# The Central Asian States: An Overview of Five Years of Independence

# MARTHA BRILL OLCOTT

the emergence of five independent states, carved out of what used to be Soviet Central Asia, has changed the strategic balance in southwest Asia. What this will mean for global security in the long run is still far from clear. However, it is already possible to draw some conclusions about the immediate and short-term implications.

A few things are already perfectly obvious. The new states of Central Asia are not pseudo-nations. At the same time, they have not yet managed to fully break away from Moscow's influence. The Central Asian states have to varying degrees managed to institutionalize their independence. Their degrees of success in this regard have been influenced by a number of factors, including geographic location, the quality of leadership, the level of political stability at the time of independence, and the capacity for independent economic development.

Moscow can no longer dictate developments in this part of the world. At the same time, Russia is unwilling, and some might say unable, to withdraw fully from the region. Russian leaders believe that they must continue to defend Central Asia's borders to keep Russia itself safe. In part, this is because approximately ten million ethnic Russians still live in the region, and the Russian government is not willing to abandon those people to whatever fate may have in store. Russia is also increasingly aware of its own Muslim population and has a desire to remain on good terms with the Central Asian states to appease the Muslim, and not only the Russian, political constituency. Nor is Russia willing to withdraw economically from Central Asia. Policymakers in Moscow continue to assert their right to profit from Soviet-era investments made in the region, and the Russian energy industry has been especially eager to get a piece of the action in foreign development plans for the region's plentiful oil and gas deposits.

Central Asia's vast wealth has attracted strong Western interest in the region. However, from Russia's point of view, what is most distressing is the potential of

Martha Brill Olcott is a senior associate at the Carnegie Endowment for International Peace and a professor at Colgate University. An earlier version of this paper was presented at an NDU conference in Islamabad in February 1997, and as testimony before the Senate Foreign Relations Committee on 22 July 1997.

a growing American presence. Claims that the Caspian Sea will be the "Persian Gulf of the twenty-first century" foster Russian nationalist suspicions that the collapse of the USSR was little more than a Western plot to profit economically from the vast wealth of the Soviet republics. While U.S. policymakers forcefully claim that America's interests lie solely in helping these states secure their unexpected independence, Russians see such "safeguards" as designed to limit Russian involvement.

Political leaders in Afghanistan, China, India, Iran, Pakistan, and Turkey also look to events in Central Asia with keen interest. On the one hand, Central Asia is a new market of fifty million people, and goods from most of those nations are already beginning to saturate that market. On the other hand, Central Asia is directly affected by what goes on in neighboring countries. Nowhere is this clearer than in Afghanistan, whose civil war has become interwoven with events in war-torn Tajikistan.

Finally, there is the question of how the Central Asian states understand their own independence. Central Asia's leaders complain to Western interlocutors of unfair pressure from Russia, while simultaneously they are willing to take aid and assistance from Moscow. This is especially true for security relations. While the leaders of all of these states want the profits of independence, none wants full responsibility for the liabilities, and as yet none of them can fully protect itself from either external or internal threats.

# A Bird's Eye View of Central Asia

The five states of Central Asia are quite distinct. At the same time, all five still share interconnected transport, energy, and water resource networks. They also are quite similar culturally and linguistically, although what seem to outsiders to be small distinctions often appear much greater to those within those societies.

Kazakstan, with vast fossil fuel and other natural resources, is a land giant that shares a better-than-three-thousand-mile border with Russia, and one-third of whose population are ethnic Russians. Kazakstan was also economically more closely tied to Russia than was any other Central Asian state, and its industrial population has faced severe economic dislocation as a result of the collapse of interrepublic economic relations. This served to increase interethnic tensions in Kazakstan. There is a strong sense of disquiet among many of the country's ethnic Russians, who feel they are second-class citizens in what they perceive as their native land. There are also signs that Kazaks are becoming increasingly uneasy. Their anger has different roots—from failure to pay pensions and salaries on time, to the rising cost of living, to the pervasive corruption in public life, to resentment that the government is backing off from a commitment to expand democratic political institutions.

Culturally and linguistically, the Kyrgyz are quite close to the Kazaks. The standard of living in Kyrgyzstan is substantially lower than that of Kazakstan, and though Kyrgyzstan is rich in gold, its prospects for economic development are considerably more limited. The Kyrgyz account for just over half of the population of the country, but here the north-south split is more pronounced than

interethnic divisions. A band of high mountains divides the country, and southern Kyrgyzstan stretches into the Ferghana Valley, where Uzbek culture and Islamic tradition predominate.

Uzbekistan is Central Asia's most populous nation, and a country with strong ambitions to influence the development of the region as a whole. Uzbekistan borders the four other Central Asian states, and Uzbeks spill over into the neighboring countries. Although economic reconstruction has proceeded more slowly there, Uzbekistan has attracted a great deal of attention from Western investors; its economy is diverse, and its population is large enough to provide the necessary technical elite.

Turkmenistan is potentially far wealthier but lacks the trained people needed for its economic development. Turkmenistan has been the slowest to reform its economy as well as its political system, and its president has been made a larger-than-life symbol of independence.

