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CENTRAL ASIA AND THE CAUCASUS

# CENTRAL ASIA AND CHINA: NEW HORIZONS OF INTERNATIONAL REGIONALIZATION

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Central Asia is currently a hot item on the global agenda. It is not every decade that the world finds itself embracing a new region with the alluring appeal of mass hydrocarbon production and export, large investments, and promising cooperation in the military sphere. What is more,

other phenomena adding to Central Asia's renown are intensifying the glow of the geopolitical theme. They include the local governments' opposition to the extremist movements, the West's accusations of authoritarianism and violations of democratic rights and freedoms, the Islamic renaissance, the Color Revolutions, and so on. In addition, it is obvious that the West is keeping a sharp eye on the region's republics, which is shown by its immediate reaction to the events going on in Central Asia, whereby this attention continues to increase all the time.<sup>1</sup> Emissaries not only from Western, but also from many other large countries are actively working in the region. There must obviously be extremely good reasons why even the most distant centers of power are showing such an intense interest in Central Asia. And the answers lie deeper than they appear to at first glance.

The domestic sociopolitical evolution of the Central Asian states is of little interest to most foreign observers. As paradoxical as it may seem, the problem of drug trafficking, which is pertinent to the Central Asian Region (CAR) and urgent for the whole world, is being studied even less. In this case, the priority topics for political analysis—apart from big business issues (read: the production of natural resources)—are the Big Game being waged among the leading present-day nations over the region, Russia's strategy in Central Asia, and the spread of China's influence there, which are all closely associated with CAR. In short, we are talking about geopolitical rivalry in the region. It is clear to many that oil and gas cannot be the only reason for this excitement. For as long as hydrocarbons are being produced and are in demand, they will always reach their consumer, whereby these resources will be transported via profitable, and not politically advantageous, routes—this is a law of economics, the violation of which is fraught with serious consequences, primarily for the exporter state. It stands to reason that it is not Kazakhstan that needs new pipelines, but other states that need guaranteed oil deliveries.

The Central Asian Region was and largely remains dependent on Russia—essentially 100% of the strategic hydrocarbon resources produced here are transported through the Russian Federation. Only Kazakhstan, which is also linked to Moscow by a pipeline system, retains relative independence over its energy policy. It is likely that the development of the southern and trans-Caspian vectors of energy resource deliveries from Central Asia may indeed prove more profitable compared with the existing ones. However, this will not happen in the foreseeable future while chaos reigns in Afghanistan, Pakistan is being shaken from the inside, and the Caucasus is under permanent threat due to the absence of a normal dialog between Iran and the West. What is more, the current level of scientific developments will not permit putting the Caspian ecosystem at risk. Even if they are implemented soon, the numerous new transportation projects—those already carried out and only just being developed (West Kazakhstan-China, Baku-Tbilisi-Ceyhan, Turkmenistan-China, Uzbekistan-China, Nabucco)—will nevertheless be incapable of radically changing the situation in the mid term with respect to energy deliveries from the region. In all likelihood, the insistent attempts to diversify energy export from Central Asia are simply aimed at undermining Russia's domination in the region.<sup>2</sup> Possible annual deliveries of energy resources in amounts of up to several tens of thousands of tons or millions of cubic

<sup>&</sup>lt;sup>1</sup> There is the opinion that in recent years "the West has been losing interest in Central Asia" with respect to the problems arising in other parts of the world and, in particular, in Iraq. Well-known American specialist on the region M.B. Olcott reinforces such a claim in his recent book by the argument that democratic reforms in the CAR countries are not being carried out as quickly as the West expected (see: M.B. Olcott, *Central Asia's Second Chance*, Vol. 18, Carnegie Endowment for International Peace, Washington, 2005, p. 3). Moreover, it can be considered that this thesis has at least lost its urgency in the time following publication of the mentioned book. This is proven by the activation of the Central Asia vector in American policy presented in the following work: M. Laumulin, "Pod krylom khromoi utki. SShA v TsentrAzii," *Kontinent*, No. 10 (171), 24 May-6 June, 2006 or at [http://centrasia.org/newsA.php4?st=1148877300].

<sup>&</sup>lt;sup>2</sup> Publications very clearly show the policy of the U.S. and the West in this sphere with respect to CAR (see, for example, documents at [www.Eurasia.org]: A. Cohen, "Security, Energy and Democracy: U.S. Interests in Central Asia," *Eurasia Insight*, 12 June, 2006; R. Hanks, G. Gleason, "Regional Electrical Integration: Panacea for Central Asia's Economic Woes?" *Eurasianet.org*, 12 July, 2006).

meters bypassing the Russian Federation may be detrimental not so much to Russia's economic, as to its strategic interests. On the whole, the questions relating to the production and transportation of energy resources are only partially raising the veil to reveal what is hidden behind the geopolitical game in Central Asia, what its rules are, and what prize the winner will receive. In our opinion, raising of the problem of *international regionalization* could provide a more in-depth explanation of the current situation in Central Asia.

