Center for Global & Strategic Studies,
Islamabad

Research Paper

Security Dilemma in Eurasian Integration
and Western Counter Response

Published on 10th October 2019
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Introduction

The geo-politics of Eurasia stresses upon its pivotal and decisive influence over the economically globalized world. Eurasia is converting to the world’s predominant regime, the power that rules Eurasia would exercise its supremacy over the two most economically productive regions of Western Europe and East Asia. The huge land-mass of Eurasia stretches from the Atlantic to the Pacific Oceans, and from the Arctic Sea to the Indian Ocean, forms a ‘Super Continent’. Since the Eurasian economic integration process is of global significance, there are also geopolitical aspects and implications to be considered.

China and Russia being the two major competing powers of the Eurasian region are contesting for the regional power status that would ultimately lead to global supremacy. Furthermore, the geostrategic significance of the Eurasian region impels the United States to secure its hegemonic superpower position in the twenty-first century by creating a security dilemma situation. The region in the surroundings of the Caspian basin plays a pivotal role in devising the US grand strategy.

Moreover, the interests and policies of Russia and China being the two economic giants, pose a threat to the US approach in the contemporary era, with their respective aspiration for “Greater Eurasia” and the “Belt and Road Initiative”. The oil politics occupies an exceptional place on the grand chessboard of world politics. The US not only aspires to restrict the volatile high oil prices of international economic structure but to manipulate the two of the core oil-producing states of the region such as Russia
and Iran in order to maintain the unipolar world spectrum. As the United States has pushed India to take an active role in the region, in this context India’s Indo-Pacific strategy is posing a threat to the security and stability of Pakistan and China.

Therefore, this paper analyses the security dilemma situation and its circumstances over the Eurasian integration phenomenon and the western counter-strategy to restrict the emergence of Eurasia as a global economic power.

**Geo-Strategic location of Eurasia**

The enormous land-mass of Eurasia stretches from the Atlantic to the Pacific Oceans and from the Arctic Sea to the Indian Ocean, which makes it a ‘Super Continent’. Since the Eurasian economic integration process is of global significance, there are also geopolitical aspects and implications to be considered.

Eurasia currently accounts for 70% of the world’s population and more than half of its GPA, and comprising almost 1/10th of the Earth’s surface holds a significant position in the map of the world. This region could become a key developmental force, driven by the assimilation of energy, non-energy, transportation, capital, skilled labor, tourism, and trade.¹

Eurasian Integration and the Formation of a Multipolar World

The strategic shifts in emerging centers of the world and the geopolitics of Eurasia can be better articulated under the theory of Multipolarity by Brzezinski, depicting Eurasia as a grand chessboard in the new world order.

The BRIC states locating in the Eurasian Region, considered as the new global influencing actors. Russia, China is presenting a pivotal role in balancing Eurasia. Moreover, the core Eurasian states collaborating under the umbrella of the Shanghai Cooperation Organization (SCO) are promoting the concept of the multipolar world order. The SCO and BRIC knotting institutional links are symbolizing the political and economic mounting influence of Eurasian states as the soft power balancers.

The term Eurasia was first coined in the late 19th century to define the supercontinent containing Europe and Asia, which have been generally treated as two separate continents. Apart from the establishment of the BRICS, major progress which strengthens the view that the world’s economic axis is changing direction and enhancing the influence of the G-20 mechanism which has overshadowed the G-7 and G-8 structures in recent years.

The geopolitical transformation is reflected in the emergence of Eurasia as a geopolitical counter-balance against the Western influence in world politics. The center

of gravity in the world economy endures moving away from the West to the East. Asia’s contemporary economic ascendance and the integration of its own communities and markets are rapidly disrupting this status quo.

**Eurasia’s Pragmatic Approach**

The Eurasian Region primarily focuses on the regional integration initiatives launched by China and Russia. The Russian President, Vladimir Putin implemented the idea of the Greater Eurasian Partnership (GEP), which included the countries of Eurasian Economic Union (EEU), Commonwealth of Independent States (CIS), and in addition to China, Iran, India, and Pakistan. This action provides a way for economic prosperity and regional connectivity.

