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**THE IDEA OF REGIONAL INTEGRATION
IN THE CENTRAL ASIAN AND EURASIAN PERSPECTIVE**

Regional integration, or convergence and cooperation, is one of the main topic of international discourse. Meanwhile, the progress of scientific research in Central Asia in this respect is not sufficient. It is mostly represented by popular science literature, quite superficial in describing the latest integration activities either in Central Asia or the EAEU. In this article, an attempt into scientific understanding of the processes taking place in Central Asia and, more broadly, Eurasia; an attempt to comprehend how do they correlate with the real course of regional integration are represented. The analysis of the gradual development of the post-Soviet area leads to the results that have ambiguous definitions. The authors are asking themselves whether the integration phenomena that are still transforming and not finalized yet can be defined as real integration. Along with this, it is appropriate to draw parallels and determine correlation bonds between the mechanisms and the institutes of the functioning regional association of the integration type (the EAEU) with the Eurasian idea projects proposed by the the post-Soviet area countries. In the scientific literature, the high political and state level, in the frameworks of which the key decisions on the need for integrations are being made, is being researched thoroughly. Such decisions are represented by the rational choice in the security dilemma issue, as well as social welfare and sustainable development of the Central Asian and Eurasian regions. In this article, we will try to analyse in a bundle the selected issues of the political idea (projects) regarding regional integration and its prospects.

Key words: Central Asia, Eurasian idea, integration, cooperation, Eurasian Union.

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**Орталық Азиялық және Еуразиялық перспективаларда
аймақтық интеграция идеясы**

Аймақтық интеграция немесе жақындасу/ынтымақтастық халықаралық дискурстың негізгі тақырыптарының бірі. Сонымен қатар Орталық Азияда аталған бағыт бойынша ғылыми зерттеулердің жетістігі жеткіліксіз. Негізінде, публицистикалық, ат үсті мақалалар Орталық Азияда немесе ЕАЭО-да кезекті интеграциялық шараларға байланысты жарық көреді. Мақалада Орталық Азияда және кеңінен Еуразияда жүзеге асырылатын үдерістерді ғылыми тұрғыда пайымдауға, олардың аймақтық интеграцияның шынайы бағытымен байланыстылығын түсінуге әрекет жасалды. Посткеңестік кеңістіктің кезең-кезеңмен дамуын талдау біржақты емес қорытындыларға ие нәтижелерге әкеледі. Авторлар әлі де өзгеріп жатқан және әлі аяқталмаған интеграциялық құбылыстарға бүгінде нақты интеграцияның анықтамасын беруге болады ма деген сұрақ қояды. Сонымен бірге, Еуразиялық идеямен және бұрынғы кеңестік

елдер ұсынған жобалармен аймақтық интеграциялық бірлестіктің (ЕАЭО) механизмдері мен институттары арасындағы байланыстарды анықтау және параллелді сәйкестендіру орынды деп ойлаймыз. Әдебиеттерде жоғары саяси және мемлекеттік деңгейлер аясында интеграцияның қажеттілігі туралы түйінді шешімдер қабылданатыны жеткілікті зерттелуде. Бұл қауіпсіздік дилеммасы, әлеуметтік әл-ауқат және Орталық Азия мен Еуразия аймағының тұрақты дамуы алдындағы ұтымды таңдаудың түсіндірмесі. Аталған мақалада аймақтық интеграция және оның перспективалары туралы саяси идеялардың (жобалардың) жекелеген аспектілерін жан-жақты талдауға тырысамыз.

Түйін сөздер: Орталық Азия, Еуразиялық идея, интеграция, ынтымақтастық, Еуразиялық одақ.

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Идея региональной интеграции в центральноазиатской и евразийской перспективе

Региональная интеграция либо сближение/сотрудничество являются одними из основных тем международного дискурса. При этом прогресс научных исследований в Центральной Азии по данному направлению недостаточен. Больше всего появляется публицистической, достаточно поверхностной литературы в связи с очередными интеграционными мероприятиями либо в ЦА, либо в ЕАЭС. В данной статье представлена попытка научного осмысления происходящих процессов в Центральной Азии, и шире – в Евразии; попытка понять, как соотносятся они с реальным курсом на региональную интеграцию. Анализ поэтапного развития постсоветского пространства приводит к результатам, которые имеют неоднозначное толкование. Авторы задаются вопросом о том, можно ли сегодня давать определение реальной интеграции тем интеграционным явлениям, которые продолжают трансформироваться и еще не имеют завершённый характер. Вместе с этим вполне уместно проводить параллели и выявлять корреляционные связи между механизмами и институтами функционирующего регионального объединения интеграционного типа (ЕАЭС) с евразийской идеей и проектами, предложенными странам постсоветского пространства. В литературе достаточно подробно исследуется высокий политический и государственный уровень, в рамках которого принимаются ключевые решения о необходимости интеграции. Это и объяснения рационального выбора перед дилеммой безопасности, и социального благополучия, и устойчивого развития центральноазиатского и евразийского регионов. В данной статье мы попытаемся проанализировать в связке отдельные стороны политической идеи (проектов) касательно региональной евразийской интеграции и ее перспектив.

