For the past decade Central Asia has been cast as the site of a new “great game,” with the United States vying for influence with Russia and China. The label first reemerged when the United States began pushing hard for the creation of an oil pipeline route through Azerbaijan, Georgia, and Turkey (the Baku-Tbilisi-Ceyhan pipeline) as an alternative to shipping Caspian oil and gas through Russia or Iran. Many thought that the opening of US bases in Uzbekistan and Kyrgyzstan and increased military cooperation with the region’s three other states—all part of the strategic deployment designed to oust the Taliban and then rebuild civil order in Afghanistan after September 11—ensured US “victory” in the game.

But invoking the nineteenth-century competition between Russia and England does not do justice to the complexity of the evolving geopolitical situation in Central Asia. While Washington enjoys unprecedented international power, its influence in the region shows clear signs of having peaked. The most glaring example is Uzbekistan’s request that the United States vacate its air base in Uzbekistan in early 2006, Tashkent having decided to cast its lot with Beijing and Moscow rather than with Washington. Tashkent’s request came in the immediate aftermath of a July 2005 summit of the Shanghai Cooperation Organization (SCO), held in Astana, Kazakhstan, at which all six member nations—Russia, China, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan—called on Washington to set a date for its military withdrawal from the region.

The Shanghai statement was less a threat than a warning to the United States that it could not take its foothold in Central Asia for granted. The status of the US base in Kyrgyzstan has since been reaffirmed, while the ouster from Uzbekistan’s Karsi-Khanabad base was the final stage of already seriously deteriorating relations between Tashkent and Washington.

Initially, both Russia and China accepted the US military presence in Central Asia as an inevitable part of America’s response to the 9-11 terrorist attacks. But neither country was willing to have its national interests overshadowed in the region. Now able to couch their policies and entreaties in terms of geopolitical balance, Moscow and Beijing appear less hegemonic to the Central Asian states. With time, Washington has come to be viewed as the greater threat to the region’s nondemocratic ruling elites, who fear that they are targets for ouster.

The leaders of all five Central Asian states expected more from their support of the US-led “war on terror” efforts in Afghanistan. The poorer countries—Uzbekistan, Tajikistan, and Kyrgyzstan—expected far greater additions to their annual foreign assistance packages than were in fact forthcoming. All five expected security cooperation with the United States would “fast-track” the upgrading of their military and security services, while Washington envisioned incremental military reform, mostly locally funded and likely to take at least a generation.

Russia and China supported Washington’s efforts as long as they concentrated on the shared goal of removing internationally condemned transnational terrorist movements. But neither Beijing nor Moscow accepted Washington’s premise that the war on terror should be extended to ousting the government of Saddam Hussein in Iraq. They fell further at odds with Washington during the second administration of George W. Bush, when the rhetorical thrust of US foreign policy became focused on supporting “democratic revolutions” and “freeing the world’s citizens from tyranny”—policies that could be construed as targeting countries in the region, and potentially even Russia and China.
Developments in Central Asia have been at least as disappointing to policy makers in Washington as developments in Washington have been to Central Asian leaders. Strategically, these states were important as a launching pad for military and humanitarian operations in Afghanistan, and because of us interest in the development of reliable oil and gas alternatives to the Persian Gulf.

Washington never expected any of the Central Asian states to follow the path of Latvia, Lithuania, or Estonia into the North Atlantic Treaty Organization, and none was seen as likely to be admitted into any of the key European political and economic associations. But us policy makers did hope the countries would make steady progress toward becoming democracies with market-driven economies.

**LOWER EXPECTATIONS**

In late 2001 and most of 2002, us leaders and those from other Western governments talked a great deal about the importance of increased engagement with the Central Asian states and about the need for international financial institutions to work more closely with them to help them cope with unresolved developmental challenges caused by the breakup of the Soviet Union. In the end this proved to be little more than talk. Even after the Georgian and Ukrainian revolutions, regime change in Central Asia did not become a us priority.

While there was a rise in us aid to the region, in most categories it proved short-lived, and the scale of increased us security assistance was designed to respond to immediate us security needs. Military assistance rose strikingly in 2002 and 2003, only to drop sharply in the next two years when the relative importance of the us bases in the region began to diminish.

