CHANGING DYNAMICS OF UZBEKISTAN'S FOREIGN POLICY UNDER SHAVKAT MIRZIYOYEV: PROSPECTS FOR CENTRAL ASIAN REGIONAL ECONOMIC INTEGRATION

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Abstract

Uzbekistan holds a central position in the political, economic, security and demographic structure of the Central Asian region. Without the cooperation of Tashkent, efforts for regional integration have failed during the past. The first president Islam Karimov, who ruled the country for 25 years 1991-2016, was reluctant to integrate Uzbek economy to regional and global markets. Uzbekistan had one or the other issue with all its neighboring states, thus hindering prospects for the regional cooperation and integration. However, the new president Shavkat Mirziyoyev is proactive towards regional integration. He is following a policy of 'Central Asia First' which has warmly been welcomed by all the regional states. The process of regional integration has also been facilitated by the Belt and Road Initiative (BRI) of China as well as Central Asia Regional Economic Cooperation (CAREC) in the form of development of physical infrastructural and transportation network.

Objectives of this research are; to look into the dynamics of Central Asian region; to understand the central position of Uzbekistan in the region; to explore the areas of convergence for the regional states; and to analyze the prospects for regional economic integration after change in Uzbekistan's leadership. This research aims to address the questions such as: What is the future economic potential of Central Asia? How the foreign policy of Uzbekistan has influenced the regional dynamics under Islam Karimov?

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What are the impacts of Belt and Road Initiative and CAREC in Central Asian region? And with the recent change in Uzbekistan, what are the evolving prospects for regional economic integration in Central Asia? This research is primarily descriptive, exploratory, and analytical in nature. It relies on both primary (including interviews with Uzbek embassy officials and official data) and secondary sources.

Key Words

Uzbekistan, Foreign Policy, Regional Integration, Shavkat Mirziyoyev, CAREC, TAPI.

Introduction

When elected as the president of Uzbekistan, Shavkat Mirziyoyev in his first address to the Parliament (Oliv Majlis) in May 2017 stated that Uzbekistan needs a 'modern' foreign policy. That was the first indicator that the incumbent president aspires a pragmatic and dynamic foreign policy vision. Having been prime minister under president Islam Karimov since 2003, Mirzivoyev had the firsthand knowledge about the Uzbek issues especially at the foreign policy front. Tashkent is moving towards active participation in regional and global agreements and is coming out of its 'semi-isolationist' foreign policy. The new president has rightly assessed the key geographical position of his country in the Central Asian region. Therefore, he gave special focus to this region as a foreign policy priority. He has visited all the regional states frequently and signed economic deals worth billions of dollars. Besides those economic deals, he has started negotiations on other geo-political issues, including water crises within the region. Tashkent is also busy in negotiations with the World Trade Organization and is eager to attract foreign direct investment. New tourism policy has attracted millions of tourists from the region and beyond. Furthermore, Uzbekistan is searching for the new markets to sell its products.

The above mentioned emerging foreign policy dynamics have revived the hopes for regional economic integration as Karimov's passive policies towards regional integration had been a major hurdle in this regard. The proactive policy of the new president has given hopes for stronger regional integration. President Mirziyoyev has stated that "Central Asian is a region with which the vital interests of our country are connected."¹Tashkent has attended the meetings of Collective Security Treaty Organization (CSTO)

¹ "Central Asia is the Main Priority of Uzbekistan's Foreign Policy" Uzbekistan Daily, (August 12, 2017), Retrieved from <u>https://www.uzdaily.com/articles-id-40429.htm</u>

under the umbrella of Commonwealth of Independence States $(CIS)^2$ led by Russia. It has also started taking interest in Eurasian Economic Community (EurAsEc); also led by Russia. Previously, Tashkent had been reluctant to join such moves led by the outside powers in Central Asia.

Historical Background

The Uzbek foreign policy vectors have been fluctuating since its independence. Right after its independence, Tashkent got closer to Russia and Turkey for its geo-political, economic and ethnic security. However, when being disappointed by these states, Tashkent had to rethink about its foreign policy options. It then thought the Western world as a viable option and as a result Uzbekistan established cordial relations with the USA and Europe. The 9/11 incident in USA also provided Uzbekistan an opportunity to align itself with the western world. However, popular street protests called 'Coloured Revolutions" in CIS region and the Andijan incident of 2005³ were more than enough for Uzbekistan to re-shift its focus back to Russia. It also got closer to China and South Korea. Tashkent never liked any state's influence into its political matters. When USA established the Northern Distribution Network (NDN) for North Atlantic Treaty Organization (NATO) supply in Afghanistan, Uzbekistan again got closer to the US, this time to balance the increasing Russian and Chinese influence in the region. Nevertheless, it has to rely on Russia and China in the form of Shanghai Cooperation Organization (SCO) for its vested regional interest.⁴ Such shifts can be attributed as reactive which resulted in the demise of Uzbek selfconfidence at global as well as regional level. Such frequent shifts badly affected the efforts for regional integration in Central Asia as well.

Modern day Central Asian nation-states are the artificial creation of USSR project under Joseph Stalin. The division of the then Turkestan⁵ resulted in severe ethnic and political tensions. Such tensions were more intense and violent in the Fergana Valley which was divided among Uzbekistan, Tajikistan and Kyrgyzstan during the 1920s. These internal tensions became international issues when the region got independence from

² It was loose security organization established by Moscow right after the disintegration of the Soviet Union. The major objective of the Russian Federation to establish CIS was to have direct influence in its 'backyard.'

³ Uzbek security forces attacked hundreds of peaceful protesters in Andijon city of Ferghana valley in May 2005. According to different estimates 250-700 people including women and children were killed by the state forces.

⁴ Timur Dadabaev, "Uzbekistan as Central Asian Game Changer? Uzbekistan's Foreign Policy Construction in Post Karimov Era." Asian Journal of Comparative Politics, XX (X), (2018), 2.

⁵ Old name of Central Asia.

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the Soviet Union. Violent tensions in Osh, Kyrgyzstan⁶ and Khojant, Tajikistan have remained as source of contention between the three countries sharing Fergana Valley. Water crises have also been a major hurdle in the way of regional integration. The two major rivers; Syr Darya and the Amu Darya flow from Kyrgyzstan and Tajikistan (upstream states) to Uzbekistan and Turkmenistan (downstream). Since Uzbek and Turkmen agro sector heavily depends on the water of these two rivers, any development leading to an increased use of water by the upstream countries creates political tensions among the regional states.

Cotton is a major agro-export of Uzbekistan that is heavily dependent on the waters of Syr Darya. Tashkent had remained bitterly against any move to construct water reservoirs by Kyrgyzstan and Tajikistan. It thought that such reservoirs will destroy its agriculture sector. Many times, Uzbekistan cut off gas supply to both these states in response to their efforts to construct water reservoirs. All this is the result of mutual distrust among the regional states.⁷ Such tensions had been high when Tajikistan and Kyrgyzstan announced to construct Rogan and Kambarata-1 dams respectively for hydroelectricity production and agriculture purposes. The tension between Tajikistan and Uzbekistan was so severe that Tashkent threatened Tajikistan with a war. There are also reports that Tashkent put an economic embargo on Tajikistan.⁸ Furthermore, in order to compel them, Tashkent had used gas as a weapon many times.

Extremism and terrorism have also been a source of friction between Uzbekistan and its neighbors. Right after the independence, Central Asian region witnessed rise of extremism and violent religious parties and groups. Smaller groups like *Tauba* and *Islamic Lashkari* demanded Islamization in Namangan, Uzbekistan.⁹ Karimov had to negotiate with them but could not succeed in convincing them. He dealt with them heavy handedly and ordered a crackdown against them. Many of them, especially the leadership fled to Tajikistan which was engulfed in a Civil war at that time. They joined the

⁶ Osh is the potential hotspot of ethnic clashes between ethnic Uzbeks and ethnic Kyrgyz. It has witnessed worst ethnic clashes in 2010 resulting in hundreds of causalities.

