

The Game in Central Asia: The U.S. and the EU (Part 2)

The United States role in Central Asia

The US approach as well as its engagement in Central Asia are fairly constrained. First there are geographic limitations. The US and Central Asia don't share any borders, they are on different continents with a quite a distance between them, finally and most importantly Central Asia is landlocked. Secondly there are strong cultural, social and political differences between Central Asian countries and the US. Despite gaining independence after the fall of the Soviet Union the countries of Central Asia showed almost no interest in developing democracy or wider civil society, furthermore these countries continued to practice an authoritarian model of governance. This also represents a big setback for the American interests and possible penetration to the region since American democracy and its presence can be perceived as a potential threat for the ruling elite of the Central Asia. Lastly the outer belt of Central Asia is composed out of rival states such as Russia, China, Iran, Pakistan and Afghanistan which has been scourged by the American intervention at the beginning of the century. Only the states on the western shores of the Caspian sea, such as Georgia and Azerbaijan, have a relatively positive relationship with the US. However these states don't represent an enviable springboard for the American engagement in the region.

Washington's approach or policies towards Central Asia can be divided into two different sections or time periods. The first period of US-Central Asia relations begins in the nineties after the fall of the Soviet Union when the five states of the region gained their independence. In this period, also described as a US policy toward Central Asia 1.0, Washington focused on a couple of things: securing proliferation of potential weapons of mass destruction left as a remnants of the Soviet legacy, helping the regional countries in their newly gained sovereignty and independence, and breaking up Russia's monopoly over transit routes and pipelines in the region in order to further secure the newly gained independence of the regional countries. In that period of time the region was considered as a low priority by the US policy makers. After the 9/11 terrorist attacks the US approach towards Central Asia shifted dramatically, this period is also described as a US policy towards Central Asia 2.0. Military engagement in Afghanistan required a large-scale support for the American troops. Central Asian countries became an important strategic asset for the US military and its facilities. Although the region was pushed from the periphery of the American global interests in that period, deeper US political engagement has never been realized. Central Asia was serving as "means to an end" for Washington's policies in the region, primarily for its security plans in Afghanistan and other regional countries.¹ Today US interests are focused on other global hot-spots such as the Middle East, Eastern Europe and

¹ E. Rumer, R. Sokolsky, P. Stronski, *US Policy Towards Central Asia 3.0*, Carnegie Endowment for International Peace January 2016, p. 3-5 (http://carnegieendowment.org/files/CP_259_Central_Asia_Final.pdf)

East Asia. However a global empire doesn't exercise its power only on certain regions that are currently of interests, rather it perceives the world as its own backyard where even the peripheral corners at one point can serve their purposes. The reach of *Pax Americana* is wide and although Central Asia is marginal in Washington's current plans it still bears certain significance for the American's global interests and its engagement in Asia.

US interests in Central Asia are primarily strategic and are focused on two subjects - security and economy. The security dimension is mainly bound to the problems of radical Islamism, terrorism and counterterrorism efforts in the region. While the economic approach is dealing with the issues of how to efficiently integrate Central Asian markets into the global community. The economic approach can be further separated into four main principles the US is trying to build with the region: ²

- Preserving independence of the Central Asian countries as well as their sovereign ability to exercise political and economic choices, free from pressure of regional powers.
- Diversifying transit options thus reducing dependence on a single market or infrastructure link.
- Building institutional capacity while also securing political and economic stability in the region hopefully attracting larger foreign investments.
- Reconnecting the landlocked region to the global market thus increasing the potential for sustainable economic progress.