In addition, until 2004 the Bush administration did not make a serious effort to use the threat of funding cutoffs as an effective tool of policy. It was only last year that nearly $20 million of assistance to the Uzbek government was cut off after the secretary of state would not certify that Tashkent had made progress in human rights. Future aid also is in doubt because of the Uzbek government’s refusal to allow an international investigation into circumstances surrounding the use of force in May 2005 to put down demonstrations in Andijan, in which several hundred civilians were killed by government troops.

The Department of Defense made no effort to block the State Department’s actions, implying at least that Washington had a sufficient military presence in Central Asia to protect us interests. The Pentagon had already begun to “step down” the readiness of its base in Uzbekistan, but did wish to preserve long-term basing rights as a protection against future security risks in Afghanistan and Pakistan.

**A FOCUS ON SECURITY TIES**

The faltering us-Uzbek relationship makes ties between Washington and Kyrgyzstan even more important. The us military facility at Manas airport now serves as a major logistical hub for us operations in Afghanistan. Kurmanbek Bakiyev, the country’s new president, reaffirmed the status of the base during a visit to Kyrgyzstan by Defense Secretary Donald Rumsfeld in August 2005, shortly after Bakiyev's election. This base provides about a hundred local jobs and revenue for the government and local suppliers.

But as with Uzbekistan, the limitations of the relationship offered by the United States have made geopolitical balance the Kyrgyz government’s over-riding goal. The country's former president, Askar Akayev—who was ousted in a bloodless revolt earlier this year—had quickly become amenable to Russia’s offers of friendship and to prospects of improved cooperation with China during his tenure. The Bakiyev government seems certain to continue the balancing act.

The new president, moreover, does not believe that his rise to power was the result of a us global strategy for democratization. Rather, he saw it as the product of growing local discontent with President Akayev. If anything, in the months before the parliamentary elections that led to Akayev's ouster, the Kyrgyz opposition was angered by what it viewed as Washington’s relative lack of interest in the upcoming elections. After Akayev's departure, the interim government reestablished relations with Moscow faster than with Washington.

Although it does not host a military base, Kazakhstan is the Central Asian state of greatest interest to us policy makers. With Kazakhstan on track to pump more oil for export daily than Iran by 2010, the United States no longer fears that long-term access of Western nations to Caspian oil might be at risk. The Baku-Tbilisi-Ceyhan pipeline is already a reality, and the Kazakhs are likely to commit at least some of their new output to this route. The government in Astana is an important partner for Washington.

The Kazakhs sense this. That is why they eventually decided to send a small group of 27 troops to Iraq to support the us-led effort after initially opposing the war in terms that were only slightly more measured than those of Russia. Still, the
improved US-Kazakh relationship has not come at the expense of improving relations between Kazakhstan and either Russia or China. The subtlety of Kazakhstan’s foreign policy underscores a growing professionalism in the country's policy-making elite as well as the diplomatic skills of the president, Nursultan Nazarbayev.

The US-Kazakh relationship has shown resilience even with continuing US pressure on the Kazakhs to democratize their political system. This pressure escalates any time the Kazakhs are perceived as moving backward to further consolidate presidential power and its arbitrary exercise, but there is little sense of threat attached to official US warnings.

A major test of the relationship will come when President Nazarbayev goes to the polls seeking reelection in December 2005. Insisting he is committed to a path to democracy based on “evolution not revolution,” the president seems unlikely to take the risk of a fully transparent electoral process. But it remains to be seen whether Kazakhstan’s increasingly organized political opposition will be able to persuade people to take to the streets if the election shows gross irregularities.

Turkmenistan and Tajikistan do not figure prominently in US strategic thinking about Central Asia. Given the increasingly idiosyncratic—perhaps irrational—behavior of Turkmenistan’s president, Saparmurat Niyazov, the United States has largely written off the prospect of US firms playing a major role in the development of that country’s oil and gas reserves as long as Niyazov remains in power.