Moreover, the GEP ambition is also intended to build the Russian image as the leading deriving force of the region towards the regional alliance progression, especially after the announcement of China’s new Silk Road project that is another deciding factor for the future of Eurasia.

The Belt and Road Initiative (BRI) launched by President Xi Jinping in 2013, contains two core parts, one is the “Silk Road Economic Belt”, extending from China to Western Europe, and second is the 21st Century “Maritime Silk Road” that stretches from China, Indian Ocean, and the Mediterranean Sea, perceived as the cross-border

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infrastructure developmental initiative. Thus, BRI is a reflection of China’s political vision for an integrated Eurasia.

**The Alignment of BRI and GEP**

Aware of the peril of geopolitical challenges, both Russia and China have established incredible consistency to avoid rivalry and to develop a cooperative structure for the alignment of their relevant flagship Eurasian initiatives.

The first indication of Russo-Chinese collaboration arose during the “Putin–Xi Summit” in May 2015, when the two front-runners signed the mutual declaration on “Cooperation in coordinating the development of the Eurasian Economic Union project and the Silk Road Economic Belt”, in which they assured to strengthen the regional economic integration and maintain security, and stability of Eurasian region. Many economic investment initiatives, transportation, infrastructure, and developmental free-trade treaties between China and EAEU were proposed to increase regional economic development.

Recently, on June 5th, 2019 another summit led by the Presidents of China, and Russia met in Moscow for their 13th meeting within six years. The exchanges between the two concerned states have extended by approximately $22 billion in an addition to the $100 billion investment projects. China has signed thirty new progressive projects with Russia, predominantly in the energy sector. Moreover, Russia has become the largest oil exporter to China and is articulating to do the same in the field of natural gas. In contrast to these agreements, the US strategy to isolate Russia by sanctions, also
imposed by the EU, shared with the termination of Russian energy exports to Europe, will be rendered useless.

The Sino-Russian association will not be restricted to the energy segment. Mutual projects have been propelled in the field of aerospace and various technological zones. The communication routes such as railway, road, and river and maritime between Russia and China are being comprehensively established and cultural exchanges and tourist flows are rapidly expanding⁴. This shows that the intensification of efforts will increase in future to assimilate the New Silk Road, and the Eurasian Economic Union (EAEU), for a greater Eurasian partnership.

**Regional Geopolitics**

China assumes GEP as Russia’s effort to preserve its position as a vital strategic actor in the Eurasian integration process. China narrates BRI on a similar note. Beijing desires to see a new Eurasian order emerge, integrated, and free of Western influence, being the center of the orbit. China observes Russia’s effort to promote economic integration in the region through the EAEU as part of a geo-economic strategy that eventually leads to a cohesive economic, political and security environment.

Furthermore, China recognizes that the instant peril for Russia is not China, but the deep-rooted international order dominated by Western states. These two regional powers may be able to convert Eurasia into a joint hub, instead of creating chaos.

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Therefore, Beijing’s preference is to act cooperatively on shared interests in political, economic and security-oriented fields. Russia may ultimately realize the threat of China to its interests and motivations and adopt the approach of rivalry. In the future, Beijing-Moscow cooperation will endure for Greater Eurasia formation.

**Sino-Russian Dominance in Eurasia**

Russia and China have progressively converted into close partners on the global level, determined to work together, to restrict the United States, and to curtail the Western-dominated international system, which they perceive as disadvantageous to them. This shared ideology and compatible economies have pushed the two states to strengthen their bilateral relations. Russia perceives China as a vital market and source of backing⁵. In contrast, the economic and industrial success of China is reliant on its access to a stable supply of Russian hydrocarbons and variant resources.

China’s rising economic existence in Russia is a reality. This is evidently seen in infrastructure, while China also recently exceeded Germany as the core exporter to Russia of machinery. Combined with Western sanctions policies that have made Russia a less attractive place to do business, China’s growing influence in Russia advocates that Chinese corporations are able to weaken Western contenders in Russia. India sits

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at the crossroads of continental Eurasia and the Indo-Pacific, the two regions that will define the 21st century.

The EU has raised an issue with China’s provision of extensive subsidies to Huawei, but China’s growing role in the Russian economy possibly will endure facilitating Chinese companies to push back their global rivals on Russia concerned projects. Thus, these two powers of the region are likely to dominate entire Eurasia due to their economic initiatives.

