### RUSSIA'S STRATEGIC INTERESTS IN CENTRAL ASIA TODAY

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Russia's policy in Central Asia has arrived at a new stage in its development. This is confirmed both by the transformation of the situation in the region and by the changes in Russia's international position.

At the previous stage in its Central Asian policy, Moscow was busy trying to implement the so-called Putin Doctrine. This basically consisted of attempts to integrate the post-Soviet expanse (encompassing as much territory as possible) by primarily economic means. However, political means were also implied along with the economic levers. This policy was manifested in the various integration formations that sprang up in the CIS, such as the EurAsEC-Customs Union, the SES, the CSTO, and the Belarus-Russia Union State, as well as the multitude of bilateral and multilateral agreements with Russia's participation in economic trade cooperation, the energy industry, and transportation and communications.

This approach was most intensively implemented between 2003 and 2006, when Moscow was able to greatly fortify its position in Central Asia, enter long-term contracts in the production and transportation of energy resources, take partial or complete control over the strategic branches of several regional countries, and achieve advantageous conditions for building pipelines. In addition, the economic penetration of Russian companies into the region was accompanied by intensification of military-technical and military-strategic cooperation between the Russian Federation

and the regional states, the setting up of Russian military bases, and the ousting of rivals (with the exception of China).

However, after 2006 Russia's international position began to change, which could not help but have an effect on its Central Asian policy. Another spiral of the confrontation with the West began, pulling Moscow along with it and turning the region into an area where their interests clash.

There can be no doubt that the Color Revolutions in the post-Soviet expanse were one of the main reasons for the crisis in Russian-Western relations. And Central Asia was no exception—Russia (along with Kazakhstan) did not permit escalation of this kind of revolution in Kyrgyzstan and also supported Uzbekistan in its determination not to allow a full-fledged civil war in the country as a result of the rebellion in Andijan, which was inspired from the outside.

In 2007-2008, NATO's enlargement and the U.S.'s deployment of ABM systems in Eastern Europe posed a direct threat to Russia's national security. The relations between the Kremlin and the White House became aggravated during the Russian-Georgian war in August 2008. In this difficult situation, Moscow was counting on political support from its CSTO and SCO allies. The Kremlin made its military choice (as the U.S. did earlier) in favor of unilateral acts—it carried out unilateral operations in the CIS without taking into account the opinion of its allies in the integration unions. Moscow retained this approach in

its policy and it was to have quite a significant impact on security in the Central Asian countries (including negative).<sup>1</sup>

At present and in the near future, the world financial and economic crisis, deterioration of the economic situation, and drop in Russia's economic growth rates will have the greatest influence on Russia's policy on the international arena as a whole and in Central Asia in particular. Nor can we exclude the fact that it will encounter extreme economic difficulties in the near future due to the incomplete structural reforms and modernization process.

This cannot help but have an effect on Russia's activity in Central Asia. It is very likely that Russian policy will become even tougher: it will need more new raw material sources in order to retain its position as the largest exporter of energy resources to Europe and competition among Russia, the West, and possibly China will intensify for control over raw material sources and major pipelines.

In addition, the nature of economic trade relations and development dynamics of the labor market both in Russia and in the Central Asian countries will change. It is also possible that the Russian government will begin to curtail integration measures and the movement of goods and the workforce in order to protect its own internal market. At the same time, there will most likely be attempts to expand its own market further to encompass the Central Asian markets.

In 2008, significant changes occurred in the mechanisms for forming Russia's domestic and foreign policy. Vladimir Putin's semi-autocratic (that is, essentially one-man) rule was replaced by so-called tandem democracy, that is, the Putin-Medvedev political tandem and the various groups of the Russian establishment that stand behind it. This factor could also have a certain influence on the formation of Russia's Central Asian policy.

In July 2008, President Dmitry Medvedev approved the draft of a new conception of Russia's foreign policy. This completed the almost two years of work on a document that was called upon to formulate the foreign policy ideology of contemporary Russia.

Russia's armed action in support of South Ossetia in August 2008 undermined the model of Russia's relations with the West that had formed in the 1990s and created a new situation. Moscow refused to follow the game rules offered by the West and resolved to oppose it in practice in certain areas affecting Russia's vital interests, whereby a serious confrontation would do nothing to stop it.

Russian strategists are making no bones about the fact that the new course is aimed at restoring Russia's foreign policy appeal, something which is called "soft power." For Russia, the transition to a new foreign policy presumes carrying out the following measures: forming its own basic national interests; understanding which of them also correlate with the interests of the other players in world politics; making areas where these interests coincide the vectors of its foreign policy appeal; persuading its main partners, by means of cooperation in these vectors, to make concessions in those areas where their interests do not coincide with Russia's.

An important place in Russia's foreign policy is occupied by participation in the activity of international organizations. In this respect, Russian political circles have recently been discussing the expediency of Moscow participating further in the OSCE. The activity of this organization affects the security and political position of the Central Asian states to one extent or another. Moscow thinks the OSCE should be reformed, as a result of which its main structures, which act autonomously on the basis of their own mandates (the ODIHR, Representative on Freedom of the Media, and the field missions, which are quite independent in their work), would be placed under the strict control of the Organization's Permanent Council in Vienna. Decisions are made in it on the basis of consensus and all the partner states have the right of veto.

<sup>&</sup>lt;sup>1</sup> See: V. Amirnov, "Novaia Rossiia na mirovoi arene: modernizatsiia kursa," in: *Mirovaia ekonomika i mezhdunarodnye otnosheniia*, No. 12, 2008, pp. 113-116; A. Lukin, "Vneshniaia politika: ot postsovetskoi k rossiiskoi. Uroki konflikta s Gruziei," in: *Rossiia v globalnoi politike*, No. 6, Vol. 6, 2008, pp. 78-90.