However, the United States could find itself leaning on the Turkmen government, the most tyrannical in the region, to provide logistical support for US troops in Afghanistan since Turkmenistan has year-round highway access to Afghanistan. Until now Turkmenistan has permitted only large volumes of humanitarian assistance bound for Afghanistan to pass through its territory. There has also been increased cooperation between us and Turkmen officials to interdict heroin and opium crossing through the country.

Improving narcotics interdiction figures, too, as the principal US security concern in Tajikistan, where narcotrafficking dwarfs most other economic pursuits. This is a fragile state, recovering slowly from a devastating civil war that did not end until 1997. Tajikistan’s government is eager to cooperate even more closely with the United States. Currently NATO forces are allowed access to bases and to use highways bound for Afghanistan, although the roadway link between the two countries has high mountain passes that are impassable during the long winter.

**Russia’s presence redefined**

Ironically, the increased US security presence in Central Asia has worked to Russia’s advantage. Russian President Vladimir Putin has extracted concessions from states in the region that might otherwise not have been granted, such as basing rights for the Russian military in Kyrgyzstan, a long-term lease for a base in Tajikistan, and—even before the spring 2005 rift between Tashkent and Washington—increased coordination of Russia’s air defense with that of Uzbekistan.

Much of Russia’s enhanced military presence is more show than substance, designed to demonstrate to a domestic audience that Putin is successfully reasserting Russian prominence in traditional areas of geopolitical domination, even in the face of US encroachments. However, a memorandum on military cooperation signed between Moscow and Tashkent in June 2005 (which has not been publicly revealed) could substantially increase Russia’s military capacity in the region.

The various bilateral relationships between the Central Asian states and Russia each have had their ups and downs, but officials in the region are often quite eager to improve ties. Partnership with Russia is fine as long as Moscow does not dictate the terms or demand exclusivity. Indeed, most of Central Asia’s ruling elite share more goals with their Russian counterparts than they do with leaders from other parts of the world, and all speak the same language. (Every Central Asian leader speaks Russian as either his first or second language.) They also all share a sense of annoyance for having been judged “bad boys” by the United States (and to a lesser degree by the Europeans).

Because Russia still lacks the resources to reform its own military, its material enticements for enhanced cooperation remain relatively small. As a result, efforts to transform the collective security organization of the Commonwealth of Independent States (CIS) into an effective multilateral force have yielded little fruit. By contrast, there

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does seem to be substantially improved cooperation among the internal security agencies of the region's countries, an area in which Russia is seen as having an edge.

Russia remains a major arms merchant in Central Asia, given the virtual dependence of all the region's militaries on Russian (or more accurately Soviet) equipment, and the ease with which spare parts can be obtained and repairs carried out. The Kyrgyz and Kazaks cite this factor as an important reason for continued close military cooperation with Russia, and the Uzbeks still obtain equipment from the Russians.

Although all of the countries have begun to reach out to the global marketplace, Russian capital continues to capture a piece of their markets. Russia is still a major trading partner for all the Central Asian states, especially on the import side. The economies of Kyrgyzstan and Tajikistan in particular remain heavily dependent on goods coming in from Russia. Russia has the largest economy in the region, and despite its own incomplete economic reforms, high oil prices have added to the already ample capital available for export. Geography favors Moscow's desire to play a major economic role, especially in the energy sectors.

**The High-Energy Strategy**

Moscow is pursuing a clear economic strategy in Central Asia, seeking dominance in the region's gas industry; control of its hydroelectric power; and a major voice, if not a near veto, on legal questions concerning the development of offshore Caspian oil and gas reserves. So far Russia has been less successful with the last goal than the first two. The Kazaks and Russians have already delineated their national zones in the Caspian Sea, with wide areas of common development and several joint Kazakh-Russian offshore projects. But the sea's legal status is still being worked out by the five littoral nations (Azerbaijan, Iran, Kazakhstan, Russia, and Turkmenistan).

The biggest challenge to Russia will not be gaining access to natural gas but being able to afford improvements to the pipeline system necessary to market it. The Kazakh and Russian gas industries are working in tandem on how to transport it through Kazakhstan for processing in Russia. Russia's Gazprom has signed a cooperation agreement with both Kyrgyzstan and the reorganized Uzbek state gas company Uzbekneftegaz, the latter a major producer and supplier of energy for the Central Asian region.

