

## THE EURASIAN ECONOMIC UNION (EAEU) AND ITS RELATIONS WITH SERBIA

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*Abstract:* The article looks at how the Eurasian Economic Union (EAEU) came to be, its fundamental ideas, and how its institutions operate. Even though the EAEU has made some progress compared to previous post-Soviet integration efforts, questions remain about whether it will achieve its objectives, and what its prospects are. By examining the main political, legal, and economic characteristics of the EAEU, the EAEU's inherent flaws and how they limit its outcomes are made clear. Despite its proclaimed goal of being primarily an economic integration project, the EAEU has failed to deliver on its promises because it is founded more on geopolitical rather than economic commitments. Internal weaknesses, such as Russian interests in the region, economic challenges within member states, economic and political strength disparities, and general mutual distrust exacerbated by the war in Ukraine, further hinder the EAEU's potential. External challenges, such as the European Union's and China's role in Russia's "near abroad" and extended Western sanctions, impede the EAEU's integration progress. The article also examines certain benefits and the constraints of Serbia's cooperation with the Eurasian Economic Union. By doing this, Serbia's policy to keep moving toward European integration while keeping strong economic and political ties with Russia, an essential member of the Eurasian Economic Union, is considered.

*Keywords:* Eurasian Economic Union, Russia, "near abroad" countries, Serbia.

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## INTRODUCTION

This article focuses on the Eurasian Economic Union (EAEU), established in 2015 to allow Russia and its “near abroad” neighbors to deepen their economic cooperation. It examines the EAEU’s development, ideas, core principles, and recent outcomes. According to the Eurasian Economic Union Agreement, it has an international legal personality as a regional international organization. Unlike earlier attempts at integration, it has made some progress. Still, concerns remain about its effectiveness, whether it will achieve established goals and the issues it faces. The article identifies the EAEU initiative’s inherent issues whilst considering Russian interests in the region, the current status of the member states, the disparity in their economic and political power, and the overall mutual distrust exacerbated by the war in Ukraine. When considering the Eurasian Economic Union, one should be aware that the process of integration in the post-Soviet space is a complex, multi-layered phenomenon. This is, above all, the result of the fact that these countries have a common history, which is why they share challenges and open issues that can only be resolved through close cooperation. Despite their primary goal of improving economic cooperation between former Soviet republics, these integration projects are also driven by Russia’s political and geopolitical objectives, as well as other member states’ expectation of retaining some of the benefits of cooperation with Russia, such as preferable energy prices. Therefore, the integration arrangements initiated by Russia can be seen as a means of preserving and restoring the political and economic dominance of the post-Soviet space, especially in regard to foreign policy and security. Because of this, its geopolitical component must also be considered alongside its economic component. By keeping in mind the EAEU’s geopolitical background, the relations between the member states and the prospects of its further development can be better understood. It is important to remember that Russia has always been in charge of the project because of its great landmass and its historical, economic, and political importance in the region. Russia also hoped to gain more influence through the EAEU by cooperating on an equal basis with the European Union and other regional integration projects. However, Russia’s position in post-Soviet Eurasia and its efforts to strengthen integration ties with its neighbors are conditioned by the interests and policies of other important external actors, primarily the European Union (EU) and China. Relations between Russia and the EU and other Western countries have worsened since the start of the Ukrainian conflict. This raises questions about whether the EAEU will be sustainable in the long run, whether the sovereignty of its member states is adequately protected, and how this affects Russia’s ability to show itself

as a reliable power in the region in a time of conflict, instability, and competition for power and influence in the post-Soviet space. There is also the question of Serbia's position in relations with the EAEU, taking into account its perspective on a free trade agreement with the EAEU and the fact that it is a candidate for membership in the European Union.