This innovation would mean that the main decisions, which are made independently today by the Organization's individual institutions, would require unanimous approval. In addition, Russia is insisting on increasing the Permanent Council's political supervision and control over the activity of the missions. Moscow is also proposing giving the OSCE the status of a legal entity, adopting the organization's Charter, and unifying the standard procedures for managing its operations and institutions.

That is, Moscow is essentially suggesting that the OSCE's autonomous institutions be clamped in the iron grips of political consensus, which makes its competence dependent on how successful the political bargaining is between Russia and its partners in the Organization. This reform is designed to stop enlargement of the European and Euro-Atlantic structures in the post-Soviet expanse and hinder transfer to the region of political mechanisms launched in the West (i.e., the Color Revolutions).

### Russia's Strategic Interests and Their Influence on Central Asia

The new conception of Russia's foreign policy notes that Russia will work toward further realization of the CIS's potential as a regional organization, a forum for a multilateral political dialogue, and a mechanism of multilateral cooperation with the focus on the economy, humanitarian cooperation, and fighting traditional and new challenges and threats. It will also work actively within the framework of the Eurasian Economic Community (EurAsEC) with Belarus and Kazakhstan to create a Customs Union and Single Economic Space; assist in involving other EurAsEC member states in this work; and take measures to further strengthen the EurAsEC as the nucleus of economic integration and a mechanism for carrying out large hydropower, infrastructure, industrial, and other joint projects. Its approaches to developing comprehensive interaction in the Black Sea and Caspian regions will be built along the same lines—on the basis of preserving the individuality of the Black Sea Economic Cooperation Organization and strengthening the cooperative mechanisms of the Caspian states.

But there is a noticeable difference in terms of goals, tasks, and ways to achieve them between the Russian Federation's official conception and its actual strategy for realizing its national interests.

Moscow believes that the main threat to security in most of the CIS countries, particularly in Central Asia, is terrorism related to Islamic radicalism and drug trafficking. If Russia becomes a world leader in fighting these phenomena, this would significantly raise its appeal in this part of the world. In addition to force, Moscow is offered using economic levers as well. Russia's friendly neighbors should enjoy a real economic return. The matter does not concern subsidies, but mutually advantageous economic factors: preferential access to markets, priority granting of contracts, and so on.

At the current stage, Moscow is proceeding from the fact that there is a systemic crisis in the CIS and in most of the integration structures in the post-Soviet expanse as a whole. On the other hand, it is obvious to Russia that the West, and such regional actors as the PRC, IRI, and Turkey, do not welcome the CIS as an entity of international relations. So preserving the Commonwealth is a strategically important task for Russia.

Moscow understands that the quality of the national ruling elites is extremely important for the future of the CIS. This means that in many countries of the Commonwealth it is largely corporative

and clan interests that are practiced under the semblance of national ideas. Understanding this affects Russian policy with respect to particular member states of this organization.

Russia has come to the conclusion that its CIS partners should reject the multi-vector principle. Russian strategists were brought to this conclusion by the events in the Caucasus in August 2008. According to the Kremlin, during the first days of the conflict, the post-Soviet leaders essentially adopted a stance of non-interference, which was replaced by verbal balancing acts with formal curtsies to Russia. Moscow mainly found fault with the fact that its closest allies did not want to reject the multi-vector principle and support Russia's actions. It voiced its main complaints against Bishkek and Minsk, and to a lesser extent against Astana.<sup>2</sup>

Moscow is proceeding in its evaluation of the prospects for conducting a multi-vector policy from the fact that playing on the contradictions of the big players is only beneficial if all of the participants follow the general rules. Any aggravation will inevitably lead to chaos and to the refusal to follow clear cooperation principles, which is having a negative effect on the position of Astana, Baku, and Tashkent.

Georgia's withdrawal from the CIS could force Russia to consolidate its ranks and enter more binding cooperation agreements within such organizations as the CSTO and EurAsEC. Georgia's withdrawal meant that there are now fewer countries whose aims are "proportionally opposite" to Moscow's interests. Consequently, there is a greater chance for the CIS to turn into a pragmatic and efficient structure.

So Moscow is still not able to offer a coherent development strategy for the post-Soviet space. Instead it is setting up a space in which its partners have a certain amount of room to move back and forth, but which also has boundaries, the overstepping of which is fraught with conflict (primarily in energy and security).

# Russia's Interests and Policy in Central Asia

For most of the Central Asian countries Russia remains a key extra-regional partner capable of at least partly satisfying their military-political, economic, social, and cultural-educational requirements. All the Central Asian countries have historically close and multilateral ties with Russia. In turn, the Central Asian region occupies an extremely important place in Russia's foreign policy strategy. It represents an extensive territory that borders on Russia from the south, countries that are traditional economic trade partners for Russia, rich in natural resources, and that export most of the raw hydrocarbons they produce through Russian territory, and states, most of the population of which, comprises Russian-speaking citizens.<sup>3</sup>

Russia's strategic interests in Central Asia should include the following:

—preserving security and stability in the region; whereby Russia is the country that should guarantee stability;

<sup>&</sup>lt;sup>2</sup> See: A. Orlov, "Ekho Tskhinvala," *Mezhdunarodnaia zhizn*, No. 10, 2008, pp. 18-25; E. Piadysheva, "Piat dnei, kotorye izmenili mir," *Mezhdunarodnaia zhizn*, No. 11, 2008, pp. 20-32; V. Sizov, "Piatidnevka protivostoianiia," *Mezhdunarodnye protsessy*, No. 2, 2008, pp. 116-122; K. Syroezhkin, "Gruzino-osetinskiy konflikt i ego vliianie na bezopasnost v Kaspiisko-Tsentralnoaziatskom regione," in: *Kaspiiskiy dialog-3*, papers of the international conference, IMEP, Almaty, 2008, pp. 38-44.

<sup>&</sup>lt;sup>3</sup> See: R.A. Gumerov, "Geoekonomicheskie interesy Rossii v Tsentralnoi Azii," *Rossiia i sovremennyi mir* (INION, Moscow), No. 4, 2008, pp. 194-201.

