

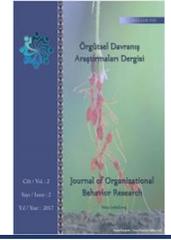


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## ORGANIZATIONAL BEHAVIOR OF ENTITIES ENGAGED IN THE EAEU FOREIGN ECONOMIC ACTIVITY

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### ABSTRACT

The article examines the organizational behavior of entities engaged in the EAEU foreign economic activity, examines the project and prospects of the Eurasian Partnership proposed based on the Eurasian Economic Union (EAEU) plan and the Chinese transport corridor, where this project can be considered as a manifestation of a new world architecture built on the system of regional and interregional integration groups. The author indicates that the project can be considered as a manifestation of the new world architecture, built on the system of regional and interregional economic and integration groups. It is open for new members to join and could be joined by India, Pakistan, Iran, more CIS countries (Commonwealth of Independent States), and several other states in the future. It is concluded that by 2025, the EAEU plans to create a single market for energy and hydrocarbons, the financial market. EAEU can become one of the centers of a wide integration path and attract new partners to solve technological and economic problems.

The study is based on: official EAEU documents; declarations by official authorities; mass media monitoring; analysis of economic statistics.

**Keywords:** Organizational behavior, Greater Eurasian partnership, European union (EU), China (PRC), International cooperation, Eurasian economic union (EAEU).

### INTRODUCTION

The article aims to study the trends in organizational behavior of entities engaged in the EAEU foreign economic activity.

The research objectives are as follows:

- To identify the institutional environment for EAEU cooperation;
- To study the project and prospects of the Eurasian Partnership, proposed based on the Eurasian Economic Union (EAEU) plan and the Chinese transport corridor, where the project can be considered as a manifestation of the new world architecture built on the system of regional and interregional integration groups;

### MATERIALS AND METHODS

The research methodology is an interdisciplinary fusion of the Eurasian civilization concept and economic integration theories. Eurasianism being an ideological, cultural, and scientific school has many variations.

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Forum and conference data were studied, the results of the author's observations were used in the research.

The research is based on: 1) official papers issued by international institutions, such as the EAEU; 2) declarations and interviews by official authorities; 3) media monitoring; 4) analysis of socio-economic statistics. In addition, empirical data statistical analysis, regression and visual data analysis, comparison and analogy, a comparative-historical method, expert-analytical, and other methods were used.

## RESULTS AND DISCUSSION

Organizational behavior is learning and shaping effective behavior (Omar *et al.*, 2019; Alhuzaim *et al.*, 2020; Al-Omar, 2020). The principles to study organizational behavior are primarily applied in the attempts to make cooperation more effective.

Organizational behavior is studied in the article including research areas that deal with increasing cooperation effectiveness in the EAEU, improving satisfaction, and promoting innovation. In this context, each country has its recommendations to act, such as reorganizing groups, changing compensation structures, or changing performance assessment methods.

The Eurasian Economic Union (EAEU) is a free trade area and an international economic union that includes Eastern Europe, and Central and Northern Asia. In 2014, the states – Russia, Kazakhstan, and Belarus – set up the union under the treaty and consummated the agreement officially on January 1, 2015. It is estimated that there are almost 200 million residents in the member states, and the total EAEU GDP accounts for \$5 trillion (Speech by President of the Republic of Belarus F.G. Lukashenko at the II Forum of International Cooperation «Belt and Road», 2019). The subjective approach considers organizational behavior as a managerial aspect. Eurasian integration covers three key cooperation forums: The Commonwealth of Independent States (CIS), the Eurasian Patent Organization (EAPO), and the Eurasian Economic Union (EAEU) (How Europe risks losing its chances of the New Silk Road, 2019). The Eurasian Economic Union is an international organization of regional economic integration. It is established by the Treaty on the Eurasian Economic Union and has an international legal personality.

The Eurasian Economic Union was created partly in response to the political and economic impact of the European Union (EU) and other Western trade agreements. The main objectives of the organization are to enhance member states' cooperation and economic competitiveness, as well as to promote sustainable development to raise the standard of living in member states.

The EAEU ensures the free movement of labor, capital, goods, and services between the states. It also provides for a common policy in energy, technical regulation, industry and agriculture, macroeconomic sphere, antimonopoly regulation, customs, transportation, competition, and foreign trade and investment (Pepe, 2021). Unlike the agreement on eurozone creation, the agreement on the EAEU creation has not yet established a single currency (Osadchaya, 2016).

