

## LOOKING WESTWARD: CHINA'S CHANGING RELATIONS WITH CENTRAL ASIA<sup>1</sup>

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China has long looked west toward Central Asia with a certain amount of fear and trepidation. Whether it saw nomadic warriors, early Khanates, a rapidly expanding Russian empire, or a consolidated Soviet state, China has viewed the Central Asian region as a source of chaos, political instability, and potential invasion. The breakup of the Soviet Union exacerbated these fears; however, it also provided China with a new opportunity: the opportunity to sign favorable agreements with the newly formed and relatively weak states to obtain raw materials and energy resources to fund its own growing economy. This paper examines China's changing relations toward Central Asia since the breakup of the Soviet Union by studying the regional multi-lateral organizations in which the nations take part, the Chinese role and influence within them, and China's bilateral relations with the individual Central Asian states, including their continued quest for natural resources and new markets for Chinese goods.

### Introduction:

The Shanghai Cooperation Organization (SCO), the centerpiece of Central Asian regional multi-lateral relations, celebrated its sixth anniversary in June 2007.<sup>2</sup> Little discussed by policy makers or noted in news outlets until two years ago, the SCO has grown from a small regional group into a potential major player in international politics. The six nations that make up the SCO—Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, Russia, and China—together control substantial oil, natural gas, gold, and water reserves; regional observers have described them as a possible OPEC with armaments, and some NATO officials see them as an opposing force in the region. However, are these assertions true? Will the SCO be able to live up to its Charter? Will it be able to bring stability to an otherwise historically unstable region? Will it successfully bring about the economic development of the Central Asian member states? And will it be able to deal effectively and in unison with regional security issues, including narco-trafficking and terrorism? Or is it an organization that is united on paper only while, in reality, it remains divided and ineffectual? This paper will examine and analyze, in particular, the relationship between China and the Central Asian states from independence through the present day, looking at the Shanghai-5 group, the Shanghai Cooperation Organization (SCO), and the bilateral relationships and agreements between China and the individual Central Asian states in an attempt to predict continuing and future relations in this part of the world.

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1. Previous versions of this paper were presented at the joint SWCAS/WCAAS conference (Salt Lake City, 2007), MAR/AAS (College Park, 2007), and SEC/AAS (Hilton Head, 2008).

2 In August 2001, Radio Free Europe/Radio Liberty began a Central Asia Report (henceforth RFE), the current issue of which can be found at: [www.rferl.org/reports/FullReport.aspx?report=568](http://www.rferl.org/reports/FullReport.aspx?report=568). This report provides a weekly review of key regional events by culling together information from a number of specified and unspecified American and foreign open sources. This report, *The Economist* ([www.economist.com/index.html](http://www.economist.com/index.html)), and news posted at [www.eurasianet.org](http://www.eurasianet.org) were the sources used for establishing the chronology of events discussed in this paper. General chronological facts, gathered from multiple sources, are not sourced; however very specific cited facts are.

## The Shanghai-5 Group

The 1991 disintegration of the Soviet Union resulted in the birth of five new nation states in the Central Asian region: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan. It also saw the resurgence of regional border disputes. Since 1963 China and the Soviet Union had argued over the location of their shared national boundaries, but no successful steps were taken to resolve these disputes as relations continued to deteriorate over ideological issues. These disputes turned violent in 1969 when brief military action occurred in what is contemporary Kazakh territory, after which the dispute became cold once again, but far from resolved.

Resolution of these border disputes took on new urgency after 1991 and became more complicated. The new states were anxious to have stable borders that would not be threatened by their larger neighbors and would not be challenged by each other, and both China and Russia were nervous at the prospect of Kazakhstan continuing to possess the nuclear weapons that became theirs by virtue of the fact that they were in Kazakh territory when Kazakhstan became independent. Each new nation that bordered China also had newly inherited Soviet armaments that were massed on the Chinese border, armaments that were matched by the other side.

