Several observers say that the introduction of a common currency should be the next step of the integration of Belarus, Kazakhstan and Russia. The three countries have recently created a customs union and it is logical to assume that the integration will continue. However, there are reasons for being sceptical about it. Russian officials have been feeding the world — and in first place the Russian public opinion — with promises of a soon restoration of the USSR since the very moment of the USSR's collapse. Exploitation of post-Soviet stigmas for PR purposes has been actively used already under president Yeltsin, who initiated the creation of the so-called Union of Russia and Belarus (later renamed to the Union State of Russia and Belarus).

Aliaksandr Lukashenka, the president of Belarus, has also based his state ideology on the population's Soviet nostalgia and on exploitation of key Soviet ideological symbols like the Great Patriotic War of 1941-1945. The customs union of Russia, Kazakhstan and Belarus has already a concrete effect as the three countries have switched to a common tax code. As a result of newly introduced import duties, automobile prices in Belarus have risen by 20% and Russian telecom operators have had trouble importing equipment. President Lukasenka has several times stressed that the union will only make sense if Russia cancels duties on oil exports to Belarus.

Belarus would economically benefit from a common currency more than Russia or Kazakhstan, because Belarus' exports are largely oriented on Russia. However, it seems highly unlikely that the president of Belarus would give away some of his economic decision making power to a foreign centre. Belarusian
officials have always demanded an equal representation of Belarus and Russia in the management of the eventual common central bank of the Union State. For obvious reasons, this is a condition Russia could never have accepted. Besides that, introduction of a common currency requires synchronization of economic systems of Russia, Belarus and Kazakhstan. At present they are very different and hardly compatible.

Resource-based economies of Russia and Kazakhstan react against global macroeconomic shocks in a way very different than the economy of Belarus. Therefore there are no indications that the talks of a new Eurasian empire will this time result in anything different from previous times. Ukraine's president Yanukovych has already de facto rejected Putin's proposal to join the Russian-Kazakh-Belarusian customs union. Ukraine would only cooperate with the Union as long as it doesn't contradict with the country's WTO membership. Kazakhstan won't give up its independence despite Nazarbayev not having appointed a heir yet. It's hard to imagine that the local elites won't be able to find a new leader. Different officials including Pavel Borodin, the Secretary of the Union State, have been predicting a soon introduction of a common currency since early 2000s. To be exact, Russia's deputy prime minister Igor Shuvalov only said he "would not rule out the possibility in the long-run of a switch to a unified monetary space". I.e., introduction of a common currency is a thing as far as it has been all these years.

The Soviet Union is gradually being rebuilt as Vladimir Putin eyes a return to the Kremlin. The man who declared the collapse of the Communist state to be the “greatest geopolitical catastrophe of the century” appears determined to forge a new empire. The latest evidence emerged in a suggestion by Igor Shuvalov, First Deputy Prime Minister in Mr Putin’s Government, that Russia may abolish the rouble and create a common currency with Kazakhstan and Belarus. Read the Full story
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