The EAEU state heads formed a decision-making body known as the Supreme Eurasian Economic Council, while the executive body overseeing daily activities is called the Eurasian Economic Commission, a counterpart of the European Commission. The judicial body is the EAEU Court.

European territorial cooperation is central to building a common European space and is the cornerstone of European integration. It helps to ensure that borders do not create barriers but



bring Europeans together solving common problems, facilitating the exchange of ideas and assets, and encouraging strategic work to achieve common goals (Putin, 2011).

Today, the EAEU is positioned as a fast-growing integration association which is important to continue. In this regard, the furtherance of the union priorities is required. One of the priorities is to implement digital agenda.

Currently, ensuring the integration project appeal is the most important task for mutually beneficial cooperation. Thus, a cooperation-based alliance is to be developed, taking into account each other's views and utmost decision-making coordination. We believe that the EAEU cooperation arrangements should be more attractive compared to the cooperation arrangements with the countries not involved in the integration project.

We also believe that signing the agreement on pension benefits will be a major step towards workers' equality in the EAEU. It is deemed necessary to continue creating favorable conditions by improving the union legal framework (Aganbegyan, 2018).

To achieve the goals, representatives of the countries participating in the Summit signed more than 18 documents. These goals involved interaction among the countries of the Union on macroeconomic policy coordination, some aspects of services liberalization, natural monopoly regulation, customs fee regulation, and import tracing.

It is also worth noting that a great focus is on expanding cooperation within the Union. Given the advantageous geographical location, the countries should expedite the implementation of large co-projects (Roldán & Pérez, 2011).

Foreign relations of the union are also considered including decisions on the exchange of information on goods crossing the border of the EAEU and China, as well as on creating a free trade area between the EAEU area and Serbia (Petrovsky, 2017). In addition, enhanced external relations with other alliances are required to improve cooperation (Qiangwu, 2016). That is why, it is required to establish solid economic cooperation between the EAEU, (European Union) EU, (Shanghai Cooperation Organization) SCO, and (Association of Southeast Asian Nations) ASEAN supposedly. Important is the fact that the Eurasian space aims not to close itself, but to make it more open to global interactions (Khaled *et al.*, 2019; Migranyan & Shavina, 2020).

Currently, the adopted EAEU Customs Code creates a common market for services and labor, and administrative procedures are being improved under the supranational legal base. In addition, industrial and technological cooperation among member states is boosting. 16 Eurasian technological platforms are already functioning, the issue to create Eurasian brands is being worked out. The Eurasian Economic Union is open to cooperate with all countries in the region. It is important for the EAEU member states that they have favorable conditions for doing business with CIS partners. Recently, more than 40 countries have stated their willingness to foster trade and economic cooperation with the EAEU.

The EAEU is interested in further organizational economic cooperation by attracting new countries to build a large and economically sustainable Eurasia in the foreseeable future.

## CONCLUSION

As a result, organizational integration is a systemic and fundamental process. Not all impacts are seen at once, they may take years to be seen. We believe that the coming 10 year-agenda offers the following key steps: complete formation of a single market for EAEU goods and services,



eliminating the existing removal. The focus is on the common markets for electricity, financial services, oil, petroleum products, and gas.

Integrated EAEU and SCO processes, as well as China's initiatives to develop the transport infrastructure in the industrial sector, should develop in the spirit of intergovernmental responsibility taking into account the interests of Russia. It is in the interest of our country to use its transit capacity and develop its land routes. Land routes can benefit from the time factor but the momentum still needs to be capitalized on. Remarkably, Russia and China are not only partners but also competitors in the transportation and energy markets of Central Asia, the Middle East, and South Asia (Sergi, 2018).

In this regard, the SCO can grow into a promising institution, which on the one hand involves many potential Great Eurasian Partnership members, and on the other hand, has a strong international standing. Certainly, the Great Eurasian Partnership foundation will require certain organizational "reconfiguration" and its institutional structure development. In addition, certain aspects of cooperation between the Eurasian Partnership members can be implemented in other formats, for example, through negotiations on trade agreements between the EAEU and separate states.

To conclude, by 2025, a financial market, single energy, and hydrocarbon market are planned to be created within the framework of the union. We believe that the EAEU can become one of the centers of a wide integration path and attract new partners to solve technological and economic problems.

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