Ключевые слова: Центральная Азия, евразийская идея, интеграция, сотрудничество, Евразийский союз.

Introduction: Central Asia in the discourse about the concept «region»

A region can be identified as one on the basis of several factors—geographical proximity, historical and cultural similarities, common identity, economic integration and common political-administrative arrangements. For scholars of geopolitics, geography is the basis of territorially demarcated macro-regions. Geopolitical strategies in contemporary period are built around different geographical regions. However, regions are not «natural,» or «given» nor «essential» from a constructivist point of view. States in geographic

proximity come to acquire a regional identity on the basis of some common ethno-cultural, social and historical bonds along with strong economic interaction.

A more acceptable view, according to Ajay Patnaik, would be «to focus on some common ethno-cultural, social and historical bonds. At the same time, there should also be a certain degree of political compatibility (institutions, ideology, regime type etc.) and economic linkages (Economic unity or free movement of goods, capital and labour etc.). Without a certain degree of economic, political or organisational cohesiveness, a region can turn into an area of contending and conflicting states despite

having social and cultural commonalities» (Patnaik 2016: 155).

We define «Central Asia» as five former Soviet republics – Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. Though five independent countries came into existence recently, Central Asia is among the old regions of Eurasia. Most part of the territory of the above five Post-Soviet countries is located in the region named «Central Asia» (CA). We distinguish three main approaches to the definition of «Central Asia»:

– Historical-geographical approach (Western geographers and travelers discover the Central Asia);

– The geopolitical aspect (internal change of political systems and regimes leads to increased interest from external actors);

– Socio-economic (this approach is associated with the first two approaches. Today, the economic feasibility is in the first place – integration).

All three approaches are widely interpreted in the context of Central Asia as a region. This is a large space, which could likely cover many countries and regions of the Great Silk Road. However, only the development of socio-economic relations between the countries of the region will influence the process of its identification and identity¹.

In 1993 leaders of the Post-Soviet Central Asian states had made known their political decision to discontinue the further use of the term «Middle Asia». The region is not only in geographical but also political sense the center of the Eurasian continent. According one American view, with the «opening» of Central Asia: «A new day for the region began with the creation of five independent states after the collapse of the Soviet Union in 1991, and with the establishment of a new and more modern government in Afghanistan after 9/11... This vast region of irrigated deserts, mountains, and steppes between China, Pakistan, Iran, Russia, and the Caspian Sea is easily dismissed as a peripheral zone, the «backyard» of one or another great power. In impoverished Afghanistan, traditionally considered the heart of Central Asia, U.S. forces are fighting a backward-looking and ignorant Taliban... In China, the region is seen chiefly as a semi-colonial source

¹ «Middle Asia (Central Asia) as a geographical term was defined only by Alexander von Humboldt and was used to refer to the internal parts of Asia. In the book «Asia» by Wilhelm Sievers, the German researcher (geographer and traveler) of the 19th century gives different designations of the region – «Middle Asia», «Turan», «Turkestan», «Mountain Asia», «Inner Asia». These names reflect the evolution of the concept of «Central Asia» (Sivers, 2015)

of oil, natural gas, gold, aluminum, copper, and uranium. The Russian narrative, meanwhile, dwells on Moscow's geopolitical competition there with the West and, increasingly, China...» (Starr, 2009).

There is a growing interest in the Central Asian region on the part of powerful actors such as the USA and the countries of the European Union, China and Russia. Another problem is the effect external forces have on intra-regional relations, including in the definition of the name of the region. External world has its visions and projects for Central Asia. For example, the American perspective, as articulated by Frederick Starr, talks of «Greater Central Asia» (five post-Soviet countries plus Afghanistan, Mongolia, North-west China, Pakistan and North-India). According to him, «U.S. engagement with Afghanistan has brought all of Central Asia to a turning point, but flagging interest and uncoordinated policies risk undermining recent gains. To seize the opportunity for progress in a vital region, Washington should form a Greater Central Asia, though the progress of international cooperation is very limited».