China invited Russia, Kazakhstan, Kyrgyzstan, and Tajikistan, with whom it shares 4,200 miles of border territory, to a meeting in Shanghai, and on 26 April 1996 they agreed to form the Shanghai-5 Group. The stated purpose of the Group was to reduce military tensions along the borders, increase trust between the nations, and resolve these outstanding border disputes. While the latter was done only slowly, in the case of Tajikistan not until 2002, and almost always to China's advantage, agreements were signed in 1997 to limit the number of soldiers and armaments along the numerous borders, to provide for demilitarized areas, and to share military information. Kazakhstan had already voluntarily given up its nuclear weapons under the Nunn-Lugar Program in 1995.<sup>3</sup>

The Group also discussed plans to utilize the Shanghai-5 structure to increase trade and economic development and to work together on political and regional security issues, but, although they released the Bishkek Statement in 1999 and the Dushanbe Statement in 2000 that formally ratified these plans, there was little follow through, and the Group remained moribund until 2001. This was in large part because none of the five nations truly trusted each other. Kazakhstan, Kyrgyzstan, and Tajikistan were suspicious of China from their years in the Soviet Union: they had been taught to fear potential Chinese invasions, and they were sensitive to China dictating terms on border issues, terrorism, and water supplies to them. They did not trust Russia, which had a substantial ethnic population of its own in each nation of which it was very vocally protective and which had treated them as resource-producing colonies since the days of the Russian Empire. They also did not trust each other, as their national boundaries were Stalinist-era artificial constructs designed to keep them at odds and prevent them from uniting, a fact seen most clearly in the tripartite division of the Ferghana Valley. Former National Security Advisor Zbigniew Brzezinski notes that the borders "reflected the Kremlin's interest in keeping the southern region of the Russian Empire internally divided and thus more subservient."<sup>4</sup> Russia and China have historically distrusted each other, fighting for hegemony over the region for generations, and China did not trust the Central Asian

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3 Information on the Nunn-Lugar Cooperative Threat Reduction Program, including links to annual reports, can be found at: <http://lugar.senate.gov/nunnlugar/>. Specific information regarding Kazakhstan can be found at: <http://www.nti.org/db/nisprofs/kazakst/forasst/thectrpr.htm>. Ukraine also voluntarily gave up its inherited nuclear weapons under this same program.

4 Zbigniew Brzezinski, *The Grand Chessboard: American Primacy and its Geostrategic Imperatives*, New York: Basic Books, 1997, p. 128. This assertion is also supported by Svat Soucek (Svat Soucek, *A History of Inner Asia*, Cambridge: Cambridge University Press, 2000.).

nations, whose similar ethnic populations, now independent, could inspire their own Turkic peoples, the Uyghurs, and other ethnic groups to further their own demands for independence.

### **The Shanghai Cooperation Organization<sup>5</sup>**

The world was about to change in September 2001, and, with some foresight, the Shanghai-5 Group was able to come to a more substantial agreement three months prior to that date. Uzbekistan had agreed to become a member of the Group in 2000 with observer status, and in June 2001 the now six full-member nations agreed to become the Shanghai Cooperation Organization (SCO) under a charter that had provisions for trade, economic and infrastructure development, and cooperative defense measures. From the beginning, however, it was unclear which of these issues would take precedence or how strong the Organization would become. In fact since the inception of the Shanghai-5 Group scholars and regional observers alike have debated whether China's principle reason behind the creation of first it and then later the SCO was the desire to form a regional trade group, ultimately with or without free trade status, or to create a multi-lateral defense group against a perceived Uyghur independence drive in Xinjiang Province and against other various regional Islamist movements. The reason this question remains debated to this day is that the SCO has been rather ineffectual at both.

At its inaugural meeting in June 2001, the nations signed the Pact on Combating Terrorism, Separatism, and Religious Extremism, a furtherance of the 2000 Dushanbe Statement. Each nation has its own issues with Islamist forces: Russia in Chechnya and neighboring areas; Uzbekistan with the Islamic Movement of Uzbekistan (IMU), which has operatives hiding in Kyrgyzstan and Tajikistan; and China with Uyghur separatists (the East Turkestan Islamic Movement), who, so the Chinese assert, want Xinjiang Province to become the independent nation of East Turkestan and whose operatives hide in Kazakhstan and Kyrgyzstan. No regional leader wishes to be overthrown by these forces, and no nation wishes to fight these forces on its own territory. This fear of a perceived Uyghur separatist movement was thought to be China's driving desire to turn the nascent SCO into a military alliance, especially after the release of the June 2001 statement; however, this was not the approach that they took at first.