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International regionalization in this case implies the development of new systemic relations between the states of a specific region and a nonregional player (players), which advance integrative trends and lead to the formation of a new type of region—an interstate formation united by common economic-management and military-political interests around a single center of power a powerful state.

The matter essentially concerns the formation of a new region, whereby the traditional ties between the countries are replaced by their relations with the new leader. This process differs from integration mainly in the fact that it is not only and not so much the economy that serves as a driving force of unification, rather strategic interests underpin and guide the regionalization process. This is the first thing. Second, it seems that regionalization is not developing *between* countries, but *around* a certain country, the one that acts as the geopolitical center. What is more, in spite of the existing stereotype, this unification does not necessarily have to occur among culturally close nations; geopolitical interests often drown out any other differences. The main prerequisite for successful regionalization is that the state leader should be sufficiently strong strategically in order to ensure sustainable development of its partners and not permit threats to their security.

In our view, the CAR countries (some earlier, others later) have been moving for some time now in precisely that direction—toward rapprochement with a power center, that is, regionalization of Central Asia has begun and the transition period in the region's geopolitics has been completed, when, despite the change in situation and breakdown in forces, relations between the states continued to be built on the basis of old relations.<sup>3</sup> The thing is that regionalization of a particular expanse requires the participation of at least one player whose comprehensive strategic potential will serve as a powerful center of gravitation and driving force for the economies of the satellite countries. This in turn promises significant advantages and benefits for the state doing the propelling. Today, a certain geopolitical game is going on in CAR to claim the role of this center of power.

Economic integration within CAR and its subsequently developed pragmatic and diversified cooperation with nonregional nations and neighboring countries would of course be preferable before the Central Asian states established closer relations with the global market. Keeping in mind the comprehensive socioeconomic ties among the recent Soviet republics, their integration is extremely realistic, particularly providing Russia participates in this process, and could also be extremely beneficial to them. Whereas the future of the CIS initially gave rise to doubts nurtured by the or-

<sup>&</sup>lt;sup>3</sup> This approach is shared by several experts. "Some geo-economic circles have recently been voicing the thought that Central Asia is becoming part of the new economic and geopolitical order forming in Eurasia. This process is characterized by the enlargement of markets in the direction of the Southeast Asian states, China, India, Turkey, and Russia. The process is developing against the background of a slowdown (even stagnation) of economic progress in Europe, toward which many CIS countries headed by Russia previously oriented themselves. Consolidation of the "Asian" paradigm and strengthening of Eurasian economic independence (in the event of implementing integration projects in the RF and CA) could have far-reaching strategic consequences" (M. Laumulin, "ShOS—'grandioznyy geopoliticheskiy blef'? Vzgliad iz Kazakhstana," *Russie.Nei.Visions*, No. 12, July 2006, available at [www.ifri.org]).

ganization's amorphous tasks, its complex structure, and ambiguous origin, the EurAsEC, for example, in the composition it currently exists, would have had extremely impressive prospects, had it begun its active participation at least in the second half of the 1990s. But alas we must admit that the opportunity for normal economic integration in Central Asia has been missed. At present, the positions of the countries in the integration talks are not coming closer, while the activity of foreign players has significantly increased. The region's states were unable to make use of their advantages, and the active position of the Kazakhstani president with his integration projects did not receive practical support.

So, while the integration processes in Central Asia became bogged down, new trends were developed—various nonregional centers of power put forward their strategies regarding the CAR republics. As a result, the attention of all the Central Asian states without exception has been focused in recent years not on cooperation with each other, but on analyzing various projects offered by the West, China, Russia, India, Japan, etc. Furthermore, we should keep in mind that although the Central Asian countries are disunited (whereby they were perhaps never as far from each other politically as they are now), foreign players take an interest in them, whereby not individually, but as an entire region.<sup>4</sup> This is manifested in particular in the fact that observers evaluate any events in Central Asia today, be it a political crisis or a presidential election in a particular republic, not in terms of their influence on the future of the latter, but primarily from the viewpoint of their prospective influence on the region as a whole. That is, Central Asia is perceived from the outside as an integrated entity, on the functioning of certain systems of which the amplitude of development of this entire space depends. This is important to understand when assessing the policy of foreign nations regarding the Central Asian states.