Security interests and objectives in Central Asia still represent an important part of the United State's global anti-terrorism agenda. Despite American counterterrorism efforts in Afghanistan against Al Qaeda and the Taliban, threat of Islamist radicalization and potential growth of terrorism in the region is still plausible. Although most of the Muslim population in Central Asia supports the concept of the secular governments there is a growing influence of fundamentalists and Salafists in the region. Causes of this Islamist expansion can be traced back to Taliban insurgency in Afghanistan and the US intervention, Tajikistan's civil war 1992-1997 and the Russian long conflict in Chechnya and other areas of North Caucasus. Other factors which are fueling the proliferation of Islamist fundamentalism is poverty, repression and overall economic distress among various sections of the population (this is evident especially in Fergana Valley). Radical groups such as Islamic Movement of Uzbekistan (IMU) and Islamic Jihad Union (IJU) conduct their activities in the region which are mostly orientated towards overthrowing regimes and implementing the religious law.³ This is raising many concerns especially since in the last couple of years we had a terrifying outbreak of violent Islamism in the

² A Report of the Central Asia Study Group, *Strengthening Fragile Partnerships: An Agenda for the Future of U.S.-Central Asia Relations*, Project 2049 Institute, p. 3
(http://www.armitageinternational.com/news/documents/strengthening_fragile_relationships_central_asia_feigenbaum.pdf)

³ J. Nichol, *Central Asia: Regional Developments and Implications for U.S. Interests*, March 21, 2014, p. 21-22
(<https://fas.org/sgp/crs/row/RL33458.pdf>)

Middle East. Although there is a certain distance between these regions (Central Asia and Middle East) the possible spillover of violence, terrorism and radical Islamism shouldn't be disregarded. Though a distant power, the US would be directly or indirectly affected by the potential propagation of radical Islamism in Central Asia mainly because of two reasons: the phenomenon of Islamist terrorism which has a global reach perceives western liberal societies as main enemies of Sharia; secondly, radical Islamist groups in Central Asia which are usually funded, educated and trained by Afghanistan, Pakistan and Saudi Arabia groups have a strong anti-American and anti-Semitic sentiment. Despite being limited even in the security perspective (one of the last military US Air Force bases in Manas-Kyrgyzstan was closed in 2014) the lingering threat of radical Islamism and terrorism will push Washington to stay active at least in the intelligence sector, although the Central Asian region has lost much of its importance for the US foreign policy makers.

Washington's economic interests in Central Asia incorporate energy, trade, New Silk Road Initiative as well as implementing the regional economies into the global market thus reducing their dependency on neighboring powers. Energy potential of Central Asia is vast, naturally the US and its companies are interested in this energy market. However this does not represent the main United States interest in the region regarding oil and gas reserves. By incorporating Central Asian fuel into the global energy markets the US can weaken the OPEC's overall monopoly on this commodity.⁴ Furthermore investing in the Central Asian energy sector, more precisely in its infrastructure, the US is trying to supply its NATO allies (Turkey and EU) with an alternative gas sources. The American administration was very supportive of Baku-Tbilisi-Ceyhan oil pipeline and South Caucasus Pipeline which can considerably lower dependency on Russian gas exports.⁵ Besides energy the US economy can also benefit from various and abundant raw materials or natural resources which can be harvested in Central Asia. Kyrgyzstan is rich with iron ore while also hosting one of the largest gold mines of the former Soviet Union. Kazakhstan is one of the world's largest uranium produces while the whole region is also rich with coal, produces cotton, agricultural and petroleum products. However, trade between the United States and Central Asia in 2013 accounted less than 1% of the United States global trade. This information shows us the limitations of the Central Asian markets, and how the regional countries' economies are conditioned by their geographical position and neighboring states.

Lastly we have the question of the New Silk Road Initiative and what it means for the American interests in Central Asia. New Silk Road signalizes a collection of investment projects and regional trade blocks which are aimed at bringing economic growth and stability to Afghanistan and some Central Asian countries. The US Silk Road Initiative also plans at connecting South and Central Asia via economic liberalization, increasing trade volume and

⁴ B. Chen, R. Tian, M. College, *The US Economic Interests in Greater Central Asia: The Development Process and the Expected Future*, URC (<http://www.kon.org/urc/v10/chen-b.html>)

