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Russia's Erosion in Central Asia

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Central Asian leaders have notably not voiced support for Russia's war in Ukraine. The chilly response to Moscow might at first appear surprising given Central Asia's extensive ties with Russia. Kyrgyzstan, Kazakhstan, and Tajikistan, like Belarus, are members of the Russia-led Collective Security Treaty Organization (CSTO), a military alliance whose signatories pledge to protect one another against external attacks. But while Belarus' Alyaksandr Lukashenka has been an enthusiastic proponent of Russia's war, Central Asian leaders have not—not even Kazakh President Kassym-Jomart Tokayev, who had enlisted Russian CSTO troops to help quell protests in January 2022. Central Asian countries' refusal to endorse Moscow's war is also at odds with the region's economic dependence on Russia. For Uzbekistan, Kyrgyzstan, and Tajikistan, labor remittances from Russia constitute between one-tenth and one-third of annual GDP.

Central Asian countries are not prisoners to their economic, military, and even historical ties to Russia. Multiple drivers – geography, embeddedness in global financial networks, fierce commitment to sovereignty, and generational change – disincline Central Asian states to support Russia's war in Ukraine. More broadly, the invasion of Ukraine marks a critical juncture in Central Asia-Russia relations. While forms of dependencies will persist, Central Asia's view of Russia will not be the same again. Just as Moscow's aggression in Ukraine, paradoxically, has strengthened NATO, so too has Russia's war solidified Central Asian states' individual and collective resolve to lessen dependence on the northern neighbor.

The Central Asian Response to Russia's War in Ukraine

We should make clear that while Central Asian countries have not expressed support for Russia's war in Ukraine, they have also avoided directly clashing with Moscow on the

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international stage. Kazakhstan, Kyrgyzstan, and Tajikistan <u>submitted</u> abstention votes in response to the March 2, 2022, UN resolution calling on Russia to withdraw troops from Ukraine. Uzbekistan and Turkmenistan altogether ignored the March 2 UN resolution. And four of the five Central Asian countries (Turkmenistan again was a no-show) voted against the April 7, 2022 resolution <u>calling</u> on Russia to be suspended from the UN Human Rights Council.

Central Asian states' demurring on UN resolutions, however, should not be equated with support for Russia's war in Ukraine. Indeed, they have made their distaste for the war clear both to audiences at home and to President Vladimir Putin himself. The Kyrgyz government <u>banned</u> public displays of "Z," the letter painted on Russian military vehicles in Ukraine, a symbol of support for Russia's war in Ukraine. Then Uzbek Foreign Minister Abdulaziz Komilov <u>emphasized</u> that Uzbekistan "recognizes Ukraine's independence, sovereignty, and territorial integrity" and "We do not recognize the Luhansk and Donetsk republics." Tokayev, sharing the stage with Putin at the June 2022 Saint Petersburg International Economic Forum, rejected the latter's view that the former Soviet Union constitutes a "historical Russia" and, moreover, <u>accentuated</u> that Kazakhstan would not recognize the "quasi-state entities" of Luhansk and Donetsk.

Not one of the five Central Asian states, in short, has come out in support of Russia's war in Ukraine. Yes, there has been variation in the degree to which Central Asian states have articulated their displeasure with Moscow. The Tajik and Turkmen leaders have avoided public pronouncements on the issue, while the Kazakh, Kyrgyz, and Uzbek governments have openly conveyed their distaste for the war. In total, however, the region's collective refusal to support Moscow's aggression in Ukraine belies Russian expectations that see Central Asian states as subservient to their northern neighbor.

Many in Russia, not surprisingly, view Central Asia's response as intransigence. Russian film director Tigran Keosayan—also the husband of Russia Today media agency chief Margarita Simonyan—<u>fumed</u> in an April 2022 YouTube tirade: "Kazakhs, what kind of ingratitude do you call this... look carefully at Ukraine... if you think that you can get away with trying to be so cunning, and imagine that nothing will happen to you, you are mistaken." However, it seems it is Keosayan who is mistaken. Central Asians have good reasons not to declare their support for Russia. And, as it turns out, Russia has good reasons not to challenge Central Asia's refusal to be seen as publicly backing Russia's war.

Geography

Keosayan's outburst, his threat that Central Asia might face the same future as Ukraine, rests on the faulty logic that the Kremlin would perceive Central Asian geopolitical autonomy to be as threatening to it as Ukrainian geopolitical autonomy. As distasteful as it is to enter the distorted neo-imperialist worldview of the Putin regime, when one does, it quickly becomes apparent that Central Asian states are far less threatening to Russia

than are states like Ukraine, Georgia, and Belarus, all countries that share a border with NATO member states. Central Asia's neighbors—Iran, Afghanistan, China, and Russia—are theocracies and autocracies that pose little current threat to Russian geopolitical interests. Whereas closer political and economic ties between NATO and the EU with Ukraine, Georgia, and Belarus do, in the Kremlin's view, pose a threat, Central Asia's dealings with neighboring theocracies and autocracies are of minimal concern to the Russian government.

