

ENGAGING CENTRAL ASIA

ENGAGING CENTRAL ASIA
THE EUROPEAN UNION'S NEW STRATEGY
IN THE HEART OF EURASIA

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1. INTRODUCTION

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During the Soviet era, the lands of contemporary Central Asia were largely *terra incognita* for the outside world. Located deep within the Soviet Union, the region was isolated for much of the 20th century. During this period, Soviet Central Asia (the Uzbek, Tajik, Turkmen and Kyrgyz republics) and Kazakhstan (which was seen as administratively separate from the other four republics) were to an extraordinary degree controlled by Moscow and the institutions of Communist power. The sudden and dramatic collapse of the USSR under Mikhail Gorbachev at the end of 1991 thus marked an historic moment for Central Asia for it exposed the region almost overnight to the international community. Direct flights from Europe and Asia to the newly independent states of Central Asia were opened and diplomatic representations and international economic links were set in place. In the years immediately following independence, there was considerable optimism about the prospects for Central Asia to become closely integrated into the global system of states.

However for much of the first post-Soviet decade, despite the fact that Central Asia was now more open than it had been for hundreds of years and was actively seeking greater contact with the outside world, international engagement remained weak. China was focused on domestic issues and cautious about moving into Moscow's historical 'backyard'. The Russian Federation, reeling from the collapse of the Soviet order, was in disarray and in retreat. Moreover, the fledgling states of the region were

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anxious to consolidate their sovereignty free of the former colonial power. The priority was to fashion strong links with the global economy and to promote foreign direct investment. The governments of Central Asia looked to the United States, Europe and Japan to help with these aims. The decade of the 1990s was, then, the period when Central Asia was most open to the influence of the West. It was, however, an opportunity that was largely ignored.

Despite the swift opening of the region in the early 1990s, the engagement of the Western states in Central Asia remained modest; essentially focused on energy projects and cultural ties. European states took an especially cautious approach. While the larger EU members states (notably the United Kingdom and France) opened diplomatic representations in most of the states of Central Asia, only Germany was represented in all five 'stans'. Most EU member states chose to cover the region diplomatically from Moscow or Ankara or with roving ambassadors based in their capitals. As a result of this caution, political ties were slow to develop and economic links continued to be relatively modest for most of the 1990s. While the states of the region were able to become participating members of the Organisation for Security and Cooperation in Europe, they could not join the Council of Europe and links to NATO and the European Union were weak.

The European Union was especially timid. An EU delegation was initially opened in Kazakhstan in 1994 with additional responsibility for Tajikistan and Kyrgyzstan, and two sub-offices followed in Bishkek and Dushanbe. But this left most of the region without any substantial EU presence. The region was included within some of the generic EU programmes established for the post-Soviet territories (notably TACIS) and at the end of the decade Brussels sought to conclude Partnership and Cooperation Agreements (PCAs) with a number of the states of the region.¹ Despite the establishment of the PCAs, the EU's engagement in the region remained modest, lacking both a clear sense of political priorities and the

¹ PCAs were concluded with Kazakhstan, Kyrgyzstan, Uzbekistan and Turkmenistan in 1996. The PCA with Turkmenistan was not, however, ratified and so did not come into force. A PCA was not signed with Tajikistan until 2004 because of the civil war in the country during the 1990s. The terms of the Central Asia PCAs were noticeably more modest than those concluded with Ukraine and the Russian Federation.

resources necessary to have a significant impact on the countries of the region.²

Deprived of major international engagement and assistance and facing a complex set of challenges, including the brutal civil war in Tajikistan and the breakdown of much of the Soviet-era infrastructure, and lacking significant political or legal checks on executive power, the countries of Central Asia drifted steadily towards authoritarian government. By the end of the 1990s, the early optimism that had accompanied independence seemed largely to have disappeared as Central Asia appeared caught in a cycle of declining economies and stagnating political orders. Within a few years, however, the scene in Central Asia was to be significantly changed and with it the picture for external engagement in the region.

By the late 1990s, there were already signs that in parts of the region, notably in Kazakhstan and Turkmenistan, the economic malaise of the first part of the decade was being transformed under the impact of increasing hydrocarbon revenues. With the growth of Central Asia's energy resources came increased attention from China, anxious to secure supplies for its fast-developing economy, while the revival of Russia under President Putin based, to a significant degree, upon the Kremlin's ability to harness Central Asia energy resources to Russian energy companies, led to a rapid increase in Russian commercial and political-military interest in the region.

