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# **Conflict Management inside EAEU to Preserve Its Forum**

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### **Author's contribution**

*The sole author designed, analyzed, interpreted and prepared the manuscript.*

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## **ABSTRACT**

**Eurasian Economic Union members:** The Eurasian Economic Union consists of five member states: Russia, Belarus, Kazakhstan, Kyrgyzstan, and Armenia.

What is the Eurasian Economic Union?

The Eurasian Economic Union (EEU or EAEU) is a project for the economic integration of the former Soviet region. Its formal objectives are to create a common market much like the European Union (EU). There are four targets of this forum, i.e.: 1) coordinating economic policy, 2) eliminating non-tariff trade barriers, 3) harmonizing regulations, and 4) modernizing the economies of its five member states. While the whole population of EEU member states is estimated 180 million people.

The EEU has some institutions inside it, i.e.: the Eurasian Economic Commission in Moscow as its regulatory body, and a Court of the Eurasian Economic Union based in Minsk. The Commission's power is limited. Member states disagreeing with its judgments can appeal to other bodies, and the Commission has no power to bring a member state before the Court in a case of non-compliance. Disputes are often resolved bilaterally rather than via EAEU institutions.

Bureaucratic forms of the EU have not been fully copied by the EAEU, which seems a slow phase of its development so far. This might be caused by EAEU GDP in 2019 being the majority Russian economy (87%). Russia is by far the largest member state and dominates the Union. This domination means that Russia is easily able to act unilaterally within the union [1].

*Keywords: EAEU; CIS; free movement of goods; competitiveness; cooperation.*

## 1. INTRODUCTION

### 1.1 A Short History of the EAEU

After the separation of the USSR in 1991, Russia tried to re-kindled some of its satellite states into CIS (Commonwealth of the Independent States). Some CIS member states were interested in closer cooperation with Russia but others were not. In Ukraine, many people perceived the organization as a mechanism purely to facilitate a civilized divorce from Russia. Other initiatives were set up outside the CIS, including the Eurasian Economic Community of 2000 with Russia, Belarus, Kazakhstan, Tajikistan, and Kyrgyzstan, and the Common Economic Space of 2003.

The treaty establishing the EAEU was signed on 29 May 2014 in Astana (now Nur-Sultan) and came into force on 1 January 2015. Armenia was admitted to the Union the day after it came into force. Kyrgyzstan also acceded to the Eurasian

Economic Union in August 2015, motivated by its close economic ties to Kazakhstan and by the labor mobility provided by the EAEU.

The EAEU provided legalized forms of labor migration for Kyrgyzstan's workers, easing the opportunities to find work in Russia and send remittances to the family at home. This labor mobility has been a relative success story of the Union [2,3].

Recently, discussions took place about Uzbekistan joining the EAEU but these have not really progressed. Since the increased Russian aggression against Ukraine in 2022, Azerbaijan has also discussed joining the EEU as the war has forced the country to acknowledge Russia as its most important geopolitical partner [4-6].

Countries such as Kazakhstan have been capable bypass sanctions and importing restricted goods.

