

CHAPTER III

DIFFICULTIES OF RUSSIA IN MAINTAINING ITS RELATIONS WITH CENTRAL ASIAN COUNTRIES

This chapter will explain about the difficulties that faced by Russia in order to maintain its relation with Central Asian Countries. In order to discuss or understand about the strategy of Russia to maintain its relation with Central Asian Countries, we need to understand what the difficulties or the obstacles that faced by Russia in maintaining its relation with Central Asian Countries.

In the past few years, Russia has no intention to turn down its handle over the former Soviet bloc. Russia recently very busy on keeping its western borders and geopolitical interests to be safe. However, Russia has not forgotten about the east part. There are many plan that prepared by Vladimir Putin in order to bring back the former Soviet republics into Kremlin's orbit. One of the plan was via the Customs Union. Since the collapse of Soviet Union in 1991, Russia has done many things aimed to regain its control over the Central Asian Countries by various economic treaties. The first one and most well-known is the Commonwealth of Independent States (CIS) that formed in the late 1991. Two years later in 1993, Russia proposed their idea of Economic Union and then in January 1995, Russia signed a treaty on the establishment of the Eurasian Customs Union with Kazakhstan and Belarus which later Kyrgyzstan and Tajikistan joined. Under Putin leadership, the union was transformed into Eurasian Economic Community (EEC) with the signing of a treaty by the five countries in October 2000 in order to strengthen the reintegration of the former Soviet republics. Later on 2007, the idea of eliminating the customs barriers came up and Russia, Belarus, and Kazakhstan signed a treaty to form the Customs Union. Since

then the idea of the union has been developed and since 2013 there has been talks of establishing the Eurasian Economic Union, which could open its doors to countries beyond the borders of Central Asia.¹

The legacy of Russia in Central Asia is undeniable. Russia does a lot of things in Central Asia, such as humanitarian works, financing projects to degrade poverty and boost health, education, and economy. Russia also well-known for its strong military presence in Central Asian Countries, with some military bases that located in Kazakhstan, Tajikistan, and Kyrgyzstan, also the plan to establish a military-technical cooperation with Uzbekistan. Russia also remain as the top three trading partner of every Central Asian Countries and has donated to them approximately \$6 billion-\$7 billion over the past five years.²

The influence of Russia in Central Asia was on the decline. There are many causes of the declining of Russian influence after the collapse of Soviet Union. One of them was the unstable economy that caused by the low oil prices, U.S.-led sanctions, and an unenviable budget deficit. In terms of Politics, Russia faces external issues with Ukraine, Middle East, and also some internal political issues. In some cases, Russia was unable to help in solving the problems that faced by Central Asian Countries. For example, the conflict over water and energy supplies and also borders disputes. Those factors has created an encouragement of Central Asian Countries

¹ Beshimov, Baktybek; Satke, Ryskeldi (2014). *The Struggle For Central Asia: Russia vs China*. Aljazeera. Retrieved on December 11th, 2018 from <https://www.aljazeera.com/indepth/opinion/2014/02/struggle-central-asia-russia-vs-201422585652677510.html>

² Zolotova, Ekaterina (2018). *Central Asia Steps Out of Russia's Shadow*. Geopolitical Futures. Retrieved on December 12th, 2018 from <https://geopoliticalfutures.com/central-asia-steps-russias-shadow/>

governments to seek a new bilateral or multilateral relationships.³

Central Asian Countries, such as Kazakhstan and Uzbekistan are no longer a passive objects of other Countries diplomacy, they started to be more assertive. The U.S. will remain as the most powerful actors in the region even after the withdrawal of NATO combat troops from Afghanistan. China also started to show up their powerful economic influence in Central Asia into a broader strategic presence. The capacity of Russia to control Central Asian Countries is significantly reduced. This phenomenon caused by the greater competition and the threat towards Russian security are multiply. Russia will be faces a hard struggle to avoid the significant decline of its influence towards Central Asian Countries.⁴

One of the obstacles of Russia in maintaining its relation with Central Asian Countries is the presence of other countries in Central Asia. One of the most important new actor in Central Asia is China. The rise of China in Central Asia is due to its wide vision for regional connectivity, desire for Central Asian energy resources, and sufficient reserves, which it distributes to Central Asia through commercial investment, loans, the Asian Infrastructure Investment Bank, and some other manifestations. The difference of China and the West in approaching Central Asia is that China never ask for political reform from Central Asian governments. Unlike Russia, Beijing does not apply political pressure to keep the region in its general orientation. Because of there is no an overt political agenda other than regional stability which China believes can be assured through economic development, the local government