Tajikistan is even farther behind economically, and it is still unclear whether the nation will manage to survive. Tajikistan has been at war for almost its entire history as an independent nation. The government that came to power in November 1992 through Russian military intervention has become weaker rather than stronger over time, although a spring 1997 reconciliation agreement signed with major opposition leaders created some hope for improvement in the situation. There is a continued Russian military presence in Tajikistan, but the Russian troops engage in direct military activities only at the border with Afghanistan, and even then only as a part of a combined CIS military operation.

#### Russia's Involvement in the Region

Relations with Russia continue to be of concern for each of the Central Asian states. None of them is willing to allow Russia to dictate the terms of bilateral relations or willing to accept without debate the terms that Russia is eager to propose. On the other hand, each has found it difficult to reject Russia's offers fully.

The most independent of the Central Asian states is Uzbekistan, which has rejected membership in the CIS economic union and plays only a limited role in the CIS military pact. Uzbekistan is a member of the three-nation bloc of Central Asian states (joining Kyrgyzstan and Kazakstan), possibly because the Uzbeks believe that it will enhance their position in the region rather than restrict their sovereignty. Uzbekistan continues to trade with Russia and remains a source for Russia's textile industry, but the strong preference of the Uzbek government is to transform these relations into strictly contractual ones. It is the as-yet-limited military capacity of the Uzbeks that keeps them in the CIS and makes the country reluctant to pursue a more independent and potentially anti-Russian foreign policy.

Turkmenistan also has distanced itself from Russia, through its policy of formal neutrality. Turkmenistan is not a member of either the CIS economic union or its military bloc, but it is still limited to marketing its fossil fuels only through Russia. Russia, of course, still prefers to ship its gas to Europe and have the Turkmen gas supply the CIS states, which leaves the Turkmen the task of extracting payment from the cash-poor CIS clients. Although Ashgabat is eagerly seeking

alternative routes, the war in Afghanistan and the international isolation of Iran make these alternatives somewhat distant ones.

Kazakstan's oil and gas are also still shipped exclusively through Russia, and although this is supposed to change in late 1997 with shipment of early oil across the Caspian and down through Georgia, much can still go wrong between now and then. Most energy grids through the region still go north-south rather than east-west, and industry and metallurgy in northern Kazakstan remain closely interwoven with those in southern Siberia. Railway and road transit options through China and Iran are now becoming a reality, but the infrastructure necessary to handle vast amounts of freight quickly and efficiently is still not in place. Thus it is with a strong eye to ensuring its near- and middle-term survival that Kazakstan has pressed for formal economic integration with Russia, at least for the full exchangeability of the currencies of the two nations. However, there is no consensus on how such integration might be put into effect, and that has made the Kazaks less enamored of the idea. Over time the two states are growing increasingly dissimilar, though they of course remain physical very close neighbors.

Kyrgyzstan has tried to grab Kazakstan's coattails on the issue of integrating with Russia. Kyrgyzstan is almost as intertwined with Kazakstan as the latter is with Russia. Moreover, Kyrgyzstan lacks the economic potential of Kazakstan, and it has been willing to serve both Russia's needs and the West's goals if such support can be made consistent with economic investment or foreign assistance. Moreover, as China's virtual back door into Central Asia, Kyrgystan is increasingly trying to be sensitive to Beijing's interests as well.

#### U. S. Interest in the Region

Central Asia's potential wealth has sparked the American interest in the region because it raises the stakes associated with Russian hegemonic behavior. Regardless of the scale of future investment, however, the United States has only limited means at its disposal to guarantee long-term Western access to these reserves.

Over time, it became apparent that the process of reconstruction was a far more complex one than many policymakers initially anticipated, and that the potential harmony of interests between Russia and these newly independent states was less clear than originally thought as well. Certainly there is economic competition between these states and Russia, especially as Russia claims residual ownership rights in the energy sector. However, Russia is the only potential source of meeting these states' security challenges, although it is also a potential source of such challenges. It also is clear that there is no prospect of direct U.S. intervention in any of the region's current conflicts, such as those in Afghanistan or Tajikistan. This means that the Central Asian states must proceed with caution when they try to play the United States against Russia, as they have been doing in the past few years.

The United States is a valuable ally for the Central Asian states as they try to press Russia to allow them to profit fully from their own resources. This, however, does not answer the question for the United States of what its policy should be. The United States can try to take advantage of Russia's relative economic and political weakness to secure exploration and exploitation contracts that maximize

the combined holdings of Western companies and their local Central Asian partners. The United States also can press for the development of multiple pipelines and transport routes more generally. However, it can do relatively little to secure the various "peaces" that are necessary if such alternative routes are to become realities. More importantly, the United States can do little to provide security to the routes should they become established, or to secure Western access to the fields themselves should unfriendly governments come to power in the Central Asian states or in Russia itself. American policymakers also are still uncertain how to judge the relative stability of the Central Asian states and that of Russia, and whether Russia is likely to serve as a stabilizing or a destabilizing influence

in the region over the long term. The nature of the long-term U.S.-Russian relationship is itself still unclear. If it is a close one, Russian assertiveness close to home is far more tolerable, as long as it does not transform itself into aggression.