Basically, it is reasonable to distinguish between three main groups of regional projects: Special international projects for the Central Asian region; Participation of the countries of the region in the post-Soviet integration mechanisms; Participation in larger integration projects, where countries of Central Asia form a substantial group of participants (CIS, Eurasian Economic Union, SCO).

The existing literature has explored the state level of integration in great detail: varying from rational choice explanations of security dilemma to the studies of social construction of the region in Central Asia. Evgeny Vinokurov and Alexander Libman, Centre Eurasian research of EDB (Eurasian Development Bank), view Eurasian integration as primarily a continental economic integration: «Up to now, it has primarily developed from the bottom-up, as intergovernmental cooperation is lagging behind the development of economic linkages. We neither expect nor suggest that intergovernmental cooperation in Eurasia should (and could) encompass all countries of the continent: rather, it should be based on multiple overlapping integration projects involving governments, sub-national and supranational institutions» (Vinokurov, Libman 2012).

Moreover, two important caveats need to be emphasized with respect to any comparative analysis of regional integration and the dimension of «regionalization». First, the borders of regions become fuzzy. Second, focus to establish relevant

integration areas can be very important, but is not necessarily correct – in particular, the so-called «microregionalism» and «microregionalization», based on integration of subnational entities (Nye, 1968; Fawcett, 1996:10-11; Bohr 2004:485). In this respect, the authors note in research the following circumstances particularly.

The patterns of regionalization are heavily influenced by the development of institutions in Central Asian countries. In particular, the model of more liberal reforms combined with still-persistent links between influential business groups and politics seems to be a «success combination» for the multinationals from Kazakhstan.

Kazakhstan has done well to use its geographical location, vast territorial expanse and the need for multiple outlets for resources (oil) exports to follow what it terms a ‘multi-vector’ foreign policy. Together with this is highlighted priority in regional policy in Central Asia and the development of stable relations with neighboring countries.

Integration process – regional interests

Central Asian countries occupy extremely important geostrategic position in the center of Eurasia (the middle Eurasia). Only by joint efforts of countries in the region can they use most important land, air, water communication lines that cross their respective country.

Huge stocks of energy (hydrocarbon) and water resources, stocks of ore and metallurgical raw materials, precious metals, agricultural resources are unique and are in great demand in the world; it represents strategic capacity of the region. Only by joint efforts of countries in the region can they use these resources for their own development and also become independent of foreign influences.

Extensive and full development of trade and economic cooperation should be a basis for integration in the future since it will lead to the formation of self-sufficient and protected common market. The need for joint support of domestic producers and creation of equal conditions for business activity on unified economic space require it.

Regional integration – a natural and objective process

In the modern world, economy cannot be contained within national boundaries. Innovative production requires a large markets as well as significant human capability (Science and Technology). A special attention is given in

Kazakhstani foreign policy to developing close partnerships with all of its neighbors in the region – Kyrgyzstan, Uzbekistan, Tajikistan, and Turkmenistan. Kazakhstan is committed to the regional format with regional interests. Meanwhile, in Central Asia, the prevailing «working» format is of bilateral relations, especially relations between the leaders of states.

In various regions of the world inclination to integration is a steady tendency. Globalization sharply aggravated economic competition. It forces national forces to be consolidated, not to stay behind and remain out of this process. Participation in the integration processes means overcoming many regional and even global problems. Central Asian participation in this process can be objectively presented as part of a universal tendency toward integration and consolidation in the face of challenges of the 21st century. At the same time, integration process demands high degree of interdependence and complementarity, first of all, in the social and economic sphere, and at the supranational and regional levels.

In its integration policy Kazakhstan learns from the examples of other regions of the world. Nowadays we can see several integration communities that are functional. These are EU, ASEAN, NAFTA, MERCOSUR and others.

EU as the unique organizational model consists of twenty-seven national states (one more member UK has already decided to leave) with the general supranational governing bodies. It is important to know not only the process of the integration of the European Union, but also the principles of integration, integration rules, policies of integration, that is the whole experience, including the contradictions and errors. Experience of EU shows that only common efforts will help overcome disagreements, and even the conflicts between Central Asia states (Gubaidullina, 2011:481–491).

