

Central Asian Integration and Russian Foreign Policy

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Abstract: This article seeks both to trace the development of the integration process in Central Asia since its starting point after the dissolution of the USSR to the late 2000s and to assess Russia's attitude to these sub-regional endeavours. Our key finding is that all Central Asian blocs existed from 1994-2005 (CAU, CAEC and CACO) proved to be paper organisations rather than effective mechanisms to deliver tangible results.

Key words: Integration • Coordinated Macroeconomic Policies • Summit • Economic Cooperation • Political Partnership • Foreign Policy • Post-Soviet Area • Central Asia • Russian Federation

INTRODUCTION

In the wake of the collapse the USSR, the development of ties with members of the Commonwealth of Independent States (CIS) was declared the top priority of Russia's foreign policy [1]. Moscow sought to strengthen its ties with the former Soviet republics on both a bilateral and multilateral basis, regarding them as its "younger sisters and brothers". Such an approach elicited a less-than-positive reaction from most of the newly independent states, which were more interested in strengthening their positions in the global arena via sub-regional integration structures independent of the CIS and Moscow [2]. Those aspirations were demonstrated by Kazakhstan and other Central Asian states soon after the collapse of the Soviet Union [3].

Post-Collapse: Looking for Ways Out of a Crisis: On December 13th of 1991, the leaders of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan met in Ashgabat, Turkmenistan to coordinate the strategy of their diplomacy in light of rapidly evolving geopolitical realities. Saparmurat Niyazov, president of Turkmenistan, offered an alternative to the accession of the five "Sunshine Republics" to the CIS: an organization he called the "Central Asian Confederation", one viable without Moscow's assistance due to rich natural resources and an optimized division of labor which had traditionally existed in the region. However, his initiative

failed to garner the approval of his colleagues and Mr. Niyazov was compelled to agree on his country's accession the CIS [4].

By the beginning of 1993, the leaders of most of the Post-Soviet Republics had come to an understanding that the CIS was ineffective and undermined by vague aims and that Russia's policy towards them was entirely too passive. In January, the heads of the five "stans" held a new meeting in Tashkent. They agreed to promote economic and humanitarian cooperation between their respective nations and reject the "imperial" term "Middle Asia and Kazakhstan" used to describe their region, favoring "Central Asia" – a name accepted in the West. Thus, the "Sunshine Republics" decided to further sub-regional integration as a means to overcome the crisis without help from Moscow. However Saparmurat Niyazov offended by his colleagues in December of 1991 withdrew Turkmenistan from further participation in the integrative processes in Central Asia. This constituted a significant blow to the bloc's economic base given Turkmenistan's enormous hydrocarbons reserves. Tajikistan became the second Central Asian state temporally isolated from its neighbors, torn apart by civil war beginning in the fall of 1992.

Through the end of 1993, integration in Central Asia developed in the form of consultations between heads of state on topic such as the demise of the Soviet Union, economic reforms and intensification of the ecological crisis in the Aral Sea region. The Republics of Kazakhstan

and Uzbekistan found themselves locked in a fight for regional leadership, becoming the main initiators of sub-regional integration. Both Almaty and Tashkent had their respective advantages, but neither once could claim absolute dominance.

The Central Asian Union: Towards Closer Cooperation:

The institutionalization of the Central Asian bloc took place from January through July of 1994. In January, Kazakhstan and Uzbekistan signed the Agreement on the Establishment of a Unified Economic Space, which was joined shortly thereafter by Kyrgyzstan. In April, Kazakhstan, Uzbekistan and Kyrgyzstan acting on the basis of the aforementioned agreement and the bilateral treaties of Friendship, Cooperation and Mutual Assistance concluded a new Agreement on the Establishment of a Unified Economic Space. It assured the free movement of goods, services, capital and labor within the newly formed area and promised the coordination of macroeconomic policies. The member states approved plans for cooperation in the fields of transport and communications and pledged to provide conditions for fair competition and the development of direct ties between their business ventures.

