China-Central Asia Relations: A Socio-Economic and Security Analysis of Bilateral Ties

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Abstract

China is a global power and economic giant in search of diversified resources to run its industry and potential markets which it can tap to remain a leading seller. The next door neighbor, Central Asia, provides with this opportunity. Central Asian energy resources are a stimulus for all global powers. United States interest in the region alarms China and makes it more cautious of its interests. China is investing hugely in Central Asian energy infrastructure to being energy hungry. It eyes on Central Asian oil and gas resources. After disintegration of Soviet Union, Central Asia could not step out of isolation and economic backwardness. Here interests of China and Central Asia converge. However, the cultural and religious divergence may become a hindrance in smooth transition to bilateral engagement. This paper endeavors to analyze the enormity of economic and security benefits of this relation which may overcome the social gaps.

Keyword: World Politics, Constructivism, Eurasia, Strategic importance, Central Asia

Introduction

Central Asia is an immense important landmass at the junction of South Asia, South East Asia, Middle East and Europe. Rich history and a long record of invaders from the region affecting Sub-Continent and Middle East have still relevance. In twentieth century, huge energy resources of the region make it more significant to global politics. United States has deep military, political and economic interests in Central Asian Republics. NATO presence in Afghanistan makes this region more needed to global powers. China, being the global economic giant and regional power has deep rooted interests.

China’s exhaustive policy to diversify its energy sources drives its keen interest in the region. Huge oil and gas reserves of Central Asian Republics and territorial intimacy enable China to benefit from these resources immensely. This paper tries to analyze the bilateral ties between China and Central Asia from the depth of economic relations. China is in need of energy resources and markets and Central Asian Republics are in dire need of huge investments to develop their energy infrastructure. Resultant to these economic relations, social interaction will develop which may have

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divergences due to social and identical differences. This study endeavors to have insight into the bilateral relations from following angles:

- How do societies of Central Asia and China have entirely distinctive manifestations?
- What is the extent of economic and military relationship between both states?
- Having discrete social identities, what may be prospective avenues of social harmony providing ideal ambiance for economic and military cooperation?

Theoretical Framework

World Politics is comprehended by various frameworks of ideas. These frameworks and theories, emanating from real phenomena, function as prisms in the form of generalized principles to understand actions and reactions from varied aspects in international politics. The theory provides a course of understanding to comprehend the actions of actors at various levels. The theory, although abstract in nature, yet provides a sound basis of understanding concatenation and helps to have insight into actors’ behavior. China’s emergence as a global power has substantially changed global balance of power. Its emergence and upcoming behavior is certainly to be seen having roots in its cultural identity (Walt, 1998).

Idealism ruled the world during inter-war period. But the eruption of World War II disrupted the Idealist notions as model of World Politics. Since then Realism remained prevalent in Cold War era. However, the shortcoming of Realism to predict dismemberment of Soviet Union, gave way to different thought processes in quest to define global politics. There were various other theories and discourses but the dominance of Realism had been overshadowing them over the decades of Cold War. Constructivism was one of those emerging sets of ideas which started surfacing in early 1980s but it was legitimized and got much attention after fall of Soviet Union and end of Cold War era.

Constructivism is based on ideas and norms. It emphasizes on social discourses and norms where the actions of international actors are embedded. This theory does not completely rejects the notions of Realism and Liberalism rather it transforms these ideas into new realities. This framework too recognizes the anarchic reality of world however it contends that anarchy is what states make out of it. This is their ideas and norms which give a distinctive meaning to this phenomenon and interact at international level. Interests of states are also defined by their cultural outlooks. The behaviors of actors are determined by their social attitudes. Norms is another
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important strand of this theory contending that internationally accepted norms play an important role in shaping the world (Barnett, 2008; Walt, 1998).

Constructivism puts emphasis on society as compared to individuals. The world is considered as whole and the realities are not out there rather they are shaped within the societies cording to their own connotations of realities. Balance of power is not the structure of outer world rather emanating from the societies. Social facts are dependent on human agreement. The world is more defined through structures which are subject to change and evolution (Barnett, 2008).

Constructivism believes in the ideas and norms which shape up the structure. The identities are shaped by the existing norms and ideologies nurturing them. The identities shaped by the social surrounding instruct the interest of a particular actor which eventually determines the actions. ‘Structures and agents are mutually constituted’ as both keep on complementing each other continuously (Reus-Smit, 2005). After 9/11 the theorizing of this framework took new turns. They even talked about a step forward from politics of ethics to ethics of politics. Although as Idealism and Realism got their faces after any tipping point (End of World War I in case of Idealism and Eruption of World War II in case of Realism), Constructivism could not emerge as sole prism of reflecting international politics. The notions of power, hegemony and anarchy again became relevant. However, Constructivism’s strands of interests based on ideas, cultures and social societies’ impacts cannot be ignored (Reus-Smit, 2005).