Unlike the above mentioned integration models, post-Soviet Central Asia develops in specific circumstances. Progress of regional integration is complicated by the absence of a long history of sovereignty of the countries of Central Asia and absolutely new geopolitical realities.

Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan and Turkmenistan are forced to choose their own approaches to social, economic and political ways of development, form and content of interstate cooperation, without also denying the idea of regional integration. Central Asia was thus named the «*laboratory of Eurasian integration*» (Vinokurov, 2012:13). The initiatives that are

equitable to interests of the region became very attractive a long time ago, but progressed slowly and are hardly carried out. There are a lot of factors for the so-called «distract from a main goal».

The first idea of creation of Commonwealth of Independent States (CIS) based on principles of «*commitment to cooperation in development of the Common Economic Space, the all-European and Eurasian markets*» is yet to be realized (Alma-Ata Declaration, 1998:104). One of the factors was the euphoria of sovereignty, and internal problems. The CIS did not really become an integration association. One methodological issue was the opposing concepts of «the national state» and «integration», which were considered as incompatible.

Besides, the strongly pronounced desire of the states of the CIS to be included quickly into Big Europe or in Big Asia led to a distancing from each other and, naturally, any integration idea didn't receive approval at any level of public preferences. The attitude towards further development of post-Soviet space during the last 20 Years was changing over time.

Initiative for integration by Kazakhstan President Nazarbayev: Basic project Eurasian Union

Evolution of the integration projects in Central Asian ranged from CAU to CAEC and to CACO: CAU – Central Asian Union; CAEC – Central Asian Economic Community; CACO – Central Asian Cooperation Organization.

Within the CIS the Central Asian Cooperation Organization (CACO) was formed as a Central Asian Commonwealth (CAC). The integration initiatives from Kazakhstan included the idea of Nursultan Nazarbayev about creation of the Eurasian Union (EAU) – new union (association) of some of the CIS countries.

As a follow up, «The project about formation of the Eurasian Union of the States» was prepared on 29 March 1994 and was sent to heads of states of the CIS on June 3 in the same year. During the discussions in the State Duma of the Russian Federation, «About emergence of Commonwealth of Independent States, its present condition and development prospects», it was then noted that the Eurasian Union was the most developed idea of integration for that time (Eurasian space, 1994). The idea of Eurasian Union was equitable to interests of Russia and Kazakhstan. Both states occupy a vast area in Eurasia; the two countries have strong European and Asian landmark (orientation).

Analyzing the Eurasian Union project, it is possible to argue that it was a project, in fact, of a strategic course of relationship of the states of Central Asia with Russia and other former soviet republics, about the future of relationship of Asian and European parts of the former Soviet Union, about principles and geopolitical contours of this relationship (Gubaidullina, 2013:133-150).

The idea of creation of Eurasian Union was in many respects similar to the evolution of the European Union. Eurasian Union project has similarities with Austrian project «Pan-Europa» in the first half of 1920s. After the end of the World War II, that idea was taken as a basis for the establishment of the modern EU.

However, it turned out that Central Asian countries have different points of views about future integration process and its role in the CIS, in particular about Eurasian Union, initially created by «4+N» Agreement (Kazakhstan, Russia, Belarus and Ukraine). The president of Uzbekistan Islam Karimov declared at the summit of presidents of Central Asia in Bishkek on May 6, 1996 that he didn't see any prospects for Uzbekistan joining the «4+N» Agreement. Though «Respecting a choice of Kazakhstan and Kyrgyzstan» in «4+N», Uzbekistan refused participation in this Agreement that, in Islam Karimov's opinion, would not however prevent development of the relations between the three countries or with the integrated entity (News Time, 2008).

Simultaneously, Kazakhstan foreign policy operates not in isolation from the Central Asian region; it gravitates to multipolar orientation. The idea of integration of Kazakhstan is multi-tiered and multi-process within the framework of the CIS. This process can be represented as follows: Kazakhstan continues to cooperate with the CIS, developing the Eurasian Union project; participates in the new structures of integration such as the Economic Cooperation Organization (ECO) and aspires to help in the creation of the Central Asian Union. State leaders spoke about this in keynote speeches – Conceptual view of the project of the Eurasian integration is expressed in some of the writings of Presidents of Kazakhstan and Russia – Nursultan Nazarbayev (2004; 2005; 2011) and Vladimir Putin (2011).