What is the reason for this attitude to a region where not only has not one integration project been put into practice, but the borders between certain countries are even mined? We think that in this case, the policy of the main nonregional players, Russia and China, is having an influence on Central Asia. Since their policy in the region is oriented toward preserving its integrity and geopolitical single-vector nature, it cannot help but affect Central Asian policy as a whole. For the Russian Federation and the PRC, the question consists not simply of preventing the Central Asian republics from moving too close to the West; if Moscow and Beijing come out on the geopolitical losing end, the region may split and its individual countries move into the game field of third states. This means that Russia and China would be better off conducting a resource-spending policy in Central Asia, which would nevertheless be of greater benefit to themselves than to their rivals.

The West's view and conduct regarding Central Asia differ from those of Russia and China. The following excerpt from a statement by Richard A. Boucher, Assistant Secretary of State for South and Central Asian Affairs, is quite eloquent: "The United States supports the development of fully sovereign, democratic and prosperous nations in Central Asia, cooperating with America and with one another to advance regional security and stability... The people of these countries, strategically and individually, deserve choices and opportunities so that they may exercise their independence—not by relying on one market or power, but by having a variety of options. Our policy is to help them have options."<sup>5</sup> So a struggle is going on in the current geopolitical game over the region. However, whereas each of

<sup>&</sup>lt;sup>4</sup> Moreover, American specialists are trying to tie Central Asia to Afghanistan, urging for "the region's map to be changed." Apparently, according to their estimates, this could promote its re-orientation from the Russian-Chinese vector to the Western. On the conception of Greater Central Asia, see: S. Frederick Starr, "A Partnership for Central Asia," *Foreign Affairs*, July/August 2005, available at [http://www.foreignaffairs.org/20050701faessay84412/s-frederick-starr/a-partnership-for-central-asia.html].

<sup>&</sup>lt;sup>5</sup> From the Statement of Richard A. Boucher, Assistant Secretary of State for South and Central Asian Affairs, on 26 April, 2006 before the House International Relations Committee Subcommittee on the Middle East and Central Asia [www. usinfo.state.gov].

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the strong nonregional players is satisfied, we presume, after gaining at least one of the Central Asian republics as its ally, the situation is much more complicated for Moscow and Beijing, and the stakes are higher.

Meanwhile, even the short 15-year history of new Central Asia shows that what is going there does not blend into the traditional formulas of regional development, nor into several of the scenarios Central Asia has to offer. On the one hand, the presumptions expressed about the region's split into countries, some of which would gravitate toward the Muslim south, and others toward the northern neighbor, etc. did not come to pass, and on the other, the hopes for rapid and efficient intraregional integration were not justified. What is happening to Central Asia and what future awaits it in light of the gathering momentum of the globalization processes and rivalry among the nations? In our opinion, international regionalization most clearly expresses the genuine geopolitical processes in Central Asia.

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It should be specified that in this article the term "region" will be used only in the international respect (we are avoiding the narrow meaning—"geographical area of an individual state") and in two "conditions"—*real* (geopolitical) and *potential* (geostrategic). In so doing, the last two concepts are not generally accepted with respect to the subject-matter of our study, but we believe they are entirely justified. First, the concept "region" is traditionally used in contemporary political science to define groups of countries united by common geographical-climatic, ethnic, and cultural-historical characteristics. There is no common opinion about Central Asia, but we are upholding the one, according to which the region, because of its common set of characteristics, constitutes (in this case) the states of post-Soviet Asia, in particular: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan. Any extensive use of the definition "Central Asian Region" (for example, Greater Central Asia with Afghanistan, or Central Asia-Turkestan with Xinjiang, etc.) provokes excessive politicization of the concept. Extensive use is entirely justified in the purely geographical sense, for example, as in the Great Soviet Encyclopedia.<sup>6</sup>

According to the *real* situation, the state of regional affairs in Central Asia is the existence of five extremely close republics that are kindred in every natural and sociocultural way. At the same time, although geographically this space is undoubtedly a region, in the country's practice, its components are loosely interrelated and try to live side-by-side under conditions of the utmost autonomy.

As for the second component of the term, in the context of our study, the concept "region" could serve as a definition of the result of international regionalization. The regionalization process, which is still unclear, but potentially consists of the main content and conception of development of international relations in Central Asia, should in the end lead to the creation of an essentially new formation for this geopolitical space—a regional system based not only on traditional relations, but also on the structure, integrated within itself at the lower level into a single space by

<sup>&</sup>lt;sup>6</sup> Central Asia is a natural country in Asia, consisting of deserted and populated plains, foothills, and mountains. Bound in the East by the southern part of Greater Hingang and the Taihanshan mountain range, in the South by the extensive tectonic depression of the upper Ind and Brahmaputra (Cangpo). In the West and North, the border of Central Asia corresponds to the mountain ranges of Eastern Kazakhstan, Altai, Western and Eastern Sayan, approximately coinciding with the state border between the U.S.S.R., on the one hand, and China and Mongolia, on the other. According to different estimates, the area of Central Asia is between 5 to 6 million sq. km. On its territory are large parts of China and Mongolia. The population of Central Asia, "in: *Great Soviet Encyclopedia*, 1975).

strong economic-management and sociopolitical ties between the components of its countries, and at the upper level into the global market as a separate economic and political unit, and not as a group of geopolitically close countries. It should be a system that ensures the security of all its components.