Russia, which would not take the SCO seriously until 2005 and who has proposed since early 2007 to turn the Organization into a club of energy producers of which they would be the dominant member, long thought that China had planned to use the Organization to facilitate regional trade of Chinese goods and to promote economic investment and infrastructure development through the China Development Bank. At the SCO economic meeting in August 2001, the first formal meeting of the nations' premiers, this is exactly what China proposed. The other nations, however, showed little interest. Uzbek President Islam Karimov stated that he wished the Organization to ignore trade and other economic issues entirely and to emphasize "security, maintaining peace and stability in the Central Asian region and fighting terrorism, drug trafficking, and the quiet creeping expansion of extremism."<sup>6</sup> The Kyrgyz Defense Minister echoed these thoughts, adding that the issues of terrorism, extremism, and separatism were creating an "arc of instability" in the region.

China changed emphases early in 2002 almost certainly in response to the presence of NATO troops operating in Afghanistan from bases in Kyrgyzstan and Uzbekistan. At a January meeting in Beijing, China suggested expanding the SCO role in fighting terrorism, proposed raising its profile as a regional security organization, and issued a statement linking separatism and Islamic extremism to terrorism. At

5 The official website of the Shanghai Cooperation Organization, available in Russian and Chinese, is found at <http://www.sco-ec.gov.cn>. It includes the information on the structure of the SCO, on all the member states, and links to news and documents. Information in English can be found at <http://www.fmprc.gov.cn/eng/topics/sco/t57970.htm>, although it is limited in scope. The Council on Foreign Relations provides select information and analysis of the first five years of its history at: <http://www.cfr.org/publication/10883/>.

6 RFE, 24 August 2001, Vol. 1:5: <http://www.rferl.org/reports/centralasia/2001/08/5-240801.asp>

the May 2002 summit meeting in St. Petersburg, Russia, the SCO signed the Agreement on a Regional Anti-Terrorism Structure, the Executive Committee of which was formed in 2004 in Tashkent. The slow implementation of this Anti-Terrorism Structure shows that the SCO was not yet a serious player in anti-terrorist actions within the region, but it did show that China in particular was interested in creating such a regional multi-national force that could serve in NATO's stead to stabilize the region.

The other nations, however, already still participate in such a structure under CIS (Commonwealth of Independent States) agreements, a structure China would be hesitant to join, as it would not want to subsume its desires to Russia's, which dominates the CIS agenda. Interestingly, however, the Central Asian states seem to prefer the SCO structure to that of the CIS for somewhat the very same reason. One Central Asian official, speaking off the record, stated that Russia is more likely to behave itself when China is in the room. The reverse is also certain to be true. While China asserts that it wants to be surrounded by stable and friendly countries in order to gain political support and economic leverage in the region and throughout the world, these same surrounding countries fear that China is hungry for land; therefore, they wish to diversify their relationships not only in the region, but also in the world. The SCO is one mechanism through which they can accomplish this.<sup>7</sup>

The SCO fully entered onto the world stage, into the War on Terror, and for the first time attracted serious international attention during their fourth annual summit in July 2005. Here the member nations stepped up their demand that all foreign troops leave the region and issued a joint statement demanding that NATO set a firm timetable for pulling their troops out of Kyrgyzstan, their last remaining regional base. However, the effect of this statement was almost immediately dampened by the Kyrgyz delegation announcing independently that NATO was welcome to stay as long as it wished. It didn't help public perception that both Russia and China had contradicted themselves by first criticizing NATO for not stabilizing the situation in Afghanistan but soon after announcing that NATO should leave because the situation had already been stabilized and, hence, its presence was no longer needed. Meanwhile Afghan President Hamid Karzai, a regular attendee of SCO summits since 2004, questioned why China and Russia wanted to destabilize his nation further by chasing NATO troops away. Kyrgyzstan, which has limited natural resources from which to earn revenue, was also convinced to continue housing NATO troops because of the rent that it receives for Manas Air Base, an amount that was increased sufficiently so that the Kyrgyz government felt comfortable going against the wishes of both Russia and China.

At the 2006 Shanghai Summit the SCO again spoke out against outside influences, stating that "models of social development should not be exported."<sup>8</sup> While each SCO nation has its own interests to put forward under the auspices of the Organization, it remains truly united only in opposing the United States' desire to export democracy. The United States, Great Britain, and Europe had criticized Uzbekistan for its handling of the massacre in Andijon in May 2005, which left hundreds, if not thousands dead.<sup>9</sup> The SCO did nothing to calm the situation during or after the fact, no regional condemnation was

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7 RFE, 25 November 2004, Vol. 4:43: <http://www.rferl.org/reports/centralasia/2004/11/43-251104.asp>.