Views of some foreign scientists are important for our further research. «The transitional politics of Eurasian space is marked by a constant struggle among tree sets of Ideas and institutions: the first is the remarkable resilience of Soviet ideas and institutions; second, an attempt by the regimes of

these states to reinvent the historical and cultural traditions of pre-Soviet periods; and third is an attempt by a section of powerful elites to superimpose the Western liberal ideas and institutions. There is a strange intertwining of these Ideas and institutions» (Patnaik, 2013: P.V).

Ideas, projects: Central Asian Union (CAU) – Central Asian Economic Community (CAEC)

The first attempt for Central Asian integration was made in January 1994. Uzbekistan and Kazakhstan signed the Tashkent Agreement on establishment of Common Economic Space/CES (Agreement, 1998: 89-93). Surprisingly quickly this Agreement was ratified by parliaments of Kazakhstan, Uzbekistan and Kyrgyzstan. It began the first regional project and laid the foundation for economic rapprochement of three states of Central Asia. Tajikistan and Turkmenistan did not participate in the Agreement.

The organization that came into existence as a result of the Agreement was named the *Central Asian Union (CAU)*. The framework of the Agreement provided for the implementation of joint programs to deepen economic integration, free movement of goods, services, capital and labor, as well as coordination and settlement of credit, budget, tax, price, customs and monetary policy. Structurally CAU reminded of the European Union with supranational integration bodies. For example, member states signed agreements on the organization and the formation of collective peacekeeping battalion under the auspices of the UN. There was agreement on the use of energy and water resources, construction and operation of gas pipelines in the Central Asian region. Central Asian Union (CAU) could be considered as one of the stages of continuously increasing rapprochement of the countries of Central Asia. CAU was thus a unique project created by the Central Asian states.

As already noted, there have been numerous attempts of top-down integration in Central Asia, mostly without any visible results. Even the most basic form of regional cooperation is quite problematic. Although there exists a (highly incomplete) network of bilateral trade agreements in Central Asia, there are huge implementation problems; countries quite often act unilaterally, restricting trade relations in case of economic or political turbulences. Economic interdependence in the area of water or energy resources has also caused permanent conflicts over redistribution from the common pool.

One of the most important tasks was resolving the water-sharing issues between states. A special Agreement coordinated a uniform policy on the use of water resources of river Naryn – Syr-Darya cascade of reservoirs, as well as expenses for repair of interstate water bodies and assets. Tajikistan after restoration of peace in the country also joined the Agreement in 1998 and was formally admitted to the Union of «four» states of CA that declared the formation of Central Asian Economic Community (CAEC). The leaders of the region, however, have seen the futility of the integration project and decided to intensify economic cooperation only, and not policy. Thus, economic integration, despite the signing of many agreements, failed.

The most serious development of that period was the laying of mines on the borders of Uzbekistan with Kyrgyzstan and Tajikistan, and frequent incidents of firing from automatic weapons on the Kazakh-Uzbek border. In this context, the criticism by Uzbek president Islam Karimov of integration effort in Central Asia was not helping the process. He offered instead a different format to the CAEC in the form of Central Asian Economic Forum, a kind of economic forum in Davos, but for the countries of Central Asia. The reasons for inefficiency of CAEU, in his opinion, were that the countries of the region were at different stages of economic and political development.

From Central Asian Cooperation Organization (CACO) to Eurasian Economic Community (EurAsEC) and to Eurasian Economic Union (EEU)

At the end of 2001, in Tashkent, the presidents of four republics decided to transform the CAEC to CAC – Central Asian Cooperation. CAC existed only for two months. On 28 February 2002, in Almaty, the head of the four states signed the Treaty on the Establishment of the Central Asian Cooperation Organization (CACO). It was an international organization, composed of Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan and Russia. Georgia and Ukraine had observer status.

The summits of Central Asian Economic Community (CAEC) had revealed discrepancy in integration expectations between its participants. Thus, the word «community» was replaced by the term «cooperation». According to us, the term «cooperation» in the name suggested the creation of a relatively free structure like the APEC or ECO, in which decisions are not binding. On the other hand, the name of the organization, CACO, does not have

the word «economic». From this period, it can be argued, the idea of real economic integration made a retreat in Central Asia.

In spite of declarations of the Organization to develop a regime for full-scale economic and political cooperation, CACO remained a more or less vague forum without any results. The idea of a Central Asian Union is still part of the agenda of the main players in the region. While CACO failed to function also because of the rivalry between Kazakhstan and Uzbekistan, in the new round of negotiations Kazakhstan became the main promoter of institutionalized regional integration.