⁷ Alisher Ikhlamov, "High and Dry: Central Asian Failure to Avert the Impending Water Crisis." *Ferghana News*, (January 18, 2017). Retrieved from <u>http://enews.fergananews.com/articles/2986</u>.

⁸ Alisher Ikhlamov, "High and Dry: Central Asian Failure to Avert the Impending Water Crisis." *Ferghana News*, (January 18, 2017). Retrieved from <u>http://enews.fergananews.com/articles/2986</u>.

⁹ For details see Adam Saud, "Death of Islam Karimov and the Future of Islamism in Central Asia: Case of Islamic Movement of Uzbekistan." *Central Asia*, 77. (Peshawar: Area Study Center, University of Peshawar, 2018)

United Tajik Opposition (UTO) led by the Islamic Renaissance Party (IRP) and fought against the Rahmanov regime. When the Tajik civil war concluded due to General Peace Agreement in 1997, IRP was included into the Tajik executive branch and its fighters were made part of Tajik security services. This move was disliked by Islam Karimov and he blamed Tajik regime for the rise of extremism and instability in the region.¹⁰ Tashkent mined its borders with Kyrgyzstan and Tajikistan in the wake of suspected Islamic Movement of Uzbekistan (IMU) incursions into Uzbek and Kyrgyz territories in 1999 and 2000 from Afghanistan. Such steps further strained the relationship between Central Asian neighbors.¹¹

All the Central Asian states are quasi-democratic except Kyrgyzstan. Kyrgyz democracy has never been liked by the regional states as it has been perceived as a threat to their life long rules. Karimov had remained very critical to Bishkek in this regard. He thought that the region is neither ready for the western liberal democracy as it would bring instability nor it suits to the 'Asian values.' Two revolutions in 2005 and 2010 in Kyrgyzstan further intensified the relations between Uzbekistan and Kyrgyzstan. Uzbekistan never had cordial relationship with Turkmenistan during the reigns of Supramurad Niazov of Turkmenistan (died in 2005) and Islam Karimov of Uzbekistan (died in 2016). Major reason for this animosity included what was deemed as the discriminatory policies by the Turkmen regime against Uzbek ethnic minority living in Turkmenistan. Most of those ethnic Uzbeks had concentration in the Uzbek-Turkmen border regions but Ashgabat displaced them to the inner and deserted regions of Turkmenistan.¹² Despite the fact that both Uzbekistan and Kazakhstan are very important states of the region, Tashkent and Astana had never been on good books till the death of Karimov. There are reports that both Islam Karimov and Nursultan Nazarbaev had animosity¹³ which dated back to the Soviet times. This personal hatred towards each other never let both the states to be engaged into constructive manner. The southern neighbor of Uzbekistan is Afghanistan. As Afghanistan plunged into civil war and was considered as

¹⁰ For details see Adam Saud, (2010). "Islamic Renaissance Party of Tajikistan: Past, Present and Future." *Pakistan Horizon*, 63 (3), (Karachi: Pakistan Institute of International Affairs, 2010) 77-91.

¹¹ For details see Zubair Iqbal and Adam Saud, "The Divergent Plane of Interests: Security and Counter-terrorism Dynamics of Central Asia." *Regional Studies*, XXXIV (4), (Islamabad: Institute of Regional studies, 2016) pp. 66-85.

¹² "Turkmenistan: Political opposition and minorities under threat of forced displacement by presidential decree," (July 23, 2003). Retrieved from <u>https://reliefweb.int/report/turkmenistan/turkmenistan-political-opposition-andminorities-under-threat-forced</u>

¹³ Gulnoza Saidazimova, "Uzbekistan/Kazakhstan: Summit is a Sign of Changing Times," *Radio Free Europe/Radio Library*, (March 18, 2006). Retrieved from <u>https://www.rferl.org/a/1066842.html</u>

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the epicenter of terrorism and extremism in the region, Karimov had a reserved and limited relationship with Kabul. Nevertheless, Uzbekistan upgraded the existing railway line from Termez (Uzbekistan) to Mazar-e-Shareef (Afghanistan) through Friendship Bridge on Amu Darya.

Such approach with its neighbors had been at the helm of Uzbek foreign policy during the first president Islam Karimov who ruled the country for 26 years. However, with the rise of Shovkat Mirziyoyev to presidential office, Uzbek foreign policy has witnessed a paradigm shift which is now "characterized by dynamism, openness, initiative and pragmatism."¹⁴ Its major focus is on the 'region' now.

Economic Realities of Central Asia

Central Asia is considered as the next Middle East so far the hydrocarbons of the region are concerned. Kazakhstan has oil in abundance while Turkmenistan and Uzbekistan possess large gas reservoirs. While Tajikistan and Kyrgyzstan are rich in hydroelectricity potential. Most of the regional hydrocarbons are exported to international markets through Russia. Nevertheless, China has constructed oil and gas pipelines from the region and these pipelines are operational. Baku-Tbilisi-Ceyhan (BTC) pipeline is also operational which in future will connect Central Asian hydrocarbon network through trans-Caspian pipelines. There are two gas pipelines from Turkmenistan to Iran as well. There is a proposed pipeline Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline that is constantly been delayed due to Afghan insecurity. The following tables give a picture of Central Asian (selective countries) energy statistics by the end of 2016.

¹⁴ H. E. Furqat S. Siddiqov, Uzbek Ambassador to Pakistan, statement to the author on April 26, 2018.

Country	Proven oil reserves	Production / day	Consumption / day	Production in millions of tons/day	Consumption in millions of tons/day
Kazakhstan	30,000 million barrels	1612 thousand barrels	287 thousand barrels	79.3	13.2
Turkmenistan	600 million barrels	261 thousand barrels	148 thousand barrels	12.7	6.7
Uzbekistan	600 million barrels	55 thousand barrels	58 thousand barrels	2.6	2.8

Table-1: Crude Oil Statistics of Central Asia (end 2016)

Source: BP Statistical Review of World Energy 2017.

Table-2: Natural Gas Statistics of C	Central Asia (end 2016)
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Country	Proven Gas reserves	Production/ day	Consumption/ day	Production in million tons/day	Consumption in million tons/day
Kazakhstan	34 trillion cubic feet	19.9 billion cubic feet	13.4 billion cubic feet	17.9	12
Turkmenistan	617 trillion cubic feet	66.8 billion cubic feet	29.5 billion cubic feet	60.1	37.9
Uzbekistan	38.3 trillion cubic feet	62.8 billion cubic feet	51.4 billion cubic feet	56.5	46.2

Source: BP Statistical Review of World Energy 2017.

Table-3: Coal and I	Hydro-electricity	Statistics of Central	Asia (end 2016)

Country	Proven Coal reserves	Production / year	Consumption / year	Electricity production /year	Electricity consumption / year
Kazakhstan	25605 million tons	44.1 million tons	35.6 million tons	94.5 terawatt hours	2.7 terawatt hours
Turkmenistan	NK	NK	NK	22.6 terawatt	NK
Uzbekistan	1375 million tons	1.1 million tons	1.0 million tons	58.9 terawatt hours	2.1 terawatt hours
Tajikistan	NK	NK	NK	16.4 billion kwh	15 billion kwh
Kyrgyzstan	NK	NK	NK		

Source: BP Statistical Review of World Energy 2017 & "Tajikistan-Power Generation and Distribution," URL: https://www.export.gov/article?id=Tajikistan-Power-Generation-and-Distribution

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	Population in Million (2016)	GDP (PPP)	Unemploymen t	Inflation (CPI)	FDI Inflow
Country					
Uzbekistan	31.85	\$205.7 billion 8.0% growth	8.9%	8.0%	\$66.5 Millions
Tajikistan	8.7	\$26.0 billion 3.0% growth	10.8%	5.9%	\$432.2 Millions
Kazakhstan	17.9	\$451.3 billion 1.2% growth	5.2%	14.6%	\$9.1 billion
Kyrgyzstan	6.1	\$21.5 billion 3.5% growth	7.7%	0.4%	\$466.8 Millions
Turkmenistan	5.5	\$95.5 billion v6.5% growth	8.6%	3.5%	\$4.5 billions

Table-4: Central Asian states Country Profile

Source: World Bank

Challenges to Regional Integration in Central Asia

Like other economically developing regions of the world, Central Asia is marked with number of issues so far intra-regional trade and economic integration is concerned. Such issues range from mistrust, personal animosities, ethnic division, border and water disputes, drugs and human trafficking, extremism and terrorism, lack of will, inadequate and old physical infrastructure especially the transportation network, harsh physical terrain, smuggling, time and cost effective and selective border crossings, weak role of regional organizations, reserved attitude of ex Uzbek and Turkmen presidents, lack of funds, and corruption to the role of external players.