In July, at the initiative of Tashkent, the three countries established the first international organization in Central Asia, the Central Asian Union (CAU), based on the European model of integration. The member states of the CAU remained Kazakhstan, Kyrgyzstan and Uzbekistan; its governing bodies were comprised of an Interstate Council and a standing Executive Committee. To sponsor joint projects, the parties founded the Central Asian Bank of Cooperation and Development. The main advantages of a new structure were its stable economic footing, a clear agenda of its activities, easy management of the organization and readiness of the participating countries to gradually increase their interaction. All these features distinguished the CAU from the CIS, which had failed to move beyond verbose declarations and was built only on ideological foundations. As for the leadership of the Russian Federation, it did not offer an official opinion about the establishment of the CAU. Nevertheless, it was clear that the actions of Kazakhstan, Kyrgyzstan and Uzbekistan did not sync with Moscow's vision; one that rooted in the development of multilateral cooperation within the CIS and opposed to any sort of integration in the Post-Soviet space unless it was under the auspices of the commonwealth.

In March of 1995, at the CAU summit held in Tashkent, the prime-ministers of Kazakhstan, Kyrgyzstan and Uzbekistan signed a trilateral agreement on trade and economic cooperation. Uzbek experts began to develop a program of economic integration between the three countries meant for 1995–2000. The program was adopted at the next CAU summit held in Shymkent in April 1995; the heads of the Central Asian republics viewed this as an integral step in the process of sub-regional integration. Contemporaneously, the three parties opened negotiations on the problems of territorial delimitation and interstate water division, which had historically been the most painful issues in their relations. Although those discussions did not lead to a breakthrough in the solution of the above-mentioned problems, the fact they had been carried out within the CAU showed that the Central Asian Union had expanded its jurisdiction, passing from the mainly economic interaction to the political dialogue of the member states.

In 1996, in reaction to a Taliban offensive in Northern Afghanistan, the Republics of Kazakhstan, Kyrgyzstan and Uzbekistan established the Central Asian peacekeeping battalion under the auspices of the UN (otherwise known as "CentrAzBat"). From 1997 through 2000, it conducted annual military exercises involving Russian, American and Turkish experts. However, it was never actually deployed, neither to settle the civil war in Tajikistan, nor to counter Taliban aggression and in 2000, the member states lost interest and the battalion was dissolved [5].

In January 1996, Dr. Yevgeny Primakov was appointed Russia's Minister of Foreign Affairs. He reoriented the foreign policy of Moscow from West to East and paid more attention to the developing cooperation with the Central Asian states. Russia was granted observed status in the CAU Interstate Council and in the other governing bodies of the association. In June of 1997, with the active mediation of Moscow, the civil war in Tajikistan was brought to an end. In March of 1998, when steps toward national reconciliation bore fruit and there first appeared signs of political stabilization and economic revival, Dushanbe decided to resume its participation in sub-regional integration in Central Asia [6].

The Central Asian Economic Community: An Economic Focus: The Tajik accession to the Central Asian Union marked the beginning of a new stage in the evolution of

this organization, which was transformed into the Central Asian Economic Community (CAEC). Within the newly established association, the presidents of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan made the further development of economic cooperation of their countries, coordination of their agrarian policies, promotion of dialogue on environmental issues and the formation of a free trade zone the top priority.

From 1998 through 2000, the CAEC members signed a number of multilateral agreements on various trade and economic issues, what testified to the further development of their economic relations. The evolution of political partnership within the community kept pace. In June of 2000, at the Dushanbe Summit, the leaders of the four states focused on problems of regional security and terrorism. At the next meeting held in Almaty in January of 2001, they concentrated mainly on political topics; the Uzbek delegation proposed some measures to improve organizational mechanisms meant for furthering sub-regional integration [7].