Systematic Constructivism studies the social structure at state. Alexander Wendt has been a proponent of this level of analysis. The identity of a state directs interests. Social identity of a state is ascribed to it by international society and corporate identity is developed by internal psychological development of actors. However, this level completely ignores the domestic politics. Unit-level analysis in constructivism studies the entirely internal domain of state which determines the decisions of states at international level. Friederick Kratochwill remained stick to this approach. Holistic Constructivism became the bridge between these two entirely opposite approaches. It considers both domestic and international realms (Reus-Smit, 2005).

Cultural Orchestration: China and Central Asia

Chinese culture and society still stand on the basic teachings and principles of Confucianism. Though the revolution tried to break the knot but the process of transmission of values through generations continued. There is complete harmony of values at various levels of Chinese society. The belief system
based on teachings of Confucius place man as part of nature, dependent upon a way (Tao) to run his course of life. This ideology admits the existence of a higher being running the nature. However, they negate the concept of fate or destiny. The belief of Yaurn(Karma in Buddhism) transmitted to China from India, maintained the doctrine of predetermined relations of humans. The force behind this predetermination may be some super natural being or social law, which is above human comprehension. People meet as result of this premeditated plan and get separated. This doctrine promotes self-reliance as people are not always to meet, they have to separate too(Yau, n.d.).

Chinese child is raised in family structure where he learns to present his role as legitimate in front of others. He learns obedience and subordination. They show their disagreements in an indirect way. They are pragmatic and situation oriented. They take compromises as essential element and believe in circumstantial transformations(Yau, n.d.). Chinese society was based on feudalism which gave birth to reverence for authority(Liu & Fan, 2014). Confucius’s deep regard for authority is deeply rooted in this culture. Chinese culture believes and behaves in hierarchy. The society is driven by authority. Chinese people believe in continuity of relations. Once a relation is formed, it can hardly be broken. In case of business, they are more risk averse(Yau, n.d.). So, the external relations are also well meditated are there is always a continuity seen in this.

Chinese pattern of thinking is inductive in approach which is plausible through their communication. They have a cyclical approach of thinking and communicating. This way starts with explaining the background reason first. Thus they dig deep into the causes of an event or decision(Liu & Fan, 2014). Chinese society has deep adoration of its rich historical and cultural values. This feeling keeps their sense alive to seek guidance from past. They decide their priorities from past course of their interactions(Liu & Fan, 2014).

Chinese social and political discourse is further developed by the revolution. Still the theoretic notions of Chinese foreign policy are developed on the basis of Five Principles of Peaceful Co-existence, which is part of preamble of Agreement on Trade and intercourse between Tibet Region of India and China in 1954. The principles are of territorial integrity and sovereignty, non-aggression, and non-interference in each other’s internal affairs, equality and mutual benefit, peaceful co-existence. China maintains that it will never become part of any power bloc rather it pursues the course of peaceful co-existence. It assures that its economic and military development is not source of apprehension as it has no plans of being hegemony(Mariani, 2013).
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Central Asia has a long history of cultural development. This region produced so many invaders who invaded India and dominated the whole region. The region is under the influence of Islam. The cultural development was based on the principles of Islam. This region remained the integral part of Ottoman Empire. Under Soviet Union, this area retained its cultural and religious norms. Its history and culture are its sources of pride.

Central Asia lies at the heart of Eurasia. It is completely landlocked by China in East, Afghanistan and Iran in South and Russia in North and West. Hindukush and Pamir mountain ranges make southern border of the region and TainShen make East. The Amudarya or Oxus River originates from Hundukush while Syrdarya or Jaxartes River from TainShen range. Syrdarya drains the Ferghana valley and after covering a distance of 2,200 Km in the North of Kyzkum desert falls into Aral Sea. The landmass between these two rivers make the modern day Uzbekistan and Tajikistan. This landmass has become the main area of historical and cultural development of Central Asia (Rashid, 1994, p. 6).

Central Asia had been the birthplace of great warriors who attacked India, China, Europe and Russia. Thus the world’s ancient history originated from this abode of warriors. Chinese built the Great Wall of China precisely to become safe from the attacks of Turks of Central Asia. This region remained relevant to their British for their Great Game with Russia. Russians cannot forget their most painful part of history when they live under Mongols and Tartars. Muslims consider it as one of the holy lands being abode of mysticism and various Muslim races (Rashid, 1994, p. 9).