Right after the independence of this region, many countries and economic organizations showed zeal and zest in the region especially into the hydrocarbons. Central Asian states were facing severe political, economic, ethnic, administrative and security crisis at that time. They were in dire need of allies and capital. However, they started their external relations very cautiously. Major reason was the old socialist political elite controlling the power. They started with reserved economic activities. Their trade remained heavily dependent on Russia as all the pipelines of Central Asia were directed towards mainland Russia. It was very much difficult for these states to come out of Russian economic dependence. Nevertheless, they joined many regional organizations with overlapping membership. These organizations were characterized by weak infrastructure. Lack of funds to materialize those regional organizations was also a major hurdle in the regional integration.

Another important hurdle for regional integration has been diverse economic strategies adopted by the regional states. Tajikistan, Uzbekistan and Turkmenistan remained controlled economies while Kazakhstan started with limited economic liberalization. The only country which adopted measures towards liberal market economy was Kyrgyzstan. Having no important export commodities to sell beside having comparatively small population and harsh physical terrain, Bishkek could not offer much for the real regional economic integration. Border and water disputes along with extremism and terrorist activities in the region have remained major source of contentions among Central Asian states.

Undue checking procedures and delays at the border crossings too have remained a major problem for the increased economic activity in this region. Poor transportation infrastructure, illicit border fees, corruption, frequent police verifications, and poor logistics at the borders have never let Central Asian economies to integrate in a considerable manner. Private businesses are not healthy in the region. Regional organizations have also not played their role for the economic integration. The most effective regional organization Shanghai Cooperation Organization (SCO) has not proposed active mechanism to resolve disputes among the member states. EurAsEc is a vital economic organization but without Uzbekistan and Turkmenistan as its members, prospects for regional integration are not high. Although a custom union already exists among the EurAsEc members,¹⁵fruits for Central Asia region are yet to be achieved.

Since most Central Asian states produce similar kind of commodities-Kazakhstan oil and gas, Turkmenistan and Uzbekistan gas, and Tajikistan and Kyrgyzstan hydroelectricity-they look beyond this region for exports.

Shovkat Mirziyoyev and Prospects for Regional Economic Integration in Central Asia

Despite having the largest market of Central Asia which comprises of about 31.5 million people-almost half of the whole regional population-Uzbekistan could not offer much economic opportunities and regional integration to its immediate neighbors. Central Asia's key geographical location between East and West makes it extremely important for trade and economic activities. However, due to lack of regional integration, such activities have yet to take place at a larger level. The intra-regional trade in Central Asia is also very limited as compare to other developing regions in the world. Although, the pace of this trade increased fivefold during 2000 to 2008,¹⁶ yet the scale remained limited.

President Mirziyoyev is very much keen towards the regional integration. While discussing the 'new' Uzbek foreign policy, Foreign Minister Abdulaziz Kamilov stated that "transforming the Central Asian region into an area of stability, sustainable development and good-neighborliness" is the main priority of Tashkent. ¹⁷The Uzbek government

¹⁵ Johannes F. Linn, "Central Asian Regional Integration and Cooperation: Reality or Mirage?" EDB Eurasian Integration Book 2012, The Brookings Institute, (2016) Retrieved from <u>https://www.brookings.edu/wp-content/uploads/2016/06/10-regionalintegration-and-cooperation-linn.pdf</u>, 4.

¹⁶ Johannes F. Linn, "Central Asian Regional Integration and Cooperation: Reality or Mirage?" *EDB Eurasian Integration Book 2012, The Brookings Institute*, (2016) Retrieved from <u>https://www.brookings.edu/wp-content/uploads/2016/06/10-regionalintegration-and-cooperation-linn.pdf</u>, 4.

 ¹⁷ Ozge Nur Ogutcu, "Uzbekistan New Policies Under New President: A New Era?" AVIM Analysis No 2017/26. (August 18, 2017). Retrieved from

has realized that it's important to resolve issues with the neighboring states, enhance physical infrastructure, and cooperate in energy sector along with an easy visa regime in the region to achieve economic development. President Mirziyoyev says that "Our main goal is to transform Central Asia into a stable, economically developed and prosperous region by common efforts."¹⁸ He further stated, "On the very basis of the principles of goodneighborliness and mutually beneficial partnership our countries will be able to more effectively implement their potential in trade-economic, transport-communication, cultural and humanitarian spheres, as well as in the issues of security and stability."¹⁹

Uzbekistan's "Development Strategy for 2017-2021" also stresses on the resolution of border disputes with neighboring countries and secure and stable Central Asia.²⁰Tashkent has also shown willingness to join international monitory regimes. Relations with International Financial Institutions (IFIs) have developed during the last couple of years. International Monitory Fund Negotiations with (IMF), Industrial Development Bank (IDB), Asian Infrastructure and Investment Bank (AIIB), Asian Development Bank (ADB) and the World Bank are underway. Tashkent has allowed the European Bank for Reconstruction and Development (EBRD) to re-open its office in Uzbekistan. Mirziyoyev's regime quest for economic integration is evident from the fact that in 2017 only, around two hundred trade related agreements were signed by Uzbekistan. These agreements worth about \$60 billion.²¹

In an unprecedented move, Mirziyoyev regime has shown interest to join Rogan and Karambata-1 projects. It has also shown desire to join Central Asia-South Asia-1000 (CASA-1000) and Turkmenistan-Afghanistan-Pakistan-India (TAPI) projects. Tashkent was critical to all these projects during Karimov regime. It also suggests TUTAP. Mirziyoyev

http://avim.org.tr/en/Analiz/UZBEKISTAN-S-REGIONAL-POLICIES-UNDER-NEW-PRESIDENT-A-NEW-ERA

¹⁸ Uzbek Ministry of Foreign Affairs. "Speech of the President of Uzbekistan Shavkat Mirziyoyev at International Conference in Samarkand," (November 11, 2017). Retrieved from <u>https://mfa.uz/en/press/news/2017/08/13142/</u>

¹⁹ Uzbek Ministry of Foreign Affairs. "Speech of the President of Uzbekistan Shavkat Mirziyoyev at International Conference in Samarkand," (November 11, 2017). Retrieved from <u>https://mfa.uz/en/press/news/2017/08/13142/</u>

²⁰ Richard Weitz, "Uzbekistan's New Foreign Policy: Change and Continuity Under the New Leadership," (Stockholm: *Central Asia Caucasus Institute*, Silk Road Paper, January 2018), 10.