8 RFE, June 26, 2006, Vol. 6:19: <http://www.rferl.org/reports/centralasia/2006/06/19-260606.asp>.

9 What actually happened at Andijon will long be in dispute, as will the number of dead, as the government of Uzbekistan quickly buried everyone in mass graves and has not allowed an independent outside inquiry into what happened. The official count is 187 dead, all said to be members of either the IMU or Hizb ut-Tahrir. Upper-range estimates put the number of dead at 5000. Most outside independent estimates are that "several hundred" were killed. What can be known for certain is cited in a Voice of America report (Gary Thomas, "Andijon Massacre Remains Contentious Issue between US, Uzbekistan," 28 September 2005: <http://www.voanews.com/english/archive/2005-09/2005-09-28-voa48.cfm?CFID=204654495&CFTOKEN=95223744>).

This much is undisputed. In the late night of May 12 or early on the 13, armed gunmen, believed to be members of a banned Islamist movement, attacked an army barracks, a police station, and the local prison in Andijon, freeing a large number of inmates. They then occupied a government building on the main

issued, and no SCO troops were sent in as peacekeepers, although it is unlikely that their presence would even have been welcomed. In fact, the only action the SCO did take was to pass a resolution asking that no country accept refugees from Andijon into their country, whether it be those that Kyrgyzstan had already allowed in or any others that might escape. In response, Kyrgyzstan closed its border with Uzbekistan, and the United Nations removed 400+ of those in Kyrgyzstan to Romania.

Meanwhile, as the United States and Western Europe were placing sanctions and restrictions on Uzbekistan, both Russia and China firmly stated that they would never make human rights an issue in their relations with Uzbekistan or with any other Central Asian nation. All SCO countries have encountered criticism over human rights issues, and all are, to various extents, afraid of seeing their non- or, at best, quasi-democratic governments overthrown; thus each is willing to support whatever authoritarian actions its neighbors might take so that they will be free to take their own.

Since this meeting, China has conducted its first military maneuvers outside of its own territory. In August 2006, under SCO auspices, but only using Chinese and Kazakh troops, they first completed operations in Kazakhstan, along the Chinese-Kazakh border, and then in Xinjiang Province. 2006 China followed up this operation by conducting its first-ever joint military exercises with Russia. In August 2007, the SCO as a whole conducted ten days of military operations, first in Chelyabinsk in the Urals and then in Urumqi, the capital of Xinjiang Province. The latter marked the first time that Russian troops conducted exercises in China.<sup>10</sup> It had been clear since August 2006 that this was the direction in which the SCO was moving. In that month Tajikistan hosted a meeting of SCO member states' Prosecutors, and Uzbekistan hosted a meeting of Trade Ministers. The result of both meetings was to issue statements about fighting separatism, terrorism, extremism, organized crime, and the drug trade which funds all of these. They made no mention of economic issues.

At the end of five years, China had both allowed and guided the SCO from serving as a potential economic bloc into becoming an organization whose primary purpose was to fight regional and indigenous Islamist movements. In particular, from the official Chinese point of view, it could be utilized to control Uyghur separatists operating outside and within Xinjiang Province. The Central Asian states were to be used as the arena in which this fight would be waged.

### **The Future of the SCO**

At the fifth annual SCO summit in 2006, Iran, Pakistan, Mongolia, and Afghanistan were invited as observer nations, with the intent to ask them to become permanent members in the near future.<sup>11</sup> It is unlikely, however, that this will come to pass. Kazakhstan and Kyrgyzstan fear Pakistan and Iran as potential troublemakers, and they are wary that they might be drawn into defending either state militarily, as the SCO Charter dictates. On the other hand, and while this seems unlikely at the present time, some observers have argued that Kazakhstan could serve as a positive role model in convincing Pakistan, Iran, and even ultimately India to give up their nuclear weapons, as Kazakhstan itself did previously under Nunn-Lugar. It is unlikely that in current circumstances Afghanistan and Pakistan could agree on

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square and a crowd assembled in the square.

The crowd, by many reports were unarmed, but by other fewer reports were urged on by armed insurgents who were in the midst of the crowd. The crowd was carrying out political protests, when government forces opened fire.