- —creating a collective security system (under the aegis or with the active participation of the Russian Federation);
- operating and preserving the transportation communication infrastructure, particularly in the energy sector; retaining Russia's control (or at least its role of active participant) over the energy resource transportation routes;
- —supporting the Russian culture and the Russian language, as well as the Russian-speaking population.

On the whole, essentially all the vectors of Russian foreign policy affect the interests of the Central Asian countries to one degree or another. They include security issues, economic development, political cooperation, energy, transport and communications, humanitarian and cultural cooperation, the environment, water resources management, and migration.

The latter is acquiring great significance for Russia precisely in the context of its relations with Central Asia. The problem has become extremely serious. Approximately 10 million illegal migrants work in Russia every year, whereby 1/3 (approximately 3.5 million) live in Moscow. Only 145,000 of the 500,000 guest workers who arrived legally in 2007 were registered at their jobs. Today Moscow has entered agreements with Tajikistan and Kyrgyzstan on the organized hiring of foreign workforce.

As of the end of 2007, money transfers from Russia to other CIS states amounted to more than 5 billion dollars. The income of Tajik migrants is equal to two of Tajikistan's national budgets. According to the Russian Federal Migration Service, migrants manage to export more than 10 billion dollars from Russia every year bypassing customs control. The economic damage inflicted by illegal workers from unpaid taxes amounts to more than 8 billion dollars a year. The money transfers are mainly sent to Uzbekistan, Tajikistan, and Kyrgyzstan.

Until recently, the Russian Federal Migration Service gathered up labor migrants, including through community and diaspora structures, primarily Central Asian and Caucasian, which gradually replaced the state in the formation and implementation of immigration policy. So the problem of transfers in Russia's relations with the former Soviet republics is just as urgent as that of the European states with the developing world. In this respect, the migration factor is acquiring strategic importance for Russia and its Central Asian partners. Russia is encountering the need to draw up an efficient, well-thought-out, and effective migration policy as part of its interaction with the Central Asian states.

According to Russian experts, in the context of the activity of NATO, the EU, and the OSCE, the Russian Federation should also take into account the practical actions of all these three international structures when drawing up its strategy in Central Asia, as well as of the large countries in this strategically important region, and allot adequate funds and highly qualified personnel for its own undertakings in the region.

### Russia's Interests in Kazakhstan

Russia's interests regarding Kazakhstan are long-term and stable. They were formed as early as the 1990s and have not undergone any major changes. Nevertheless, during the transformation of international relations and the geopolitical situation in Central Asia, as well as due to the change in Russia's and Kazakhstan's position on the international arena, these interests could fluctuate.

From the perspective of the development of Kazakhstan's oil industry and its interrelations with Russia, Moscow notes that Kazakhstan's oil sector is still not performing the role of the driving force

behind the country's economy, despite the increase in black gold production volumes. Eighty percent of the oil-production equipment market is represented by the goods of foreign producers, and attempts to change this situation are not yielding the desired results. So it is hoped that contacts will be intensified with Russia's oil corporations for outsourcing.

However, the innovation (by the Russian authorities) of giving the Russian (Russian-speaking) population in several areas of Kazakhstan a so-called Russian ticket can arouse concern. This document, conceived to encourage promulgation of the Russian language and culture in the Near Abroad (initially aimed mainly at Ukraine), could turn into a kind of substitution for dual citizenship, since it grants its holders broad rights comparable to those of a permanent resident or even Russian citizen.

At present, Russia is interested in the following:

- —keeping Kazakhstan as its closest partner and ally in Central Asia and the post-Soviet expanse;
- —carrying out large-scale integration projects with Kazakhstan;
- -maximum integration of the Russian and Kazakh economies;
- —creating an energy pool with Astana: joint production and transportation of hydrocarbons, development of nuclear energy;
- —creating a food cartel with Astana (primarily in grain production);
- —limiting Kazakhstan's possibility of carrying out an independent, multi-vector policy in areas that are of vital importance to Moscow (energy and transportation);
- —limiting cooperation between Kazakhstan and the West;
- -monitoring Kazakhstan's relations with China;
- —creating jointly with RK a monetary, customs, and commerce union.

Russia's long-term goals regarding Kazakhstan include the following: ensuring the fullest possible integration between the two states, which presumes re-integration of their national economic complexes, creating a single defense expanse, and introducing a single currency.

# Russia's Interests in Kyrgyzstan

Kyrgyzstan does not occupy a particularly high place among the Central Asian states in Russia's foreign policy strategy. But it cannot be said that Bishkek is on the periphery of Moscow's interests. Security issues are particularly important in Russia's interests. It is interested in a stable situation in Kyrgyzstan for preserving stability in the region's heartland. Kyrgyzstan's geographical proximity to China and China's interest in having transport corridors through Kyrgyzstan are also important factors, as well as the presence of the American military base in Manas. All of this raises Kyrgyzstan's importance in Russia's Central Asian strategy.

Today Kyrgyzstan's energy sector (along with other branches) is attracting Russian investors. The country's hydropower complex is of interest to Russia. Russia's participation in developing Kyrgyzstan's energy resources is helping to settle the regional water-and-energy problems and accelerate the republic's economic development. But there are problems here that are difficult to resolve. One of these is completion of the Kambarata-2 hydropower plant; the Kyrgyz government and RAO UES Russia have signed several agreements on this account, but have still not begun implementing the project.

Gazprom is reviewing the possibility of participating in this work, as well as in reconstructing and creating new Kyrgyz gas transportation capacities under a long-term agreement on cooperation in the oil and gas sphere. This also envisages joint restoration of compressor stations in the Mailu-Suu underground gas reservoir and deliveries of equipment for Kyrgyzstan's gas complex.