²¹ "Shavkat Mirziyoyev: Effective Foreign Policy is the Most Important Condition for Successful Implementation of Reforms and Transformations," *UzReport*, (January 13, 2018). Retrieved from <u>https://uzreport.news/politics/shavkat-mirziyoyev-effectiveforeign-policy-is-the-most-important-condition-of-successful-</u>

stresses that "peaceful and economically prosperous region is Tashkent's most critical goal and key task."²²He stated that, "Uzbekistan has always remained committed to an open, benevolent and pragmatic policy towards its closest neighbors - Turkmenistan, Kazakhstan, Kyrgyzstan, Tajikistan ..."²³Current Uzbek regime thinks that Belt and Road Initiative by China is very crucial for the Central Asian economic integration. During a visit to Beijing in May 2017, Mirzoyiyev stressed the Chinese president Xi Jinping to include China-Kyrgyzstan-Uzbekistan-Afghanistan railway network project into the One Belt One Road initiative.²⁴

Uzbekistan-Turkmenistan Relations

During his visit to Ashgabat in March 2017, Mirziyoyev concluded several agreements with Gurbanguly Berdemukhamadov, Turkmen president. The most important of them was 'Uzbekistan-Turkmenistan Strategic Partnership' agreement. Tashkent intended to use Turkmen seaports in Caspian for its trade with Europe and Caucasus. Railway and road bridges at Turkmenabad-Farab on Amu Darya-connecting both the countries-were also inaugurated during the visit.²⁵ This connectivity is very much crucial for the proposed Uzbekistan-Turkmenistan-Iran-Oman transit route. The Uzbek O'zbekNeftGaz and the Turkmen Türkmennebit also agreed to jointly explore Turkmen gas.

During that visit several agreements were signed between the two states ranging from energy and transportation to boosting security ties. It also includes trade and economic cooperation, investment, tourism and cooperation in cultural sphere.²⁶according to Uzbek ambassador to Pakistan, During April 2018 Turkmen president state visit to Uzbekistan, "agreements and contracts were signed for the amount of more than 250 million dollars, as well as documents aimed at further strengthening and progressive development of bilateral cooperation in political, transport-communication, educational and sports spheres. Also within the framework of the visit, 15

²² "Tashkent to Host a High Level Conference on Afghanistan," Retrieved from <u>https://www.uzbekconsulny.org/consulate/index.php/en/en-news-events</u>

 ²³ "Central Asia is the Main Priority of Uzbekistan Foreign Policy." Uzdaily, (August 12, 2017). Retrieved from <u>https://www.uzdaily.com/articles-id-40429.htm</u>

²⁴ Catherine Putz, (2017), "What's Next for the Belt and Road in Central Asia?", *The Diplomat*, (May 17, 2017). Retrieved from <u>https://thediplomat.com/?p=111013</u>.

 ²⁵ "Central Asia is the Main Priority of Uzbekistan Foreign Policy." *Uzdaily*, (August 12, 2017). Retrieved from <u>https://www.uzdaily.com/articles-id-40429.htm</u>

²⁶ James Durso, "Uzbekistan Foreign Policy is a Regional Policy," *The Hill*, (November 22, 2018). Retrieved from <u>http://thehill.com/opinion/international/361449-uzbekistans-foreign-policy-is-a-regional-policy</u>

documents were signed between universities and in the information and communication sphere."²⁷

During the first quarter of 2018, trade volume between the two countries has risen by 55% and there is prospect that the trade volume between two countries will rise up to \$ 500 million in 2020. Due to these visits, cooperation in energy sector has boosted. Ashgabat now exports its electricity to Tajikistan through Uzbekistan. Memorandum of Understandings have been signed to export the Turkmen electricity to Kazakhstan and Kyrgyzstan while pooling it into the 'unified energy grid' system.²⁸

"The Uzbek and Turkmen nations have always been neighbors in peace and harmony."²⁹ During his 'three' visits to Turkmenistan during 2017, Mirziyoyev also signed an agreement on Turkmenistan-Uzbekistan-Tajikistan-Afghanistan-Pakistan (TUTAP) to transport electricity to South Asia.³⁰ Construction and upgradation of Turkmenistan-Uzbekistan-Kazakhstan-China gas pipeline will also boost economic activity thus integration in the region. The pipeline has the capacity to transport up to 25 bcm of Central Asian gas to China annually.

Uzbekistan-Kazakhstan Relations

In an unprecedented move, President Mirziyoyev visited Astana and met President Nursultan Nazarbaev. Both inaugurated joint business forum where more than 400 companies from both the states participated. Both the presidents signed economic contracts worth \$1 billion. In order to strengthen relationship between Tashkent and Astana, need for a joint strategy was desired.³¹ Mirziyoyev has declared 2018 as the 'year of Uzbekistan' in Kazakhstan and year 2019 as 'year of Kazakhstan' in Uzbekistan.³² High

https://thediplomat.com/2017/05/will-uzbekistan-join-tapi.

²⁷ H. E. Furqat S. Siddiqov, Uzbek Ambassador to Pakistan, statement to the author on April 26, 2018.

 ²⁸ Bruce Pannier, "How High Should Hopes be for Change in Uzbekistan?" *Radio Free Europe*, (December 25, 2017). Retrieved from <u>https://www.rferl.org/a/uzbekistan-mirziyoev-hopes-for-change-karimov-cotton-foreign-policy/28938193.html</u>

²⁹ Siddiqov, op. cit.

³⁰ Casey Michel, "Will Uzbekistan Join TAPI?," *The Diplomat*(May 23, 2017). Retrieved from

³¹ "Central Asia is the Main Priority of Uzbekistan Foreign Policy." Uzdaily, (August 12, 2017). Retrieved from <u>https://www.uzdaily.com/articles-id-40429.htm</u>

³² "Kazakh, Uzbek Leaders Hail Improving Ties at Tashkent Meeting," *RFE/RL*, (September 16, 2017). Retrieved from <u>https://www.rferl.org/a/uzbekistan-kazakhstan-nazarbaev-mirziyoev-visit/28739276.html</u>

speed rail link and opening up of the M-39 highway are other initiatives taken by both the states in post-Karimov era.

Since then the relationship between the two neighboring countries is on the right track. Cooperation between Astana and Tashkent will surely pave the way for regional integration in Central Asia as Kazakhstan is the largest economy while Uzbekistan is the largest market of this region. Increasing trade volume between the two states is a very positive sign in this regard. According to Uzbek ambassador to Pakistan, "In 2017, the volume of mutual trade turn over between two countries amounted \$2 billion, which increased for 32% comparing with 2016. It is planned to increase trade turnover up to \$5 billion for 2020."³³As a matter of fact, Uzbek-Kazakh partnership will boost the political and economic integration within Central Asia on the pattern of German-French cooperation in Europe in the post WW-II era.³⁴

In addition to economic and political aspects of the relations between two countries, military cooperation is also on the table. On 18th of August Defense Minister of Kazakhstan Saken Zhasuzakov visited President Mirziyoyev during his visit to Tashkent. Minister Zhasuzakov is expected to visit his counterpart in order to sign bilateral agreements to boost ties in the field of military.³⁵

The tense relations between the two had been marked with border disputes besides desire for regional leadership, Uzbeks illegal migration to Kazakhstan, and Kazakh close relations with Moscow.³⁶However, after leadership change in Tashkent, greater cooperation has been seen in the form of increased flights between the two states, Uzbekistan reduced taxes on Kazakh agricultural products.³⁷Around "230 enterprises work in Uzbekistan with the Kazakh capital while there are 130 enterprises working in Kazakhstan with Uzbek capital."38

³³ Siddiqov, op. cit.

³⁴ John Engvall, "The Reemerging Self Confidence of Central Asia," Central Asia Caucasus Analyst. (March 22. 2018). Retrieved from https://www.cacianalyst.org/publications/analytical-articles/item/13504-thereemerging-self-confidence-of-central-asia.html

³⁵ Ozge Nur Ogutcu, "Uzbekistan New Policies."

³⁶ Richards Weitz, (2018). "Uzbekistan's New Foreign Policy." Pp. 31-32.