Russia's growing partnerships with Central Asia's other gas producers put Turkmenistan in a difficult position, because they increase Russia's ability to isolate Ashgabat, forcing the Turkmen to surrender more control over the marketing and development of its gas industry to Russia. But the Turkmen-Russian relationship remains problematic: a 25-year agreement signed in 2003 lasted just over a year before Ashgabad cut off supplies in an attempt to improve payment terms.

The United Energy Systems of Russia (RAO-UES) has also been moving into Central Asia aggressively in the past few years. Like Gazprom, RAO-UES would like to use Central Asian energy to serve European markets. Its management has calculated that developing some of the water resources in Kyrgyzstan and Tajikistan would be more economical than developing hydroelectric power in parts of Siberia, given the presence of the Soviet-era unified electrical grid throughout Central Asia that it has been helping to manage. In the past few years RAO-UES has expanded its role to incorporate large hydroelectric stations in both Kyrgyzstan and Tajikistan, where most of Central Asia's water resources are found.

As its control of hydroelectric power in Central Asia increases, Russia will gain a critical voice in the management of the region's water resources. All five Central Asian states still rely on the Soviet-era reservoir system, which had most of its water storage facilities in Tajikistan and Kyrgyzstan, and water is doled out through negotiated agreements by the five states in an annual quota system that favors the downstream agricultural users (Uzbekistan, Turkmenistan, and southern Kazakhstan). Russia's leaders are aware of the geopolitical influence they will gain by controlling Central Asia's hydroelectric power and gas pipeline system, and they are looking for new levers to achieve this goal.

**Tomorrow's Superpower**

Everyone recognized that the US military presence in Kyrgyzstan and Uzbekistan constituted an encroachment on Russia's sphere of influence, which Moscow sought to parlay to its own advantage. But unlike Russia, China was not considered even an indirect party whose sensibilities might be affected by the opening of US bases just a few hundred miles from the Chinese border. Thus there were few concessions that China could gain from Washington, although it did receive one: the designation of the East Turkestan Islamic Movement as an international terrorist organization. This had direct consequences in Central Asia, as it led to the
China has become a major investor in Kazakhstan, members of the World Trade Organization, and hopes to be a gateway to China because both are states in the region, but its economic presence is relatively small and of limited strategic importance to states nervous. The Tajik-Chinese border is relatively small and of limited strategic importance to states except Turkmenistan are members. The SCO’s first-ever joint military exercises were held in the summer of 2003, the SCO Anti-Terrorism Center opened in January 2004, and the SCO formally inaugurated a heads of state meeting in June 2004.

Beijing is also eager to establish bilateral security relationships with each of the SCO states. Military cooperation is furthest along with the Kyrgyz, who have purchased equipment, including for communications and for specialized forces, valued at $3 million. Prospects for improved Uzbek-Chinese military cooperation were substantially enhanced after President Islam Karimov’s state visit to China in June 2005. The Uzbek president, under substantial criticism in the West at the time because of the Andijan killings, was received in Beijing with a 21-gun salute.

Whatever its potential might be, the SCO has not yet fully evolved as an organization, nor is its final membership set. For now it serves as a setting in which issues of bilateral and multilateral concern can be thoroughly debated and sometimes even resolved. As one country’s top diplomat remarked: “With the Chinese in the room, the Russians can’t resort to their usual tricks.”

China’s size and economic potential make Beijing at least a silent presence in virtually every setting of importance involving the Central Asian states—and sometimes it is a visible and vocal one. Trade with China is increasingly significant to all the states in the region, but its economic presence is largest in Kyrgyzstan and Kazakhstan. Kyrgyzstan hopes to be a gateway to China because both are members of the World Trade Organization, and China has become a major investor in Kazakhstan’s oil industry to increase its access to Caspian oil and gas reserves. The Kazakhs and Chinese also are building a new jointly owned oil pipeline to link Kenkiyak in Kazakhstan to Atyrau in China.