Today Russia's interests in Kyrgyzstan are focused on the following:

- —keeping Kyrgyzstan in the zone of Russia's cultural and information influence;
- —supporting Kyrgyzstan's democratic institutions in counterbalance and as an alternative to developing the clan-nepotic system, as well as an obstacle to radical Islamism;
- —not permitting the country's destabilization and collapse;
- —supporting Kazakhstan's efforts to draw Kyrgyzstan into regional integration projects, but with Russia's active participation;
- establishing the control of Russian business over Kyrgyzstan's production branches, primarily, uranium;
- —resolving the water-and-energy problems among Kyrgyzstan, Kazakhstan, and Uzbekistan with the participation of Moscow as a mediator and guarantor;
- —preventing the development of military-technical cooperation between Bishkek and Beijing;
- developing Russian-American cooperation in the strategic sphere in Kyrgyzstan, or if this does not work, curtailing America's military presence in the country.<sup>4</sup>

## Russia's Interests in Tajikistan

Tajikistan has specific relations with Russia. For many years, this republic was de facto under Russia's protection, since the latter ensured its military security and domestic stability and was responsible for its economic and political development. The situation began to change after 2001 when Dushanbe began pursuing a more independent foreign policy, established cooperation with the West, and allowed its territory to be used for the anti-terrorist operation in Afghanistan. In addition, between 2003 and 2006, Tajikistan successfully resisted Russia's attempts to take control over the strategic facilities and most important sectors of its economy located on its territory.

Russian direct investments in Tajikistan top 0.5 billion dollars, which is more than half of all the foreign investments in the country. In the next few years, Russian investment capital could increase to 2.5-3 billion dollars. Around 100 joint Russian-Tajik enterprises operate in the republic.

But despite the mutual interest of the two countries in developing energy partnership, there are several problems hindering this. The main internal problem is evidently related to the Tajik leadership's misunderstanding of market mechanisms of cooperation with Russia's economic entities, which is particularly evident with respect to construction of the Rogun hydropower plant. External problems are mainly situational in nature. They are related to the competition of other countries in the Tajik market.

Russia's participation in developing Tajikistan's energy resources is enhancing the republic's sociopolitical stability and its economic development. Russia is interested in Tajikistan's hydropower

<sup>&</sup>lt;sup>4</sup> See: A. Jekshenkulov, "Rossiia-Kyrgyzstan: etapy razvitiia mezhgosudarstvennykh otnosheniy i ikh perspektivy," in: *Tsentralnaia Aziia: vneshniy vzgliad. Mezhdunarodnaia politika s tsentralnoaziatskoi tochki zreniia*, F. Ebert Fund, Berlin, 2008, pp. 277-293.

complex, on the efficient operation of which stability in the region largely depends. Moscow's interests in energy cooperation with Dushanbe are determined, first, by the sharp rise in energy resource prices, which makes hydropower projects attractive; and second, by Russia's desire to fortify its geopolitical position in the Central Asian countries. Dushanbe's reciprocal interest in cooperation with Moscow is associated with the favorable prospects for increasing electric power export to Russia, which presumes the modernization of power transmission lines, including construction of the South-North line.

At present, Russia's interests in Tajikistan are focused on the following:

- —retaining Tajikistan as an important outpost between Central Asia and Afghanistan;
- —retaining Russia's control over the republic's border and strategic facilities;
- —interacting in military, law-enforcement, and anti-drug spheres;
- —enforcing Tajikistan's role as a source of cheap labor for the Russian economy;
- establishing Russia's control over the republic's energy sector, investment in and raising of Tajikistan's water-and-energy potential as a basis for expanding Russia's industrial groups;
- —limiting China's penetration into the Tajik economy, as well as the influence of Iran, the West, and India.<sup>5</sup>

### Russia's Interests in Uzbekistan

Uzbekistan is not a very easy partner for Moscow. For a long time Tashkent either sabotaged or avoided participation in integration projects. Only after relations with the West became aggravated in 2004-2005 did its policy take on a more or less pro-Russian bent. Tashkent joined the SCO and EurAsEC and returned to the CSTO. But in 2008 Uzbekistan made another sharp turn and began withdrawing from Russia's integration field.

So Uzbekistan is Moscow's most problematical partner in Central Asia. On the one hand, this state retains its significance due to its size, strategic position, and so on, while on the other, Tashkent is objectively a potential counterbalance to Russia's influence in the region.

There are plans to orient the investments of Russian companies toward significantly increasing the export of Uzbek gas. Gazprom and LUKoil will invest in the survey, production, and transportation of Uzbek energy resources. The main problem is exhaustion of the current fields, due to which production and the loading of refining capacities is decreasing (the Ferghana and Bukhara refineries). Natural gas fields are also gradually reaching the limits of their productivity. According to the forecast, at the current production level, the proven reserves of this raw material will last in Uzbekistan for approximately 33 years, and of oil for eleven years.

The Russian side has recently been showing an interest in the ore-mining, primarily the gold-producing, industry of Uzbekistan (where American and transnational companies used to dominate). In turn, the Russian industrial trade holding, Alfa-Eko, which belongs to Alfa Group Consortium, stated its intention to become the co-owner of the Almalyk Mining and Metallurgical Combine (AMMC). The offer of the Russian investor is still being reviewed.

Moscow's main strategic goals with respect to Uzbekistan include the following:

<sup>&</sup>lt;sup>5</sup> See: V. Dubovitskiy, "Tadzhiksko-rossiiskie otnosheniia: istoriia, nyneshnee sostoianie, perspektivy," in: *Tsentralnaia Aziia: vneshniy vzgliad. Mezhdunarodnaia politika s tsentralnoaziatskoi tochki zreniia*, pp. 390-415.