^{37 &}quot;Узбекистан и Казахстан упростят прохождение границы своим гражданам", Podrobno.uz. (December 26. 2016). Retrieved from http://podrobno.uz/cat/obchestvo/uzbekistan-i-kazakhstan-uprostyatprokhozhdeniegranitsy-svoim-grazhdanam-read-more-http-ru-sputnikn/? sphrase id=9249 ³⁸ Siddiqov, op. cit.

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Tashkent is very much optimistic about the future integration and development in the region in the form of growing Kazakh-Uzbek cooperation. The Uzbek ambassador to Pakistan says "between Uzbekistan and Kazakhstan good-neighborhood partner relations are being consistently strengthened. Cooperation between two countries is developing on the basis of high trust and mutual respect. The launch of the Tashkent-Almaty high-speed train and bus routes between two countries will undoubtedly strengthen the transport links, serve to develop interregional contacts, trade and tourism."³⁹The most important indicator for integration in the region is enhanced connectivity.

Uzbekistan-Tajikistan Relations

Relationship between Tashkent and Dushanbe had hardly ever been on good terms. Right after independence, till the recent change in Uzbekistan, both states were indulged into water crises, border disputes, gas payments problems, and allegations of not taking actions against extremism and terrorism. Tashkent was critical to Rahmanov regime in Dushanbe for including IRP into the government after Peace Accord in 1996 ending the five years' Tajik civil war. Karimov threatened Dushanbe with a war when tension escalated on water in 2012.⁴⁰ It was the time when bilateral trade between two states fell drastically from\$ 300 million in 2008 to only few million US Dollars in 2014. Uzbekistan also disrupted Tajik rail and road links with Turkmenistan.⁴¹ Flights between two states remained suspended for almost 25 years.

Relationship between the two neighboring states have improved to an extent that during his visit to Tajikistan in March 2018, president Mirziyoyev and president Rahmanov signed 27 bilateral agreements including opening up of 16 border crossings and a 30 days visa free entry for each other citizens.⁴² Such initiatives has not only boosted bilateral trade up

³⁹ Siddiqov, op. cit.

⁴⁰Catherine Putz, "Uzbekistan's Changing Rogun Tone," *The Diplomat*, (July 10, 2017). Retrieved from <u>https://thediplomat.com/tag/tajikistan-uzbekistan-relations/</u>

⁴¹ Edward Lemon, "Signs of improving relations between Uzbekistan and Tajikistan but tensions remain", *Central Asia-Caucasus Analyst*, (October 19, 2016). Retrieved from <u>https://cacianalyst.org/publications/analytical-articles/item/13405-sings-ofimproving-relationsbetween-uzbekistan-and-tajikistan-but-tensions-remain.html.</u>

⁴² John Engvall, "The Reemerging Self Confidence of Central Asia," Central Asia Caucasus Analyst, (March 22, 2018). Retrieved from https://www.cacianalyst.org/publications/analytical-articles/item/13504-thereemerging-self-confidence-of-central-asia.html

to \$ 240 million⁴³ that is 22% increase till the end of 2017⁴⁴ but has increased the number of Tajik citizens visiting Uzbekistan. This increase in bilateral trade has been seen after 20 years. This visit has also paved the way for resumption of air, road and rail traffic between the two countries.

Although Tashkent remained critical to the construction of Rogan water reservoir fearing that it would lead to further water crisis in Uzbekistan, president Mirziyoyev has offered Tajikistan cooperation for the construction and production of electricity from this project. During his visit to Tajikistan, president Mirziyayev signed several agreements including borders demarcation and liberalization of visa regimes besides 'joint' construction of Rogan dam. During that visit President Mirziyoyev stated "We have resumed flights with Tajikistan. Trade volume are increasing, the links between border areas are strengthening cultural and humanitarian exchange has intensified."⁴⁵Both the states intends to increase bilateral trade up to \$ 1 billion by the end of 2018.

Another important areas of cooperation stressed during the first ever Uzbek president visit to Tajikistan after their independence was energy sector. "Currently, an active negotiation process is being conducted between *Uzbekenergo* State Company and "*Barki Tojik*" company on resuming the interaction of the energy systems in the framework of parallel work with the United Energy System of Central Asia."⁴⁷ Both the states have also agreed to provide energy to each other's remote regions. Tashkent agreed to provide gas and electricity to the remote Tajik regions bordering with urban and settled regions of Uzbekistan while Dushanbe agreed to electricity to Uzbek remote areas bordering with Tajikistan.⁴⁸ Cooperation with Tajikistan will not only take Tajikistan out of its isolationism due to its difficult physical terrain and old economy but will also provide Uzbekistan an opportunity to reach China and South Asia, especially Pakistan through alternative routes. Cooperation between these two states will help integration in the region.

⁴³ Kamila Aliyeva, "Uzbekistan, Tajikistan May Enter New Markets under Single Brand." Azernews, (October 13, 2017). Retrieved from <u>https://www.azernews.az/region/120379.html.</u>

⁴⁴ "Central Asia is the Main Priority of Uzbekistan Foreign Policy." Uzdaily, (August 12, 2017). Retrieved from <u>https://www.uzdaily.com/articles-id-40429.htm</u>

⁴⁵ "Speech of the President of Uzbekistan Shavkat Mirziyoyev at International Conference in Samarkand," (November 11, 2017). Retrieved from https://mfa.uz/en/press/news/2017/08/13142/

⁴⁶ Siddiqov, op. cit.

⁴⁷Ibid.

⁴⁸ Aziz Egamov and Rafael Sattarov, "A New Era for Uzbekistan," (April 10, 2018). Retrieved from <u>https://www.atlanticcouncil.org/blogs/new-atlanticist?page=20&a aid=3598aabf&start=590</u>

Uzbekistan-Kyrgyzstan Relations

Uzbekistan had been skeptical towards Kyrgyzstan due to its 'liberal' policies. Tashkent considered Bishkek as the possible destabilizing factor in the region due to its democratic government and liberal economy. Bishkek has given 'suitable' religious, political, economic and social freedoms to its citizens which are unmatchable throughout the region. IMU's incursions into Uzbekistan and Kyrgyzstan remained a issue of contention between the two states. Ethnic crises in Kyrgyzstan especially in Osh in 2005 and 2010, have also been a destabilizing factor in the relationship between two states. Water issues and fencing of border between the two were also major reasons for not good relations.

Like the cases of other regional states, Uzbek relations with Kyrgyzstan have improved substantially in the post-Karimov era. The trade volume between the two has increased by 56% by 2017. The bilateral trade reached up to \$235 million which both states intend to increase by \$500 million by the end of 2018.⁴⁹As the outcome of president Mirziyoyev's visit to Bishkek after 17 years, mutual understanding on many issues and a common desire for cooperation have been strengthened. Tashkent has agreed to participate in the construction of Kambarata-1 water reservoir. It is pertinent to note that this project had been a major source of friction between the two states.

Tashkent is very much keen in the construction of Uzbekistan-Kyrgyzstan-China railway line. It is also open towards the BRI project of China. Resolution of almost 80% of border dispute between Tashkent and Bishkek will surely pave the way for regional cooperation and integration. Tashkent also desires to construct roads from Tashkent to Xinjiang through southern Kyrgyzstan, especially Osh. Osh already connects Kashgar in China through a rough and tough road. The regional governments plan to develop and upgrade this road to an all season friendly highway. Uzbekistan has started bus service between Tashkent and Balykchy town at the Issyk-Kul lake a tourist attraction in Kyrgyzstan. It is also interested to start a cargo train in near future.

Increased bilateral relations between Uzbekistan and Kyrgyzstan can be assessed by the statement of president Mirziyoyev that "Uzbekistan highly appreciates the centuries-old friendship and cooperation between our peoples. The development of cooperation between Uzbekistan and Kyrgyzstan, based on mutual respect and trust,

⁴⁹ Siddiqov, op. cit.

is one of the important areas of our foreign policy."⁵⁰with the increased high level bilateral visits, Uzbekistan intends to open nine new enterprises in Kyrgyzstan. Both the states have also agreed upon to produce "Uzbek agricultural machinery, cars, buses, and special trailers in Kyrgyzstan."⁵¹Enhanced cooperation between Uzbekistan and Kyrgyzstan will not only increase the prospects for intra-regional trade and integration but inter-regional trade and integration as well. Chinese connectivity with Iran, Turkmenistan and Europe through Central Asian region will surely integrate the region not only economically but also politically, culturally and socially.

