

Kazakhstan and Eurasian Union: A Sceptical Analysis

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Abstract – Re-integration of Kazakhstan with Russia within the Eurasian Union must be considered not only from the Eurasianist / Pro-Russian position, but, it also has to be analyzed from the European skepticism and Kazakh nationalist viewpoint. Only the historical and nationalist approach could explain the true nature of Russian-Kazakh integration relations. The Customs Union and the Common Economic Space should not compromise the political sovereignty of any member countries in any way. Of course Russia will be a dominant party in the newly shaping structure. All decision-making processes are based first of all in Moscow. Kazakh politicians, academicians and businessmen should always defend the national interests of the Kazakhs. If not, this geopolitical project may lead to the same negative historical results as was the collapse of the USSR. In this paper the authors tried to prove that for now the Eurasian integration with Russia is not so necessary for Kazakhstan in terms of national economy. The results of the research suggest that Kazakhstan loses economically and politically to Russia in what concerns decision-making, control, regulation and institutionalization.

Keywords – Kazakh Nationalists, Eurasian Union, Integration, Interests, European Skepticism, Historical Approach, Ideology, Russia, Economy, Power, Regional, USSR, Independence.

I. INTRODUCTION

Kazakhstan has always played significant role in many integration projects and processes in the Eurasian space. Kazakhstan has organized OSCE Summit in Astana in 2010, World Traditional Religious Leaders Congresses, chaired Organization of Islamic cooperation, Organization of Shanghai Cooperation and CICA, held Turkic summits, and initiated Customs Union, CIS, Eurasian Economic Union. Even, the idea of creating of Eurasian Union undoubtedly belongs to Kazakhstan. Now Kazakhstan is a part of Eurasian Union. In this paper the Eurasianism and Eurasian Union is considered from the point of view of the opponents of this idea: Kazakh nationalists and Western skeptics.

Starting from 1 January 2012 Eurasian Economic Space has been working. This geo-economic project includes Russia, Belarus and Kazakhstan. From this moment the Eurasian Commission started to operate in Moscow. According to the Agreements of Eurasian Economic Space all of above-mentioned countries will enter into more intensive and active integration. Kyrgyzstan, Armenia and Tajikistan plan to be integrated with Russia too. After the twenty years of free journey, Kazakhstan decided to be

integrated and to be closer economically with Russia. This means that some of the newly gained independence of Kazakh nation might be sacrificed for the unclear project which is to be a part of something bigger and greater.

Initially, Customs Union was created as a first step to the Eurasian Union. The Eurasian Economic Space that works now, is planned to be turned into Eurasian Economic Union by 2015. Even though, USSR will not be reconstructed, it is known that something close to that is supposed to be created again. This Eurasianism will obviously strengthen Russia's potential resources and reinforce its weakened back. Despite of President N. Nazarbayev's sincere and idealist dream of re-construction of something ideal between USSR and European Union, for now, it is far from being an ideal union in terms of national interests of its smaller members, pro-Russian nature of the union, big brother-little brothers' relations, strategic aim of the reunion etc. Possibility of that Russia will return to its old sphere of influence is high. Nevertheless, as an ethnic Kazakhs we hope that, this time, the more democratic structure, fair and open interstate economic system might be re-created.

II. RESEARCH QUESTIONS

What are the real purposes of the Eurasian Union? This big question that we have been studying in the last period is about the possible impacts that Kazakhstan's entry in the Eurasian Union could create for our region in the future. As we already live in the Common Eurasian Space for two years, we easily understand the first impacts of the mentioned union on the economic situation, especially on the general condition of small and medium business in Kazakhstan.

It's very important to understand, how, the Eurasian Union will change the economic situation here, in Kazakhstan. Because it's already obvious that after the integration with Russia, some local companies were closed or bankrupted, some reorganized, some came into very difficult condition by the pressure of more developed Russian producers and better goods. The prices for all goods and products in our market dramatically increased in the last two years. In brief, our prices reached the Russian ones. All these questions have to be researched and analyzed more professionally. The main theory circulates in Kazakh experts' minds is that the integration will might be profitable for all local enterprises and traders in the next decades, despite that, for now, the situation is far from that. But, as young Kazakh academicians, we

have checked facts, analyzed possible risks, chances and opportunities of the union for Kazakhstan. The results of our works inspire no real economic dividends for at least next decades. It seems that, it did not worth to be engaged practically from the purely national viewpoint.

The original research questions that we already have are as follow: What are the main purposes of the theoretical bases of the Eurasianism? How Kazakhstan will be able to benefit from the Eurasian Union practically and pragmatically? The specific research questions are as follow: What will be the effect of the integration in regard to the national policy or political independence of Kazakhstan? How will the integration of Kazakhstan with Russia impact on the national economy of the former?