⁵ J. Nichol, *op. cit.*, p. 55-56

economic cooperation between countries in this region. The main objective of this initiative would be Afghanistan which according to the US would be able to attract better investments and provide better economic opportunities to the nation and the region if the initiative is implemented. From the American perspective the New Silk Road can boost economic growth throughout the region and integrate regional countries to the world's economy by establishing modern infrastructure and cross-border trade. Two vocal points of this initiative would be the TAPI pipeline (Turkmenistan-Afghanistan-Pakistan-India) and CASA-1000 project. Both of these projects are suppose to transfer energy from Central Asia to Afghanistan, Pakistan and India. The TAPI pipeline is a gas infrastructure project which should transfer Turkmenistan's gas all the way to India while the CASA-1000 should deliver hydropower from Kyrgyzstan and Tajikistan to Afghanistan and Pakistan.⁶

Although it seems that Washington is ready to partake in a rather big and costly economic endeavor in Central Asia it won't gain any significant profit nor economic benefits. Transporting gas or oil from this region to North America is costly and the trade that the US has with Central Asia is marginal, hence there must be other reasons and motivations behind these economic moves. The US economic strategy for development in Central Asia has a significant political dimension. By pushing for economic development the United States can promote its democracy and values while also gaining significant political leverage in the region. Political leverage or influence can mean a lot for the United States policy in Central Asia, especially since the withdrawal of the US forces from Afghanistan. America is on a relatively "shaky ground" when it comes to Central Asia. All regional powers, especially China, see the region as their future backyard where they can exploit its resources and export their products. Pressuring Central Asian governments, injecting foreign aid and financing large infrastructure projects Washington can hope to maintain some kind of political influence over the region. Nevertheless more pressing matters are distracting US policy makers from this area. In the future most the US can hope to achieve in Central Asia is to somehow contain the Chinese expansion in the region, although this will prove to be a difficult task. Central Asia with its specific geographical position may become a region which Western powers won't be able to easily penetrate and impose their social and political values (interests).

The EU strategy for Central Asia

Brussels approach to Central Asia is fairly limited. Besides being geographically separated, Central Asian states and Europe don't have the same culture nor have similar social values. Hence Brussels approach towards these states is mainly focused on programming and spreading democratic reforms. The European Union is a newcomer to the region, its strategy concerning the Central Asia was drafted in 2007, besides soft-power other important aspects of the EU strategy towards this region also include economic as well as security issues and

⁶ V. Fedorenko, *The New Silk Road Initiatives in Central Asia*, RETHINK Institute Washington DC August 2013, p. 4-9

interests.⁷ Strategic interests of the EU in Central Asia can be separated into two clusters. One includes security interests and political stability of Central Asian states while other contains economic and energy interests. Brussels will face a significant challenge before achieving any of these goals, primarily because of the geographic distance that separates Europe from Central Asia but also the authoritarian nature of these countries which won't easily comply to the EU's ideals of democracy.

Political stability and security are often mutually conditioned, especially in the countries which don't have a developed civil society, but an entrenched political elite that positioned itself so while gaining independence for their country less than three decades ago. Brussels interests in stability and security for Central Asian countries are propelled mainly because of the following reasons:⁸

- Potential strategic and economic development of these states which will directly or indirectly impact Europe.
- Potential enlargement of the EU that can include some South Caucasus states which will bring Europe and Central Asia closer together.
- Finally, the EU sees Central Asia as a future partner mainly because of its significant energy resources and oil reserves. Central Asia can help diversify energy supply while also building better energy security for the EU Member States.

Central Asia is a crossroads between Russia, China, Afghanistan, Pakistan and Iran. Situated between these states Central Asia represents a strategic hub which is fundamental for international stability, as stated by Dr Stephen Blank: "European and Eurasian security are indivisible".⁹ Usually the region serves as one of the main trading routes for the Afghan opiates which are distributed across the globe. Porous borders, large swathes of uncontrolled territory and lack of regional cooperation made the region very attractive for various traffickers. Brussels politically engaged some Central Asian countries and brought the initiative for battling smugglers, traffickers and other forms of illicit trading which was very dynamic in this region. Furthermore the European Union was very active in giving operational support to the Central Asian countries considering border management and drug trafficking - BOMCA and CADAP. Both of these programs aim to enhance security of the region while also boosting political dialogue between the EU and some Central Asian States.¹⁰