³ *Ibid.*

⁴ Lo, Bobo (2015). *Frontiers New and Old: Russia's Policy in Central Asia*. Ifri (Paris; France), p.2

of Central Asian Countries attracted to establish a cooperation with China and make Russia become less attractive than China.⁵

While the existence of China is growing all across post-Soviet Eurasia, China's expanding geopolitical and geo-economic influence is most flashy in Central Asia, which is where China has studied how to manage Russian concerns on its growing regional influence. Through the Belt and Road Initiative (BRI), China aimed to expand its influence in Eurasia, including Russia. Maintaining positive relation with Russia in Central Asia is one of the most important tests for China's political and economic diplomacy. China is smart in managing Russia, due to the primary engagement of China towards Central Asia was on economic issues, China will not make an obvious push into political or military issues. China also built some universities in the Central Asia which started to be popular in Central Asia besides Russian universities. The number of Central Asian students who studying in Chinese universities is on the rise. In the year of 2005 until 2015, the number of Kazakhs students studying in Chinese universities has increased from 781 to 13,198 students. Recently, the government of China offers 23 academic scholarships to students from Kyrgyzstan to study in the higher education institutions of China.⁶

Russia is no longer on top of the trading partner list of the five Central Asian countries. The position is now been replaced by the China. Russia has so many economic engagement towards Central Asian countries, covering sectors such as construction, mining, agriculture, transportation, telecommunications, and military-industrial complex. In 2011

⁵ Stronski, Paul; NG, Nicole (2018). *Cooperation and Competition: Russia and China in Central Asia, the Russian Far East, and the Arctic*. Carnegie Endowment for International Peace. Retrieved on December 12th, 2018 from <https://carnegieendowment.org/2018/02/28/cooperation-and-competition-russia-and-china-in-central-asia-russian-far-east-and-arctic-pub-75673>

⁶ *Ibid.*

the overall trade turnover between Russia and Central Asian countries stood at \$27.3 billion. The main export of Russia to the Central Asian countries are mainly manufactured goods such as machinery, foodstuffs, transportation equipment, and textiles. Meanwhile, the main products that imported to the Russia from Central Asian countries are still agricultural and natural raw materials, as well as chemicals.⁷

The China's Belt and Road Initiative (BRI) cannot ignore the Central Asia on its way to Europe geographically and the shared border of Central Asia and the China's Xinjiang enhance the economic logic with security excuse. The BRI will brings the actual funding into the Central Asia region which in desperate need of infrastructure development. On the other hand, the Eurasian Economic Union (EEU) is a customs union among former Soviet republics orienting their economics towards Russia. There are so many critics towards the EEU, such as EEU is an attempt to revive the Soviet Union and EEU is a part of Russia's plan to strengthen its own global influence which Russia did not put a hard effort on it.⁸

The trade between China and five Central Asian countries is increased over the past decade, surpassing US\$30 billion in 2016. This number clearly above the Russia's with US\$18 billion. There is a hype about the rivalry between Russia and the Europe in the Central Asia, but in fact, it was China who brake the control of Russia towards Central Asia's oil and gas exports. The influence of China continuing to grow in Central Asia region with the Belt and Road Initiative (BRI). President of China, Xi Jinping has a broad vision to build transportation infrastructure in Eurasia to support their export flows. Even though there are many question on its economic viability, BRI

⁷ Oliphant, Craig, op. cit. p.7

⁸ Putz, Catherine (2017). *China and Russia in Central Asia: Rivalries and Resonance*. The Diplomat. Retrieved on December 14th, 2018 from <https://thediplomat.com/2017/07/china-and-russia-in-central-asia-rivalries-and-resonance/>

is a very ambitious plan of China's government. There is a fact that even if this BRI only partially fulfilled, it will reduce the Russia's control over Central Asia's export routes.⁹

The leaders of Central Asian countries accepted the BRI with widely open hand. They hope BRI capable to enhance the economy of Central Asia that has been stagnant, they also hope the BRI will create a socioeconomic stability and bring a positive flow of investment. Kazakhstan become a country that get the most benefit from BRI due to its geographic location as the key transit country. Kazakhstan's authority welcomes the engagement of China as a way to modernize the aging infrastructure and to diversify its economy. It is also using the China's growing investment to show to Russia that Kazakhstan has options and that any attempt by the Kremlin to replicate a Ukraine scenario in Kazakhstan, a country with a large ethnic Russian population, could not go ahead without running into China.¹⁰