III. KAZAKH NATIONAL STRATEGICAL VIEWPOINT

First of all, the history of Eurasianism, the negative and positive effects from the integration with Russia, have to be tested and studied again. The theoretical bases and purposes of the integration will directly concern the national policy or political independence of Kazakhstan. The most interesting question is about the practical results and effects from the Eurasian Union for Kazakhstan. Theoretically, Eurasianism is a product of classical Russian thinkers and strategists from 19-th and 20-th centuries. Theoretical base of the ideology of Eurasianism was enhancement and expansion of Russia into the whole Eurasian space. By virtue of their strong rational culture and cold-blooded mentality Russians could implement their dream of Eurasianist expansion and creating the Biggest Super Power in the world. USSR may be interpreted as an unsuccessful example of implementation of Eurasianism in terms of national, ideological, spiritual, humanitarian, democratic and economic values [1].

Kazakhs as a nation have passed through this integration once before in the USSR era. When we look at history of USSR, we clearly see it was mainly or characteristically built on bloodshed, repression, humiliation, lies and crimes. But, at the same time, USSR made big contribution to development of science, technology, military, culture, geopolitics, economy and policy not only in Central Asia, but, in the whole world. USSR is a prototype of Eurasian Union in any way. This fact points out to the controversial and contradictory character of any Russia-led integration projects no matter in the past or in the future. Russia always has a deficit of political elite which is able to lead to establishment of democratic, free and fair system for all the nations in Russia itself or on the Eurasian space. In the Russia-led USSR integration freedom of speech and faith was always suppressed. It is historically proved. In comparison with the experience of European Union in integration, there is a serious lack of spiritual, democratic, intellectual and humanitarian values in the so-called Eurasian Union. Who can give us guaranty that history of USSR won't be repeated? [2].

Nevertheless, Kazakh people historically have some appreciable benefits from the integration with USSR. Russia is always was an open window to the Europe for

Central Asian nations for the last decades and centuries. Western science, culture, technology, knowledge, literature and even music reached Kazakhstan through the Russian interpretation. It's the first privilege and benefit from our close relationships with the Great Northern Neighbor. The second benefit was that all the infrastructure problems of the region were partly solved in the Soviet period.

As for the negative aspects of the integration, Kazakhs were very close to lose themselves totally as a nation or ethnic group. The economic, cultural, traditional, linguistic, psychological, intellectual and spiritual aspects of Kazakhs' life were under pressure of the powerful and aggressive ideological machine of the Soviet system. Kazakh culture and language were methodically and systematically subjected to total suppression and even, annihilation. Economically and politically, Kazakhstan was absolutely dependent on Moscow's decisions and preferences. For example, all of the strategically important plants and industrial entrepreneurships were deliberately built in Russia, Ukraine and Belarus. Kazakhstan was made just a supplier of some unimportant products, foods and goods for consumption of more technically and industrially developed Western regions. This is why, after the 20 years of declared independence, Kazakh leader Nursultan Nazarbayev was urged to recognize the fact that the country can not live apart from Russia both economically and industrially, at least, in the next few decades.

As President N. Nazarbayev said Eurasian Union will help Kazakhstan to become as independent on natural resources as Russia is. Relying on Russian technical support, industrial experience, military aid, economic ties, intellectual and cultural impact, Kazakhstan really might be seen as a beneficiary. According to the authors of Neo-Eurasianism, both Russian and Kazakh markets may benefit from each other in terms of goods, services and employers exchange, i.e. mutual use of trade privileges and economic opportunities.

IV. METHODOLOGICAL QUESTIONS

But, what about the smaller volume of Kazakh economy and less competitiveness of Kazakh companies in comparison with Russian ones? Kazakh people already see the influence of integration with Russia, as prices for foods and products has critically increased in the last couple of years, expenditures for different services including common transport has rocketed.

Will Russian minds or bodies seriously take into consideration what their Kazakh counterparts recommend or advise in regard to the integration processes and procedures? It is understandable that, in the Eurasian union Russia will have more to say and will control all the processes including institutionalization, customs procedures, tax regulation, benefits and profits distribution and other important aspects of mutual integration. So, was it worth deepening integration with Russia?

V. EUROSCEPTICISM

There were a number of substantial steps towards more integration the Customs Union. However, as write western experts, implementation of the integration remains only in papers. According to Katharina Hoffmann, Eurasian Union has little integration potential and has few to offer to the newly independent states. As for Putin, he successfully used the idea of Eurasian Union just as a political tool in his electoral / presidential campaign. Yet, the emphasis of the leaders of three authoritarian regimes on democracy, freedom, and free-market principles are hardly to be believed in [3].

Hoffmann says despite all the promises and declarations this union was not realized yet. Since 2010, customs issues have been dealt with under the common customs code, with only 48 out of 90 agreements having been ratified so far. According to specialists, the Customs Union did not bring substantial changes to customs regulations.

Another author hints at the interesting point, that Putin has stolen the idea of Eurasian Union from Nazarbayev and declare himself as a father of Neo-Eurasianism or a founder of Eurasian Union. Initially, the Eurasian Commission's office were planned to be opened in Astana, but Moscow insisted on having it in the latter. Union's capital can only be in Moscow, nowhere else. That's Moscow [4].