⁷ Policy Department, *The EU in Central Asia: The Regional Context*, 2016, p 1-9

([http://www.europarl.europa.eu/RegData/etudes/IDAN/2016/535020/EXPO_IDA\(2016\)535020_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/IDAN/2016/535020/EXPO_IDA(2016)535020_EN.pdf))

⁸ Council of the European Union, *The EU and Central Asia: Strategy for a new Partnership*, Brussels 31 May 2007 p. 4-5 (https://eeas.europa.eu/sites/eeas/files/st_10113_2007_init_en.pdf)

⁹ European Institute for Asian Studies, *The New Great Game An Opportunity for European Union's Common and Foreign Security Policy*, June 2016, p. 9

¹⁰ J. Boonstra, *The EU's Interests in Central Asia: Integrating Energy, Security and Values Into Coherent Policy*, p.13-15

(http://www.edc2020.eu/fileadmin/publications/EDC_2020_Working_paper_No_9_The_EU%E2%80%99s_Interest_s_in_Central_Asia_v2.pdf)

In the economic sphere Central Asia represents a relatively limited market for the EU. Sixty million inhabitants scattered across five regional states have a rather low standard of living which can be seen from the country's GDP per capita that varies between 2,100 and 2,600 dollars with the exception of Kazakhstan that has 11,600 dollars GDP per capita. However the EU is one of the main trading partners of the Central Asian region, one third of the total foreign trade of this region is completed with the EU. The most popular is of course the hydro-carbon industry which accumulates the biggest revenue. More than 80% of EU's imports from Kazakhstan is oil where with Turkmenistan this number goes even higher (around 90% of all imports are oil/gas).¹¹ Energy exports yet again show the limited nature of the Central Asian economies. Nevertheless this is one of the world's richest regions of hydrocarbons and natural gas therefore the EU's strategic engagement and motivation for Central Asia is the petroleum sector. The Central Asian region can become a possible EU supplier of oil and gas since many Member States are trying to diversify their energy supply and decrease dependence on Russia (especially after the Ukrainian crisis). Although gaining access in terms of infrastructure or transport will represent a big obstacle for Brussels, especially since both Nabucco and Transcaspian gas-pipelines have failed to deliver the promised energy to Europe. Besides the hydrocarbon sector Germany, one of the key players driving EU relations with Central Asia, sees investment opportunities in car manufacturing industry, electronics, construction, agriculture as well as management and training of qualified specialists. Specific nature of the German economy is the primary dynamic which drives German investors to seek new opportunities in these industrial sectors. Furthermore lower demand for the German manufacturing products in Europe and the US makes post-Soviet and Chinese markets very important for the German companies, especially for the car manufacturers. Finally Germany considers Kazakhstan (along with some other countries in the region) as a crucial Asian partner which can also serve as a gateway for the German industry to expand deeper into Asia.¹²

Looking at the Central Asian region as a complex chessboard the EU has more disadvantages than advantages in successfully engaging and implementing its political or economic interests. Firstly the geographical remoteness of the region makes it difficult for the EU to be present in comparison to other powers, mainly China and Russia. Secondly both of these powers are very active in the Central Asian political theater and both of them share certain authoritarian affinity towards the governments of the region. Thirdly the US, as the Europe's biggest ally, has also limited access to the region making it unreliable in terms of providing political, diplomatic or military support (as stated above the US has more pressing matters). Despite these set-backs EU can penetrate the region (to some degree) mainly through education, promotion of civil rights and democracy, security cooperation and most importantly by bilateral economic agreements between EU Member States and countries of Central Asia. Regardless, Europe will remain a marginal player in the Heartland's Game.

¹¹ S. Peyrose, *Business and Trade Relationships between the EU and Central Asia*, June 2009, p. 4-5 (http://fride.org/download/EUCAM_WP1_Business_tradeIII_ENG_jun09.pdf)

¹² S. Peyrose, *op cit*, p. 6

Part three coming soon...

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