- —preventing Uzbekistan from returning to the West's sphere of influence in the format that existed in 2001-2005;
- supporting Tashkent's efforts to retain social stability in the republic, preventing destabilization of the situation or an increase in the influence of radical Islamism and international terrorism:
- retaining Uzbekistan's dependence on military-technical cooperation with Russia; supporting the current format of military-operative cooperation; assisting Uzbekistan in the Afghan vector;
- —retaining Uzbekistan's technological dependence on Russia, preserving Russia's influence in the main branches of Uzbek industry;
- fortifying the position of Gazprom and other energy companies in Uzbekistan's fuel and energy and gas pipeline sector;
- helping Russian companies to participate in the privatization and modernization of the Uzbek mining complex;
- restoring relations between Uzbekistan's cotton-growing sector and the Russian textile industry;
- —carrying out a balanced migration policy;
- —preserving Russia's influence at the regional level (Karakalpakstan, large metropolises).6

### Russia's Interests in Turkmenistan

For a long time Russia's relations with Turkmenistan were limited and mainly associated with the gas sphere. Moscow deliberately closed its eyes to Ashghabad's cooperation with the Taliban, its de facto open border with Afghanistan, and persecution by the Turkmenbashi regime of the republic's Russian-speaking population. In exchange for Russia's decision not to apply political pressure, President Niyazov granted Gazprom a privileged position in the export of Turkmen gas to the external markets.

After G. Berdymukhammedov came to power, these relations did not undergo any major changes, although Ashghabad was able to ensure itself more advantageous conditions and prices on the gas it produced than before. Ashghabad, along with Kazakhstan, supported the Russian Caspian pipeline project, but evidently did not adopt a final decision on this. In addition to gas, Turkmenistan is important to Moscow with respect to resolving the Caspian problem.

So Russia does not have many strategic interests regarding Turkmenistan, whereby they boil down to the following:

- —retaining Russia's decisive role in the transportation of Turkmen hydrocarbons to the external markets;
- imposing a collective (Russia, Kazakhstan, Azerbaijan) position on Ashghabad with respect to delimitation of the Caspian Sea;

<sup>&</sup>lt;sup>6</sup> See: R. Saifulin, "Uzbekistan-Rossiia: sostoianie i perspektivy razvitiia otnosheniy v postsovetskiy period," in: *Tsentralnaia Aziia: vneshniy vzgliad. Mezhdunarodnaia politika s tsentralnoaziatskoi tochki zreniia,* pp. 519-546.

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- —pushing Turkmenistan cautiously toward greater integration into the CIS structures;
- —ensuring the investment and technological participation of Russian business in the survey and development of new oil and gas fields.

# Russian Strategy on the Caspian Issue

The Caspian is one of the important factors determining Russia's policy in Central Asia. However the importance of this factor goes beyond the framework of Russian-Central Asian relations and affects a wider range of international relations.

Right up until the mid-1990s, Russia insisted only on further improvement and development of the provisions enforced in the 1921 and 1940 treaties. But over time it became clear that this position would not suit any of the partners in the talks. In the end, the arguments of the Kazakh side were considered entirely convincing and Moscow joined Astana's side.

Since 1997, Kazakhstan and Russia have been acting as a united front with respect to the main problems. First, the surface and water column should be in general use (exceptions are the littoral zone of the corresponding states), which, if the sides agree, would ensure preservation and reproduction of the Caspian's fish resources (primarily sturgeon). Second, division of the seabed into national sectors should be carried out down a median line that is equidistance from the opposite shores, and not in equal proportions as Iran has been insisting and continues to insist on. Russia acquired its share of the Caspian Sea, which was divided with its immediate neighbors according to the principle it has upheld since the second half of the 1990s: "dividing up the seabed along sectoral lines, while the water column is commonly shared."

The Russian-Kazakh-Azeri agreements were extremely important in terms of regional security. They essentially prevented any destructive interference from extra-regional nations. The main stumbling block to drawing up a universal approach to resolving the Caspian problem was the irreconcilable position of Iran, which stubbornly insisted on dividing the sea into five equal parts.

At the 2007 summit in Teheran, serious contradictions were designated regarding military activity in the Caspian. Kazakhstan and Azerbaijan were in favor of demilitarization. Neither Moscow nor Teheran found this proposal acceptable. By the same token, the principle of dividing up the Caspian seabed into equal national sections was only supported by Iran, as already mentioned, the other sides, including Russia, were against this approach. At the same time, both Moscow and Teheran acted as a united front as opponents to demilitarization, that is, equalizing the navies of all the Caspian states, which Kazakhstan is insisting on with the support of Azerbaijan and Turkmenistan.

The Russian side suggests defining a 15-mile national jurisdiction zone for each state. Within its limits, the corresponding country may carry out border, customs, sanitary, and other types of control and have exclusive fishing rights (but Kazakhstan is upholding a different scheme).

Russian policy in the Caspian may be built in keeping with the following scheme. If Iran backs down from its demand that the sea be divided into equal parts, Kazakhstan, which is most interested in Iran doing this, might withdraw its proposals regarding demilitarization and join Moscow and Teheran in establishing freer shipping and fishing regulations. Acting according to the "exchange" scheme and making concessions to Azerbaijan and Turkmenistan (for example, in redistributing fishing quotas), Moscow might achieve their consent in mutually acceptable solutions to other problems.

Russia, which is the main supplier of raw hydrocarbons among the post-Soviet states, to the export markets, would like to retain and fortify its position in this respect. Moscow is sticking to its guns in its conviction that projects for laying pipelines along the bed of the Caspian must be approved by all five states. Backing down from this position would help Russia to resolve other problems which are extremely important to its interests. It is obvious that Moscow wants to occupy a monopoly position in forming trans-Caspian transportation corridors. It is precisely this, and not environmental risks (which actually exist), that explains Russia's proposal voiced by Vladimir Putin in Teheran that pipeline projects on the bed of the Caspian be coordinated with all five Caspian states. If this proposal were adopted, any country not interested in implementing such a project would have the right to block it (essentially the right to veto).