As for the main reasons for Belarus's participation in the union has been to strengthen its own position in international trade. By means of the Customs Union, Belarus wants to benefit from the same trade conditions as Russia and Kazakhstan have. The three states created Single Economic Space for harmonization of common policy in energy, transport, and communication, as well as the establishment of comprehensive free movement of capital and workers. But, Eurasian commission which was formed by the deputy prime ministers of the three countries, however, remained far behind European Union model in terms of competencies and lacks set of conditions. It is an intergovernmental organ without competencies of its own [5].

According to above-mentioned Hoffmann, Eurasian Union mainly reflects the characteristics of earlier integration projects in terms of integration plans, structure, and the relationship between stated and realized intentions. Eurasian membership is now explained by short-term political and material gains. What is lacking in this case is the willingness of Russia to give up sovereign rights, which is necessary for long-term integration. This troika's initiative for an integrated customs union as the predecessor to an economic union in the post-Soviet space is not new. There was a CIS Economic Union in 1994. The second serious attempting step was a EurAsEC in 2000.

According to some of the Eurasia researchers, boosting the dynamics of integration will hardly be achieved without substantially changing the integration concept. Anyway, despite of its limited implementation, some practical achievements of Eurasian Union allow us to look

at it with no emotions. The Customs Union is for the first time attracting interest.

According to one of the western experts the extent of the Union's effective integration will depend on the willingness of its members to accept the negative implications of multilateral integration projects for their countries' sovereignty. Russia's economic and political predominance in the CU will continue to create tensions between member nations. Russia will have to take into account the long-term national interests of Kazakhstan and Belarus [6].

A complete implementation of the Eurasian Union is unlikely to happen, though; it may be enlarged by inclusion of Tajikistan, Armenia and Kyrgyzstan. Ukraine and Moldova will also have a certain limited interest in the Eurasian Economic Union as well [7].

If Eurasian Union will pursue the goal of aiming primarily for the accession of new members in order to expand its own sphere, then achieving integration goals will be difficult [8]. At the same time, it is likely that the Russia's Eurasian Union will struggle to find new members among the recently independent states. The new union has to refuse to be a USSR-style Empire which means Strong Russia and weak others. But, it seems that, as was always the case in the history, Russia fails to be a tolerant, wise and fair Soft Power [9].

VI. MILL'S METHOD OF DIFFERENCE

As a result of our work, we have used Mill's Method of Difference. This Method suggests that initially there should be common features or similar peculiarities of something (characteristics of a phenomenon or regularity) and also there should be a reason for different outcome or results. So, we have studied the future possible benefits for Russia and Kazakhstan in the integration process in Eurasian Economic Union.

VII. RESULTS OF RESEARCH

The similar characteristics is as follows: From January 2012 both states are the equal active members of Common Economic Space which is the Eurasian Union's predecessor. Both of Russia and Kazakhstan are the main initiators and biggest players in the integration project. The first ideologist of Neo-Eurasianism is Kazakh leader N. Nazarbayev (1994) and from autumn 2011 it's used by Russia's leader V. Putin in his election campaign [10]. Both states are strongest economies and geopolitical leaders in post-Soviet space. Russia is first economy in CIS with GDP level of \$1.850 trillion (2011), and 9th in the world. Kazakhstan is a second economic power in post-Soviet region with of \$180.0 trillion (2011), 51st in the world. Both are the most populous countries in the region: population of Russia in 2012 is 142.8 million people; population of Kazakhstan is 16.6 million people.

According to Method of difference, different outcome must be pointed out. Owing to the giant size of its economic power, significant capacity of productive forces,

more developed technical and technological opportunities, imperial position, expansionist strategy and hard foreign policy, most influential information and intelligential policy and language policy Russia undoubtedly and uncompromisingly will as usually use Hard Power and its obvious privileges in the processes of organization, management, decision-making, strategies and institutionalization and so on. As for Kazakhstan, it will only lose in term of customs regulations (for example, Kazakhstan has already lost nearly 300 million dollars in the first half of 2012), prices for all goods and products including benzene, public facilities, foods, transportation expenses, services, education costs, cars has abruptly and dramatically rocketed in 2010-2012 from the moment Customs Union started to operate.

Since then life standards in Kazakhstan lowered, protest moods emerged, Kazakh nationalism increased, risks of international conflicts intensified, local firms and entrepreneurs closed and so on. It's clear that appropriate authorities of Kazakhstan agree with every suggestions and plans of Moscow-based Eurasian Committee concerning the future development of interstate bodies or supranational structures. No national interests in integration are considered in a proper manner.

VIII. CONCLUSION

It is possible that the union has been designed for prolongation of the political status-quo in Kazakhstan (Russia's predominance and super-presidential system), conservation of political stability with one dominating party system, strong state economic management, systemic corruption based on tribalism and state bureaucracy, Russian-thinking population's predominance in socio-economic life, restriction of any national rhetoric, only copying of Russia-made styles in every sphere including economy and technology, laws and rules, in short, more dependence on Russia. Thus, we can conclude, that many basic questions that concern the Eurasian union and of course, national interests of Kazakh people still remain unclear. Only history shall prove whether this integration was convenient for us or not. In this paper we tried to look at the Eurasian Union from the viewpoint of Kazakh nationalism and European skepticism. This approach has right to exist. As, without a constructive criticism any idea or project will not survive or develop.

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