After discussion about the creation of a Common Economic Space between the CIS countries of Russia, Ukraine, Belarus, and Kazakhstan, agreement in principle about the creation of this space was announced after a meeting in the Moscow suburb of Novo-Ogarevo on 23 February 2003. The Common Economic Space would involve a supranational commission on trade and tariffs that would be based in Kiev, initially to be headed by a representative of Kazakhstan, and not be subordinate to the governments of the four nations. In the annual Message of the President of Kazakhstan in 2005 offer was made to its southern neighbors «to be engaged in integration» of Central Asia, to create a Union of the Central Asian states – «Regional integration of CA means a way to stability, progress of the region, economic and military-political independence». It was offered to Central Asian countries to integrate through a common market and the common currency. A bit later, on 7 September 2005, at the St. Petersburg Summit of the Central Asian Cooperation Organization, it was agreed to merge CACO into Eurasian Economic Community (EurAsEC). In October 2005, Uzbekistan applied for membership in EurAsEC. CACO was de facto dissolved on 25 January 2006, when Uzbekistan joined EurAsEC. Later in 2008 Uzbekistan decided to temporarily suspend its membership.

However, time for integration of the Central Asian states has not come yet. For Kazakhstan, the course on closer relations with the Slavic states became the most acceptable and objectively justifiable step.

The idea and project of Eurasian Economic Community: promising potential for integration

The Eurasian Economic Community (EurAsEC) as a structure became a platform for closer cooperation of Kazakhstan and Russia. Incorporated as an international legal body, in 2003 EurAsEC

was granted observer status in the United Nations General Assembly. During its 62nd Session in December 2007 the United Nation GA adopted the Resolution 62/79 on «Cooperation between the UN and Eurasian Economic Community (EurAsEC)». Resolution adopted by the General Assembly, A/62/L.14 and Add.1 (Eurasian Economic Community, 2009:512), characterized EurAsEC as a community of integration type.

The *Custom Union* for the EurAsEC participating states (firstly Russia plus Kazakhstan plus Belarus) started to function in 2010. Creation of a common market and economic space, free flow of goods and capitals was planned within the territory of Custom Union. According to the initial scheme, Russia-Kazakhstan-Belarus would be joined by Kyrgyzstan (till 2013) and then probably Tajikistan and Uzbekistan would join as well. The Common Economic Space was to be built in stages. Art 7 stated, «The duration of stages, the scope of activities at each stage and their implementation shall be defined by the Interstate Council. The goal of the first stage shall be to complete the formation of the Customs Union and the common customs territory». This goal was achieved within ten years of forming the EurAsEC in 2000; customs union and a common economic space were launched in 2010 and started to operate on 1st of January 2012.

Now there is a process of gradual transition to integration of a moderate type. It is known that in Europe the common market for goods, services, capital, labor and favorable working conditions are sustained by unified legislation, etc. Investment and trade relations can have different influence on regionalism in Central Asia. From this point of view, our argument is that economic dominance of Kazakhstan based on investment expansion of its corporations can become a factor supporting formal regionalism in its current form, with Kazakhstan as the main actor.

Kazakhstan: initiative YEVRAS

Kazakh President Nursultan Nazarbayev on 12 March 2009 proposed a common currency. Nazarbayev said the Eurasian Economic Community, a loose group of five former Soviet republics including Kazakhstan and Russia, could adopt a single noncash currency – the YEVRAS – to insulate itself from the global economic crisis. YEVRAS is a newly coined word that sounds close to «Eurasia» in Russian. «Its exchange rate shouldn't depend on the fluctuations of the world currencies»,

Nazarbayev said (Nazarbayev, 2011). YEVRAZ could be a step toward a common global reserve currency that would operate under the auspices of the United Nations. The new global currency could come into use in 10 to 20 years. Using the noncash currency would mean more stability to the Eurasian Economic Community because the ruble is influenced by Russia's domestic policies and oil prices. However, the YEVRAZ has little chance of being more than an idea, because control of a new common currency would require closer political ties between the countries.

Perspectives of Eurasia Integration

Prospects of the Central Asian Union (cooperation) do not diverge from that of the EEU. For Central Asian and for Eurasian community, the integration process developed mainly as an intergovernmental cooperation, lagging behind in the development of economic ties. Therefore, there are large-scale asymmetry of economic development and dependencies.