### **THE ROLE OF RUSSIA IN POST-SOVIET INTEGRATION EFFORTS AND THE FORMATION OF THE EURASIAN ECONOMIC UNION**

Roger Kanet (2022) notes that Moscow's view of Russia's role in the world is significant, given that this self-perception is at the core of its foreign policy. The line of thought that argues that Russia is dominant, at least in its immediate neighborhood, has been prevalent in Russia for centuries and continues to shape Russian nationalism and identity. The Soviet Union's disintegration was a significant turning point that led to far-reaching geopolitical changes and served as the impetus for various regional integration initiatives that would involve close economic, political, and security ties. Integration was also crucial for most former USSR countries because they faced many political, economic, and security problems. The first attempt to bring the former Soviet republics together began simultaneously with the dissolution of the Soviet Union. At the beginning of December 1991, the leaders of Russia, Ukraine, and Belarus signed a declaration announcing the end of the Soviet Union and an agreement forming the Commonwealth of Independent States (CIS), which was open to all newly formed states. Considering the historical unity of the people and the ties that have grown between them, it was said that the CIS should help build relationships based on mutual recognition and respect for state sovereignty. Their presidents, along with the other eight former USSR republic leaders, signed a Declaration in Alma-Ata, Kazakhstan, at the end of December that year, stating that the CIS is "neither a state nor a supranational organization." The members will work together "under the principle of equality through institutions for coordination that is set up on a parity basis" (Alma Ata Declaration, 1991). The CIS bases its work on the Charter, approved by the Council of Heads of State on January 22, 1993. The Charter describes the goals and principles of the Community and the rights and responsibilities of the member states. The CIS, however, has not proven to be a sufficiently successful integration project, and some agreements have remained unfulfilled. Regional conflicts, political and ideological tensions, and member-state disputes have all played a role. As a result, the CIS has struggled to build mutual trust and commitment among its members. Although, as Putin said in 2011, one can debate endlessly about its internal problems and unfulfilled expectations, for

Russia, the CIS remains a necessary mechanism for understanding different perspectives and developing a common position on the region's critical issues (Putin, 2011). Although the CIS has achieved limited results, the Russian Federation has continued to lead cooperation amongst the former Soviet republics through multilateral cooperation frameworks. It also tried to take the leadership position in pursuing these countries' security and economic interests. As a result, the CIS can be seen as the basis for Russia's later efforts to integrate the post-Soviet area. Some parts of the CIS's first economic agreement, signed in September 1993, were put into the 1995 Customs Union Agreement. This agreement was meant to remove barriers to free economic cooperation between the countries that signed it so that trade and competition would be fair and accessible. From the early 2000s, when Vladimir Putin became president, Moscow began to advocate for an even more proactive policy toward countries in its "near abroad." Russia has stepped up its efforts to keep its influence in the post-Soviet space, among other things, by strengthening regional integration. In 2000, the Eurasian Economic Community was established in order to further efforts to improve cooperation by unifying legal frameworks and harmonizing economic reform processes. The agreement on its establishment was signed by Russia, Kazakhstan, Belarus, Kyrgyzstan, and Tajikistan and came into effect in 2001 after all five member states ratified it. Russia, Belarus, Kazakhstan, and Ukraine signed the free trade agreement to establish the Common Economic Zone in 2003. Four years later, Russia, Belarus, and Kazakhstan signed the Agreement on the Creation of Common Customs Territory and established Customs Union. These countries abolished internal border controls on the movement of goods in 2011. In January of the following year, they signed the Agreement on creating the Single Economic Space. This agreement aimed to provide a legal framework for harmonizing the economic and trade policies of the signatory states, enabling the free movement of goods, services, capital, and labor, and creating the preconditions for further development of integration. The agreement on the EAEU, which envisaged that the Customs Union would grow into the Eurasian Economic Union, was signed by Russia, Kazakhstan, and Belarus in May 2014 in Astana. When the agreement that created the Eurasian Economic Union went into effect on 1 January 2015, it was more significant than any previous steps taken toward economic integration in the region. Even the idea of the establishment of the EAEU, introduced by the President of Kazakhstan, Nursultan Nazarbayev in 1994, in a speech at the Lomonosov University in Moscow, did not become real until Russia stood behind it (Yuneman, 2020, pp. 62-69). Thus, explaining the vision and goals of the Eurasian Union, Vladimir Putin said in October 2011 that this is a project that "represents a historic turning point...for all countries in the