In December of 2001, the CAEC summit took place in Tashkent. The presidents of the four states reflected on their work since 1993 and concluded that the existing format of the organization, based mainly on economic cooperation, was insufficient to meet the challenges facing the fully integrated community. Thus, they decided to transform the Central Asian Economic Community into the Central Asian Cooperation Organization (CACO) charged with the following tasks: the promotion of dialogue between participating states; the acceleration of regional economic integration; the establishment of a common security framework; the development of joint exercise to maintain stability in the region. Thus, economic cooperation remained important but not the principal focus for collaboration between the Central Asian states.

The Central Asian Cooperation Organization: A Political

Focus: The decisions made in Tashkent went into effect at the next CACO summit held in Almaty in February of 2002. The leaders of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan signed the Constitutive Treaty of the Central Asian Cooperation Organization [8] and elected Uzbek president Islam Karimov the first chairman of the association.

The further development of the CACO had the two main directions: the optimization of the legal framework of the association and the intensification of cooperation

between the participants regarding political and environmental issues. Thus, at the Dushanbe summit held in October of 2002, Karimov proposed the acceleration of delimitation of state borders of the “Sunshine Republics” and the enhancement of multilateral cooperation in facing the Aral Sea crisis. At the summits held in Astana (December 2002) and Almaty (July 2003), the presidents focused mainly on security issues [9].

Despite the apparently successful development of Central Asian integration in the 1990s and into the new century, in fact it did not bring expected dividends to the participating states.

Firstly, the states entering into CAU, CAEC and CACO had fundamental disagreements on a variety of issues. The leading participants of these associations, Kazakhstan and Uzbekistan, seemed permanently locked in their rivalry for regional influence, what aggravated their ideological and diplomatic competition. The relations between nearly all of the republics were frequently overshadowed by traditional and long-standing ethnic hostility.

Furthermore, the Central Asian states were characterized by starkly contrasting levels of socio-economic development. The strongest regional power was Kazakhstan, which had successfully carried out economic liberalization and modernized its industries. In second place was Uzbekistan, which had great macroeconomic potential but lagged behind Kazakhstan in terms of per capita indicators. It also delayed in the process of liberalization and retained elements of a planned economy. Kyrgyzstan and Tajikistan lagged behind their neighbors in both by qualitative and quantitative indices, remaining outsiders in the Central Asian associations. Both Uzbekistan and Tajikistan experienced severe demographic issues and were large suppliers of unskilled labor to Kazakhstan – which was eventually forced to limit migration, much to the disappointment of Tashkent and Dushanbe.

Politically, all of the Central Asian states selected a non-democratic path of development, but their authoritarian regimes were quite different from one another: the Kazakh and Kyrgyz authoritarianism was more “moderate”, the Uzbek version one was “rigid” and the Tajik one was generally “fragile”. While Tashkent saw political and religious extremism as the primary threat to the regional security, Astana, in contrast, saw an ethnic component to political / economic instability and separatism in Central Asia.

With regards to issues of foreign policy, Kazakhstan positioned itself as a bridge between Europe and Asia and tried to maintain friendly and neighborly relations with all the great powers. Uzbekistan, on the contrary, frequently changed its priorities and its diplomacy was inconsistent and incoherent. The diplomacy of Kyrgyzstan and Tajikistan was strongly dependent on the position of their larger neighbors, as well as of those of Russia, China and the Western bloc. The aforementioned differences led to a number of collisions between the foreign policy interests of the Central Asian states.

All things considered, it can be said that apart from geographic proximity, Central Asian states had practically no common ground on a number of important issues. This has markedly inhibited integration processes in the region since 2003 [10].

From 2003 onwards, the Russian Federation made a notable advance into the region and applied for membership in CACO. In May of 2004, the request was approved and in October, Vladimir Putin signed the relevant protocol [11]. Russia's entry into the CACO presented Moscow additional opportunities for enhancing its cooperation with Central Asian states. However, the significance of this event for Russian diplomacy should not be exaggerated: CACO remained quite inefficient and Moscow could successfully advance its interests on a bilateral level. This aside, by 2004, all the participating countries barring Uzbekistan were cooperating with Russia within two more centralized structures, the Eurasian Economic Community (EURASEC) and Collective Security Treaty Organization (CSTO). At the same time, due to the vast differences, namely economic, between Russia and the original members, Moscow's accession caused the association to lose its regional flavor: indeed, it was not the Russian Federation that had entered CACO, but CACO that had joined Russia's Post-Soviet projects.