In the current conditions, the Kremlin's refusal to introduce articles that envisage the need to coordinate trans-Caspian pipeline projects with all five participants into the convention on the legal status of the Caspian Sea essentially could not change anything.

In so doing, Russia is in favor of strengthening security through the efforts of the Caspian states themselves and not permitting military interference by extra-regional states in the region's affairs. This also explains Moscow's and Teheran's extremely negative attitude toward Astana's proposals to demilitarize the Caspian. It seems that questions regarding the laying of pipelines along the seabed with mandatory approval of all the littoral states and the Caspian's demilitarization are inseparable. Russia's and Iran's consent to resolve the first in favor of Kazakhstan, Azerbaijan, and Turkmenistan could be equal to the latter's rejection of the idea of demilitarization.<sup>7</sup>

### Russia and Security Problems in Central Asia

There are no longer any doubts that the CSTO members, including the Central Asian states, will be affected by the growing tension between Russia and the West, both in the economic and in the military-political respect. It is obvious that Moscow will do everything possible in the growing military confrontation with NATO to consolidate the CSTO member states.

Russia will also continue to promote the CSTO's consolidation as a military-political alliance, strengthen the Organization's peacekeeping potential, improve military-technical cooperation among the member states, and enhance coordination of their actions on the international arena. Further improvement of the CSTO's international prestige and development of its contacts with other similar regional organizations, including the SCO, are urgent tasks. Intensifying coordination between the CSTO and EurAsEC is acquiring increasing practical significance.<sup>8</sup>

According to Russian politicians (Nikolai Bordiuzha), the Afghan knot has been posing the greatest and most realistic danger for the CSTO. The activity of other international organizations, projected onto the CSTO's zone of action, cannot help but have an effect on the military-political situation in the post-Soviet expanse. The military activity of the U.S. and NATO is primarily being stepped up on the external borders of all of the CSTO's collective security regions, while the U.S. and

<sup>&</sup>lt;sup>7</sup> See: K. Landa, "Sovremennaia geopoliticheskaia situatsiia v Kaspiiskom regione," Rossiia i musulmanskiy mir, No. 1, 2009, pp. 62-73; M. Shaikhutdinov, "Kaspiy v sisteme sovremennykh geopoliticheskikh koordinat: voprosy bezopasnosti i sotrudnichestva," in: Kaspiiskiy dialog-3, papers of the international conference, pp. 11-16.

<sup>&</sup>lt;sup>8</sup> Z.A. Dadabaeva, "Rossiia i problemy bezopasnosti v Tsentralnoi Azii," Rossiia i sovremennyi mir, No. 4, 2008, pp. 183-193.

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NATO are restoring or creating anew the military infrastructure in Eastern Europe, the Southern Caucasus, and Central Asia.

The CSTO leadership is becoming increasingly concerned about other, including hidden, methods of external pressure bordering on interference in the internal affairs of its member states. Well-coordinated acts and campaigns designed to apply political, economic, and information pressure from the outside are being organized and carried out.

Russian specialists believe that the CSTO participants should adapt the Organization to the changing geopolitical situation and adopt practical measures to create a comprehensive system of auxiliary structures and corresponding collective forces and means, including multilateral mechanisms for coordinating antiterrorist and anti-drug activity, as well as for jointly opposing illegal migration.

Moscow sees another new area in the fight against international terrorism to be forming CSTO collective regional antiterrorist rapid response forces for counteracting any terrorist and extremist manifestations. Efforts are being made in the military sphere to form a Joint (Coalition) Force Group in the Central Asian region.

Russia's primary interests in Kazakhstan consist of the following: maintaining close bilateral military cooperation at the strategic level (keeping in mind possible threats from the south and east); ensuring joint operation and maintenance of the proper readiness of the space-launch complex, testing grounds, and strategic bases; and retaining Kazakhstan in the air defense collective force system.

The threats to Kazakhstan's and Russia's security from Central Asia can be assumed to be largely identical, and the mutual interests of the two states in fighting terrorism and extremism will be the same. On the whole, in recent years, military cooperation between Kazakhstan and Russia has been one of the most successful vectors in the regional security system that has been taking shape.

But there are objective difficulties. For example, at the moment Astana and Moscow still prefer departments engaged in traditional aspects of security and are not encouraging de-centralization of the struggle against cross-border threats. Many regions (primarily border) of both countries have neither the means nor the authority to repel non-traditional threats—international terrorism, drug trafficking, cross-border crime and smuggling, and illegal migration.

In 2006, Tashkent essentially completed its foreign policy turn toward Moscow. Uzbekistan joined the EurAsEC (which is in essence the pro-Russian nucleus of the CIS) and also returned to the CSTO. These events were evaluated as breakthroughs, as the opening up of new possibilities for reintegrating the post-Soviet states.

Relations between Uzbekistan and the post-Soviet countries are developing along the trajectory created after 2004, which made a turn toward Russia. Two factors predominate in Russian-Uzbek relations: military and energy. Russia's decision adopted at the last CSTO summit to sell arms and special technology to its closest partners at internal prices in fact means that the Russian military-industrial complex is taking responsibility for further equipping the Uzbek army and special services.

Uzbekistan is still in the difficult situation it found itself in after the crisis in its relations with the West, although the pressure on Tashkent has been gradually easing off. There are signals that the sides are ready to partially restore the former level of partnership. But (apart from the factor of Islam Karimov's personality) there are obligations Tashkent has assumed to Moscow and Beijing.

So there has been a rapid transformation in the past few years: Uzbekistan has acquired an influential defender on the international arena in the form of Russia, while Russia, by means of its assistance, confirmed its status as a regional power in Central Asia. In so doing, Uzbekistan successfully blended in with the implementation of Vladimir Putin's strategy.

It is obvious that participation in the CSTO is burdensome for Uzbekistan. Tashkent may support Russia regarding withdrawal of the American base at Manas from Kyrgyzstan. In turn, if the tension between Russia and the European NATO members escalates, closing the Alliance's base in Uzbekistan may also come up for discussion.