post-Soviet space.” In addition, he stated that its establishment would take into account the experiences of the EU and other countries’ regional associations “as well as offer a model of a strong supranational association that can become one of the poles of the modern world and at the same time play the role of an effective ‘link’ between Europe and the dynamic Asia-Pacific region” He also stressed that he believes that the Eurasian Union will cooperate “with other key players and regional structures—such as the EU, the US, China, and APEC” to “ensure the sustainability of global development” He also concludes that “an economically logical and balanced system of partnership between the Eurasian Union and the EU can create natural conditions for changing the geopolitical and geo-economics configuration of the whole continent and will have a positive global effect (Putin, 2011). Although the establishment of the EAEU was intended to alter the profoundly static regional integrations that preceded it, it did not result in the necessary supranational dynamics and the formation of the EAEU that Putin described (Sakwa, 2015). In this context, the EAEU can be seen as one of the post-Soviet integration processes used by Moscow to maintain the best possible control over the events in its neighborhood. In short, the EAEU should enhance Russia’s regional control and expand its “geopolitical space” (Kirkham, 2016; Svarin, 2016).

### **THE EURASIAN ECONOMIC UNION’S CORE IDEAS, AIMS, AND INSTITUTIONAL ARCHITECTURE**

The Eurasian Economic Union functions as an international organization with its legal personality. Given that the EAEU is built on the foundations of the Customs Union and the Common Economic Space, the treaty establishing it is intended to systematize its legal foundation. The EAEU Treaty is a legal agreement that, as a technical document, does not include any comprehensive ideology or unique values. According to the Treaty, it should create appropriate conditions for the sustainable economic development of member states to improve the living standards of their citizens. The Eurasian Economic Union seeks to create a single internal market supported by the free movement of people, capital, goods, and services. In addition, it is stated that the EAEU aims to ensure the comprehensive modernization, cooperation, and competitiveness of national economies at the global level. Harmonizing regulations that should coordinate economic policies, remove existing non-tariff trade barriers and reduce disparities between members should contribute to realizing these ambitious goals. The Eurasian Economic Union also sets up a common tariff on imports from the outside and unifies standards for products and services (Treaty on the EAEU, 2014). The EAEU has its powers granted to it by the

Member States that signed the Treaty on the Eurasian Economic Union. The treaty is based on the principle of formal equality of all member states, which remain sovereign and equal subjects under international law. Thus, there is an apparent effort to convince current and potential member states that the Eurasian Economic Union is attractive to all members and does not serve only Russian interests. It also states that the treaty is part of EAEU law, along with all international agreements made within the EAEU, EAEU agreements with third parties, and all decisions and relations made by its bodies (Treaty on the EAEU, 2014; Jović-Lazić & Lađevac, 2019, p. 268). The EAEU institutional framework consists of permanent bodies. The member states are equally represented in the Supreme Eurasian Economic Council, the Eurasian Intergovernmental Economic Council, the Eurasian Economic Commission, and the Court of the Eurasian Economic Union. The presidencies of the Supreme Council, the Intergovernmental Council, and the Commission rotate in the order of the Russian alphabet, with one member state presiding over one calendar year. All bodies make decisions by consensus, except the Eurasian Economic Commission Committee, which may decide by a qualified majority. The Supreme Eurasian Economic Council (Supreme Council) is the essential body of the EAEU, comprising the heads of state who meet at least once a year. It considers critical issues concerning the EAEU, defines the strategy, directions, and perspectives of integration, and makes decisions on how to achieve the goals of the Union. In addition, this body approves the membership of the Commission Committee, assigns responsibilities among the members of the Commission Committee, and revokes their powers. In addition, the Supreme Council appoints the Chairman of the Committee, terminates his powers if needed, and adopts the Commission's rules of procedure. This body also appoints judges of the EAEU Court, approves the budget, budget decrees, and budget reports, and determines the percentage of the member states' share in the budget of the Eurasian Economic Union. In addition, at the initiative of the Intergovernmental Council or the Commission, the Supreme Council considers issues on which no consensus has been reached and may request the opinion of the Court of Justice. This body also decides the order in which new EAEU members join and the termination of EAEU membership (Treaty on the EAEU, 2014). The Eurasian Intergovernmental Economic Council consists of the heads of member states who meet at least twice a year and have a rotating presidency every year. This body has powers in ten areas, including implementation and supervision of implementing the EEA Treaty and approving the draft EEA budget. Member states implement resolutions of the Supreme Eurasian Economic Council and the Eurasian Intergovernmental Economic Council via national legislation. The Permanent Executive Body, the Eurasian Economic