Until September 2005, Russia and its partners conducted intensive negotiations on the future of CACO. Finally, at a meeting held in Moscow in October of 2005, the leaders of Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan approved Tashkent's initiative about the merger of the CACO and EURASEC (which effectively roped Uzbekistan into EURASEC). This marked an end for Central Asia's sub-regional integration efforts.

The decisions reached in Moscow were finally implemented in January of 2006 when Uzbekistan officially adopted the EURASEC Constitutive treaty. In June, Tashkent lifted its moratorium on participation in CSTO and became a full member.

The only country whose reaction to CACO's dissolution was ambiguous was Kazakhstan. With the elimination of this association, its claims of regional leadership significantly weakened: it could no longer defend its national interests within this institution. Furthermore, the borders of Central Asia had shifted northward: after the Russian Federation joined the organization, Russia began to be viewed as a Eurasian state (versus a European one), which deprived Astana the opportunity to become a capital of Central Asia.

The Union of Central Asian States: An Attempt to Revive Sub-Regional Integration: Seeking to restore Kazakhstan's position in the regional arena, in July of 2007, Nazarbayev proposed a new integration initiative: the Union of Central Asian States (UCAS), which would be established on the basis of the Treaty on Eternal Friendship between Kazakhstan, Kyrgyzstan and Uzbekistan and facilitate mainly economic cooperation of the participating countries. In this way, the Kazakh leader more or less tried to revive CACO without Russia and on the condition of his country's leadership in the new association [12].

Such an approach effectively doomed prospects for further sub-regional integration in Central Asia: it was not supported by any other state. The heads of Kyrgyzstan and Tajikistan did not make any official statements about the future of UCAS and Karimov said such a structure was unacceptable to Uzbekistan. As for Moscow, it seemed unconcerned by the matter and approached the organization as a matter of Central Asia's internal affairs. Nevertheless, it was clear that such an undertaking was not in Russia's interests and could weaken its regional standing.

The unenthusiastic reaction of Kazakhstan's partners compelled Nazarbayev to renounce his project. In December of 2009, Uzbekistan withdrew from the Central Asian Unified Energy System and raised the prices for transit of fuels and electric power through its territory to world levels, which divided Kazakhstan and Turkmenistan from Kyrgyzstan and Tajikistan. Thus, the last hopes for the establishment of a Central Asian unified economic space were extinguished.

CONCLUSION

Efforts towards sub-regional integration in Central Asia were ultimately rather unsuccessful. First, they did not involve all regional powers – a flaw that led to organizational inefficiency. Secondly, the important and

implementable decisions adopted by CAU / CAEC / CACO were never put into practice, which gave the organizations a largely “on paper” character. Thirdly, the Central Asian states were focused on the development of partnerships with Russia and not with their neighbors. Similarly, Moscow did not show a particular interest to the sub-regional structures. As a result, the hopes of the Central Asian republics for the construction of a real integration organization were not justified.

Findings: Integration processes in Central Asia evolved from 1991 until 2005. For fifteen years, the participating countries had walked a difficult path and established three international organizations: the Central Asian Union, the Central Asian Economic Community and the Central Asian Cooperation Organization. The first one sought to help member states cope with economic crisis and adapt to the political realities of a world without the USSR. The second organization was aimed at toughening the economic ties between participating countries. The last one focused mainly on political issues. All the three institutions were quite inefficient and the disagreements between their members steadily eroded their effectiveness. Finally, CACO incorporated Russia and soon after joined the Eurasian Economic Community in 2005. The following attempts to reestablish sub-regional integration associations yielded no significant results.

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