Uzbekistan's armed forces are also in need of re-equipping. Armored vehicles, aircraft, and air defense assets require modernization. Although Uzbekistan already occupies first place among the Central Asian countries in purchases of Russian arms (totaling several tens of millions of dollars), this amount should rise manifold in the near future.

Since 2000, Uzbekistan has been stocking up to 250,000 tons of cotton fiber every year (approximately one quarter of the total cotton produced in the country) to offer in exchange for military-technical hardware from Russia. The transit of Turkmen gas through Uzbek territory is also being carried out in exchange for arms deliveries.

For several years the sides have been drawing up a joint helicopter program. According to the U.N., in 2005, Russia delivered 10 unnamed missiles to Uzbekistan. Small batches of spare parts for airplanes and armored vehicles and artillery ammunition are bought regularly. Today the main orders are for small arms and ammunition, special equipment for the National Security Service and Interior Ministry, police munitions and means of control over public gatherings: tear gas and truncheons. In 2007, Uzbekistan spent approximately 1 billion dollars on military needs.

Kyrgyzstan is a member of essentially every integration union that encompasses Central Asia—the CSTO, EurAsEC, CAEC, and SCO. In recent years, official Bishkek, which has declared strategic cooperation and partnership with Russia, China, and the U.S. to be its priorities, has concentrated its main efforts in foreign policy activity on strengthening relations with its SCO and CSTO partners. The contradictions between the financial interest related to the presence of the American military contingent in Kyrgyzstan, on the one hand, and its discontent with Washington's increased "export of democracy" and support of the opposition, on the other, have had a significant effect on its relations with the United States, its third strategic partner.

At the present stage, Bishkek is transferring from a multi-vector policy to domination of primarily one vector, the northern. Despite the insistent efforts made by the republic's leadership to draw closer to Russia, Kyrgyz-Russian relations have not been given an active boost. The syndrome of Bishkek failing to fulfill its promises, particularly the Astana SCO statement (July 2005) on deployment of U.S. army contingents at the Manas air base, has had a negative impact on them.

Kyrgyzstan is one of Russia's important partners in the CSTO. A Russian air base is located at the Kant airport, the task of which is to support the actions of the Collective Rapid Response Forces military contingents from the air.

Despite its underdeveloped war-racked economy, weak production forces, and unfavorable geographical location, Tajikistan is participating in most of the integration projects—the CSTO, EurAsEC, CAEC, and SCO. In recent years it has begun actively establishing contacts with new foreign policy partners (along with further strengthening its relations with Russia).

Tajikistan's armed forces are the weakest in Central Asia. The country has no money for military purchases and no defense industry. In this situation, military-technical cooperation with Russia is acquiring great importance for Dushanbe.

Tajikistan does not occupy the last place in Russia's military plans: the Russian-owned Nurek optical electronic unit of the space control system is located in the republic.

In this context, Russia is willing to undertake unprecedented acts: in 2008, military hardware and weaponry belonging to Russia's 201st base were transferred to the Tajik authorities. The list of Russian weapons transferred has not yet been published, but military analysts estimate it at approximately 1 billion dollars, which is equal to almost half of Tajikistan's GDP. Keeping in mind the in-

tense refurbishing of the 201st base, Tajikistan could catch up with its neighbors in terms of combat potential of the military contingents located on its territory.

In addition to this, an apparatus of the Principal Military Advisor has been formed under the Tajik Ministry of Defense on the basis of Russian-Tajik intergovernmental agreements. Russian advisors, as well as graduates from Russian military academies (as many as 300 students from Tajikistan study in Russia every year), are shaping the image of the Tajik armed forces. Russia is carrying out repair, delivery of spare parts, modernization of weaponry, and training of future officers almost free of charge. The greatest expenses are related to repair and modernization of Tajikistan's air defense.

There is also the SCO factor. The zones of responsibility of the SCO and CSTO significantly intercept both functionally and geographically. Of the seven countries that belong to the CSTO, five are represented in the SCO, and of the six SCO member countries, five belong to the CSTO. This does nothing to alleviate the relations among them. Rather it can be said that the two structures are becoming increasingly drawn into tacit and dangerous competition.

Such rivalry is not advantageous primarily to the CSTO. There can be almost no doubt that the SCO is able to resolve many security issues more efficiently, particularly from among the so-called new threats. Whereby the CSTO is reduced to an element in the common air defense system, training military personnel, and delivering Russian weapons to member states. It could essentially turn into a military organization with a very limited zone of responsibility.

It is no secret that the relations between the CSTO and SCO are very dicey. For several years now there has been tension between the secretariats of these organizations. In their Memorandum, the CSTO and SCO (October 2007) agreed to hold consultations and exchange information, invite each other to their corresponding functions, and draw up joint programs and measures. Whereby these forms of cooperation essentially apply to all spheres of the organizations' activity.

Some of the countries that are members of both organizations want a certain amount of rivalry between them. They want to counterbalance Russia's influence in the CSTO against its participation in the SCO, while others want to level out China's influence in the SCO by means of its participation in the CSTO. Russia is interested in the CSTO dominating in Central Asia's security sphere, where it, in contrast to the SCO, occupies a leading position.

All the same, the SCO is one of the most important areas in Russia's foreign policy. It is essentially one of the levers for raising Moscow's role and geopolitical influence on the world arena. At the same time, the SCO is very regional in nature and is focused on Central Asia. But due to the Chinese factor, the SCO could turn into a problem, provoke an increase in Russian-Chinese contradictions, and become a challenge to Russia's strategy in Central Asia.