Commission, is the only supranational regulatory forum in the EAEU. The seat of the Commission is in Moscow. It comprises the Commission Council and the Commission Committee. The Commission Council, its main body, consists of Deputy Heads of Government (Treaty on the EAEU, 2014). In contrast, the Commission Committee comprises ministers proposed by the member states who must act as non-political representatives. In addition to these three bodies that make up the legislative and executive branches of the Eurasian Economic Union, there is also the Court of the Eurasian Economic Union. Like the EAEU's permanent judicial body, the court oversees contracts and agreements concluded within the framework of the EEA, as well as respecting and implementing decisions taken at the Union level (Treaty on the EAEU, 2014; Jović-Lazić & Lađevac, 2019, p. 268). The Eurasian Economic Union is a far more ambitious project than earlier Russian integration initiatives in the post-Soviet space. Looking at its fundamental principles, goals, and institutional framework, it is an organization inspired by the EU. The EAEU, however, is not comparable to the EU, despite some similarities. Specifically, while the EAEU, like the EU, has the Eurasian Economic Commission as an executive body in Moscow, the Supreme Eurasian Economic Council as a political body in Minsk, and the Court in Minsk, decision-making within this organization reflects the administrative systems of its member states. It has strong centralization. As a result, a higher-level authority can permanently overturn a lower-level decision, and all "sensitive" and unresolved issues are left to the highest political level (Togt, Montesano, & Kozak, 2015, p. 21). Even though the Eurasian Economic Union was made with the EU model in mind, it is unlikely that it will turn into a similar organization. The histories of the EAEU and the EU are different, and the countries in the post-Soviet space have many economic and political problems. Its members, including Russia, are not ready to relinquish certain powers by leaving them to the supranational level. There are also opinions that an organization led by authoritarian states cannot achieve much in terms of integration. Removing internal barriers to trade and the movement of goods, people, and services usually requires some openness, the rule of law, and economic liberalization. These are not in the best interests of authoritarian governments (Perović, 2019, p. 52). Despite efforts to replicate supranational regulatory frameworks, some claim that the EAEU's focus on member states' primacy has hampered its ability to influence internal dynamics, allowing protectionist measures to persist (Dragneva & Hartwell, 2020). Even though making progress toward a single labor market is critical, given that remittances account for a significant portion of the GDP of its smaller member states, the EAEU has failed to meet essential trade and investment targets, with recent patterns indicating a negative trend. Natural resource exports from Russia are

the most frequent type of bilateral trade in the EAEU. In the EAEU, which doesn't have a lot of modern trade networks, foreign investment has gone more into energy and metals than manufacturing (Yarashevich, 2020). Despite this, the EAEU is also regarded as one of the most well-integrated and structured regional organizations. In that context, it is believed that even though Russia is the most powerful country in the EAEU and may not follow the rules, the EAEU's institutional structure helps smaller countries make up for their material disadvantages (Bolgova & Istomin, 2021, p. 1908).

### **INTERNAL LIMITATIONS OF THE EURASIAN ECONOMIC UNION AND ITS RELATIONS WITH SERBIA**

Although the Eurasian Economic Union has made substantial progress in organization and institution building compared to other post-Soviet integrations, certain internal deficiencies may challenge its future development. These flaws originate primarily from the post-Soviet region's unique characteristics and Russia's hegemony, which constructed the Eurasian Economic Union mainly to improve its position in countries on its periphery and thereby strengthen regional and global influence. One of the Eurasian Economic Union's flaws is that its member states differ substantially in political and economic strength. The EAEU is based on Russia, which has much more power than other member states regarding geographical size, global impact, military force, energy sources, and finance. As a result, Russia is more powerful in all areas, showing how uneven the EAEU is and raising questions about the equality of member states and, by extension, the legitimacy of the union (Kirkham, 2016, p. 112). As a result, even though the 2015 EAEU Treaty requires member states to implement a coordinated, agreed-upon, or standard policy, Russia, which contributed more than 80% of the EAEU budget, has implemented unilateral measures that violate EAEU common law. Economic integration will have a hard time growing if the Russian Federation, which is much more powerful economically, does not care about the interests of its economic partners (Pentegova, 2021, p. 145). Future integration steps will depend a lot on Russia's political will to follow the EAEU's rules and lead the modernizing process of the member states' laws and institutions. Other member states are worried about the unwritten Russian leadership over the project and fear that, as the most powerful and dominant member, Russia will benefit most from it, create pressure or pose a threat to the other member states. In addition, negative historical events from the Soviet period could provoke rejection of a largely Russian-controlled project and deter some countries from EAEU membership (Mostafa & Mahmood, 2018, p. 170). Russia