10 Edward Lucas, *The New Cold War: Putin's Russia and the Threat to the West*, New York: Palgrave Macmillan, 2008, p. 204.

11 The official website of 2006 Summit is found at: <http://www.scosummit2006.org/>. Information in English can be found at: <http://english.scosummit2006.org/>. The English language site also provides links to sites that review previous summits.

anything, and it is also unlikely that Pakistan would be invited to join the Organization without also allowing India to join, something that India, who is arguably China's most serious competitor both in the region and in the world, seems uninterested in doing. Although invited, the Indian Prime Minister did not attend the Shanghai summit; in 2007, however, Murli Deora, the Indian Oil and Gas Minister did attend the Bishkek Summit. All other nations, however, sent their Presidents or, in the case of Pakistan, for internal political reasons, the Foreign Minister.<sup>12</sup>

The one exception to expansion may be Turkmenistan. During his rule, President Saparmurat Niyazov (Turkmenbashi) eschewed all international organizations, including the SCO, but newly elected President Gurbanguly Berdymukhamedov has shown an interest in making Turkmenistan more open to the Caspian and Central Asian regions and to the rest of the world. Both because it would be difficult to keep the last remaining former Soviet Central Asian state out of the SCO, if it wished to join, and because Turkmenistan has vast natural gas reserves, it seems likely that it will eventually be able to join, ultimately following the path of Uzbekistan, who spent a year as an observer nation before attaining full membership at the SCO's founding.

Beyond this one likely area of agreement, however, six years into the SCO structure the differences and individual desires of the member states still outweigh taking a united front on any single issue. True, they are united in their opposition to Western-style democracy. However, Kyrgyzstan does not wish to see NATO troops leave its country, and Kazakhstan has made overtures to playing host as well, both for the dollars that it is able to earn and for the ability the presence of NATO gives it to play the larger powers off against each other: both Russia and China are more willing to meet their demands if they are afraid that the Central Asian nations will turn closer to the West. Russia wants NATO out of Central Asia, so they can return to their former hegemonic position within the region, but they do not want the United States out of Asia, as they hope the United States will balance against future Chinese growth. It is only China who wants the United States out of Asia entirely. It seems that they could more readily achieve this through economic assistance to all the countries in the region and through "soft power" initiatives, rather than through a "hard power" military alliance, but they are willing to do this only piecemeal in Central Asia.<sup>13</sup>

### **Bilateral Relationships**

This raises the question of just how committed China is to the SCO structure and to Central Asian economic development. Although it was the chief proponent and founder of the Organization, it is more interested in pursuing bilateral economic relations with each individual nation, rather than working through the SCO mechanism. China has made no effort to take the lead in reducing tariff barriers or in easing border controls to allow nomadic peoples and traders easy access to neighboring countries. In fact it encourages the opposite and has demanded even tighter border security; a 2003 request by Tajikistan for Chinese help in building roads and placing border checkpoints at Kulma and Qarasu has gone unanswered.<sup>14</sup> Furthermore, the SCO has not issued a Central Asian economic growth and development plan, although there were murmurings of a SCO Banking Consortium being established after the 2006

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12 The official SCO 2007 summit web site is at: <http://www.scosummit2007.org/> in Russian and Chinese. An English site, with limited information, is found at: <http://www.scosummit2007.org/en/>.

13 Joseph Nye (Joseph S. Nye, Jr., *Soft Power: The Means to Success in World Politics*, New York: Public Affairs, 2004) argues that China, because it has increased its GDP in the last decade, has thus increased its attractiveness and soft power potential, still has a long way to go before it is a strong soft-power player in world affairs. However, Central Asia seems to be an ideal place in which they could experiment with soft power initiatives; they, however, seem reluctant to do this, preferring only to maintain their military alliance and their quest for energy resources.

14 RFE, 12 September 2003, Vol. 3:31: <http://www.rferl.org/reports/centralasia/2003/09/31-120903.asp>.

Summit to start this process, and there has been no attempt to develop infrastructure outside of that needed to transport natural gas, oil, and other resources from the region to China.

