

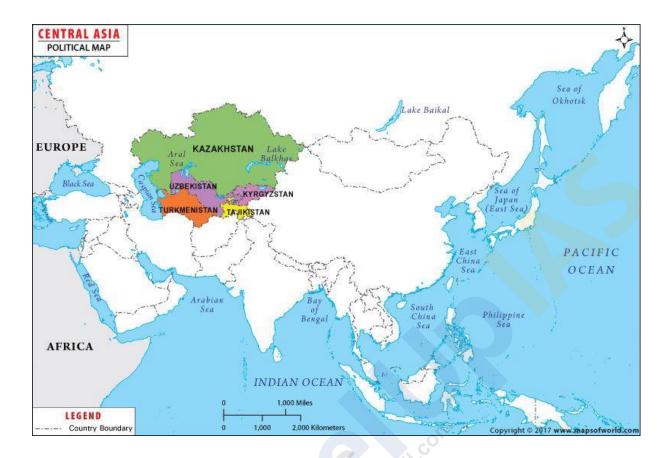
GS FOUNDATION BATCH FOR CSE 2024

International Relations- 16

(India- Central Asia Relations)



Central Asia



Central Asia is a subregion of Asia which stretches from the Caspian Sea in the west to China and Mongolia in the east, and from Afghanistan and Iran in the south to Russia in the north. The region consists of the former Soviet republics of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan. Central Asia (2019) has a population of about 72 million, in five countries: Kazakhstan (pop. 18 million), Kyrgyzstan (6 million), Tajikistan (9 million), Turkmenistan (6 million), and Uzbekistan (35 million).

Importance of Central Asia:

- The region is said to be an 'arena of great game' being played out between Russia, China, US, Turkey, Iran, Europe, EU, Japan, Pakistan, India, and Afghanistan, all of whom have substantial security and economic stakes in the region.
- Central Asia is strategically positioned as an <u>access point between Europe and Asia</u> and offers extensive potential for trade, investment, and growth.
- Strategic Backyard of Russia and shares boundary with disturbed regions like Afghanistan and Xinjiang. It also acts as buffer between these regions and Eastern Europe.



- The region has become all the more important due to <u>presence of Taliban in Afghanistan</u>, China's Belt and Road Initiative and Russia's desire of reclaiming its lost glory.
- All these states are <u>rich in minerals and well-endowed with hydroelectric resources</u>. Kazakhstan has the <u>world's second largest reserves of uranium and is the world's largest producer</u>; Uzbekistan has <u>large reserves of gas, uranium and gold</u>; Turkmenistan has fourth largest reserves of natural gas; Tajikistan has huge hydroelectric potential; Kyrgyzstan is rich in gold and hydroelectric power.

India- Central Asia Relations

- India has enjoyed historical and civilizational linkages with Central Asia through the Silk Route since 3rd century BC. Post independent India's linkages with the Soviet period through culture, music, dance, movies and literature sustained close relations with the Soviet Republics.
- In the 1990s, when the five central Asian republics gained independence, India faced the twin challenges of adjusting to the emerging post-cold war order and domestic economic reform.
- Central Asian countries are part of India's "extended neighbourhood".
- ➤ We face common challenges such as terrorism, extremism, radicalisation, drug trafficking etc.

Significance for India:

- ➤ Key to <u>stabilising Afghanistan</u> and <u>warding off security threats</u> emanating from there.
- Strengthening <u>India's presence in its extended neighbourhood</u> and deepen cooperation with Russia.
- Energy security due to availability of uranium, oil and gas reserves
- Source of Raw Material for industries because of its mineral resources
- Lucrative market for Indian pharmaceutical products, agri-products, IT products and movies
- Opportunities for investment because of the developmental needs of Central Asian nations. These nations want to <u>break away from Russia-China duopoly</u> and thus look at India as a desired alternative.
- Avenue for <u>cooperation between India and Russia</u>.
- India's only overseas airbase lies in Farkhor, Tajikistan.

Bilateral Trade: Trade between India and Central Asia lies at a <u>measly US \$2 billion</u> compared to Chinese trade with the CARs, which roughly amounts to a US <u>\$100 billion</u>.



Security Relations:

- ➤ Both India and Central Asia face <u>common threats of religious extremism</u>, fundamentalism and drug trafficking that poses challenges to regional stability.
- India conducts bilateral military exercises like Dustlik with Uzbekistan, Kazind with Kazakhstan and Khanjar with Kyrgyzstan.
- All five Central Asian nations also participated in recently conducted <u>Delhi Regional</u> security dialogue over stability of Afghanistan.
- Strategic Partnership Agreements (SPA): India signed the SPA with three of the five CARs—Kazakhstan, Tajikistan and Uzbekistan—to stimulate defence cooperation and deepen trade relations.