Why did integration, which was quite clearly declared when the republics of the region acquired their sovereignty for the purpose of their cooperation, not work in Central Asia? Why was it necessary to extend the traditional concept of "region" with respect to Central Asia, and what role can China play in CAR? In our opinion, the current situation is entirely caused by the changing world order. The Central Asian countries found themselves in extremely difficult conditions, faced with the challenges of globalization and the new rules of coexistence among states on the international arena. And although in terms of all the objective criteria, the Central Asian republics make up a self-sufficient region, they have essentially been deprived of a historical opportunity for full-fledged regional integration: having failed to complete the necessary path of national self-determination, they have found themselves drawn into the globalization processes. Despite the fact that intraregional integration was designated in the programs of every rational Central Asian politician as one of the priority tasks, during the 15 years of independence, it has not shown any clear trend toward development. Taking into account the changing international situation, it must unfortunately be stated that the region's future lies with the active nonregional actors. Whereas globalization with its "enlarging" trends and transnational forms is today's reality, regionalization in Central Asia will be carried out according to the Chinese, Russian, Western, or South-Asian scenario.

So, for foreign observers, any question within the framework of the broad geopolitical theme, from the direction in which energy resources are transported to the specifics of the Shanghai Cooperation Organization, fit today into a simple scenario: the region is gradually liberating itself from the complexes of "post-Soviet" Asia and is now floating free, maneuvering between coming too close to or drawing too far away from Moscow. But in today's world (particularly under local geopolitical conditions), the CAR countries have little chance of integrating into the world economic system without becoming the preliminary satellite of one of the centers of power in the picture.<sup>7</sup> The latter, depending on their own short-term and long-term interests, are building their relations with the republics and exerting efforts to move them into their orbit.

It stands to reason that the Central Asian countries are currently perceived almost exclusively as objects of international politics and, in particular, of the regionalization processes. In so doing, the republics are sooner in a position to react to the foreign challenges created, in addition to Russia (their traditional center of gravitation), by other active participants in the unfolding geopolitical rivalry. This situation is natural. A region, the countries of which are economically weak, have never participated to any great extent in international affairs and have rather "fuzzy" images in the eyes of foreign observers, cannot have any influential power. But in reality, despite their ambiguous reputation and limited resources, much depends at the current stage on the Central Asian governments. Although their states are acting more as objects of contemporary politics, the role of the leadership in the five republics is nevertheless not entirely passive: the future regional configuration of Central Asia depends (primarily and mainly) on the choice of the region's republics themselves and on their preferences in foreign policy. Despite all the objective limits on their geopolitical maneuvering, integration, the pros-

<sup>&</sup>lt;sup>7</sup> Incidentally, not only external, but also strictly subjective factors are preventing this, which are embedded in the policy of the region's republics with respect to each other. The Central Asian countries are distancing themselves as much as possible from their "neighbors" in their foreign political activity, trying to prove their own self-sufficiency, while closer cooperation with regional "neighbors" and coordinating their foreign policy with them would noticeably consolidate their positions and would have a positive effect on interrelations with various power centers. Paradoxically, international organizations in which the Central Asian countries participate are manifesting viability, providing that either Russia or China is one of their members.

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pects of which are being considered here, cannot be imposed from the outside. It can be lobbied, but, in the end, only mutual gravitation of the sides and the posing of mutually satisfying strategic assignments are capable of launching regionalization mechanisms. Without this, pumping in money, political pressure, and other tools used by the most influential actors of international politics will not achieve their main purpose. The latter will not be able to direct regional centripetal trends toward themselves to the detriment of the interests of other contenders.

The thesis that the foreign policy of the Central Asian countries is vitally important in the evolving regionalization is confirmed by the situation that occurred at the end of 2006 in Turkmenistan: the death of President Saparmurat Niyazov posed a challenge to all the players involved in Central Asian geopolitics, which put their attacking forces into "feeling out" his successors. Reducing all the questions to Turkmen gas resources seems to be oversimplification and unnecessary politicization of the energy issues. The situation is much more complex and is not characterized only by route via which Turkmen gas will be exported. Most likely, this republic cannot go on ignoring reality and isolating itself from the international affairs in the Caspian-Central Asian Region, which would be tantamount to political suicide of its new leadership. At present, the choice of foreign policy vector depends on the new state leader and, consequently, several intrigues of Central Asia's upcoming regionalization will be decided in Ashghabad—which participants in the geopolitical contest will receive a new trump card; will additional stimuli appear for regional or international integration?