Kremlin seems unconcerned about the economic dominance of China in Central Asia or about the Central Asia's leaders welcoming China's engagement. Russia knows that they cannot do much about the China's presence in Central Asia. The stagnant of Russia's economic limits their capability to compete with China. Russia also have an economic and diplomatic dependence on China after the sanctions that given to the Russia in the post-Ukraine era that made Russia even weaker to push back. Unlike the former US president Obama who dismissed Russia as a regional power, Xi Jinping taken seriously the desire of Vladimir Putin as a global leader. To keep public frictions to a minimum, Xi offers Putin multiple summits per year. They frequently end up with a

⁹ Stronski, Paul (2018). *China and Russia's Uneasy Partnership in Central Asia*. East Asia Forum. Retrieved on December 13th, 2018 from <http://www.eastasiaforum.org/2018/03/29/china-and-russias-uneasy-partnership-in-central-asia/>

¹⁰ *ibid.*

hazy agreement to coordinate BRI with Eurasian Economic Union (EEU) that initiated by Russia. But these agreement is kind of hard to be realized because the BRI and EEU are incompatible. BRI is a project aimed to connect multiple markets and reorient global trade with China as its engine. Meanwhile, the EEU is an effort aimed to create a single closed market which is dominated by Russia to boost Moscow's influence in the Central Asia region in the face of continued encroachments from both Europe and China. Russia is a much less attractive actor in the region compared to China due to its limited resources and a heavy political hand in the region. Unlike the inclusive BRI framework from China, the Russia's EEU is an unhappy union due to its forced membership and frequent trade fight.¹¹

China also started to develop its security footprint in the Central Asia, but knowing the sensitiveness of Russia about this term, China developing it smoothly. But slowly China signaling that now it wants to play a more active role in the region in term of security. The Central Asia region is the last buffer of China and the instability of Muslim world at a time when Russia's security sector is stretched thin by multiple military conflicts. It has been reported that China building a military base at the border between Tajikistan and Afghanistan which will give China a security presence in both states. China quietly increased the security influence in the region by assisting Kyrgyzstan after the tragedy of bombing of the Chinese embassy in Bishkek. China also selling weapons to the Turkmenistan. China has a huge interests in these four countries that generally considered as the most unstable countries in the region. Three of them border China, while Turkmenistan is heavily indebted to Beijing and is China's main supplier of gas.¹²

China also continuing to spread its influence in Central Asia in the energy sector. During the year of 2009, China gave

¹¹ *Ibid.*

¹² *Ibid.*

a substantial loans for energy deals to Turkmenistan for about \$8 billion and \$10 billion to Kazakhstan. Then in 2013, China gave another \$3 billion loan to Kazakhstan in order to improve the energy infrastructure. Furthermore, weeks later the Chinese energy company CNPC was awarded a stake in the important Kashagan consortium. Kashagan is expected to resume production in 2016 following a string of accidents and technical delays. But it is in the area of natural gas where China has made its most dramatic regional forays. Since the opening of the China-Central Asia gas pipeline in 2009, China's CNPC has effectively removed Russia's Gazprom as the region's dominant gas actor. The China-Central Asia pipeline originates in Turkmenistan, crosses Uzbekistan and Kazakhstan before connecting to a Chinese pipeline that extends all the way to China's east coast.¹³

It can be said that the factors that made Russia is less attractive compared to the China is its approach towards the Central Asia. Russia seems like has a lot of personal goals in approaching the Central Asia which greater than their goal to help the Central Asian countries to develop their politic and economic sector. It can be conclude from the paragraphs above that Russia still wanted to claim itself as a hegemonic power in Central Asia especially. Meanwhile, China plays a more soft approach towards the Central Asian countries which attract the government more than into Russia's projects. The projects of China offered to the Central Asia also seems to have more benefit for the Central Asian countries and capable to help them to develop their countries. The history of Russia as a colonizer in Central Asia back in the second half of the nineteenth century is also the factor that could be the obstacle for Russia to maintain its influence in Central Asia region.

¹³ Cooley, Alexander (2015). *Russia and China in Central Asia*. Norwegian Institute of International Affairs (Oslo; Norway), p.3