However, the prospect of EEU integration under certain conditions is very real. On the contrary, real integration of the Central Asian region remains a far prospect, in future. There is a movement towards expansion of integration space within the Eurasian Economic Community. But there are a number of hurdles.

Investment potential of member states is highly heterogeneous. Real investor is only Russia. In fact, due to the lack of mutual convertibility of national currencies, financial markets have a shallow depth and low liquidity, limited range of financial instruments. They indicate to the unfulfilled potential of regional integration. For a long time Kazakhstan's president has been actively and most energetically supporting a number of integration projects. Presidents of Russia, both Medvedev and Putin, had long shown sporadic attention to integration projects that are motivated by the commodity business of corporate interests. For a long time, Belarus did not start practical convergence of its economy with participating countries.

While speaking about the future of the Eurasian Economic Union of the Russian Federation, Belarus and Kazakhstan, Putin was certain that it will avoid problems of the Eurozone: «A new integration project for Eurasia – a future that is born today» (Oriental Review, 2011). Governments in the West may have read with alarm that Russian Prime Minister Vladimir Putin wanted to build a Eurasian Union out of the former Soviet bloc but in Kazakhstan the

news was welcomed. Kazakhstan welcomed Putin's Eurasian Union concept (Putin, 2011).

Discussion on the Eurasian Union and its importance continues in world politics at the highest level. Former US Secretary of State Hillary Clinton described efforts to promote greater economic integration in Eurasia as «a move to re-Sovietize the region.» Clinton pointed to Russian-led efforts like a Customs Union that includes Belarus and Kazakhstan – «We know what the goal is and we are trying to figure out effective ways to slow down or prevent it», she said (Clinton, 2012). Russian presidential spokesman, Dmitry Peskov, called Clinton's statement «a completely wrong understanding» of the situation. «What we see on the territory of the ex-Soviet Union is a new type of integration, based solely on economic integration. Any other integration is totally impossible in this world» (Vedomosti, 2012).

In the same context was the speech of the Minister on Eurasian economic Commission Tatyana Valovaya. «I am grateful to Hillary Clinton,» said Valovaya at a lecture for the students of Al-Farabi University on May 23, 2019. »Thanks to Clinton's stern warning, the world learned that we are creating a Eurasian integration union. Since then, interest in us has increased and cooperation with partners from many European and Asian countries has intensified» (Valovaya, 2019).

To date, the Eurasian Economic Union (EEU) is a young evolving integration grouping. It consists of the five member states: Kazakhstan, Russian, Belarus, Kyrgyzstan and Armenia. The main goal of the EEU is modernizing of the national economies of the member states, realization of the potential of economic links within a large region of the Eurasian union, creation of the conditions for entering the global markets. Currently, the single market of goods, services, capital and labor, which is the main essence of the Eurasian integration process, is under creation. The practical experience of the European Union and the other regional integration groups of the world is taken into account while creating the EEU. Tatyana Valovaya told how the Treaty on the EEU was prepared, how the discussion took place, what discussions were held between the States-participants of the process and future members – Armenia and Kyrgyzstan. At the stage of preparation of the Treaty and creation of the Union, these countries were already actively involved in the adoption of certain decisions, they had no less intensive consultations, along with Belarus and Kazakhstan. In 1980-90-ies she was in the diplomatic service in Brussels in the Permanent

mission of the USSR, and then of the Russian Federation to the EU. She was in Maastricht, when the Treaty on the establishment of the EU was signed, witnessed the formation of a regional Association of a new type – the European Union. It is no accident that Tatyana Valovya's lecture was accompanied by analogies and comparisons with the events that took place in the European Union during its formation, and about the decision-making process regarding the Eurasian Union at the highest state level, the role of the presidents, and the difficult diplomatic preparation for the establishment of the Eurasian Union (Valovya, 2019).

In October 2011, the presidents of the three countries – Putin, Lukashenko, and Nazarbayev – wrote programmatic articles on the need to create a Eurasian union. Lukashenko wrote about the possibility of a union («On the fate of our integration»), and Nazarbayev called for its creation, relying on the Eurasian idea, which he had long proposed to politicians («Eurasian Union: from Idea to the History of the Future»).