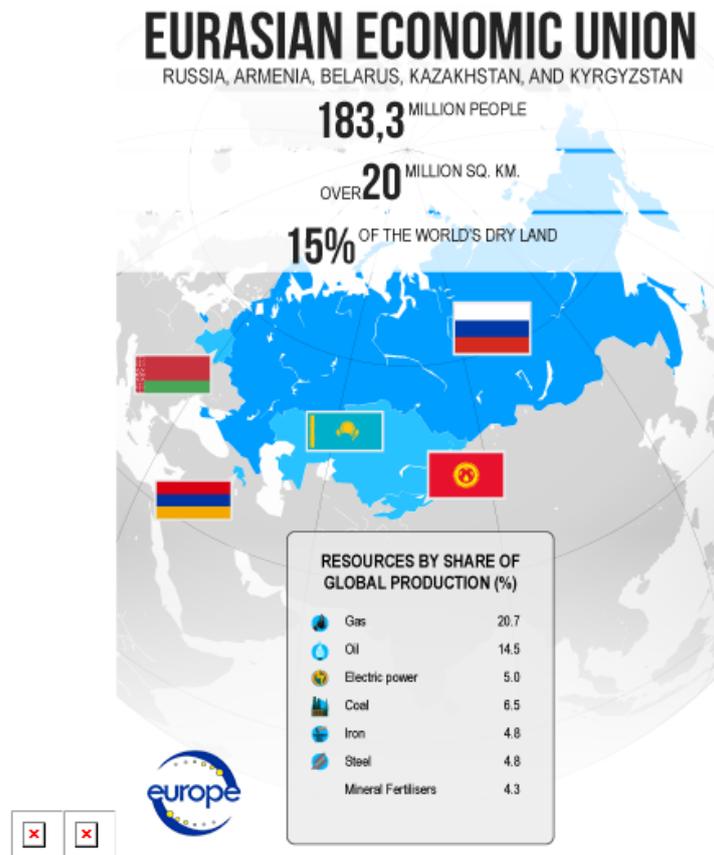


Fig. 1. Eurasian economic union

This cooperative Union between Russia, Belarus, Kazakhstan, Kyrgyzstan, and Armenia developed from previous, smaller-scale international agreements, but it has since become much more.

The EAEU was built in order to achieve: 1) free movement of goods, services, capital, and labor, and 2) pursue an upgrade in competitiveness and cooperation among its national economies, in order to raise living standards [7].

### 1.2 Russian Dominance in the Energy Sector

Moscow's dominance over energy supplies; especially to Western Europe benefited from the EAEU existence. The EU has long been trying to reduce its dependence on Russia's oil and gas, Russia on the other hand, using energy as its main leverage against sanctions from the West.

The Eurasian Economic Union maintain is fundamental for Russia, because its role as the engine for its superpower is energy dominance. Russia produces 20.7% of the world's natural gas and 14.6% of the world's oil and gas condensate. It is also the third and fourth producer of electrical energy and coals. Development of EAEU happened very slowly towards modernization though Putin has his own

ambitions to boost this form of economic activities to further the member's monetary, political and military union; based on his own beliefs.

Altyn, a Eurasian Central Bank and current common currencies, targeted to be built at the latest of the year 2025 would be handled all currencies of EAEU countries 'currencies and so said to compete with "Euro". Steps to establishing a parliament inside EAEU apparently started inside EAEU, even though still under the domination of the Kremlin [8].

### 1.3 Russia's Ambition

Russia has always been the target of pursuit back of his Great Empire before under the USSR regime. Even though such a forum would be used for expanding its power around the world. Russia already benefitted from its relations with countries in its surrounding, in areas such as: 1) being the bridge between Europe and Asia, in particular the New Silk Road economic belt. Facing off against powers such as the EU, India, the US, and China, a union of countries serves to maintain Russia's relevance as a fundamental international actor. 2) administering a federation that has an appalling lack of job diversification and is facing a sharp economic decline [9].

**Table 1. Facts & figures**

<b>EAEU: Economic indicators</b>
<b>Total GDP:</b> \$1.74 trillion (3.2% of world GDP)
<b>Total population:</b> 184 million (2.4% of the global population)
<b>Economically active people:</b> 93.6 million (2.7% of the global total)
<b>Unemployment:</b> 4.8%
<b>External trade with third countries (2020):</b> \$731 billion (2.4% of global export)
<b>Population with internet access:</b> 83.7% (3.9% of total internet users globally)
<b>Agricultural production:</b> \$114.5 billion (2.6% of global production)
<b>Industrial production (2020):</b> 2.2% of global industrial production
<b>Oil production:</b> 600 million tons (14.4% of global production)
<b>Gas production:</b> 750 million cubic meters (19.5% of global production)
<b>Power generation:</b> 1,256.3 million kilowatt-hours (4.7% of global production)
<b>Steel production:</b> 84.3 million tons (4.2% of global production)
<b>Mineral fertilizers production:</b> 17 million tons (35.7% of global production)
<b>Rail mileage:</b> 145,500 km (10.3% of global rail mileage)
<b>Roads:</b> 1.76 million km (4.5% of global)