At the cultural level, social intercourse of societies of Central Asia and China is a bleak scenario. Entirely distinct religious and cultural backgrounds hinder a complete social compatibility. These factors also hamper any effort to maintain societal proximity. China and Central Asia derive their respective identities from entirely varied values. Economic relations are dire need of both parties. But complete social intercourse is hard to develop. However, as China plans to develop Central Asia-Xinjiang economic region, religious similarity and cultural affinity between these two regions can be expected. But the overwhelming threat of religious extremism emanating from social intercourse of these societies is alarming. If this threat is worked out properly, two regions can enjoy deep rooted social, economic and military ties.

Strategic Importance of Central Asia

Central Asia is strategically very significant part of Asia for ages. Throughout known history it remained a gateway to South Asia and South East Asia. The
culture of Central Asia developed first under Iranian civilization and later Turkish ethos. Persians called it Vararud or Fararudan while Arabs called it Maveraolnehr. Greeks called it Transoxina which means Trans-river territory. Turks tried to replace the cultural implications of Iran. But the Central Asians resorted to the amalgamation of Turk Iranian culture. Since the demise of Ottoman Empire, this region came under Russian control. Under the Ottoman Empire it was Turkestan and after Russian control over it, this region was known as Russian Turkestan (Amirahmidan, 2010).

**Source:** (International Crisis Group)

This region extends from Caspian Sea in East up to China in West. In North it is bounded by Russia, and in South by Afghanistan, Iran and China. Today, Central Asia consists of five states which got independence in 1991, after Soviet Union’s demise. The topography of Central Asia can be categorized as steppes Kazakhstan in North and drainage Basin of Aral Sea in South. Major portion of the region is covered by deserts. Around 60% of the region consists of these deserts. Most of Turkmenistan is covered by Karakum desert and Uzbekistan by Kyzylkum desert. Only the areas around Amur Darya and Syr Darya are suitable for agriculture. These two rivers drain most of the region and drain into Aral Sea (Britannica, 2015).
The relevance of this region has been kept alive mainly by the invaders to the East. Alexander the Great, Mongols, Timurids all swept through this passage. In nineteenth century, with emergence of the concept of Central Asia, this region got immense importance. Today, the region is recognized by five Central Asian Republics, Kazakhstan, Tajikistan, Kyrgyzstan, Uzbekistan and Turkmenistan emerging out of demise of Soviet Union, make this region more attractive to the world owing to their rich energy reserves. The region has a strategic importance being at the center of Asia joining Asia, Europe, Persian Gulf and Middle East. It is surrounded by three emerging economies, China, Russia and India which are investing heavily in the region to gain maximum advantage.

Central Asia, apart from being the heartland and gateway to continental powers China, India, Russia, India, Iran and Pakistan, it still hold the keys to one of the most important regions of world. After 9/11, United States immensely needed this region to carry out its operations in Afghanistan. Airbases in Kyrgyzstan and Uzbekistan until November, 2005 have been of key importance in carrying out air operations. This region is now focus of attention due to its proven hydrocarbon reserves. The oil reserves are estimated to be less than 5% of global share if fully tapped. Natural gas reserves are also catching the attention of global powers. But the landlocked region is hindered by natural geography to export its natural resources (Rumer, 2006).

The energy hungry global industry is desperately looking for more and more energy resources. Central Asia has immense proven oil and gas reserves. Its untapped potential can be of immense importance for Chinese rapidly growing industries. The energy infrastructure in Central Asian states was developed before disintegration of Soviet Union. This did not have potential to feed the regional needs for energy. Russia is heavily dependent on these resources while China is also eying them. These resources are currently bone of contention in the region.

Kazakhstan has proven oil resources which were estimated on January 1st, 2013, to be 30 billion bbl/day putting the state at 11th number as compared to world. The oil reserves of state estimated in 2012 were 1.606 million bbl/day with a status of 18th state as compared to world. Kazakhstan’s crude oil exports were 1.406 million bbl/day with the ranking of world at number 12. Natural gas proven reserves on January 1st, 2013, were 2.407 trillion cubic meters putting the state at 14th number in world ranking. First oil well was discovered in Kazakhstan in 1899. This started oil production in 1911. Mostly the production remained under Soviet Union. After disintegration, Kazakhstan increased its oil production (Javaid & Rashid, 2015). Baku-Tbilisi-Ceyhan
pipeline which came online in 2006 was an attempt to break Russian monopoly and reaching out to world markets (Romanowski, 2014).

