool. The countries of the *entredoux* – literally, something placed between two things – are being forced to face to a geopolitical choice they had been trying to avoid, or at least to defuse. Divisive domestic politics, separatism, structural dependencies and the economic and political calculations of internal actors are key factors mediating and complicating their choice. This report focuses on these issues that are too often overlooked in the debate on Russia-EU regional competition.

Reviewing the architecture and content of the ECU, Rilka Dragneva and Kataryna Wolczuk show that there is something genuinely new about this Eurasian integration format: it is based on advanced and substantive customs legislation and it has put in place a complex set of institutions. They also highlight systemic fault lines, such as the top-down drive for integration, the insufficient attention paid to reforming domestic institutions, and the growing geopoliticisation of the project at the expense of economic rationalisation. In their historical review of Russia's integration policies in Eurasia, Timofei Bordachev and Andrei Skriba emphasise this geopolitical component. They argue that the EEU has been developed in reaction to the 'colour revolutions' movements and to EU neighbourhood policies, with the overarching objective of reasserting Russia's great power status by consolidating its regional influence.

In this context, the countries of the region stand at different junctures: Belarus is a member of the EEU while Armenia has announced it will become one. Moldova, Georgia and Ukraine, by contrast, are due to sign an Association Agreement (AA) with the EU, a move that would rule out joining the EEU at a later stage. Yet many uncertainties remain with regard to these positions, and careful analysis of the local situations guards against binary and definite characterisations. All of these states exhibit a degree of ambivalence with regard to the two competing integration regimes.

Balázs Jarábik and Anaïs Marin argue that, rather than being genuinely committed to EEU integration, Belarus has adopted an 'extractive posture'. Minsk sees its membership as a way to obtain economic subsidies from Russia and to, potentially, turn the country into an attractive hub (notably for Western investors). As Laure Delcour explains, Armenia's decision to join the EEU is above all driven by security considerations and by various structural economic dependencies on Russia. Despite this, Yerevan has adopted a constrained and reluctant 'declarative' attitude towards Eurasian integration, and has continued to insist on a (doubtful) complementarity with the EU economic regime.

For Moldova, Florent Parmentier emphasises that while the government has clearly opted for association with the EU, it faces internal pressure from the opposition and separatist forces, as well as external pressure from Russia. A referendum where 98 percent voted in favour of joining the EEU was organised in the autonomous region of Gagauzia, and signing the AA with the EU might entail the complete loss of Transnistria. In Georgia, the majority of the population leans towards the EU and diplomatic relations with Russia have been profoundly strained, particularly since the 2008 military conflict. Thornike Gordzadze nonetheless notes that paradoxically the new government has adopted a more favourable discourse towards the ECU out of domestic political calculations, notably to reach out to the conservative base of its electorate and to weaken the main opposition party.

Ukraine stands out as both the most pivotal and the most polarised state in the region. Susan Stewart provides an authoritative account of the political and military crisis that made headlines over the last few months. She demonstrates how a geopolitical choice forced on a divided and poorly governed country led to a dramatic turn of events and to increased polarisation. Right up until his regime's demise, Viktor Yanukovych tried to play Russia and the EU off against one another in an attempt to maximise economic rewards.

The EU's Eastern Partnership and the new Eurasian integration formats will – in themselves and by competing – greatly shape the futures of the countries of the *entredoux*. In this report's concluding contribution, which assesses the structuring effects of this rivalry on region-building, David Cadier argues that the Ukraine crisis has made ambivalent and balancing strategies increasingly impossible to sustain. Moscow's resort to coercive measures and its growing geopoliticisation of Eurasian integration formats has changed the nature of this competition, and has prompted the EU to accelerate its own offer. Countries of the region thus find themselves forced to choose between Russia and the EU, a choice that several of them have long sought to avoid for fear of placing their territorial integrity at risk. While these internal divisions are unlikely to dissipate in the short run, the coterminous expansion of the two regional frameworks will inaugurate to the end of the *entredoux* as we know it. ■