**New challenges and opportunities for Central Asian states**

The ongoing balance of cooperation and competition is evident in the Central Asian region and the Arctic range. Indulgence in these areas is posing a check to Sino-Russian capabilities to reduce their differences and focus on the tangible gains.

Altogether, Russia and China have effectively managed in Central Asia, but potentially divergent interests persist over the long term. Focusing on the Russian Far Eastern side, China has endeavored to relieve Russian uncertainties by assuring investment to lift economic development. Likewise, China’s gradually significant role in the Arctic has also led to the improvement of energy, transportation, telecommunication, and infrastructural advancement. However, the execution of these treaties’ residues uncertain.

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6 Mathieu Duchatel & Francois, *Eurasian integration: Caught between Russia and China.*
Central Asia is observing the status of a prominent rebalancing power between Russia’s passive and China emerging position as one of the influential players of Eurasia. China’s rise is projecting its desire for regional connectivity, and access to the Central Asian energy resources, and ultimately, expanding its geopolitical and geo-economic influence in Central Asia.

Though Beijing’s soft power is mounting in the domains of Central Asia, Russia is holding its imminent position by its media resources and universities in Siberia and etc. China prioritizes its initiatives for Central Asia of promoting political, economic, and social stability through development. While, Russia is generally motivated to boost its hard power tactics in Central Asia such as military bases, weapons pacts, and collaboration on counterterrorism through the Collective Security Treaty Organization (CSTO). China has aimed to allocate external markets for Chinese firms vigorous in infrastructural expansion, as to include in its “Go Out strategy”.

Beijing’s BRI projects intended to build transportation systems that can facilitate Chinese export and linkage to the global markets. It has dragged Russia direct into this project, through the Sino-Russia-Mongolia economic corridor plan announced in 2017 to comprise the Arctic in the BRI, which will modernize the road and rail lines between these republics. The BRI is a vision of trade and information stream exclusively with China, not the US or Europe. If implemented successfully, it will facilitate the shared Russian-Chinese goals to the transformation of global power from West to East.
Kazakhstan prominently holds its position in BRI. Kazakhstan's core geographic location on the Eurasian landmass brands it the most vital Central Asian transit country for China's struggles to associate western China to the markets in Europe and the Middle East by rail source. China is not only interested in Kazakhstan, but also in the other extensions of Central Asia, as the part of the BRI due to its far more stable route. The lines of Central Asia to China pipeline have brought Central Asian gas to the market in China.

As a landlocked state with ambitious objectives, Kazakhstan has a complex geographical location. The domain trades profoundly with China and Russia, but its fellow Central Asian nations, with the exception of Uzbekistan, have minor markets that will not support Kazakhstan become one of the 30 most developed nations by 2050. Chinese investment in Kazakhstan amounts to 42.8 billion dollars, and loans have exceeded 50 billion dollars.

Moreover, the expansion of the SCO to include two South Asian regional powers of India and Pakistan is transforming the SCO into a greater multilateral organization that serves the Russo-Chinese goal of creating a more multipolar world order rather than a unipolar world. Central Asia's political elites generally view China's growing presence in the region as a stabilizing factor, and believe that Chinese investment in infrastructure will help to diversify their economies, promote broader economic development, and create jobs opportunities, which could help in stabilizing the
struggling economies that are presently dependent on natural resource extraction or remittances from migrant workers⁷.

US Strategy in Eurasia

The US strategy of the Eurasian dimension contains the policy of dwindling the role of Russia and China in Europe, Asia, and the Middle East. The strategy exhibits the efforts to contain Russia and China simultaneously through promoting US rapprochement and consolidation towards Central Eurasia without its own participation. Conventionally, America required acquiring the Eurasian space and strengthening its relations with China and Russia separately while discouraging the two from having closer ties with each other.

US-China Trade War and Imposition of Tariffs

One can observe that the US is converted most antagonistic towards not only Russia but China as well. Its rhetoric is aimed at opposing Russian-Chinese Eurasia to the US-led international order, which includes the Atlantic community, the Indo-Pacific Region, and generally all states oriented to the US and the West rather than to China or Russia entities. Over the past year, the world’s two largest economies have imposed tariffs on billions of dollars’ worth on one another’s goods.