So, while presenting itself only as a region in the geographical sense so far, Central Asia is beginning its own regionalization process—forming a region which in all likelihood will be built with the active participation of one (or several) nonregional nations. In other words, regionalization (as an alternative to regional integration), which is characteristic of the countries that have for one reason or another missed the chance of carrying out an integration program within their region, serves as the key to all the main processes taking place today in Central Asia. While some participants in this regionalization process see it as a natural trend and method of survival, others perceive it as a struggle to divide the world up in a new way at the post-industrial stage.

On the whole, most analysts engaged in the region's problems are concerned with two main issues: which sphere of influence might the Central Asian Region finally enter, and what can be used to counteract the efforts of the Chinese side to prevent it from winning there? The geopolitics of Central Asia are attracting top priority attention, since they are the key to vitally important geo-economic processes for contemporary capitalism and are determining the main players, the geographical location of the pipelines, and the direction of trade and economic activity as a whole. Much depends on whose side the participants will take in this "game of interests." If we take a broader look at the state of affairs, the future world order will depend on how Central Asian regionalization develops. For if China, which many regard as the main contender for "victory," can indeed draw CAR into the zone of its vital interests, this will have a significant effect on Russia's and the U.S.'s place in the world.

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Moving from the theory of Central Asian geopolitics to its practice, we should primarily note the large number of the most diverse geopolitical players claiming certain forms of cooperation with CAR. Perhaps the closest historical analog of this geopolitical situation is the history of the former federal entities of the Social Federal Republic of Yugoslavia, which achieved their independence and were later gradually drawn into European integration (earlier they were included in NATO's security programs). Nevertheless, we should realize that no serious geopolitical differences of opinion were noted in their case. Geographically, these territories were part of Europe, that is, of the Western world,

and consequently, they did not have any particular regionalization alternatives. Even Serbia, with its "historical grudge" against the West and tactical gravitation toward another geopolitical center, Moscow, will most likely draw closer to the West, since strategically regionalization with it is more advantageous than with Russia. Another example of the struggle for geopolitical orientation and distribution of zones among various centers of power is present-day Ukraine, which lies between the West and the Russian Federation. But in this case, the matter concerns one state, and not a region, what is more, Russia has already clearly lost this "battle."

In all likelihood, the current situation with respect to Central Asia is unique. According to development logic, the "Asian paradigm" (Murat Laumulin cited above wrote about it) presented the best chance for Central Asia at the end of the 20th-beginning of the 21st centuries. This only made the West more determined to fight for the region's strategic minds. Appealing to the notorious hydrocarbon supplies of Central Asia, with a factual view of the state of affairs, is just as inevitable here: neither the United States, nor Europe, nor, in particular, China were able to remain indifferent to CAR due to the energy factor alone. In this context, analogies with the Middle East Region come to mind—its "distribution" among the great powers began even before black gold was discovered there; more-over, the geostrategic location of this zone was of immense importance to the latter. But the transformation of oil into planetary energy source No. 1 significantly aggravated the situation for the countries of the Middle East. Those of them that were beyond international regionalization, that is, were not associated in any way with a center of power or had departed from it, are geopolitical outsiders today, whose development is made extremely difficult by the complicated relations with the number of states (for example, Iraq with its 9.6% world proven supplies of oil, Iran with 11.5% of oil and 14.9% of gas reserves, as well as Lebanon, Syria, and several more).

At present, the problem of CAR lies in the fact that it is acting as a target of strategic gravitation for an extremely large number of nations. This requires that its republics conduct an entirely energyconsuming foreign policy, which is making it difficult to concentrate on certain priority directions. On the one hand, there is a strong pull toward Russia, from the paternal influence of which any of the Central Asian countries cannot escape at short notice, even if they really want to, and on the other, the mighty West does not intend to reject its plans regarding the region. Central Asia has the most ambitious and promising young nation, the PRC, as its neighbor.

The overall situation that is currently developing today shows that China has the greatest advantages in carrying out regionalization of Central Asia under its auspices.

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Finding itself faced with the historical opportunity of becoming the leading state on the planet, the PRC could not ignore the possibility of becoming a regional leader in the Central Asian expanse, geopolitically free from the West's influence. Taking into account the geographic factor, the main advantages were on the Chinese side. For the past 10-15 years, Beijing's financial potential has been growing incredibly—it recently occupied second place in the world in terms of gold and currency reserves. But its main weapon is perhaps the ability to strategically plan its policy.