In the aftermath of the attacks against the United States of 11 September 2001 and the subsequent launch of the 'War on Terror', Central Asia acquired further significance for the international community. Placed strategically close to the theatre of operations for the US-led military coalition in Afghanistan, in the years after 9/11, the region, for the first time, acquired the presence of western military facilities – notably the US airbases established in Uzbekistan and Kyrgyzstan, the German presence in Uzbekistan and the French support operation in Tajikistan.

² The EU provided regional assistance to the countries of Central Asia for the first 15 years of independence amounting to over €1.3 billion, mainly in grant aid through TACIS and other assistance programmes. A number of observers question the effectiveness of this assistance given the lack of a strategy for the region during this period and the low level of interest from the EU in the region. For the period 2007-13, an indicative budget of €719 million has been earmarked for the region.

While initially welcomed, if cautiously, by Russia and China, the western military presence in Central Asia quickly became a source of concern in Moscow and Beijing. The latter has promoted the consolidation of the Shanghai Cooperation Organisation (SCO) as a means to resist western interference in the region. And Russia has also sought to strengthen its security profile in the region through measures to strengthen the Collective Security Treaty Organisation (CSTO) as a military counterweight to expanding western influence, including that of NATO.

Following 9/11, the European Union also began to pay much closer attention to Central Asia. The particular focus for the new interest in the region was the security sector and especially the issue of borders. The EU subsequently made available large-scale aid through the Border Management Programme in Central Asia (BOMCA). This initiative also helped to strengthen the EU's Central Asian Drug Assistance Programme (CADAP), which had been launched in the late 1990s but had found it hard to have a significant impact on the ground.

By the early part of this century, the new combination of security and energy interests had led to a major geopolitical shift in Eurasia as Central Asia acquired ever more importance for the outside world. The growing international interest in Central Asia has magnified the significance of regional developments to an international level. Thus, the shooting dead of hundreds of protesters by Uzbekistan's state security forces during the Andizhan events of 2005 led to a major crisis in relations between Tashkent and the West. Eventually, following calls by the United States and the EU for an independent international inquiry into the Andizhan massacre, Uzbekistan forced the United States to withdraw from its military base while the EU opted to impose sanctions on Uzbekistan. The fallout of the crisis in relations between the West and Uzbekistan was widely viewed in geopolitical terms, with the Russian Federation and China seen as advancing their hold on Central Asia with the weakening of Western influence.

Against the background of the growing international interest, even competition, in respect to Central Asia's energy resources, the significant security interests in the region and a perceived weakening of the position of the Western powers in the region, the European Union decided to relaunch its engagement within Central Asia. Already in July 2005, the EU established the post of European Union Special Representative for Central

Asia (EUSRCA) with a mandate (reproduced in Annex 1) to enhance relations with the five former Soviet republics.³ A broader initiative was to emerge in 2007, however, when the Germany Presidency of the European Union sought to forge a comprehensive approach by the Union to Central Asia as part of a larger effort to reshape the EU's relations with its neighbouring eastern regions. As a result of this initiative, the EU elected to upgrade its relations with Central Asia through the introduction of a Strategy for a New Partnership (see Annex 3), which was adopted in July 2007 at the European Council Meeting.

The Strategy represents the EU's most ambitious project in the region and signals a significant upgrading of relations. It is designed to unfold over the coming years at both the regional level and through bilateral relations. The European Union Special Representative for Central Asia will have a leading role in coordinating the Strategy along with the European Commission. EU member states are also expected to upgrade their relations with countries of the region and to increase their diplomatic engagement with Central Asia. As part of the Strategy, the European Union will seek to enhance its relations with Central Asia across a spectrum of issues, including energy, security, environment, transport, education and democracy and human rights.

The adoption of the Strategy signals a significant upgrade in EU-Central Asian relations but it comes rather late. Central Asia has already experienced almost two decades of independence and there is now increased attention on the region from a range of powerful international actors, including Russia, China, India and Iran. This is a very different environment from the 1990s when western engagement faced little significant domestic or international opposition and little serious competition. The EU's ambition to strengthen its ties to Central Asia also comes at a time of growing engagement in the region of powers with little interest in the EU's ideas of democracy and human rights. Instead, Moscow and Beijing come with a stress on stability supported through narrow notions of security and a focus on energy issues. Finding purchase for the EU Strategy in Central Asia will thus be a major challenge.

³ The Council of the European Union recently extended the mandate for the current incumbent (see the document reproduced in Annex 2, which also contains some text reflecting how the mandate has changed in the last couple of years).