On the whole, the Russian-Chinese contradictions in the SCO, and with respect to Central Asia, boil down to the following:

- —differences in vision of the SCO's future;
- Russia's fear of the PRC's economic domination in Central Asia and Beijing's dissatisfaction with Moscow's political domination;
- —differences of opinion regarding the creation of a free trade zone;
- —competition over energy resources and control over their transportation;
- —reducing the CSTO's and correspondingly Russia's influence by increasing the SCO's and China's influence;
- China's attempts to establish its military presence in the region under the cover of the SCO;

- —Russia's fear of finding itself in the role of China's junior partner;
- —rivalry between Russia and China for influence on Kazakhstan as the backbone in the region;
- —differences among Russia, China, and the Central Asian countries in their positions on accepting new members into the organization.

So in the mid term it is possible that Russia's policy in the SCO will be determined by its fear of losing Central Asia to China.

#### Conclusion

As noted above, Russia is actively restructuring its former and possibly creating a new strategy in Central Asia. The goals of this strategy are to retain Russia's influence and protect its interests in this region. Full integration of the region's countries is being transferred to the mid or even long term. At present, Moscow is mainly concerned with preventing its geopolitical rivals from fortifying their positions in the region.

Russia's Central Asian policy touches on many aspects. To one extent or another they affect all the vectors of Moscow's foreign policy. This emphasizes Central Asia's strategic importance for Russia. At the same time, Russia itself is encountering significant difficulties, which, in one way or another, are reflecting on its Central Asian policy.<sup>9</sup>

For example, Russia is experiencing a demographic slump, while ranking second in the world in terms of inflow of immigrants after the U.S. Since 2006, the Kremlin has ranked the demographic problem first and been developing a state policy aimed at stimulating the birth rate and attracting people from the Near Abroad. As a country blessed with natural riches and experiencing a demographic problem, Russia is becoming a target of strong pressure from the outside. So as its role in world geopolitics grows, it will have to strengthen the security of its own borders.

Russia considers energy resources to be its main trump card in the next two decades, and since the geopolitical mentality of the Russian elite is based on ensuring a balance of forces, the idea of redistributing world resources in the name of global management and resolving the world's problems is entirely alien to Moscow.

The Kremlin's international policy will naturally be determined by the distribution of forces in the security sphere. The size of its territory presumes that Russia will be present on several regional stages in Europe and Asia at the same time, and it cannot change this no matter how much it would like. This also means that it has to be diplomatically active on the world (by means of international institutions and primarily taking advantage of its status as a permanent member of the U.N. Security Council), regional (by means of such forums as the SCO), and bilateral level (where the balance of forces plays a key role, particularly in the post-Soviet expanse and in relations with European countries).

Consequently, under Dmitry Medvedev, there are clearly no signs of there being any cutback in foreign policy activity. In reverence to Putin's inheritance, he will use every opportunity to exert influence in different regions. Moscow has not actually managed to carry out regional integration. It is presumed that the Kremlin's foreign policy under Dmitry Medvedev (or Putin-Medvedev) will be of a more pronounced pragmatic nature.

<sup>&</sup>lt;sup>9</sup> See: T. Gomar, "Rossiia odna navsegda? Strategicheskoe partnerstvo Kremlia," in: *Pervyi Forum po problemam bezopasnosti i sotrudnichestva v Tsentralnoaziatsko-Kaspiiskom regione*, IMEP, Almaty, 2008, pp. 47-58.

The power structures, most of the population, and the political leadership of Russia believe the country's great power status to be a fundamental element of its self-determination. As people believe in the West, Moscow is continuing to pursue a foreign policy primarily based on the great power idea: "either Russia is a great power or it is absolutely nothing."

In so doing, Moscow's foreign policy is increasingly aimed at restoring Russia as a world class power. Its foreign policy is being drawn up keeping in mind the multipolar world order. But Russia is encountering an obvious paradox: geopolitical ubiquity as a result of returning to active international policy and economic revival is going hand in hand with strategic isolation.

We should be under no illusion that Russia ultimately sees completion of the integration processes as the post-Soviet republics rallying once more around itself and falling under its irrefutable leadership. It is possible that this is Moscow's main motive in its desire to support and preserve the CIS in its current comatose state.

It appears that Russia's foreign policy in the post-Soviet expanse as a complete doctrinal strategy since 2000 is now in the final phase of its development. There are primarily objective reasons for this, but from the formal viewpoint completion of the next phase is related to the change of Vladimir Putin's status in 2008 as the main creator and ideologue of restoring Russia's great power position in the CIS.

Russia's pursuance of its set goals is accompanied by many contradictions. It wants to use its economic might and economic development to fortify its position in the world, but the absence of restructuring and investments has led to its economy depending on hydrocarbons and other raw materials.

It is presumed that when implementing its strategy in Central Asia Russia will combine the multilateral with the bilateral approach. That is, it will give preference to a particular method depending on the degree of benefit and interest in achieving the set goals and depending on the situation.

Sooner or later Russia will recognize the need for building a rational system of water use in Central Asia and will push the region's republics toward unifying the water-and-energy exchange mechanism. In turn, the growing agrarian and industrial needs, as well as the demographic, environmental, and climatic problems, will force the Central Asian states to cooperate with Russia in the joint exploitation of Siberia's hydro resources.

Proceeding from its international obligations and its own security interests, Russia will increase its control over the export of arms and technology, in so doing continuing to cooperate with its partners and allies in the CSTO. But in critical situations, as the experience of 2008 shows, it will act independently, relying on its own resources.

The mounting world financial and economic crisis could made serious adjustments to Moscow's policy, including in its relations with Central Asia. In any case, the crisis will affect the labor market and competition will increase in the raw material markets and other sensitive points of interception between the interests of the Russian Federation and the Central Asian countries.

In so doing, the main question in Russia's integration activity remains open: what is Moscow's true objective: to create an economic union (along the lines of the EU) or, metaphorically speaking, "to restore the Soviet State Planning system?"

It is obvious that Central Asia will continue to be further drawn into the global processes. But much will depend on the fate of integration within the CIS and the processes initiated and advanced by Russia.