sought to undercut Ukraine's Association Agreement with the EU by giving Ukraine cheap gas and financial assistance. However, Russia's 2014 activities led to a crisis, the annexation of Crimea, and armed confrontation. Relationships between Russia and Ukraine have been severed. Politically and geographically, Ukraine has been of considerable significance to the EEA, which has transformed its orientation and character. It hurt the EAEU's reputation, weakened the chances of economic growth, and made it less likely that Russia's post-Soviet neighbors would form stronger alliances (Sergi, 2018; Busygina & Filippov, 2021). Alongside Russia, Kazakhstan was the member with the highest enthusiasm and commitment to the EAEU. However, it strongly supported the idea of economic but not political integration while insisting on the principles of equality, sovereignty, and mutual respect of members. With the general deterioration of Russian-Western relations due to the Ukrainian crisis, almost all mentions of eventual political integration inside the EAEU have disappeared from public discourse. Kazakhstan has become even more explicit in its views that cooperation in the EAEU should be exclusively economic and not endanger the country's sovereignty (Yuneman, 2020, p. 70). Thus, Kazakhstan bases its approach on economic pragmatism and believes the EAEU can contribute to its economic growth. Other member states have reasons for joining or working with the Eurasian Economic Union. However, like Kazakhstan, they do not want to see extensive regional integration between countries. Thus, the primary interests of Belarus in joining the EAEU were getting regular delivery of Russian energy at lower prices, privileged customs treatment, preferential loans, and other financial benefits. One of the critical reasons Armenia joined the EAEU was that it relied on the help of Russia, which protects its interests in Nagorno-Karabakh and is the guarantor of its security against Turkey and Azerbaijan, with which it has historical and territorial disputes. Armenia also wanted to ensure a stable supply of Russian oil and gas at lower prices. Kyrgyzstan joined the EAEU because of internal political and socio-economic problems that made it an unstable and vulnerable state. This was because of ethnic tensions, fights between clans and regional elites, and the fast growth of radicalism and Islamic fundamentalism from inside and outside the country (Mostafa & Mahmood, 2018, pp.164-166). As a result, even though some of Russia's "near abroad" countries are now tightly integrated inside the EAEU and other regional organizations, they do not want to give up their political autonomy and want to perceive a clear advantage from cooperation with Russia. Because other member countries' motivations and aims vary from Russia's, their commitment to the Eurasian Economic Union is not visible. They often attempt to decrease EAEU Treaty duties and promote flexibility within the single system. Some argue that, for the time being, the Eurasian Economic