Source: Eurasian Economic Union

## 2. METHODOLOGICAL ANALYSIS OF EAEU SEEN FROM INTERNATIONAL RELATIONS THEORIES

### 2.1 Subjects of Analysis

All of this suggests that the EAEU's member states will start to oppose integration within the framework if Russia persists in making such strong efforts to reestablish and enhance its sphere of influence in the post-Soviet environment. The EAEU's recent attempts to conduct ties with the EU on an equal basis will come to an end as a result of this dispute. Without EAEU involvement, Kazakhstan, Kyrgyzstan, and Armenia are already attempting to forge bilateral economic ties with other nations. In a different scenario, Russia would change its foreign policy priorities to put less emphasis on bullying its neighbours and more on the pan-European region. If it happened, other EAEU members might become disinterested in the group and consider joining the EU or forming agreements with it instead. Similar events happened in the late 1980s while the USSR was disintegrating and democratic changes were being made. The majority of the 15 former Soviet states separated themselves from Russia to some extent despite the integration efforts mentioned above. The culmination of this trend is what is taking place with the EAEU. In order to get some inside views, the writer will like to use the Conflict Management Styles Theory, just to start thinking about a minor analysis of the Leadership of President Putin in setting up an economic empire for Russia.

### 2.2 Five Major Conflict Management Styles\*

Knowing when and how to use each style can help control conflict and lead to an improved working environment, resulting in a better bottom line:

1. **Collaborating Style:** A combination of being assertive and cooperative, those who collaborate attempt to work with others to identify a solution that fully satisfies everyone's concerns. In this style, which is the opposite of avoiding, both sides can get what they want and negative feelings are minimized. "Collaborating works best when the long-term relationship and outcome are important—for example, planning for integrating two departments into one,

where you want the best of both in the newly formed department," Dr. Benoliel says.

2. **Competing Style:** Those who compete are assertive and uncooperative and willing to pursue their own concerns at another person's expense. Dr. Benoliel explains using this style works when you don't care about the relationship but the outcome is important, such as when competing with another company for a new client. But, she cautions, "Don't use competing inside your organization; it doesn't build relationships."
3. **Avoiding Style:** Those who avoid conflict tend to be unassertive and uncooperative while diplomatically sidestepping an issue or simply withdrawing from a threatening situation. "Use this when it is safer to postpone dealing with the situation or you don't have as great a concern about the outcome, such as if you have a conflict with a co-worker about their ethics of using FaceTime on the job."
4. **Accommodating Style:** The opposite of competing, there is an element of self-sacrifice when accommodating to satisfy the other person. While it may seem generous, it could take advantage of the weak and cause resentment. "You can use accommodating when you really don't care a lot about the outcome but do want to preserve or build the relationship," Dr. Benoliel says, "such as going out for lunch with the boss and agreeing, 'If you want to go for Thai food for lunch, that's OK with me.'"
5. **Compromising Style:** This style aims to find an expedient, mutually acceptable solution that partially satisfies both parties in the conflict while maintaining some assertiveness and cooperativeness. "This style is best to use when the outcome is not crucial and you are losing time; for example, when you want to just make a decision and move on to more important things and are willing to give a little to get the decision made," Dr. Benoliel says. "However," she adds, "be aware that no one is really satisfied."

“It’s incredibly important to not be afraid when conflict arises because there are things you can do, such as becoming more skilled and qualified by building a repertoire for responding to reduce conflict,” says Dr. Benoliel.

### 3. CONCLUSION

- All five major conflict management styles have been seen inside the EAEU forum, for example:
  - Assertive and cooperative: for the Russians and the members of the EAEU to accommodate the problem of Russia’s economy since the sanction from the American and European.
  - Competing style: being a forum of regional economic, it seems that EAEU exercising complete competition with the EU so far
  - Avoiding style: since the crisis in Ukraine’war with Russia, there is some avoidance from the other members of the EAEU to get involved in the war, namely to protect their own economic
  - Accommodating style: conflict could become a turning point for parties to start to learn self-deterrence , just to avoid more of the harm produced in the war itself
  - Compromising style: there were many statements hindering the forum that many compromising actions, to save the member’s own economic activities from the impact of the war (exchange of goods, exchange of personals and professionals, and the likes).

### COMPETING INTERESTS

Author has declared that no competing interests exist.

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