Uzbekistan-Afghanistan Relations

Although Uzbekistan is the largest trade partner of Afghanistan in Central Asia, the volume of trade between the two states is far less than the potential. Since Afghanistan is instable right now, it's a major obstacle for Uzbek international trade with its southern neighbors. Tashkent is very much concerned about the stability and security situation in Afghanistan. It supports staying NATO forces in Afghanistan yet stresses on regional initiatives to resolve the Afghan issue. Uzbekistan thinks that it is important to assist Afghanistan financially at global level for its socio-economic reconstruction. Tashkent thinks that "the solution of a number of key issues of economic development, regional security and stability in Afghanistan depends to a large extent on us, neighboring countries, on our goodwill and readiness to actively promote national reconciliation process."⁵²

President Mirziyoyev says about Afghanistan "I underline that Uzbekistan will continue to actively participate in the economic reconstruction of the neighboring country, development of its transport and energy infrastructure, training its human resources."⁵³Trade relationship between Tashkent and Kabul have increased during the recent past. Bilateral trade remained around \$600 million during 2017. The trade volume will further increase with the initiation of a new railway line project by Uzbekistan in Afghanistan. The "Mazar-i-Sharif-Herat" railway project, with the length of 657 km and a total cost of \$1.8 billion will provide jobs for

⁵⁰ Batir E. Tursunov, "New Dynamics in the Regional Policy of Uzbekistan as a Factor of Stability and Development in Central Asia." *Institute of Strategic and Regional Studies under the President of Republic of Uzbekistan*, retrieved from <u>https://cgss.com.pk/internationalpartners/pdf/New-Dynamics-in-the-Regional-Policy-of-Uzbekistan.pdf</u>

⁵¹ Siddiqov, op. cit.

⁵² Siddiqov, op. cit.

⁵³"Speech of the President of Uzbekistan Shavkat Mirziyoyev." URL: <u>https://mfa.uz/en/press/news/2017/08/13142/</u>

30,000 Afghan people.⁵⁴ It is pertinent to note that Afghanistan is connected with Uzbekistan through 'only' railway line between Termez (Uzbekistan) and Mazar-i-Sharif. This railway line connects both the states by "Friendship Bridge" at Amu Darva.

Uzbekistan also supplies electricity to Afghanistan. Afghanistan imports 300 megawatts of electricity from Uzbekistan.⁵⁵ Construction of power transmission line "Surkhan-Puli-Khumri" with capacity of 500 kWh will supply an additional 1000 MW of electricity to Afghanistan.⁵⁶ According to the chairman of the Board of Uzbekenergo, Ulugbek Mustafoyev, "In the long term, this line will increase electricity supplies by almost 70 percent with the subsequent access to Pakistan. That is, a new market opens for us."⁵⁷ The project will increase the supply of electricity from Uzbekistan to Afghanistan by 70% - up to 6 billion kWh per year.

Tashkent supports regional and global efforts for the peace and stability in Afghanistan. According to H. E. Furgat Siddigov, "the security of Afghanistan is the security of Uzbekistan. Uzbekistan also has experience in promoting the peace process in Afghanistan. In 1999, in Tashkent, the "6+2" meeting was organized at the level of foreign ministers of the neighboring countries of Afghanistan, Russia and the United States. It was also attended by representatives of the Northern Alliance and the Taliban movement. Following the talks, the Tashkent Declaration was adopted."⁵⁸Uzbek economic development substantially depends upon Afghan security. Tashkent can have direct and easy access to the ports of Gwadar, Karachi, Chahbahar, and Bandar Abbas through 'stable' Afghanistan thus connecting Central Asia with South Asia and the Persian Gulf.

Uzbekistan thinks that there is a need to "consider Afghanistan not as a source of regional threats and challenges, but as a land of unique strategic opportunities for wide trans-regional connectivity in whole Eurasia."59Uzbekistan has supported the peace talks between Afghan government and Taliban. It has even offered its good offices for the said purpose. March 2018 Tashkent international conference on Afghanistan is

⁵⁴ Siddigov, op. cit.

⁵⁵ Zabihullah Jehanmal, "Uzbekistan Cuts Electricity Tariffs for Afghanistan." Tolo News. (April 9. 2018). Retrieved from https://www.tolonews.com/business/uzbekistan-cuts-electricity-tariffs-afghanistan

⁵⁶ Kamila Aliyeva, "Uzbekistan to Increase Power Supply to Afghanistan." Azrenews, (March 26, 2018). Retrieved from https://www.azernews.az/region/129211.html 57 Ibid.

⁵⁸ Siddiqov, op. cit.

⁵⁹ Ibid.

an attempt by Uzbekistan to bring peace and stability in Afghanistan. The conference was attended by representatives of CSTO, SCO, NATO, EU, Tajikistan, Turkmenistan, Kazakhstan, Kyrgyzstan, Pakistan, India, Iran, Japan, Italy, Germany, China, France, Russia, Qatar, UAE, Saudi Arabia, US, UK, and the UN.⁶⁰Besides focusing on peace in Afghanistan, the conference's major objective was to promote regional trade and integration.

Since Central Asia has a common cultural, religious and ethnic history, there are great opportunities for regional integration. What is most needed is the will of the political leadership. President Mirziyoyev has rightly assessed Central Asia as a 'single organism' with centuries old common culture. Regime change in Tashkent has given high hopes for regional integration in Central Asia. Besides strengthening bilateral relationship with the neighboring countries, president Mirziyoyev also focuses on the relationship with regional organizations like SCO, CSTO, OSCE, CIS and so on. His efforts have given birth to high hopes of regional integration in the near future.

Role of Regional Organizations in Central Asian Regional Integration

The most important organizations engaged in Central Asian integration are Regional Economic Cooperation Conference on Afghanistan (RECCA), Central Asian Regional Economic Cooperation (CAREC), Eurasian Economic Community (EurAsEc), and Shanghai Cooperation Organization (SCO). Some of the most important initiatives for potential regional integration include, TAPI, CASA-1000, BRI, Trans-Caspian Pipeline, TUTAP, TUKC pipeline, and Uzbek-Afghan rail and road connectivity. CAREC and RECCA have taken special initiatives for the Central Asian integration. BRI has also given high hopes for the regional integration. The challenges, however, are more than the prospects to these organizations. CAREC is an action oriented organization which works by its technical committees comprising mainly of the trade, finance and transport ministers.

Despite such positive developments, CAREC still faces many challenges in the form of neglected trade and energy policies, nonparticipation of Russia, weak relationship between the national sector and regional sector strategies for specific investment projects, and overall the will of regional leadership. CAREC has five corridors connecting Asia with Europe. According to Ishaq Dar, ex Pakistani finance minister "Once the six

⁶⁰ "Declaration on the Tashkent Conference on Afghanistan: Peace Process, Security Cooperation, and Regional Connectivity." URL: http://uza.uz/en/politics/declarationof-the-tashkent-conference-on-afghanistan-peace--28-03-2018

CAREC Corridors (CAREC Energy Strategy identified five potential energy corridors in Central Asia which included Central Asia – East Asia, Central Asia – South Asia, Intra-Central Asia, Central Asia – Russian Federation, and Central Asia – European Union) and major seaports start providing access to the global markets, they will deliver services that will be important for national and regional competitiveness, productivity, employment, mobility, and environmental sustainability."⁶¹ The Central Asia-South Asia Corridor is considered as one of the most effective and much needed corridor.