Guided by its Eastern mentality and diplomatic wisdom, China, despite all its achievements in Central Asia, is not coming forward, like the U.S., with "loud" initiatives. For example, the project proposed a year ago to create a single energy system in Central and South Asia (from Kazakhstan to India), which promotes, according to its authors from the U.S. State Department, integration of the economies of both Asian regions,<sup>8</sup> is seen by the East as a too "straightforward," ill-considered, and

<sup>&</sup>lt;sup>8</sup> From the statement of Richard Boucher, 26 April, 2006...

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unprepared step. Having a significant interest in hydrocarbon resources of the region, Beijing was primarily concerned about establishing a trustworthy dialog with the Central Asian elites, and also created an efficient institution in Central Asia, by means of which similar initiatives could subsequently be advanced without damaging the PRC's image. This structure began emerging at the end of the 1990s, and since 2001 became known as the Shanghai Cooperation Organization. Today it is successfully carrying out the tasks it faces, including efforts to create a SCO Energy Club.

The activity of this formation is playing into China's hands above all, since it, according to the current authoritative opinion, is the "Chinese project."9 This statement may be indisputable, but we can see the following phenomenon: any pipeline corridors from Central Asia are associated with technical difficulties and large financial expenses due to the geographical features of the region. But the Atasu-Alashankou oil pipeline is already functioning, and the gas pipeline in the direction of the PRC is going through the last stages of confirmation, while despite the seemingly large financial and other resources, most of the long discussed projects still remain on paper.

In light of the events in CAR, the impression has been created in recent years that the region is drawing closer to the point beyond which balancing between the interests of various nations may later prove impossible for its countries. "The geopolitics in Central Asia have lately begun to engender rivalries," noted an authoritative Indian expert.<sup>10</sup> Largely due to the SCO's activity, the centers of gravity were destroyed in a relatively short time, as a result of which the entire "building" of Central Asian geopolitics began to teeter alarmingly. Just recently, after the beginning of the antiterrorist operation headed by the U.S. in Afghanistan, it was noted that "China is the big loser in the war on terrorism in Central Asia. Virtually every plank of its strategic policy for enhancing its influence and lessening American influence has failed."11 But today, authoritative Western Sinologists, such as Lyle Goldstein, are essentially recognizing the success of China's policy in Central Asia and are urging the "losing" American government to support the Chinese initiative concerning the region.<sup>12</sup> The Chinese side is discussing bold integrative projects with the CAR states and is confidently denying the need to strengthen cooperation with the West; Russia is demonstrating complete loyalty toward China and also approving initiatives within the framework of the SCO. In the meantime, its partnership relations with the former Union Republics are not always being carried out smoothly and unambiguously. And if regionalization should be primarily considered the cornerstone of Central Asian policy at the current stage, it is obvious that Central Asia cannot advance along this path in several directions at the same time. If cooperation with NATO is intensified, it is not worth hoping for the same to continue in the CSTO; if hydrocarbons are sent along one route, other deliveries might be possible, in all likelihood, in accordance with the "residual" principle.

As already noted, the SCO was a deliberately prepared "arena" on which the Chinese side could implement its CAR policy. In this respect, this organization can be regarded as the main tool of regionalization in the Chinese scenario. For some time, the SCO has been taking very successful practical steps as a system-forming element and paradigm of the region's progress, ensuring the main conditions for continuing CAR's existence as a political and economic subject of international politics: Central Asia's security and the efficient interaction of its countries. We can confidentially say that without the SCO, these two factors of Central Asian development would be in a less organized state-both security and multilateral cooperation required a center of gravity like the SCO.

<sup>&</sup>lt;sup>9</sup> From an interview by K.L. Syroezhkin "Dlya Kitaia ShOS—instrument, pozvoliaiushchiy 'sidet na dvukh stuliakh" of 14 March, 2007. Radio interview at [www.inkar.info].

<sup>&</sup>lt;sup>10</sup> Bhadrakumar M.K. "Foul Play in the Great Game," Asia Times, 12 July, 2005.

<sup>&</sup>lt;sup>11</sup> Stephen Blank, a professor at the U.S. Army War college, is quoted from L. Goldstein, "China in the New Central Asia: The Fen (RMB) is Mightier than the Sword," The Fletcher Forum of World Affairs, Vol. XXIX, No. 1, Winter 2005, p. 13. <sup>12</sup> See: Ibid., op. cit., pp. 13-34.