Union is primarily a limited customs union that has succeeded in harmonizing external customs tariffs, eliminating internal customs controls, and delegating tariff decision-making to the union level, and that higher levels of economic or political integration are unlikely to be established (Libman, 2018). Despite being a candidate for European Union membership, Serbia is keen to maintain multilateral economic and political relations with EAEU countries. Serbia began discussions on a Free Trade Agreement with the EAEU at the 2016 Astana summit because of its historical, political, and commercial ties with Russia and its energy requirements. In July 2021, Serbia and the EAEU signed a Free Trade Agreement, which entered into force in October 2021, following ratification by all EAEU member states. Before all parties' confirmation of the agreement, Serbia had bilateral free trade agreements with the Russian Federation, Belarus, and Kazakhstan, accounting for most of its trade with EAEU members. By creating the EAEU, Russia, Belarus, and Kazakhstan forfeited their ability to negotiate separate trade deals with Serbia. Hence, this agreement is mainly symbolic and technical. In addition, the agreement enlarged the preferential regime to include Armenia and Kyrgyzstan, giving Serbia access to a market of 183 million people. In addition to this, the list of goods that Serbia may export freely has been broadened, and export quotas for restricted goods have been raised. The agreement is expected to help Serbia sell more in the EAEU market and attract more investors and exporters from other countries. However, the trade volume between Serbia and EAEU member states is modest, so this agreement will not generate a notable increase in profit. Still, it should be beneficial to all parties. According to Pentegova (2021, p. 147), the Eurasian Economic Union's Free Trade Agreement with Serbia has economic and political significance, as it signifies the expansion of Eurasian integration beyond the post-Soviet space. She further noted how the increasing imposition of Western sanctions against EAEU member states, particularly Russia and Belarus, has created new economic opportunities for Serbia. It is possible that countries such as Serbia will increase exports of goods from domestic producers and suppliers due to the reduced number of Western countries involved in EAEU markets. Although part of Serbian society views cooperation with the EAEU as an alternative to the European path of development, this, in addition to certain economic benefits that this cooperation could bring, is certainly not the case. Serbia will do nothing to jeopardize its biggest foreign trading partner, the EU because it has no genuine alternative to the EU market. 65 percent of Serbia's commodities are imported and exported from EU countries. Like all other candidate countries, Serbia's entry into the EU and access to the common European market will require harmonizing all trade agreements. Harmonization will necessitate the termination of Serbia's existing

international agreements incompatible with EU membership obligations, as stated in the EU common position for the opening of Chapter 30, dedicated to economic relations with foreign countries. Consequently, the free trade agreement between Serbia and the EAEU will have to end.

### **CHALLENGES FROM THE OUTSIDE: THE ROLE AND INTERESTS OF THE EUROPEAN UNION AND CHINA AND IN RUSSIA'S "NEAR ABROAD"**

In 2013, Putin stated that integration with its neighbors is an absolute priority for Russia and that the Eurasian Economic Union is not just a set of mutually beneficial agreements but "a project to maintain the identity of nations in the historical Eurasian space in the new century and the new world." He thought that "Eurasian integration is a chance for the post-Soviet space to become an independent global development center and not stay on Europe and Asia's periphery" ("Transcript: Putin at Meeting of the Valdai International Discussion Club," 2013). In this context, the development of the Eurasian Economic Union can be seen as Russia's effort to prevent the former Soviet republics from economically and politically connecting with the European Union and weaken China's growing economic influence in the region. So, the EAEU can be seen as a kind of alternative that Russia wants to offer to countries in the "near abroad" as a response to the EU's Eastern Partnership initiatives and China's "Belt and Road" initiative, i.e., as another way for Russia to strengthen its position in an increasingly competitive world. The Russian Federation also views the European Union as a geopolitical rival in the post-Soviet space. This became apparent as early as 2000, when Russia made it clear in its Medium-Term Strategy for the Development of Relations with the EU that it had particular interests, such as relations with the CIS that the Union should respect, refraining from anything contrary to its interests in the community and the region. Russia was also concerned about the Eastern Partnership, which the EU established as an instrument for cooperation with its neighbors in Eastern Europe and the South Caucasus (Jović-Lazić & Nikolić, 2011, pp. 45-55). This instrument calls for signing association agreements with the EU. Moscow sees it as a threat that the "near abroad" countries could eventually adopt EU norms and standards, reducing the Russian Federation's influence in those countries (Jović-Lazić, 2020, pp. 404-426). Putin proposed the establishment of a free trade area between the European Union and the Eurasian bloc dominated by Russia. However, even before the crisis in Ukraine, the Eurasian Economic Union and its predecessors were largely ignored in the West or viewed with suspicion as part of Russia's nostalgia for the USSR and

its neo-imperialist projects (Togt, Montesano, & Kozak, 2015, p. 7). Even though it is not a geopolitical project, the Eastern Partnership has geopolitical repercussions. By depending on multilateral and legal agreements to bring about regional changes, the EU has overestimated Russia's reactions to these measures in the post-Soviet region, mainly because Moscow has its own Eurasian Economic Union project. These two competing integration projects clashed in Ukraine (Jović-Lazić & Lađevac, 2021). In this context, the EAEU can be seen as a competitive initiative that should stop or limit the economic and political integration of the EU and the countries of the post-Soviet space. The EAEU becomes a means for Russia to engage in a "normative rivalry" with the EU in the "common neighborhood" (Dragneva & Wolczuk, 2012, p. 9). The EAEU was seen as a political challenge for the European Union because it was made when the Eastern Partnership was reevaluated and was sometimes criticized as a weak and naive strategy.