If we examine bilateral relationships between China and the five Central Asian nations, we find two primary types of investment agreements: military/security support and energy procurement, neither of which are uniformly spread across the countries. The bulk of military aid has gone to Kazakhstan: \$3 million in office and communications equipment as well as military hardware for Kazakh special forces in 2002;<sup>15</sup> an additional \$1 million in 2004<sup>16</sup> and \$2 million in 2005 was provided with no strings attached as to its use.<sup>17</sup> In 2005 China also offered to send instructors to train the Kazakh police force.<sup>18</sup> Kyrgyzstan has likewise been a significant recipient of military/security aid: in 1999–2000 China provided \$2 million in aid,<sup>19</sup> with an additional \$900,000 provided in 2001. Both packages were specifically earmarked to aid in the fight against international terrorism. In 2002 China provided an additional \$1.2 million to strengthen security in the south.<sup>20</sup> Southern Kyrgyzstan, including the city of Osh in the Fergana Valley, is the more Islamist and most unstable area in the Central Asian region. Both it, and sections of Kazakhstan are thought to provide havens for Uyghur separatists and al Qaeda operative; thus it is no surprise that China would wish to boost the military and security capabilities in these countries and in these regions. Uzbekistan also received a small amount of aid in the form of military supplies in 2001, a time when China was attempting to woo Uzbekistan into the SCO fold.<sup>21</sup>

In energy agreements, Kazakhstan again was the largest recipient of Chinese investment. In 2002, Kazakhstan first proposed building a pipeline from the Caspian Sea to the Chinese border in Xinjiang, where China had conveniently built a large number of oil refineries. The idea stalled until 2003, when China agreed to invest the bulk of the \$3 billion required for its construction.<sup>22</sup> This oil pipeline was finally completed in December 2005, with the first oil reaching China on 5 June 2006. China had also previously given \$29 billion for development of the Kashagan oil field,<sup>23</sup> offered a \$4.18 billion bid for ownership of Canada-based PetroKazakhstan in 2005,<sup>24</sup> beating out a bid from India, and awarded a multi-year multi-billion dollar contract to the Kazakh Energy Company (KEGOC) to provide electricity to China toward the end of 2005.<sup>25</sup>

During the earliest years of Central Asian independence, the only other recipients of energy investment were Kyrgyzstan and Tajikistan, in which China had financial interest in hydroelectric projects to provide electricity.<sup>26</sup> In 2003, however, Turkmenistan began receiving significant investment. In that year ten of nineteen Chinese projects, totaling \$196 million, were in the energy sector.<sup>27</sup> In 2005 China added an additional \$24 million to develop further the oil and gas industries, and it expressed some

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15 RFE, 21 March 2002, Vol. 2:11: <http://www.rferl.org/reports/centralasia/2002/03/11-210302.asp>.