China’s economic and geopolitical potential makes at least two of the bordering Central Asian states nervous. The Tajik-Chinese border is relatively small and of limited strategic importance to the Chinese; the same cannot be said of China’s borders with both Kazakhstan and Kyrgyzstan. Yet the Kazakhs and the Kyrgyz understand there is no way that the future of their countries can be fully separated from that of China. And there is little indication that they have become more nervous about China in the past few years.

In fact, the opposite seems to be true. Both countries appear a bit more comfortable in their ability to manage the relationship with Beijing, which they see as sometimes requiring concessions on their part, as was the case with delineations of their borders. The long-term relationship with China could prove more problematic than the one with Russia: China’s potential power seems almost limitless, and the needs of its growing population could overwhelm those of the Central Asians. For the near term, however, China’s posture toward the Central Asian states appears generally supportive of the goals of these states’ leaders.

**The great game revisited**

Central Asia confronts numerous shared problems with few if any regional mechanisms to manage them. Tensions linger over common water supplies, tenuous borders, the treatment of minority populations, obstacles to intraregional trade, narcotrafficking and organized crime, and the export and spread of extremist ideologies.

At the national level, most countries’ economic prospects have not changed appreciably, save in the case of Kazakhstan, whose economy has been bolstered by high energy prices. The political systems have been slow to open to wider public participation, and chances are slim that growing popular opposition will lead to peaceful transfers of power at the ballot box. The region has seen two manifestations of public protest in the past year alone—the ouster of President Akayev in Kyrgyzstan and large anti-government demonstrations in Uzbekistan—and it is hard to believe these do not foretell graver events.

The United States, Russia, and China have spent the past few years jockeying for position in the region, as have, to a lesser degree, regional powers like Turkey, Iran, and India. But without exception, the three major powers have been far more concerned with what the states of the region will do for them, and not with how best to help these states better serve their own national interests. The challenges facing Central Asian states remain largely unchanged, and governments there have received few new tools to address them.
Among all five Central Asian republics Kazakhstan is affirming itself as a leader nation in the region, thanks to its political stability, the partial adoption of structural reforms and the wealth deriving from its oil and gas energy reserves: the designation of Kazakhstan to assume the 2010 OSCE chair must be considered as the international legitimation of the country for the political and. Undoubtedly, the porous Tagik-Afghan border represents one of the main source of instability in Central Asia - as well as for Russia and other countries in the region because the above mentioned two big threats to the regional security are dangerously existent: firstly, the Tagik-Afghan border has become the favourite route for drug traffickers, who smuggle Afghan heroin through Tajikistan and Central. Interstate relationships in Central Asia are on the edge of crisis for decades. Therefore, here we see one of the examples of the Eurasia concept. In this region of the Post-Soviet world the need for managing complexity is, probably, most acute. Below, I will first analyze from theoretical viewpoint combination of state weakness, interstate conflicts and failed intraregional cooperation in Central Asia. I will first describe water and energy regime in Central Asia in the late Soviet period, then I will proceed with analysis of the energy and water issues after the dissolution of the USSR. I will depict the clash of national policies of the New Independent states of the region to overcome water-energy problem. If Central Asian states become weakened, neighboring powers such as Russia and China would have an opportunity to exercise power over the region and diminish the United States' presence in geopolitical affairs. Blank elucidated that the U.S.'s third interest in the region focuses on the prevention of state failure due to a rise in Islamic fundamentalism. Blank argued that Russia has three major objectives in playing the political "great game" in Central Asia. Russia and the United States have a shared interest in Russia's first goal in the region, namely the need to maintain state stability through the elimination of terrorism. As a neighboring country of great geographical size, Russia's focus on state stability is directly related to concern for the safety of its own borders. Even though Central Asia is water rich, water disputes have characterized the region after crumbling of the Soviet Union in 1991. The uneven spatial distribution and complex pattern of transboundary water sources with contrasting national water needs have created an intricate water dilemma. This study explores how great powers not allied with the United States formulate their grand strategies in a unipolar international system. Specifically, it analyzes the strategies China and Russia have developed to deal with U.S. hegemony by examining how Moscow and Beijing have responded to American intervention in Central Asia. The study argues that China and Russia have adopted a soft balancing strategy of to indirectly balance the United States at the regional level.