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If the SCO is compared with the tools of regionalization available in the other countries participating in the geopolitical contest, this comparison is clearly in China's favor. Yes, Russia is still incredibly strong in the region, after turning it into its resource base, but it cannot stay this way forever with the general situation that is developing around Central Asia. During the first years after the collapse of the U.S.S.R., and during the country's further evolution, Moscow was able to preserve its actual leadership in Central Asia (although with varying success) thanks to the loyalty of the republics' leaders and the inertia of their policy as a whole. The rest of the world related to the new independent republics with a great deal of concern, which met the interests of the Russian Federation. But at the turn of the millennium, it became noticeable that Russia itself was beginning to abuse the Central Asian leaders' good attitude toward it and conduct an "inert" policy in Central Asia. This might lead to sad consequences for the Russian Federation, since by this time, the West's strategy toward CAR had basically formed. The states of the region might be drawn into the sphere of the West's activated policy, just as Azerbaijan, for example, has been drawn into it today. We believe that China helped Russia here, or, to be more precise, the fact that the interests of both countries coincided at the moment, which made it possible for them to coordinate their efforts. This is why the main intrigue of Central Asian regionalization today can be considered the future of the interrelations between the Russian Federation and the PRC: will they be able to remain strategic partners in conditions where China is trying to carry out regionalization of CA under its own auspices, and how will the relations of the two giants influence the region's republics?

So, much has changed in 15 years. Russia is still a key player in the geopolitical expanse of CA, but only one of several. Its authority among the local ruling elites is not as inviolable as it once was; relations with it are being strictly built on a business, rather than ideological, basis. For example, with respect to regionalization issues, the Russian Federation has suffered a serious strategic defeat in CA by allowing emergence of the SCO. Now it must recognize the PRC's full right to participate in the attempts to build CAR's future. The recent visit by Nursultan Nazarbaev to Russia demonstrated that Kazakhstan and Russia are still as close as ever. Their relations are intensifying, which is inevitably having an effect on the other countries in the region. In this respect, Central Asia and Russia are tied by much more than just pipelines, although the interrelations between Moscow and Beijing could create a problem. Russia itself is not insured against being drawn into the economic sphere of mighty China<sup>13</sup>—American scientists sounded the alarm as early as the end of the 1990s about the PRC's growing strength and Russia's demotion to a secondary place in Central Asian policy.<sup>14</sup>

The fragility and weak instrumental underpinning of the West's policy, the inertia of Russia's policy, as well as the power vacuum in Central Asia have prompted China to assume leadership in the region.

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International regionalization is part of the globalization process, its continuation at the local level, and not its contradiction, as it may seem if we proceed from the term itself. For the national govern-

<sup>&</sup>lt;sup>13</sup> As well-known Russian Sinologist Vil Gelbras noted, "the Chinese question is that of Russia's further existence. For the first time in history, Russia has become a small country in all respects compared with China. So Russia still has to fully recognize the new situation and reconcile itself to it, which is tantamount to a giant national and socio-psychological upheaval" (V. Gelbras, "Kitaiskiy faktor vnutrennei i vneshnei politiki Rossii," available at [http://www.carnegie.ru/ru/pubs/books/volume/48315.htm]).

<sup>&</sup>lt;sup>14</sup> See: M.B. Olcott, "Russian-Chinese Relations and Central Asia," in: *Rapprochement or Rivalry: Russia-China Relations in a Changing Asia*, ed. by Sherman Garnett, Carnegie Institute for International Peace, Washington, 2000, p. 391.

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ments, regionalization does not mean giving up their sovereignty. As practice shows, not only young states are refraining from such a step. If we look at the course of European integration, we can convince ourselves that even European nations with their wealth of political experience are not ready to share their independence. If with respect to EU integration, the matter concerns the pragmatic merging of state powers (so that each of the member states can build up their own potential), regionalization of Central Asia will most likely take place according to the "fairway" formula—the satellite state following the foreign and defense policy of the leader state, which of course implies extremely close trade and economic ties between them. In practice, this is happening by small states primarily orienting their economic activity toward the "leader," establishing close military-political contacts, and applying mutual preferential trade conditions. It is obvious that building such relations requires sophistication of the decision-making process: this is inevitable, since the interests of several countries are coming together and intercepting, but if we take a rational approach, this does not seem to be too high a price to pay for peaceful and sustainable development.

Although the planetary community exists as a system of individual states that are independent of each other, in reality it has never actually functioned under these conditions. In order to do this, isolation should serve as the basic principle of interrelations between countries of the world. In reality, during multifaceted political and economic contacts, relations of interdependence and cooperation of varying degrees of intensity were established between individual states, while in international affairs, the countries have been acting as allies from time immemorial. Those with stronger and more reliable partners were usually the most successful. In any case, foreign relations presume that the sides coming into contact with each other will become dependent on each other to a certain extent. This phenomenon acquires its most "concentrated" expression during globalization processes.