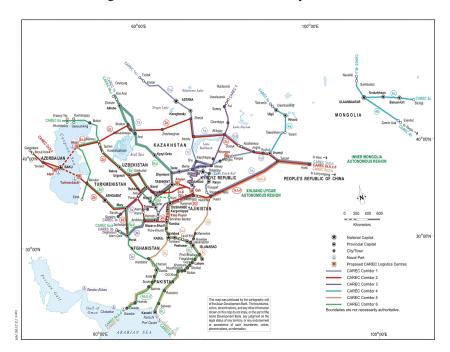


Figure-1: CAREC Road and Railway Infrastructure

Source: South Asian Voices

⁶¹ Associated Press of Pakistan, "CPEC to complement regional connectivity initiatives of CAREC countries: Dar," (October 26, 2016). Retrieved from <u>http://www.app.com.pk/cpec-to-complement-regional-connectivity-initiatives-ofcarec-countriesdar/</u>

The 5th RECCA conference held in Dushanbe, Tajikistan in 2012 emphasized on connectivity. The major focus of this conference remained on five key areas "infrastructure (transport and energy), human resource development (including vocational training and labour market facilitation), investment and trade (including transit and border management), regional disaster risk management, and regional fiber optic connectivity."62RECCA in 2016 states "explore concrete linkages between the USD \$43 billion CPEC and steps to transform Afghanistan into a regional trade and transit hub."63 Addressing to the 15th CAREC Ministerial Meeting in Islamabad, Ishaq Dar stated, "the CPEC offers a massive opportunity for connectivity between Central Asia, Middle East and Africa and is bound to play a defining role in the economic development of our region."⁶⁴ 7th RECCA Conference held on 14th and 15th November 2017 at Ashgabat reaffirmed "that regional economic cooperation and integration offers broad opportunities for growth, and can assist with exploiting and developing the long term economic potential that exists in Afghanistan and the wider region; and stressing the need for further advancing regional economic cooperation as an effective means to achieve economic prosperity in Afghanistan and the wider RECCA region."⁶⁵

The west especially US is interested in connectivity of Afghanistan with its northern and southern neighbors. Besides backing RECCA, Washington has introduced the "New Silk Road Strategy" and Northern Distribution Network (NDN). The New Silk Road (NSR) initiative of the US is focused on Afghanistan as a main hub for economic integration and transportation. In 2012, US Principal Deputy Assistant Secretary, Geoffrey Pyatt stated that the New Silk Road Strategy helps the regional connectivity. It facilitated "electricity from Uzbekistan and Turkmenistan powering small businesses and government buildings in Afghanistan; rail connections being built between Kazakhstan, Turkmenistan and Afghanistan and a new rail line from the Uzbek border to Mazar-e-Sharif.; Moreover Turkmen, Pakistani, and Indian officials discussed finalizing of pricing agreement for the TAPI gas pipeline."⁶⁶

⁶² Johannes, F. Linn, "Central Asian Regional Integration and Cooperation: Reality or Mirage?" (The economics of the Post-Soviet and Eurasian Integration, European Development Bank, 2012), 11.

⁶³ "One Belt One Road Initiative and Afghanistan," *RECCA*, Retrieved from <u>http://recca.af/?page_id=2077</u>

⁶⁴ Associated Press of Pakistan, "CPEC to complement regional connectivity initiatives of CAREC countries: Dar," (October 26, 2016). Retrieved from <u>http://www.app.com.pk/cpec-to-complement-regional-connectivity-initiatives-ofcarec-countriesdar/</u>

⁶⁵ "RECCA VII-Ashgabat", retrieved from <u>http://recca.af/?page_id=2607</u>

⁶⁶ Joshua Kuchera, "A New Silk Road?" *The Diplomat*, (Tokyo), (November 2011). Retrieved from <u>http://thediplomat.com/2011/11/11/the-new-silk-road/</u>

During a visit to India in 2011, then Secretary of States Hillary Clinton stated, "[Let's build] an international web and network of economic and transit connections. That means building more rail lines, highways, [and] energy infrastructure, like the proposed pipeline to run from Turkmenistan through Afghanistan, Pakistan into India (TAPI). It means upgrading the facilities at border crossings. And it certainly means removing the bureaucratic barriers and other impediments to the free flow of goods and people."⁶⁷

Figure-2: Turkmenistan-Afghanistan-Pakistan-India (TAPI) Pipeline Project

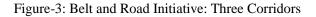


Source: Google Images.

The Belt and Road Initiative (BRI) project of China is a catalyst for the transportation, energy and electricity infrastructure development of the

⁶⁷ Tridivesh Singh Maini, "China's New Silk Road Vision: Lessons for India," *The Diplomat* (Tokyo), (May 17, 2014).

region. This project has boosted the hopes for regional integration as China not only has already been engaged in developing rails and road infrastructure but is also busy constructing oil refineries, tunnels and power lines and oil and gas pipelines. BRI has placed Central Asia at the helm of East-West trade; a position which this region held for centuries. The two important road projects by China which connect Tajikistan and Kyrgyzstan with Xinjinag, China are Osh-Sarytash-Irkeshtam and Bishkek-Naryn-Torugart. These two roads also cross cut Tajikistan and Kyrgyzstan.⁶⁸ China has also helped Tajikistan constructing the Dushanbe-Chanak highway and Uzbekistan by digging a railway tunnel between Ahengran and Pop and electrifying the line there as well.⁶⁹





Source: China Daily (Beijing) June 28, 2014.

⁶⁹ Fuad Shahbazov, "China-Pakistan Economic Corridor: An Opportunity for Central Asia?", Central Asia Caucasus Analyst, (June 19, 2017). Retrieved from <u>https://www.cacianalyst.org/publications/analytical-</u> <u>articles/item/13450-china-%e2%80%93-pakistan-economic-corridor-</u> <u>an-opportunity-for-central-asia?.html</u>

⁶⁸ Nasrullah Brohi, "CPEC: The Real Game Changer for Central Asia," *Modern* Diplomacy, 27th June 2016. URL: http://moderndiplomacy.eu/index.php?option=com_k2&view=item&id=1533:cpecthe-real-game-changer-for-central-asia&Itemid=134.

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The investments of China have significantly been increased from \$1 billion to about \$50 billion since the independence of CARs.⁷⁰ Since Central Asia is central to the OBOR project, its stability guarantees the success of the project. CPEC will also help Central Asia integrate into the global economy. CPEC is a milestone for CARs as "it will accelerate their development and progress. As developing industries demand new markets; technological innovations facilitate international cooperation; better transportation and logistics increase trade efficiency; and growing energy demands require international cooperation, (CPEC) projects will act as a catalyst towards generating regional cooperation, building political flexibility, enhancing economic growth, offering trade diversifications, investing in transportation, mining and energy sectors."71Real hopes for regional integration are with BRI project now as it has initiated the practical projects to develop infrastructure of the Central Asian region but integration in this region is unachievable without the will of regional leadership.

Figure-4: Pop-Ahengran Railway Tunnel



⁷⁰ Umbreen Javed and Azhar Rashid, "China Central Asia Relations and Opportunities for Pakistan", *South Asian Studies*, Vol. 31, No. 2, (July, 2016), 157-175.

⁷¹S. M. Hali, "Regional and Global Scenarios of the China Pakistan Economic Corridor," in Minhas Majeed Khan, Ahmad Rashid Malik, Saira Ijaz, Ume Farwa, eds. *China-Pakistan Economic Corridor A Game Changer*. (Islamabad: Institute of Strategic Studies), 35.

