

Russia and the CIS in 2019

Relying on the Chinese Way

ABSTRACT

I examine the relationship between Russia and the other members of the Commonwealth of Independent States, including how Moscow's responses to changing geopolitical dynamics framed these relations in 2019. In particular, I consider the changes in preparation for Russia to assume the rotating presidency of the Shanghai Cooperation Organization, whose membership overlaps partially with the CIS and which has become a key instrument for engaging with China in the region. For Russia, the organizational structures of both the SCO and the CIS are key instruments to maintain influence within the former Soviet Space, although how Moscow does this varies greatly, not least due to sensitivities about China.

KEYWORDS: Russia, CIS, SCO, China, EAEU

THIS ARTICLE EXAMINES the relationship between Russia and the other constituent members of the Commonwealth of Independent States (CIS): Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, and Uzbekistan. This will include a discussion of how Moscow's responses to changing geopolitical dynamics framed relations with the other CIS states in 2019. In particular, I consider the changes that took place in preparation for Russia to assume, in June, the rotating presidency of the Shanghai Cooperation Organization (SCO), whose membership overlaps partially with the CIS and which has become a key instrument for engaging with China in the region. For Russia the organizational structures of both the SCO and the CIS are key instruments to maintain influence within the former Soviet Space, although how Moscow does this varies greatly, not least due to sensitivities about China.

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Russian policy positions are variegated and fluid. While the core precepts of the Putin administration have remained largely consistent, in maintaining the Kremlin's diplomatic influence in the near abroad, discrediting potential rivals for both domestic and foreign audiences, and opposing the "color revolutions" taking pride of place, Moscow has proven itself adept at responding rapidly to changing situations. Russia's regional engagement policies also vary greatly depending on the state of bilateral relations and trade, even if the CIS will continue to be at the center of Russian foreign policy priorities, despite diminished Russian influence in the CIS. Belarus, for instance, is dominated by Russian trade, while China has also emerged as a leading economic force in many parts of the former Soviet Union. Frosty, occasionally violent relations with Ukraine following the 2014 annexation of Crimea remain a significant hurdle on the Black Sea. The priorities of Russian foreign policy will be focused on regions that could strengthen and modernize the Russian economy, even if the geopolitical aspects of the CIS are still attractive and even if Russia no longer is driven by nostalgia or extreme geopolitical ambitions beyond its close borders.

In recent years a trend has emerged of Russia (and to a lesser degree China) using the CIS and SCO frameworks as a bulwark against European and American influence. Increased efforts to consolidate Russia's position within both organizations, as well as to strengthen relations with member states, indicates a strategic shift of priorities away from Europe to a more Eurasia-centric foreign policy. This reorientation eastward is not new; indeed, the Putin government was quick to respond to European and international pressure in the wake of the Crimean annexation and ensuing war in eastern Ukraine, by announcing a strengthening of ties with Asia. But Russian fears of losing out to growing Chinese economic power and diplomatic clout had slowed the process. Only following intensive high-level negotiations between Presidents Xi and Putin in June 2019 did cooperation on digital infrastructure proceed, with Russian mobile operator MTS launching a pilot 5G program in Moscow jointly with Huawei. The apparent allaying of Russian anxiety toward China is the result of extensive efforts to harmonize policy positions and reinforces an emerging "Eurasian Partnership" that excludes the Western European democracies.

Nevertheless, Russian efforts to engage with segments of Europe on terms favorable to Moscow, and to build long-term leverage, have continued to be pushed forward. This has taken the form of ideologically motivated

partnerships with EU member states, notably Hungary, whose antagonistic relationship with Brussels appears to have garnered it a favorable relationship with Russia. Intense lobbying has also been directed at pushing forward the Nordstream II gas pipeline, which has been criticized as an effort by the Kremlin to gain political leverage over Eastern European states. China's desire to connect the Belt and Road Initiative (BRI) to European markets has meant that Russia has sought to find ways to benefit from trade flows, limiting Moscow's ability to cut off or exert influence over westward-flowing trade. The intensification of cooperative initiatives with China, coupled with a sustained rash of approaches to undermine EU coherence, makes unlikely any sudden improvement of relations between Moscow and Brussels, as well as any progress in the Ukrainian peace process.

The CIS was originally set up to ease the transition of the outgoing Soviet Union and maintain Russian preeminence regionally, while the SCO aimed to facilitate a joint approach to the perceived threat to vulnerable states from terrorism and to contain instability in Afghanistan. While China was a founding member of the SCO, it lent itself as a tool to policymakers in Moscow to try and organize a regional approach to Beijing, accounting for the difference in perception between the two organizations. While both organizations initially centered on security-related issues, they have evolved to include greater political and economic elements, as evidenced by the effort of Russia to connect the SCO and the CIS with the Eurasian Economic Union (EAEU) and the BRI, bundling together various foreign policy instruments into a kind of foreign policy platform that resembles Beijing's approach to the BRI and attempting to manipulate the BRI to benefit Russian regional initiatives.