"American policymakers also are still uncertain how to judge the relative stability of the Central Asian states and that of Russia, and whether Russia is likely to serve as a stabilizing or a destabilizing influence in the region over the long term."

For now, both sides want to benefit economically from the region's economic resources,

and each looks with suspicion on the other's interest. Each sees the other as too "aggressive" regarding the Central Asian states; the United States is opposed to Russia's strong-arming the states into formal security arrangements, while Russia believes that American policymakers are helping to stimulate anti-Russian sentiments among the Central Asians to prevent Russia from reaping the traditional benefits of postimperialism. There are also potential disagreements on how to evaluate the role of the "near neighbors" in Central Asia.

# Central Asia Engages with its Near Neighbors

The collapse of the USSR has created new geostrategic challenges in the region of southwest and south Asia more generally. Close neighbors like Iran, Pakistan, and Turkey look to the states to help secure their place as regional powers, and their influences create new risks as well as new opportunities. All of them hope to earn income from allowing Central Asia's oil and gas to transit through their territories. For the moment, however, the war in Afghanistan makes the development of new oil and gas pipelines, as well as highways across the country, all but impossible. Additionally, Afghanistan has served as a safe haven for Tajikistan's opposition fighters and a training ground for turning amateur pro-Islamic fighters into professional mujahhadin. Drug lords in Afghanistan also have used Central Asia as a transit route for plying their trade, stimulating criminal activity in the newly independent states as well. There remains a lingering risk that the battleground could move northward from Afghanistan into Uzbekistan, Tajikistan, and Turkmenistan.

There is also the question of China. Throughout its long history, Central Asia has risked conquest from the east as well as from the west. China's leaders are determined to be good neighbors to the Central Asians, encouraging them to buy heavy equipment as well as Chinese consumer goods and helping fund the expansion of the transportation system necessary to facilitate this. Right now, China looks to Russia to maintain order in the region. Should the Russians eventually prove incapable of the task, with a large and potentially fractious Muslim population of their own in Eastern Turkestan, the Chinese would be unlikely to allow the political disintegration of the Central Asian states to go unchecked.

More distant powers have been attracted to the Central Asian region as well, although their interest is exclusively economic. Japan and Korea are attracted by the size of Central Asia's markets and see it as a place to site plants that also will supply industrial goods to Russia. This opportunity for foreign investment has created many new temptations for the region's elite, and the problem of corruption is potentially a major destabilizing force in several states.

# Conclusion

Corruption is potentially more destabilizing in new states than in old established ones. While none of Central Asia's rulers appears on the verge of being ousted (except possibly Tajikistan's Rakhmonov), corruption remains a very troubling problem throughout the region. At minimum, the corrupt practices of several of Central Asia's governments make it harder for them to find the resources to meet social welfare needs, and that is a recipe for disaster. The population is overwhelmingly young and rural, making mother and childcare benefits and support for education critical. In many other states, there are regular elections to allow the population to make the government aware of their views. Elections throughout most of Central Asia are becoming largely symbolic. The region's leaders defend the situation by claiming that Central Asia's various nationalities prefer stability to participation, and that widespread public participation risks anarchy. However, by denying participation they are denying their regimes a major source of legitimation.

What makes the situation in Central Asia particularly problematic is that none of the states has developed institutions that will ease the process of political transition when the inevitable successions occur. Central Asia's leaders must ultimately give way to new blood. Although all of Central Asia's leaders serve fixed terms, only Askar Akaev has subjected himself to a competitive democratic election process, and even he has done virtually nothing to encourage the development of a potential replacement. While the elites in some states succeed in choosing new leaders behind closed doors, in others attempts to do so serve only to spark civil disturbances. Should this occur in one of Central Asia's states, there could be consequences throughout the region. Although the domino effect that many feared never materialized, Tajikistan's civil war has clearly compounded the problems of state-building in neighboring Kyrgyzstan and Uzbekistan because of the refugee problem that it has brought about. Turkmenistan's accession to Russia's position on the Caspian Sea created new pressures on Kazakstan

to follow suit, and Kazakstan's decision to enter a customs union with Russia led to increased economic problems for Uzbekistan, which was seeking to regulate its trade relations with Russia on a bilateral basis.

Taken as a whole, the Central Asian region has been far more stable than virtually anyone anticipated when the USSR collapsed with little opportunity for advance preparation in late 1991. The political situation in Tajikistan has continued to implode, but the unrest there predates the end of Soviet rule. While the Central Asian masses may not have agitated for independence, they are quite pleased to have received it. Civic loyalty is developing in most of the region, and the economic resources of most of the states are ample if developed properly and if corrupt practices are curtailed; over time, most will come to live better than they did during Soviet rule. For now, though, the hardships of economic transition still have to be faced. Coping with economic transition is certain to preoccupy Central Asia's leaders for the next several years and will provide the backdrop against which all other choices are made.