Russian President Vladimir Putin authored a newspaper article «New integration project for Eurasia – the future that is born today» calling for a more deeply integrated Eurasian Union. «There is no talk of re-forming the U.S.S.R. in some form», Putin wrote. He further said, «It would be naive to restore or copy what has been abandoned in the past, but close integration – on the basis of new values, politics, and economy – is the order of the day» (Putin, 2011)

It is assumed that during the crisis the competition for influence in the Eurasian Economic Community will intensify, possibly between Russia and Kazakhstan. Under such conditions amplifying initiatives of Astana in the future will be regarded in some quarters as an attempt for influence. In addition, given a relatively high influence of political leadership in Kazakhstan on its business groups, one could in fact expect that the government will be able to influence the investment decisions following the logic of international politics. It is important to notice that the main players in the economy of Kazakhstan are, though highly connected to the government, still private businesses.

As practice shows, the Eurasian integration process is non-linear, and often non-transparent. It is determined not by geopolitical or national interests only. One also needs to take into account the so-called «fine mental organization» of the leaders of the Central Asian countries, their personal relationships and ambitions.

Most analysts agree with the opinion that the main global risks in the short term are associated with the development of the situation in Eurasia. It seems to some scholars that the British geopolitical thinker Mackinder and his followers were right in projecting the geopolitical importance of Central Asia in Eurasia.... «The one, who rules the Central Asia, controls Eurasia, and the one who rules Eurasia – rules the world». Spykman argued that the littoral areas of the Heartland or what he called the «Rimland» was key to controlling the center. He updated Mackinder by positing, «Who controls the Rimland rules Eurasia; who rules Eurasia controls the destinies of the world» (Gerace, 1991:352).

However, Central Asia today is different from what it was in the late 19th or early 20th century. As independent states, Central Asian states are engaging the outside world in their own terms. They adopted various strategies to balance the involvement of external powers and to extract maximum advantages for themselves. The multi-vector foreign policy of Kazakhstan and two other Central Asian countries, non-aligned orientation of Uzbekistan and neutrality of Turkmenistan are in sync with the regional dynamics. Thus, the region would be more stable in the future with the different external orientation of member states. There is little possibility of any global power dominating Eurasia or using its position to dominate the world. There is a certain level of equilibrium in the engagement of external powers, which assures stability of the region. Development of Eurasia in the nearest future will depend on the stability and security not only in the region but also in the near and distant neighborhood. That is why regional integration and cooperation are so essential in Eurasia (Patnaik, 2019).

Conclusion: EEU integration and cautious view of the integration of Central Asia

Kazakhstan can again become the initiator of the integration processes in the region. It remains among those who initiated integration ideas and projects more often, and is the most active participant of unification processes on the Eurasian space.

Kazakhstan becomes again the center of gravity for the countries of the Central Asian region. For further promotion and development of integration idea, it is necessary to take into account experience of the European Union, while not forgetting about specifics of the region, in particular historical and traditional experience of coexistence between Central Asian states.

The basic format of cooperation between the countries of Central Asia is the bilateral relations. There is a range of different relationships at different levels: Agreements on particular issues, Treaties of union such as between Kazakhstan and Kyrgyzstan.

In addition, the Central Asian part of the interaction is supported within the larger organizations such as the CIS and SCO. A more broad and purposeful cooperation for integration requires, of course, not just the consolidation efforts, but appropriate international structures and institutions for integration of Central Asia. Experience in other countries shows that closer integration is possible even with the presence of very complex unresolved bilateral issues. These circumstances are highlighted by not only the opponents and the pessimists, but also by the optimists of Central Asian integration.

Today Regional significance of Kazakhstan is emphasized in strategic documents of the European Union (New EU strategy for CA); positions of Kazakhstan are perceived as «reliable» in basic Agreements with Russia and China, and also with the USA.

Strong economic interconnections can make regional integration within Central Asia a priority; but it is possible that at least some actors try to off-

balance economic influence of Kazakhstan by the political influence of other actors (e.g. Russia).

These are many reasons in favor of closer regional cooperation among the countries of Central Asia. Therefore the coming few years could be quite interesting from the point of view of informal regional integration in Central Asia.

It should be taken into account that integration is not a smooth process and faces obstacles and problems. It demands time and experience. It seems that integration processes in Central Asia require multistage approach and is likely to require a two- or variable-speed and multi-stage integration in the formation of some new «integration centers». It is obvious that in the future there will be new proposals, ideas and concepts.

In parallel with the idea of creating a Eurasian Union in the public political discourse, there also exists the idea of the Greater Eurasian Union. Unlike the first, the integration of the countries of the former Soviet Union, the second project involves greater integration with China, India, Iran, and even European countries. According to experts, the contour of this Greater Union is not conceptually elaborated. They can be guessed by the agreements signed, official visits and joint military exercises.

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