The US President, Donald Trump has long suspect China of biased trading practices. In China, there is also an insight that the US is trying to restraint its rise. Negotiations are tenacious and proven challenging. The two sides remain far apart on issues to roll back tariffs and enforce a deal. The ambiguity is aching businesses and weighing on the global economy.

Trump’s tariff policy aimed to encourage consumers to buy American, curtailing imported goods by making them more expensive. So far, the US has enforced tariffs of more than $360 billion on Chinese goods, and in return, China has reacted with tariffs of more than $110 billion, approximately 5 to 25% on US products.

The US is thus persuaded towards slowly creating more regional and global balances based on broad financial and military support, whether to Ukraine and Georgia in the former Soviet domain against Russia, or to Israel and others in the Middle East against Iran. Beyond the immediate Russian security threat to Eastern Europe, China and Iran aspire to modify the current political balance of power in their neighborhood.

China’s economic rise, tied with its military might have poised it to develop as a powerful world player in international politics, more decisively, its strategic imperatives with those of the US. Beijing requires securing its vital oil and gas resources, which are presently available mostly through the Malakka Strait. In this era of US naval dominance, the Chinese ambition is to redirect its economic dependency and to shift

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supply routes elsewhere from the Strait of Malakka. This is the reasoning behind the trillion dollars Belt and Road Initiative, intended to rewire the Asia-Pacific with Europe through Russia, the Middle East, and Central Asia. It will prove more risky for the US than was the Soviet threat because the Soviet Union was competing militarily, but China is economically predominant.

The US assumes the Iranian rise problematic due to its geographical position, as well as the condition of Iraq and Syria has transformed Iran into a full-spectrum regional power with a reach to the Mediterranean Sea. The Iranians are enormously working on extending their military might backed up with economic incentives.

China is economically and militarily influential, Iran aspires to build a commonwealth, and the Russians are stimulating the Europeans. Washington cannot develop a single strategy that will neutralize diverse geopolitical opponents. Instead, the US will rely more on local actors to keep China, Iran, and Russia at bay and to implement that plan, the US is empowering India to combat the other regional states. For instance, India has become the largest purchaser of US armaments and they are the signatories of various projects related to defense and economic domains. Yet, in a quest to counter Russia and China, its power is diffused between NATO, Central Command and Indo-Pacific command⁹.

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Pakistan: The Global Pivot State for Greater Eurasia

It may be observed that the global pivot state status is linked with Pakistan in the 21st century. An overlook at the country’s geostrategic and domestic capabilities discloses that Pakistan is in a prime position to influence the contours in the future.

The China-Pakistan Economic Corridor (CPEC) is a flagship project of Beijing of its broader ranged Belt & Road Initiative (BRI) because it enables China to access to the Mideast and Africa while avoiding the South China Sea and Strait of Malacca to obtain reliable energy resources for its economy. Pakistan can transmute itself from being a passive object of global connectivity to a leading subject of the rapidly shifting global order if it creatively expands this central corridor throughout the rest of the supercontinent in order to become the zipper state. Pakistan is also a pivot country in its own right, one that is capable of zipping the various powers of Eurasia and the convergence point of the Eastern Hemisphere.

Saudi Arabia and the UAE are eager to take part in BRI as Pakistan becomes the shortest trade route between China, and their economies. Though Pakistan is capable of expanding CPEC in the Northern, Western, and Southern directions, and connect itself with Central Asia and Russia, the rest of West Asia (Iran, Turkey), and Africa as well.

Conclusion

The geopolitical transformation is reflected in the emergence of Eurasia as a geopolitical counterbalance against the Western influence in global world politics. The center of gravity in the world economy endures shifting from the West to East dominance. China’s economic rise, tied with its military might can be poised to develop as a powerful global player in world politics. While the US is persuaded its strategy towards the creation of regional and global balances based on wide-ranging financial and military support to counter Russia and China. In this context, Pakistan can play a vital role in global connectivity in order to become a “Zipper State of Eurasia”. The Central Asian states can also perform a decisive role in balancing the cooperation and competition in the Eurasian region by reducing the Sino-Russian differences and providing a conducive environment for the achievement of economic goals.