Central Asia's geography, moreover, offers a distinct advantage for Moscow that recently came to light when the U.S. Treasury's Financial Crimes Enforcement Network <u>identified</u> Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan, along with 14 other countries, as "common transshipment points through which restricted or controlled exports have been known to pass before reaching destinations in Russia or Belarus." Central Asian countries have <u>pledged</u> they will abide by the international sanctions regime, but, as the U.S. Treasury's recent report makes clear, monitoring and reporting cases of export control evasion rests as much with financial institutions ("banks... credit card operators and foreign exchange dealers") as it does with state governments. Central Asian states have privatized and decentralized financial institutions, consistent with the urgings of Western governments and international financial organizations like the World Bank. While this reform of the banking sector has been a boon to business and investment, it makes Central Asian state enforcement of the international sanctions regime against Russia and Belarus difficult.

Russia is capitalizing on this difficulty. In June 2022, the U.S. State Department <u>issued</u> a press release identifying an Uzbek company circumventing sanctions and providing "microcircuits" to the Russian military. Central Asia's borders are porous. The region is part of the "northern route" over which opiates from Afghanistan <u>transit</u> to reach markets in Europe. U.S. sanctions have put a curious spin on Central Asia's trade routes. A Kyrgyz colleague shared a story that a relative based in Europe recently arrived in Bishkek with suitcases filled with semiconductors. His relative works for an ice cream equipment company whose Russian clients could no longer find critical machine parts due to Western sanctions. Long a transit point for narcotics traveling to Europe, Central Asia is now an entry point for Western technology destined for Russia.

Russia needs Central Asian countries to remain on good terms with the West. It is in the Kremlin's interest for Central Asian countries *not* to be perceived as supporters of its war in Ukraine. At a time of tightening international sanctions, Central Asia offers Russia one of the few viable access points to technology critical for sustaining the Russian military. The increasingly important role Central Asia plays in Russia's wartime economy, combined with the reality that Central Asia poses little geopolitical threat to Moscow, enables Central Asian leaders to stake out positions that champion Central Asian and Ukrainian state sovereignty.

State Sovereignty

The Kremlin's case for invading Ukraine had multiple themes, from security to Nazis. But Central Asians saw plainly a military attack on a smaller and weaker state by a massive neighbor. As a group of small former Soviet republics, it is Ukraine's troubles, not Russia's grievances, that Central Asians feel and share.

Central Asian republics were reluctant to embrace their independence in 1991, leaving them with a sense of insecurity. Thus, their foreign policy priorities routinely start with aspects such as "further strengthening of the independence and sovereignty of the state" (in Uzbekistan's <u>case</u>) or "strengthening the independence, state sovereignty and territorial integrity of the country" (the Kazakh <u>version</u>). Such wording may not be surprising for small and new states. However, they sound relevant given that any good textbook on Central Asia's history discusses the "creation of nations" in the region in the early Soviet years. Hence the nervousness in Central Asia on Putin's Ukraine rhetoric.

Central Asian states are neither potential NATO members nor maturing liberal democracies. Yet, the Russian leadership more than once reminded Central Asia that it was not much different from Ukraine when it came to Moscow's longing for its imperial past. What stands out from Putin's 2014 <u>remark</u> is his mentioning that Kazakhs did not have statehood before President Nursultan Nazarbayev built it for them. What seemed like praise at the time now looks like a warning, with the February 2022 upheaval as a test. In this context, key foreign policy slogans of Central Asian states, such as the multivectorism of Kazakhstan and Kyrgyzstan, the self-reliance of Uzbekistan, or the neutrality of Turkmenistan are moves to find leeway from their former patron. Central Asians are not interested in revising the 1991 status quo. This was made clear in 2008 when Central Asian states refused to endorse Russia's attack on Georgia, nor its biting off parts of Ukraine in 2014.

Generational Change

Central Asian states are still young polities but changes that occurred domestically and in the external environment over the past thirty years are another reason why Central Asia is unwilling to side with Russia. Although most reluctant to embrace independence in 1991, Central Asian elites and societies are much different from those of the 1990s or 2000s. While Russia's influence on Central Asia remains huge politically and economically, cultural connections and the shared longing for the Soviet days are not the same now. The changes in the region's relations with other extra-regional players also create greater space for Central Asia's Russia maneuvering. Three related factors can be highlighted.