According to the laws of sociopolitical development, small or weak states (exclusively in the sense of their comprehensive capacities) inevitably find themselves drawn into the economic and political sphere of a particular regional nation (if there is such a nation in the given geopolitical space). Inevitable gravitation toward a center of power creates a certain dependence on the leader state. There is essentially no alternative to this scenario, particularly under the conditions of today's contradictory international order. The situation becomes complicated if more than one unconditional power appears in the region, which creates prerequisites for a struggle among the leaders.

When, at the very beginning of the 1990s, independent states formed in Central Asia, the world long continued to perceive them as "Soviet" republics. They were not imagined as being separate from Russia and were automatically included in the Russian Federation's sphere of influence, to the envy of other centers of power dreaming of such loyal partner states. It seemed that this situation would be strong enough to preserve the status quo in the region for several decades to come, although the fact that China is located next to the Central Asian states and three of the five republics have a common border with it was perceived, even then, by many as a challenge. It was clear that the PRC was on the crest of a nationalistic upswing, which could raise it to an unprecedented level of might and influence in Central Asia, as well as in the world. Even the boldest scientific forecasts did not presume that Beijing would be able to have a significant influence on the balance of power in the region, at least in the first quarter of the 21st century.

In addition to the Russian factor itself and the multitude of common interests and traits for the Russian Federation and Central Asia, other foreign players had their ambitions, whose stakes in the regional game were extremely impressive—this was supposed to prevent any spread of the Chinese influence in Central Asia. It was considered that, despite all of Beijing's geo-economic trump cards, it did not have enough experience or clout to climb to a priority position in managing affairs in the Central Asian countries, since there had been no direct systemic contacts between China and CAR for almost fifty years.

Nevertheless, the current situation in the region indicates there is a new configuration of forces, in which the PRC occupies one of the leading places. The situation that has developed over the past few years is noteworthy in that China has succeeded in surpassing the U.S. The PRC demonstrated brilliant diplomacy and policy by being able to win important strategic victories without aggravating relations with the regional or nonregional players.

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The topic on which this article is based is difficult to identify. For example, if we are talking about narrow professional and political scientific circles, the Central Asian topic is discussed widely and actively in them, but in so doing specialists usually rely on information that everyone is equally aware of. That is, the authors who write about the geopolitical and geo-economic processes going on in Central Asia can rarely consciously claim to have any new information. Their task is to reconsider what essentially everyone already knows, as well as interpret the events and processes as accurately as possible. In this respect, Sinologists who have extensive knowledge about the PRC—one of the key players in Central Asia—have certain trump cards, with the help of which they can make more precise assessments and forecasts. This is why we make numerous references in this article to the opinion of well-known specialists on China.

On the whole, a review of Central Asian reality from the viewpoint of regionalization is shedding light on the prospects of a large number of international contradictions in this area. This will at least make it possible to better understand regional interaction, without departing from the issue of energy cooperation, rather intensifying it.

In the new circumstances that have developed in Central Asia, it seems the geopolitical players are currently coming across previously unknown game rules due to the fact that much from now on in decision-making will be determined not by the desire to maintain the status quo and a certain balance, as was the case until recently, but by the need to build a new regional order in light of the actualizing threats to security, both foreign and domestic. In this respect, each of the republics will apparently exert efforts aimed at streamlining its international cooperation, both at the bilateral level and in the regional format. In this light, one of the main tasks is to improve the collective security system in Central Asia. It is precisely due to the change in approach to regional interaction that China is gaining additional advantages in CAR. In this context, the states of the region are in different situations, but none of them has enough confidence in the future: both great hopes and serious worries are associated with the PRC.

On the one hand, China's active position in the region is causing a multitude of new possibilities for intensifying multilateral, including, bilateral cooperation with Beijing for the Central Asian countries, opening up the rich potential of this cooperation, and intensifying comprehensive exchange with the PRC. Such relations are acting as the key factor in favorable development of the entire Central Asian Region. On the other hand, all of this implies risky rapprochement with an Eastern neighbor that is extremely dominant in terms of economic and military potential, as well as the need to entrust the SCO bodies with some of the tasks for ensuring national development and security, relying on collective decision mechanisms.

Nevertheless, all other things being equal, neither the course of the geopolitical contest, nor the probable deviations from the policy of certain Central Asian republics designated within the SCO will be able to break the general trend toward China becoming the main regional nation. Such a disciplined and headstrong player as the PRC has all the necessary prerequisites for achieving the set goals. Meanwhile, the SCO has strategic significance in Beijing's set of tools, which intends to put its plans regarding the Central Asian Region into practice mainly by advancing the SCO project. In this way,

the prospects for the SCO are defining China's potential place in CAR and the relations between the republics of the latter and Beijing. As for the regionalization of Central Asia, CAR is trying to integrate into the global market, in so doing preserving not only its geographical, but also strategic integrity. But with such a neighbor as present-day China, Central Asia has very few scenarios for this at its disposal—most of them belong to China.