Shanghai Cooperation Organization (SCO) is another platform which has provided the regional states impetus for economic integration. Although the prime objective of SCO is security cooperation, nevertheless, it has provided the member states a forum where they can negotiate on the matters of common interests. Inclusion of India and Pakistan into SCO as full fledge members have put one third of world population into a single organization. All the Central Asian states have endorsed and supported the entry of India and Pakistan into SCO. Reacting to the entry of New Delhi and Islamabad into it, Tashkent stated that SCO now have all those states "who are directly interested in stabilizing the military-political situation and improving the socio-economic situation in [Afghanistan, which] will create favorable conditions for reaching a regional consensus on the political settlement" of that conflict.⁷²As discussed earlier, all the regional states have real concerned about the peace and stability in Afghanistan. This peace and stability is the key of economic integration between Central Asia and South Asia.

Central Asia-South Asia 1000 MWs (CASA-1000) project is another hope for the regional integration. It will not only integrate Kyrgyzstan and Tajikistan with Afghanistan and Pakistan but Uzbekistan to the network as Mirziyoyev regime has shown keen interest to join the project. The TUTAP project will also help regional integration bring Turkmenistan closer to Tajikistan through Uzbekistan. When materialized, the CASA-1000 project will transport Kyrgyz and Tajik electricity to Afghanistan and Pakistan. There are prospects that once completed electricity can be exported to India as well. With the materialization of this planned project, Central Asia South Asia Regional Electricity Market (CASAREM). The World Bank has promised US \$526.5 million while US has announced to pool \$ 15 million. The Islamic Development Bank will finance US \$155 million.⁷³

http://www.jahonnews.uz/en/politika/314/35554/.

⁷² Shakhriyor Turgunboyev, "Interview with Deputy Foreign Minister [Anvar Nasirov] about the results of Uzbekistan's participation in the SCO Astana summit," *Jahon*, (June 15, 2017). Retrieved from

³"*Tajikistan-Power Generation and Distribution*," URL: <u>https://www.export.gov/article?id=Tajikistan-Power-Generation-and-Distribution</u>. For more detail see "Tajikistan: Country Profile." *International Hydropower Association*, URL: <u>https://www.hydropower.org/country-profiles/tajikistan</u>

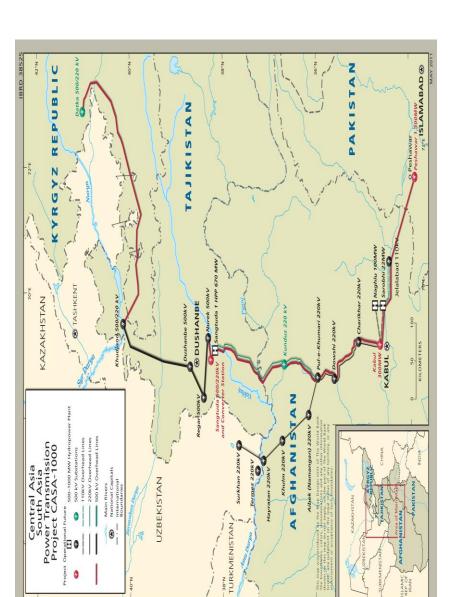


Figure-5: CASA-1000 Project

Recommendations

'Central Asia' as the foreign policy priority by Mirziyoyev regime has brought high hopes for improved regional integration but Tashkent alone will not be able to bring the desired integration in Central Asia until and unless other leaders have the same will. Kazakhstan and Turkmenistan can play an important role in this regard. Tajikistan and Kyrgyzstan will surely back all the efforts of regional integration due to their political and economic situation. Mirziyoyev have righty pointed out that "any major regional projects in the spheres of transport, communication and energy cannot be realized without active interaction with the countries of the region, without ensuring a high level of their integration."⁷⁴

Resolution of border and water disputes which are also linked with gas supply crises in the region is an important step towards the regional integration. Regional states must support Mirziyoyev's efforts to resolve these issues especially with Kyrgyzstan and Tajikistan. Cooperation on construction on Rogan and Kambarata-1 by Uzbekistan is historical and must not be lost at any cost. Adoption of the UN Convention on Water Sharing will be a plus advantage.

Since connectivity heavily depends upon the transportation network, regional states should also try to cooperate and help each other building such infrastructure. Although 'outside the region' states are busy in this regard, efforts of the regional states are must. Uzbekistan which connects to all the Central Asian states needs to play a central role in this regard. Policies and initiatives of Mirziyoyev regime must continue and should expand to all the spheres of life.

This connectivity must bring common people nearer to each other. There must be easy visa regimes, less border protocols, least tariffs, and 'tolerance' policy to ethnic minorities. Such initiatives will bring people closer to each other. People to people connectivity will reap the benefits of regional integration as it will enhance intra-regional trade and economic activities.

Policy of open regionalism where extra regional economies are welcomed and are not discriminated will also help in regional integration. South East Asian model can be helpful in this regard. Role of regional economic organizations is instrumental in this regard. There should not be

⁷⁴ Ozge Nur Ogutcu, "Uzbekistan New Policies Under New President," Retrieved from <u>http://www.academia.edu/34642674/UZBEKISTAN S REGIONAL POLICIES U</u> <u>NDER NEW PRESIDENT- A NEW ERA- 1 .pdf</u>

any 'lead' organization or country in the process of integration. Respect and equal weightage to all the members in such organizations is must for the successful regional integration.

As most of the Central Asian population adhere to single ideology of Islam, prospects for integration are high in this regard. President Mirziyoyev announcement to open the borders between Uzbekistan and Tajikistan brought 3 million Tajik tourists within a month to Uzbekistan notably to the Holy places and shrines in Uzbekistan.⁷⁵ Common Turkic culture is another bond of affiliation in the region. The common civilizational heritage will surely play an important role in regional integration.

Regional economic forum will also help strengthening ties among the regional states. As stated by president Mirziyoyev, "the creation of Regional Economic Forum may become a practical step in this direction. I am talking about an open platform for a direct dialogue among business communities and substantive discussion of specific projects of trade-economic, investment and innovative interaction. Our numerous meetings with the representatives of business circles and leading enterprises of the region's countries allowed to significantly intensify economic ties, increase the volumes of mutual trade.³⁷⁶

Conclusion

Lack of connectivity among the Central Asian leadership has been a major hindrance in the regional integration. Unwillingness of late Uzbek president Islam Karimov for regional integration, issues of regional leadership between Kazakhstan and Uzbekistan, water and border crises within Ferghana Valley, and the rise of extremism and terrorism have been the major problems for regional integration in Central Asia. However, with the change of regime in Tashkent, efforts for regional integration are on the right track. According to Alexey Malashenko, an analyst of the region, "Mirziyoyev is a pragmatic person...He relies upon a need for the expansion of regional cooperation. He thinks that Uzbekistan can play a more significant role in the region. But he doesn't think he's the leader... if he

⁷⁵ Siddiqov, op. cit.

⁷⁶"Speech of the President of Uzbekistan Shavkat Mirziyoyev." URL: <u>https://mfa.uz/en/press/news/2017/08/13142/</u>

were to emphasize [his own role], he would damage relations with everybody."77

Positive vibes for regional integration are also the outcome of March 15, 2018 Astana meeting of the Central Asian leadership. This meeting was unprecedented in the region as no 'extra' power was involved in convening this meeting. One of the most important outcomes of the meeting was that all the state agreed upon that there is no need of extra-regional powers to resolve 'our' issues. President Mirziyoyev policy of continuous engagement through different channels with the Central Asian counterparts has given birth to process of dialogue at different levels within the regional states. The outcomes of such dialogues are positive as it has given a new impetus for regional integration in the form of cooperation in trade, transport, energy, economic and communication spheres. Tashkent knows it very well that for the economic development of Central Asia in general and Uzbekistan in particular, regional economic integration is must. It thinks that growing interactions depends upon the resolution of regional issues especially border and water crises besides controlling the violent non-state actors. Dialogue is the key to resolution of regional issues and Tashkent had adopted this feature under the new regime. If current policies and initiatives by president Mirziyoyev continue for a substantial time in future, regional integration in Central Asia will become a reality and will pave the way for economic development of this region as well as neighboring regions.

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