The rivalry is further fueled by the EU's position, which became apparent after the Ukrainian crisis that it will stand for every country's right to choose its future. The Russian Federation's request for a "sphere of privileged interests" in the post-Soviet space will be denied. The part of the EU Global Strategy that talks about Russia noted that the EU wants to "increase the resilience of its eastern neighbors and support their right to decide how they want to deal with the EU freely." Resilience is defined in the strategy as "the ability of the state and society to reform so that they can withstand and recover from internal and external crises" (European Union, 2016). There are views that Vladimir Putin's personality and his vision of redefining Russia's greatness by launching his regional integration project have contributed to shaping today's Russian-European crisis and conflict in the "common neighborhood" (Samokhvalov, 2017, p. 32). With more Chinese investment projects in Central Asia and Eastern Europe, the EAEU can also be seen as a way for Russia to limit China's influence in its "near abroad." Due to the similar objectives of the EAEU and the Belt and Road initiative aimed at economic cooperation and integration, there is some potential for their competition, especially in Central Asia. However, despite the mentioned similarities, there are opinions that they cannot be considered competitive or mutually exclusive initiatives. Furthermore, all of the Central Asian countries have a foreign policy that focuses on more than one foreign policy partner. Still, integration with Russia and China is the only option, given the current geopolitical situation (Kazantsev, Medvedeva, & Safranchuk, 2021). The goals and methods of their implementation differ, reflecting differing foreign policy aims and the security concerns on which Russia and China's national efforts and strategies in the post-Soviet space are based (Bordachev, Kazakova, & Skriba, 2016, p. 24). Russia, above all, seeks to preserve the

political order inherited from the Soviet Union by keeping the former republics politically and economically dependent on it while not hesitating to use various means to prevent these countries from developing in a direction other than its own interest. China is much less involved in the politics of other countries as long as it protects its financial interests in the area and maintains stability in its western province of Xinjiang (Schweickert, Melnykovska, & Plamper, 2012, p. 4). In addition, Russia has also “turned” to China, particularly in the aftermath of the Ukrainian crisis and Western economic sanctions (Lađevac, 2015, pp. 295-250). This trend has become inevitable because of the current war in Ukraine, which has led to the deepening and sharpening of these economic sanctions. Some scientists argue that Chinese President Xi Jinping’s characteristics allowed him to get along well with Putin and keep the two countries from getting into conflicts or other disputes (Samokhvalov, 2017, p. 32). Although Russia and China have diverse political cultures and perceive each other’s intentions differently, their foreign policy ideas are similar. They are against the United States and its allies’ position in the global system, considering them an existential threat. Both perceive international politics as a struggle between major powers and want to create alternatives to the global liberal order. These shared interests foster strong bonds between them, motivating them to increase collaboration efforts to reshape the international order (Bogusz, Jakóbowski, & Rodkiewicz, 2021, p. 13). While mutual sanctions have harmed economic relations between the West and Russia, trade between the EU and China has expanded dramatically. In addition, the US-China trade war created circumstances for greater economic cooperation and interaction in the Eurasian and Asia-Pacific regions (Jović-Lazić, 2019, pp. 149-156). In May 2015, Russian and Chinese leaders signed a Joint Statement on cooperation in linking the development of the EAEU and the Belt and Road Initiative (BRI). Soon after, the EAEU and China signed several agreements. “The Agreement on Cooperation in the Field of Economic and Trade Cooperation”, signed in May 2018, is one of the most significant. Its preamble states the long-term relations, strong financial and trade ties between the EAEU members and China, and the readiness to create an environment and conditions for developing mutual trade relations and improving economic cooperation. It further emphasizes the importance of economic integration in the Asia-Pacific and Eurasian regions and the possibility of the EAEU and the Belt and Road initiative establishing strong and stable trade links. Through these decisions, Russia and China show that, despite their rivalry, they are willing to work together in the region. Despite this, Moscow is still under pressure from China’s BRI initiative. That is why Russia is making moves to make clear that it is the driving force behind the integration process in the region. At the International Economic Forum plenary