Connectivity Initiatives:

- To improve connectivity, India has concluded a <u>trilateral agreement for renovation of</u> Chabahar port.
- Development of the <u>International North South Transport Corridor (INSTC)</u> and has become a member of the Ashgabat Agreement.
- Though India is part of the <u>Turkmenistan-Afghanistan-Pakistan-India (TAPI)</u> pipeline, progress is slow.

Ashgabat Agreement: The pact was signed in 2011 by Uzbekistan, Turkmenistan, Iran, Oman and Qatar and aimed at developing the shortest trade route between the Central Asian republics and Iranian and Omani ports. India joined the Ashgabat agreement in 2018 to diversify its connectivity options with Central Asia.

Regional Groupings: Both india and central Asian Republics (Except Turkmenistan) are members of Shanghai Cooperation Organization (SCO). India is negotiating FTA with Eurasian Economic Union (EEU).

Capacity Building: India launched ITEC (Indian Technical and Economic Cooperation) programme to provide assistance to the CARs countries in the area of IT, Management, journalism, diplomacy, entrepreneurship, and banking.

Connect Central Asia Policy: Launched in 2012, which is a <u>broad-based approach</u> including political, security, economic, and cultural connections. The Connect Central Asia Policy is based on - 4Cs: Commerce, Connectivity, Consular and Community.

Opportunity for India in Central Asia: Though active partners in the BRI, the <u>disenchantment</u> of the Central Asian countries has increased not only with the <u>growing Chinese footprint in their economic and political systems</u> but also because of <u>repression of several Kazakh and Kyrgyz Muslims along with Uighurs in the Xinjiang region</u>, resulting in many anti-Chinese protests.



Recent Initiatives:

- 1. In July 2015, Indian prime minister visited <u>all five Central Asian states</u> during a single trip for the first time.
- 2. For economic engagement, India has established the <u>India–Central Asia Development</u> Group and India–Central Asia Business Council.
- 3. <u>Delhi Regional Security Dialogue</u>, an NSA level summit held in New Delhi in November 2021 to discuss the security implications of the prevalent situation in Afghanistan included the NSAs of all five central Asian republics.
- 4. The first <u>India-Central Asia summit</u> that took place in virtual format on 27 January, 2022. The leaders agreed to hold the summit every two years.
- 5. <u>India-Central Asia dialogue mechanism</u> at the Foreign Ministers level. Recently, the third dialogue took place.
- 6. India has announced \$1 billion Line of Credit aimed at High Impact Development

 Projects (HICDPS) for socio-economic development of the region.
- 7. In January 2022, there was a <u>virtual summit between India and five Central Asian republics</u>. Prime Minister pitched for "an integrated approach for regional connectivity and cooperation for the next 30 years". Three main objectives of the summit were:
 - to make it clear that <u>cooperation between India and Central Asia is essential</u> for regional security and prosperity. From Indian point of view, Central Asia is central to India's vision of an integrated and stable extended neighbourhood.
 - to give "an effective structure to our cooperation. This will establish a framework of regular interactions at different levels and among various stakeholders.
 - to create an ambitious roadmap for our cooperation.

Second India-Central Asia NSAs in October 2023.

- It discussed measures for enhancing cooperation in <u>cyber security</u>, <u>digital infrastructure</u>, <u>rare earths</u>, <u>and people-to-people contacts</u>.
- Indian NSA proposed an <u>India-Central Asia Rare Earths Forum</u> to attract investment from the private sector.
- India also offered to provide technology related to digital payments free of cost to facilitate the setting up of sovereign digital real-time payment systems in line with the needs of these countries.
- India and Central Asian countries decided to work closely on cyber security and India offered help to build defences against cyber threats by creating a secure cyber-ecosystem.
- On connectivity, Indian NSA asked the Central Asian countries to <u>utilise Chabahar port in Iran.</u>



Challenges:

- 1. Lack of direct connectivity with the region.
- 2. Limited economic engagement between India and Central Asian republics.
- 3. Chinese footprints through BRI and China-Pakistan axis create challenges for deeper Indian engagements with the region.
- 4. Institutionalisation of engagements has begun only recently.
- 5. Central Asia has not been a strategic priority for India.
- 6. Indian strategy toward the region in the past has been subservient to its Afghanistan, China and Pakistan policies, and influenced by Russian and US designs.

China in Central Asia

In May 2023, China hosted **China-Central Asia Summit (C+C5) in Xi'an** to boost strategic cooperation with Central Asia on <u>Belt and Road Initiative</u>, <u>Global Security Initiative</u>, and <u>Global Civilisation Initiative</u> and efforts to end the war in Ukraine. <u>During the summit</u>, Xi Jinping reiterated that the <u>security</u>, <u>sovereignty</u>, <u>independence</u>, and <u>territorial integrity of CARs must be upheld</u>.