Aside from a renewed focus on the structures that underpin Russian regional interests, one of the most significant developments affecting Moscow's relations with the CIS member states has been the escalating support for the embattled Syrian president, Bashar al-Assad. Russia has managed to outmaneuver the US in Syria, largely due to the inconsistency of American policy, which has oscillated between different priorities and has become one of the most important security sponsors in the country's protracted conflict. This has allowed the Kremlin to revitalize its political clout in the Middle East, opening new inroads with Iran and Turkey and challenging US preeminence in the area. While Russia remains the only CIS state to be able to project power regionally in this way, other member states have sought to capitalize on the situation, notably Kazakhstan, which has positioned the

Astana Process to raise the country's international profile as a mediation and diplomacy powerhouse. But while Russia's ability to project influence in the Middle East and achieve set objectives allows the Kremlin to draw a contrast between itself and the flailing White House, military adventurism in the Arab world could result in a regional backlash against Russian hubris. China's emerging presence in a number of areas not traditionally linked with East Asia has also proved sobering for Russian policymakers and called into question the historical dichotomy between Russia and the West.

While Syria has been an evident success for Russia, there have been setbacks in both Montenegro (2017) and North Macedonia (2019); Russia intended to block these two states' NATO membership but failed to prevent the creation of a Kosovar army, and in this failed to show its usefulness as a Serbian ally. Unlike China, Russia does not have the financial means to continue supporting like-minded nations and at the same time maintain domestic economic development. Russia also has taken a greater interest in Africa, and through the first Russia–Africa Summit Moscow is hoping to take a greater role there. The economic weakness of Russia makes it a third-rate actor, but this could change if Europe and the US fail to stand up for their own interests in Africa.

A significant feature of Russia's relations with the CIS is the extremely hostile relationship with Ukraine, which charges Russia with illegally annexing the Crimean Peninsula and actively supporting separatists in the eastern provinces of Luhansk and Donetsk. While Kiev excoriated Moscow following the deterioration of relations in 2014, the Ukrainian government initially opted to continue to participate in the CIS-related framework on a selective basis. This was in marked contrast to the Georgian approach, which sought to completely sever ties with the Russian-dominated body. By 2018, nearing the end of his mandate as president, Petro Poroshenko signed a decree abrogating Ukrainian participation in CIS bodies, as well as in key agreements within the CIS, such as agreements on cooperation in standardizing weapons and military equipment, as well as on ensuring the secrecy of sensitive information about technologies developed in the USSR. Ukraine claims that the process of withdrawal has been initiated, though as of August the CIS Secretariat maintained that it had yet to receive any official notification and that Ukraine remains a *de jure* member. The Ukrainian government has always been unique in its approach to the CIS, having never ratified the commonwealth's charter despite being a founding member.

Aggressive moves by Russia in Ukraine drew neither overt support nor condemnation from the other member states of the CIS, who did not want to be seen as supporting violations of international legal norms but feared future Russian recourse to an ethnocentric approach to “tough love.” Even Belarus, which together with Armenia is the strongest diplomatic backer of the Putin administration, has sought to diversify its foreign relations by reaching out to both China and the EU. There have been improved military relations through the draft concept for the Development of Military Cooperation of the CIS states, but the fault line in the CIS is the failure to increase trade, investments, and in general economic development, with the exception of Tajikistan, which still largely depends on Russia for its security and where Russia today has its largest force outside Russia (8,000 men).

EXPANDED ECONOMIC FRAMEWORK

In an important development, Russia has been proposing an expanded economic framework in the Eurasian Economic Partnership (EEP), which would merge elements of the EAEU, SCO, and BRI. This was proposed as early as 2017 by President Putin, but the idea gained momentum in 2019 with Russia’s taking over the rotating presidency of the SCO. The structure of the partnership has been kept intentionally vague to give the impression that Russia is on a par with China when it comes to economic integration. EAEU and BRI cooperation would be a first step toward the partnership, despite the very large discrepancy between the size and success of the two different bodies. It could in fact fit the Chinese need for connectivity over the region, but it will be difficult to see any parity between the two actors in terms of leadership. EAEU–BRI cooperation agreements have been signed, but only modest progress was made in 2019, even as China’s influence expanded through bilateral cooperation schemes in the CIS states, and structural problems continued to plague the Russian economy, making investment and trade suboptimal. There would need to be major reshaping of trade practices, reduction of formal and informal trade barriers, and more sound trade practices across the board to make Russia’s role more successful.

This change in policy signals a response to a political shift within the CIS that has eroded Russia’s de facto leadership to some extent, but the most difficult problem is that Russia has not been able to deliver economic benefits from either CIS or EAEU cooperation. On one side, Belorussian Prime

Minister Sergey Rumas has proposed a “full-scale free trade zone within the Commonwealth of Independent States.” Such a free trade zone would offer much closer integration among the member states, but only if Moscow can live up to its partners’ expectations of economic gains; given the poor state of the Russian economy and increased international commitments, CIS is not a priority for Russia. A potential solution to this has been to try to graft regionally important economic frameworks onto established security cooperation mechanisms in a sort of Sino–Russian *quid pro quo*.