First, with the death of Uzbek President Islam Karimov in 2016 and the resignation of Nazarbaev in 2018 (or truly in 2022), no Central Asian state today has a leader with a high-level political career during the Soviet time. If the first Kyrgyz president, Askar Akayev,

hardly spoke Kyrgyz, the current leader hardly speaks Russian. Former Uzbek president Karimov, for all his "no strings attached" philosophy, more than once <u>praised</u> Putin as a person one can "go on a scouting trip with," but this is not a vocabulary one expects from his successor, Shavkat Mirziyoyev. Of course, politicians' actions do not always reflect their age or past political experiences. That said, former communist bosses of Central Asia would understand Russia's anti-American or anti-NATO arguments much better than the current generation of leaders.

Second, the broader international environment changed in the past decades to create fewer incentives for Central Asian leaders to seek Russia's support and protection. Most critically, the West's democracy promotion has long passed its peak. The region's autocracies survived the pressure. Its only victim was Kyrgyz president Akayev, ironically the architect of the "island of democracy" in Central Asia. Speaking from Moscow, Akayev recently <u>said</u> that his biggest mistake and the reason for his ouster was allowing Freedom House to open an independent printing house in Bishkek. The current generation of Central Asian leaders is no more liberal than their predecessors, but they understand Western policies and are better understood by the West.

For thirty years, Russia has tried to bolster its political weight in the region, but its attack on Ukraine will accelerate a decreasing trend. Historically, public opinion hardly mattered – and was hardly ever measured – in most parts of Central Asia. However, the Internet and social networks now allow a diversity of voices to be heard, bringing forth more nationalists, Islamic figures, conservatives, and progressives, which further weaken Moscow's influence.

Global Finance

Just as the free flow of ideas over the Internet has empowered distinctly Central Asian voices freed from the Soviet colonial overhang, so too has the free flow of capital given rise to a Central Asian economic class that is networked globally rather than only to the post-Soviet space. Central Asians want to maintain open access to global financial markets. Central Asian economies are heavily dollarized. As a hedge against uncertainty, economic actors—individuals, banks, buyers, and sellers—use dollars to establish commodity prices, denominate loans, and secure savings. Central Asian imports and exports are similarly denominated in dollars. If Central Asia faces currency sanctions similar to those imposed on Russia and Belarus, costs to individuals and businesses would be severe as dollars and euros fall into short supply. Central Asian states' ability to facilitate foreign trade would be hobbled. And Central Asian governments' ability to secure and service foreign loans would disappear.

The destabilizing impact of sanctions is already being felt in Central Asia, even though Central Asian countries are not the intended targets of these sanctions. Dollars in Kyrgyzstan are in short supply as Russians, traditionally the ones injecting hard currency into the local economy, are <u>snapping up</u> dollars on the Kyrgyz exchange because they are increasingly difficult to buy at home. In Uzbekistan, the major sale of the state-owned UzAgroExportBank was called off when the Russian buyer, Sovkombank, <u>declared</u> the purchase had become "impossible due to sanctions placed on the bank." All in all, the value of remittance flows from Russia to Central Asia is <u>predicted</u> to drop 25 percent as the Russian economy slows. Suffering through the collateral damage of international sanctions on Russia, Central Asian governments are now motivated to avoid the even more damaging effects of direct sanctions.

Lastly, Central Asian elites, like their Russian counterparts, hold considerable assets overseas, which can make them influential in local geopolitics. For example, persuasive Russian-Uzbek businessman Alisher Usmanov <u>holds</u> billions of dollars in Swiss bank accounts.

Implications

Central Asia's responses to Russia's invasion have three broad implications. First, Russia's role in Central Asia has been declining, and the war only accelerates this process. However, a complication is that Central Asia is the only post-Soviet region where attitudes toward Russia, and general political relations with Moscow, have been broadly positive. But the war crossed a red line by calling into question the legitimacy and sovereignty of their own nations and states.

Second, Russia will attempt to counteract its eroding image by using other levers of influence. Moscow has multiple buttons to press, and Central Asia has multiple weaknesses that can allow these to work. The region has many pressure points and dividing lines, from "Turkic and non-Turkic" and "EEU or non-EEU" to "CSTO or non-CSTO" and "upstream to downstream." As a prime example of local deviations, Tajikistan and Turkmenistan <u>refused</u> to sign a mostly symbolic agreement between the two of them on "Friendship, Neighborliness, and Cooperation" at the Central Asian Summit this past July.

Finally, Central Asia's international partners need not stand idle as Russia attempts to reshape the region for its benefit. They can encourage the region's wider international connectivity to reduce its dependence on their northern neighbor, particularly concerning labor migration, transport corridors, and pipelines. Supporting regional cooperation is also critical. Russia has, in the past, been keen to disrupt regional platforms that excluded Moscow. In this light, platforms, such as the consultative <u>meetings</u> of Central Asian leaders, must be encouraged as a key element to strengthen the region's international agency.

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