Turkmenistan is the sixth largest natural gas producer of the world. In 2012, it was second largest dry gas producer after Russia. This state is deficient of infrastructure to boost its natural resources. In 2013, natural gas production started at the world’s natural gas fields at Galkynysh which boosted the economy to some extent. In January 2014, this state had proven oil reserves of 600 million barrel. This state has two oil refineries at Seidi and Turkmenbashi with a total crude oil distillation capacity of 237,000bbl/day. Its own economy is majorly dependent on gas reserves. Around 76% of the energy needs are fulfilled from gas and remaining 245 from oil. The state has deep infrastructure incapacity limiting it to tap its resources (EIA, 2013).
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China’s Energy Requirement and engagement with Central Asian Republics

Astana is most important in supply to China from Kazakhstan. This is the first pipeline connecting Caspian shore to China’s Xinjiang province. This pipeline is 2,300 Km long and longest in the world. China is buyer of around 20% oil from Kazakhstan. Turkmenistan is also exporting its gas to China. Through Central Asia-China gas pipeline from Ashgabat gas is supplied to China. Uzbekistan is also endeavoring to enter into energy trade with China. Uzbek-China Corporation concluded a deal of $15 billion oil-gas-uranium trade (Romanowski, 2013).

In 2010, China ranked as largest global energy consumer. China was net oil exporter until 1990s and became second largest crude oil importer in 2009. China’s oil consumption growth became one-third of global oil consumption in 2013. China is world’s top ranking producer, importer and accounts for half of the global coal consumption (EIA, 2014). China consumed 49% of global total coal. Coal accounts for 70% for the total consumption of China since 1980 (EIA, 2014). Due to immense carbon emissions China is the leading state producing air pollution. In wake of severe criticism, China has planned a seven year roadmap in which it will lessen its dependence on coal by 28%. China plans to double its dependence on zero-emission energy resources in next 16 years. The government plans to get 15% from non-fossil fuel resources, more than 10%, and less than 62% from coal. The coal consumption will be limited to 4.2 billion tons by 2020 (Bloomberg, 2014).

A huge portion of global population is inhabited in China. The country having largest chunk of population and rapid industrialization is in need of vast energy resources. China’s GDP had grown to 11.4% until 2007 and by 2020, the estimation of growth by 6.6%. Last two decades witnessed rapid surge in energy requirements. Dependence on oil was 6.3% in 1993, it has jumped to 30% in 2000 and to 46% in 2004. China’s proven oil reserves are just 16 billion barrels which constitute 2.3% of global share. However, the natural gas reserves are just 41 trillion cubic feet which is only 0.8% of total share. (Hu, & Cheng, 2008, p.42)

China, being emerging global economic giant and global power, has shaped its foreign policy on the basis of its long term economic interests. It plans to secure multiple oil import sources, diversify oil imports to lessen reliance on Middle East, to build up more oil reserves to feed its industry through uninterrupted supply and to participate in Energy Charter Treaty (Hu, & Cheng, 2008, p.43).
Central Asia is second to Middle East in oil resources. China is looking forward to multiple sources to provide it with uninterrupted supply of energy resources. Security situation in Middle East is precarious which compels China to look to other sources as well. China’s eagerness to invest in Africa and develop markets and exploit its oil is also victim of deteriorating security situation.

World’s largest offshore oil field is at South Yoloten in Turkmenistan. Azerbaijan, Kazakhstan and Turkmenistan have 50 billion barrels of crude oil having 3.5% of world’s proven oil resources. Currently, major supply of these resources is to Russia as supported by infrastructure. However, some of the Kazakh oil is being imported to China which is 400,000 barrels per day making just one third as compared to exports to the West. China National Petroleum Corporation has built 2,200 Km long Central Asia Gas pipeline from Bagtiyyarlik in Turkmenistan crossing Uzbekistan and Kazakhstan into North Xinjiang province. (Robers, June 1, 2010)

Source:

Central Asia is landlocked which hinders its capacity to fully exploit its energy resources. The economic incapacity of Central Asian Republics blocks its way to completely tap its huge energy resources. The republics are looking forward to economically developed countries of Asia and Europe to tap its resources. European Union and United States are leading states to take keen interest in energy resources of Central Asia.
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Azerbaijan has signed most oil exploration agreements with international Oil Companies in the formal Soviet Union. SOCAR is the company holding most shares of oil holding of state. It usually maintains 20% of interests in the field. Kazakhstan enters into energy deals through KazMunai Gas. Turkmenistan and Uzbekistan inherited the structure of former Soviet Union keeping tight control of its resources and they discourage foreign investments. Uzbekistan tapped the indigenous resources for self-sufficiency and reduced its imports. Its imports of petroleum products dropped from 50,000 billion barrel per day in 1992 to zero in 1996. Turkmenistan launched ten year development plan to make the state second Kuwait but restricted the investments to various limitations and launched few joint ventures (EIA, 2013).