session in St. Petersburg in June 2016, Putin proposed creating the Greater Eurasian Partnership (GEP), which would include the EAEU as well as China, India, Pakistan, Iran, other CIS members, and other interested countries and organizations (Shakhanova & Garlick, 2020). According to a joint statement issued by the parties on February 4, 2022, Russia and China proposed integrating EAEU and BRI development plans to promote practical cooperation between the EAEU and China and foster a more profound Asia-Pacific-Eurasian interconnection. It is also said that both countries are committed to building the GEP and the BRI and that regional, bilateral, and international integration will be beneficial to the people of Eurasia. Kanet noticed (2022) that the EAEU has become a critical BRI partner because it allows Russia to stop China from leaving it out of what it sees as its sphere of influence. Although China may not directly threaten the EAEU, it has already become the region's most important trade and investment partner. In time, China can challenge Russia's symbolic dominance in the post-Soviet space and make EAEU member states turn towards it to lead the integration process instead of Russia.

## CONCLUSIONS

Russia has long expressed a keen interest in the region it had a profound connection with. Despite being in a challenging and complex political and economic situation following the USSR's fall, Russia pursued a proactive and pragmatic post-Soviet policy. Russia's efforts to integrate post-Soviet states finally led to the creation of the Eurasian Economic Union. Even though the EAEU was established to create a common economic space and implement a shared common policy, it is hard to determine its potential economic effects because of economic inequality and problems amongst member states. However, this integration is highly intriguing from the perspective of the member states, particularly Russia. According to Putin, Russia's goal was to establish a Eurasian Economic Union capable of becoming one of the main actor's in future multipolar world orders. Even though Russia is no longer a global superpower, its size, location, overall capacity, military, and potential make it an essential factor in the stability and security of the region that links Europe and Asia. However, although they have a common Soviet history and great opportunities for integration in various fields, relations between the "near abroad" countries have always been accompanied by mutual mistrust. The basis of this mistrust is that, because of the enormous political, economic, and military asymmetry between Russia and other EAEU member countries, Russia still has significant opportunities to achieve its foreign policy goals and interests in the post-Soviet space. However, after the EAEU's strong start and success

during the early stages of the integration process, it became clear that Russia was not committed enough to ensure the organization operated smoothly. This is because the Russian Federation has had to address domestic economic and political issues, especially since relations with the West have deteriorated dramatically. As the most crucial member of the Eurasian Economic Union, Russia's economic weakness will undoubtedly hurt the further development of the organization, preventing it from reaching the global status it hoped for. Due to the lack of commitment from Russia and other member states, the Eurasian Economic Union will never achieve its stated objectives. This will eventually make the organization ineffective. However, the Eurasian Economic Union cannot be easily written off because it reflects Russia's apparent interest in its survival because of its importance to its regional and global agendas. Even though the EAEU already faces severe challenges, no other post-Soviet multilateral organization has achieved a greater degree of integration. Despite Moscow's decades-long strategy of ensuring its dominance over the post-Soviet integration process, the EU's Eastern Partnership initiative and China's Belt and Road initiative have recently forced it to compete. In contrast to the EU initiative, which Russia regards as hostile, China's Belt and Road initiative has not been condemned by the Russian government. Furthermore, since the West has put Russia under many sanctions, Russia sees working with China as its only way to keep its economy and regional power going, at least for now. Serbia's agreement with the EAEU replaced the existing bilateral trade agreements that the country already had with Russia, Kazakhstan, and Belarus and included the markets of Armenia and Kyrgyzstan. For Serbia to join the EU and participate in the single market, all other trade agreements, including the Free Trade Agreement with the Eurasian Union, must be ended, as is the case for all other candidate countries. Currently, Serbia is trying to use all possibilities for economic cooperation with numerous foreign partners. However, given how complicated things are between Russia and the West, it is hard to say how long Serbia's current policy will last.

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