Russia’s partnerships rest on the experiences of the EAEU, though the Greater Russian Partnership proposed by Putin would later extend to India, China, Iran, and Pakistan as well. The purpose of this initiative is to demonstrate that Russia is still a leading force for economic integration within the CIS, but the reality remains that Russia has been forced to bite the bullet by proposing to extend cooperation further with the only viable partner: the Chinese-led BRI. By aligning the EAEU and the BRI, Moscow could secure a much-needed economic boost, not least with respect to the very deep pockets of China, but also to avoid a feared surrender of the CIS economies to China. The Central Asian economies are today flooded with Chinese investments, and with the exception of Kazakhstan, whose most important trade partner is the EU, China dominates the regional economies. On the other hand, in the states closer to Europe, Russia still has a stronger hand, even if Chinese investments have begun to challenge Russia. In Belarus, the Great Stone Industrial Park near Minsk was designed to attract foreign investment in high tech and biotechnology, and it has been dominated by China, with US\$ 500 million in investments planned by 2020. Still, the park is primarily a launch pad for competition with the EU and not a direct challenge to Russia.

It has been increasingly clear that Russia views the overlaps between the EAEU and China’s BRI as very useful, not least to reinvigorate its own economy and strengthen its clout in the other CIS states, or at least to limit the economic influence of the EU and the US. For Russia, the Sino–US trade conflict is a much-needed opportunity to push forward the integration of the EAEU with the BRI, and even if China and the extended economic region do not counter all the economic deficits, it will undoubtedly strengthen the Russian economy, at the possible expense of its exclusive position within the CIS.

It is not in Russia’s interest to allow growing Chinese political and military influence in the member states of the CIS. But the Kremlin has

been losing its battle to keep China out of what it considers its sphere of influence. Ukraine and Belarus likely represent red lines for Russia, which accounts for the marked absence of these states in China's 17+1 framework. It is also realizing that China will not be kept out of any state, something that we can see in the Chinese investments in Syria, which strengthen Russia's position but also could be a challenge over time, as well as in Serbia, where Sino-Serbian police and military cooperation is felt as a sting in Moscow.

There is undoubtedly a vision of an extended Eurasia that precludes "Western" influence, but how these visions manifest are very different. The policymakers in Moscow and in Beijing have radically different notions, to say nothing of the leaders of the various smaller states of the SCO and CIS. There is an agreement of convenience on what an extended Eurasia should be and do, but the long-term definitions differ, and in the mind of Beijing, Russia is only a stepping stone toward Europe. The EU has grown to become China's largest trading partner (15% of total Chinese trade in 2018, with the US at 14%), and given the economic tension between Beijing and the US, the EU's share can be expected to grow.

There have been instances in which relations between China and new partner states have had to overcome significant hurdles. Turkmenistan, for example, has been problematic, and China has put Turkmenistan on its military blacklist, ending its military exports to this isolationist Central Asian republic. This led Turkmenistan in 2019 (shortly after the Chinese action) to reemphasize gas sales to Russia, and Russia has quickly become a significant actor again. Should relations between China and Turkmenistan remain tense, this will complicate the BRI transit system and put Russian infrastructure back in a more central position, after China had largely sought to bypass Russia in its earlier schemes. The drawback here is that the Chinese/European and the Russian railway gauges are not compatible, and using Russian infrastructure would add a day or two to the route, not to mention the cost of shifting cargo to another train.

Russia has emphasized cooperation between the CIS and SCO, centering on free trade and counter-terrorism policies, but in reality much of the progress made during 2019 was within the framework of the SCO, of which China has assumed *de facto* leadership. Russia has agreed to allow the SCO greater responsibility for regional security, including anti-terrorism, a commitment that was not seen from the CIS in 2019. And Russia has not taken

the lead in this work; rather, China has committed to develop training programs and oversee the management of such activities.

This is not to say that Russia has completely yielded to China, but there are forces in Russia that are betting that the US will open up better relations with Russia, if Russia has the patience to wait. This could bring a new challenge to Sino–US ties, as there are few signs that these will improve, regardless of whether President Trump is reelected. This puts Russia in a position to balance China and the US against each other, if it has the audacity to signal a possible shift in its relations from China to the US. Russia has performed a similar maneuver with respect to Sino–Indian relations: Russia is seeking to hedge both China and India, as long as India invests in Russia and keeps buying Russian military equipment.

Apart from the Russian reengagement in the Middle East and specifically in Syria, Sino–Russian relations showed some of the most relevant changes in 2019. However, even in Syria there is a potential conflict of interest between China and Russia. What has been observable in the Serbian–Kosovar stand-off, as well as in the North Macedonian dealings with both Greece and NATO, is the Russian interest in sowing discord and chaos and preventing regional integration, while China is more interested in fostering cooperation schemes that it might use to influence and balance political and military structures. These divergent modus operandi and the strong likelihood that Russia will have to operate under very strong Chinese leadership in some years has caused some concern in Moscow.

In the end, Russia will have to ask itself whether it has traded known challengers in the West (Europe and the US) for a unknown challenger that has expanded its role in the CIS states far more than Russia could have predicted in 2018, and shows no sign of backing off. As China brings its military and security weight to the CIS states, Russia's influence there is likely to fade.