16 RFE, 3 May 2004, Vol. 4:18: <http://www.rferl.org/reports/centralasia/2004/05/18-030504.asp>.

17 RFE, 23 September 2005, Vol. 5:36: <http://www.rferl.org/reports/centralasia/2005/09/36-230905.asp>.

18 RFE, 30 June 2005, Vol. 5:24: <http://www.rferl.org/reports/centralasia/2005/06/24-300605.asp>.

19 RFE, 27 July 2001, Vol. 1:1: <http://www.rferl.org/reports/centralasia/2001/07/1-270701.asp>.

20 RFE, 21 March 2002, Vol. 2:11: <http://www.rferl.org/reports/centralasia/2002/03/11-210302.asp>.

21 RFE, 6 September 2001, Vol. 1:7: <http://www.rferl.org/reports/centralasia/2001/09/7-060901.asp>.

22 RFE, 23 March 2004, Vol. 4:12: <http://www.rferl.org/reports/centralasia/2004/03/12-230304.asp>.

23 RFE, 2 March 2004, Vol. 4:9: <http://www.rferl.org/reports/centralasia/2004/03/9-020304.asp>.

24 RFE, 24 August 2005, Vol. 5:32: <http://www.rferl.org/reports/centralasia/2005/08/32-240805.asp>.

25 RFE, 10 November 2005, Vol. 5:43: <http://www.rferl.org/reports/centralasia/2005/11/43-101105.asp>.

26 RFE, 25 November 2004, Vol. 4:43: <http://www.rferl.org/reports/centralasia/2004/11/43-251104.asp>.

27 RFE, 21 February 2003, Vol. 3:8: <http://www.rferl.org/reports/centralasia/2003/02/8-210203.asp>.

interest in reconstructing the Seydi refinery.<sup>28</sup> In 2006 China signed a very lucrative deal to receive 30 bcm of natural gas each year for 30 years, beginning in 2009.<sup>29</sup> Stemming from Turkmenistan's desire for non-Russian export options and the death of Turkmenbashi, who preferred to deal solely with Russia, this \$10 billion 7000 km project is still in the early planning stages, and it is as yet unclear whether it will ultimately be constructed. Turkmenistan wants China alone fund the project, and there is great debate as to which Central Asian countries the proposed pipeline will pass through; the latest proposal has the pipeline winding back and forth through all of them. China has, though, while reluctant to begin construction, signed a framework agreement, demonstrating their desire for these natural gas imports. This is much the same process that led to China building the Kazakh oil pipeline.

In the first week of January 2007 China announced that it was committing \$294 million to upgrade roads connecting western China to its Central Asian neighbors, potentially including the long-discussed Kashgar to Osh highway.<sup>30</sup> If the purpose of these upgrades is not to move raw materials east from Central Asia, then it could only serve either to move military troops west toward Central Asia or, as some in Central Asia fear, to move Chinese citizens further toward or even into Central Asia, much as some argued the role of the new Chinese train to Tibet would be. The perception of China as a potential invader is held among old and young alike throughout the region, a perception not helped by China's 2004 assertion that it alone is best positioned to supply both skilled and unskilled labor to the region's developing countries.<sup>31</sup>

In addition to security and energy deals, China does export a significant amount of goods to Central Asia: in 2006, for example, it exported \$1.6 billion worth of goods to Kyrgyzstan alone, a 150% increase from 2005.<sup>32</sup> In the first part of 2007 trade increased by another 128% to \$2.26 billion worth of goods, the majority in textiles.<sup>33</sup> However, these goods, while affordable to the general populace, are considered by them to be of low quality, an objection Uzbek President Karimov made back in 2001 concerning Chinese goods in his nation.<sup>34</sup> This perception has not changed, perhaps in large part because Chinese goods and merchants have become ubiquitous throughout the region. Thus overall, Central Asia perceives China as a potential military threat, as a colonizing power, and as a seller of shoddy goods; Central Asia does not perceive China as aiding in their economic and infrastructure development.

What is particularly interesting about this relationship is that China, which is quite sensitive about having been a colonized nation, is becoming an economic colonizer of these nations and is seen by some as a potential population colonizer as well. It is only a matter of time, and perhaps only after changes of governments, before Central Asia begins to resent this relationship, the same type they had with Russia and the Soviet Union for more than a century, and they will turn from China, either toward the United

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28 RFE, 28 July 2005, Vol. 5:28: <http://www.rferl.org/reports/centralasia/2005/07/28-280705.asp>.

29 RFE, 18 April 2006, Vol. 6:12: <http://www.rferl.org/reports/centralasia/2006/04/12-180406.asp>.

30 Daniel Sershen, "Made in China Move into Russia's Backyard," *Christian Science Monitor* (on-line), 4 January 2007 (<http://www.csmonitor.com/2007/0104/p06s01-wosc.html>).

31 RFE, 27 October 2005, Vol. 5:41: <http://www.rferl.org/reports/centralasia/2005/10/41-271005.asp>.

32 Daniel Sershen, "Made in China Move into Russia's Backyard," *Christian Science Monitor* (on-line), 4 January 2007 (<http://www.csmonitor.com/2007/0104/p06s01-wosc.html>).

33 "China, Kyrgyzstan Pledge to Boost Trade, Economic Ties": [http://news.xinhuanet.com/english/2007-08/15/content\\_6537700.htm](http://news.xinhuanet.com/english/2007-08/15/content_6537700.htm).

34 Ambassador Craig Murray notes rumors he heard while serving in Uzbekistan that President Karimov has his own smuggling operation to bring Chinese goods into his country, and thus it was in his own personal best interest to find excuses to prevent the legal importing of Chinese goods into Uzbekistan. Craig Murray, *Dirty Diplomacy: The Rough-and-Tumble Adventures of a Scotch-Drinking, Skirt-Chasing, Dictator-Busting and Thoroughly Unrepentant Ambassador Stuck on the Frontline of the War Against Terror*, New York: Scribner, 2007, pp. 338–39.

States and the West, who are conveniently located far away, or, worse from the Chinese point of view, toward a rapidly developing India, likewise hungry for Central Asian natural and energy resources.