China’s Security Concerns in Central Asia

China has territorial proximity with Central Asia. China’s Xinjiang province shares a 2,800 Km long border with Kazakhstan, Kyrgyzstan and Tajikistan (ICG, 2013). China’s initial problem in Central Asia was just security and border demarcation. After Soviet demise the issue in Chinese foreign policy circles regarding Central Asia was just fear of instability. Instability in Central Asia along with Afghanistan could trigger problems in Xinjiang province where China’s biggest concern is East Turkestan Islamic Movement. China’s economic concerns in the region emerged in min 1990s. In 1996, Shanghai Five Forum (china, Russia, Kazakhstan, Kyrgyzstan and Tajikistan) was created to oversee security issues and border demilitarization. After 2000, Central Asian Republics’ ‘go global’ strategy opened the way for international companies to invest in Central Asia. It opened the way for China too. China’s concern is to create strong economic ties between Central Asia and Xinjiang Autonomous Region (ICG, 2013). This province being Muslim majority area shares religious and cultural values with Central Asia.

In the matter of Central Asia, China is even at rivalry and unease with Russia. In particular President Putin’s nostalgic attitude of Soviet era presses it to achieve more central role in the region. US involvement in the region is also source of friction for Russia (ICG, 2013). The financial crisis of 2008 gave China a golden opportunity to invest heavily in Central Asia and revive the ties which got sour after Russian support for South Ossetia and Abkhazia (Elizabeth, 2009, p. 1).

China is primarily concerned about NATO withdrawal from Afghanistan. Taliban upsurge in Afghanistan could cause serious crisis of transnational which both Central Asian Republics and China cannot afford. According to Beijing, Central Asia’s security is vital to China’s security in its western region. Xinjiang has around 30% of China’s proven oil resources, 34% of gas
reserves and 40% of coal reserves of total Chinese fossil fuel resources (Indeo, 2015).

Central Asia is on the strategic point of Chinese ‘Silk Road’ vision. As China is looking forward towards diversification of its oil import sources, 80% of oil supply from Kazakhstan comes through trucks completely avoiding maritime route. China is also main buyer of Kazakh uranium. Since 2012, more than half of China’s gas supply is from Turkmenistan through Central Asia-China Gas Pipeline (CAGP) which also crosses through Uzbekistan and Kazakhstan. China plans to bring Kyrgyzstan and Tajikistan also in the line by 2016-2017. China has forwarded a loan grant of $8 billion in Turkmen gas to bring Galkynysh gas field online. President Xi’s visit to the region further boosted the economic ties. In the visit the idea of Silk Road Economic Belt was vehemently promoted and agreements of around $48 billion of loan and investment were signed (Indeo, 2015).

China’s chief interest in Central Asia is its economic ties and energy supplies from the region. However, the depth of these ties automatically involves military and security relations. Political instability in Central Asian Republics is the key feature of the states since disintegration of Soviet Union. Proximity to the caucuses, growing extremism and instable governments are concerns for the states and regional powers. China’s huge economic interests in the region drives it to militarily assist the states, few of them if to all is not possible. The element of religious extremism in the region is alarming for Beijing owing to similar concerns in Xinjiang.

China’s military engagement with Central Asia is overwhelmed by joint exercises which started in 2002. In 2006, East anti-terror exercises were held between Uzbekistan and China. In the same year Sino-Tajik exercises took place in which 300 Tajik troops and 150 Chinese military men took part (Peyrouse, 2010).

**Conclusion:**

China’s current primary concern is its economic take off. Its foreign policy is also driven by its economic interests. Central Asia has huge energy potential which attracts China in endeavor of diversifying energy input. China is concerned about its surroundings. In East it is surrounded by all states which are allies of United States i-e, South Korea, Japan, Myanmar (Ghiasy, 2013). China needs to develop friendly space for it to keep the ambiance favorable. Central Asia is vital to its energy requirements, as an important point at Silk Route and security in its Xinjiang Region. However, The history and culture of China and Central Asia pose a threat to the long term bilateral engagement but the economic and security interests are enormous which may overwhelm this divergence.
End Notes


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