In this context, the implementation of the EU Strategy for Central Asia will represent one of the severest tests for the EU approach to external relations based, as it is, on sets of complex, multilevel and multi-dimensional engagements built around a intermeshing of interests and values. Central Asia has thus become a testing ground for the EU's ability to maintain and advance its position in the world in the face of new and rising powers with very different views of issues of democracy and human rights and far more realist conceptions of foreign policy for the region.

While the EU's awareness of the importance of Central Asia comes late and the Union has yet to commit major resources to the region, the new EU initiative is not without its strengths. In particular, the EU Strategy is not an isolated commitment to Central Asia; rather, the Strategy forms part of the complex and evolving policies developed towards the former Soviet lands, with Russia at the centre. Notably, the Strategy has been developed in the context of efforts to strengthen the EU's presence and activities in the South Caucasus. Interest in this region is magnified by its potential to serve as a transit for energy resources from Central Asia to Europe. Steps to draw the South Caucasus closer to Europe will therefore serve to move Central Asia and Europe that much closer, making the emergence of the EU as a significant actor in the region more feasible.

Reflecting the diversity of issues involved in the new relationship between the EU and Central Asia, the EU Strategy was actively debated within and between EU member states and civil society ahead of its adoption. A particular focus of this debate was on the balance of priorities between energy/security and democracy/human rights. During the spring of 2007, the EU's approach to Uzbekistan played a particularly significant role within this debate and thereby had a strong influence on the discussions about the shape and direction of the Strategy.

The conviction of the German EU Presidency and the EUSR for Central Asia was that improved relations with Uzbekistan were essential for the launch of the Strategy – due to the relatively large population of the country, its geopolitical position in the centre of Central Asia and its importance for energy issues – thereby requiring a removal of existing EU sanctions on Tashkent in place since the Andizhan events. This view was challenged by a group of EU member states, supported by human rights NGOs, which questioned the priority accorded to the regime of President Karimov for the implementation of the Strategy and the idea of retreating on democracy and human rights positions for the sake of security and energy interests.

In the end, the Strategy was adopted containing both commitments to security and energy and to human rights and democratisation.⁴ Agreement on the Strategy, however, did not resolve the political debate about the priorities and direction of EU policy in Central Asia, and the political struggle over the EU sanctions on Uzbekistan continued to dog the Union into 2008. Indeed, the effort to upgrade the EU engagement in Central Asia starkly exposed some of the key divisions within the EU with regard to external policy towards the former Soviet territories and the balance between the promotion of democracy and human rights and the economic and security interests of the Union. In the years to come and in the face of the policies in Central Asia by countries that have little concern for 'European values', the debate about the how Europe can best engage in the region is likely to continue to be defined by these two poles.

The papers contained in this volume were commissioned from leading European and Central Asian experts in order to address many of the key issues in the emerging relationship between the European Union and Central Asia. Most of the papers were originally presented at a conference on "The European Union and Central Asia: Building Stronger Ties, Meeting New Challenges", organised in March 2007 by the Centre for European Policy Studies (CEPS) with the support of the Open Society Institute (OSI). The conference was designed to examine the options for the EU in terms of the character of the engagement that it should pursue through the Central Asia Strategy. The papers were later updated in light of the subsequent adoption of the Strategy.

The collection of papers within this book is organised in the following way. The first part of the volume examines two major issues that run through the EU's policies towards Central Asia – security and democracy/human rights. Daniel Kimmage highlights the inherent tensions within the EU-Central Asia security dialogue that stem from the different conceptions of security held by Central Asian regimes, with the focus on state security, and the EU, with its notion of comprehensive security involving issues of democracy and human rights. In the second

⁴ The Strategy provides the overall framework for EU relations with Central Asia. The EU has also developed a cooperation strategy towards the Central Asian region (Central Asia: Regional Strategy Paper 2007-2013) whose core objective is "to promote the stability and security of the Central Asian countries and to assist in their pursuit of sustainable economic development and poverty reduction."

paper, Evgeniy Zhovtis explores the broad terrain of democratisation in the region, with a special focus on Kazakhstan. He points to the enormous challenges that face efforts to promote democracy in the region, but also finds opportunities for the EU to strengthen the rule of law and liberal politics in the region.

In the second part of the volume, leading specialists on the politics and societies of Central Asia examine the evolving relationship between the European Union and four of the states of the region. Bhavna Dave outlines the links between Kazakhstan and the EU and highlights the opportunities for promoting reforms in Kazakhstan in connection with Astana's chairmanship of the Organisation for Security and Cooperation in Europe in 2010. Michael Hall focuses on Uzbekistan where he finds a strong case for a continuation of the EU sanctions regime, and he points to the need to maintain a clear focus on human rights in the Brussels-Tashkent relationship. Michael Denison explores the situation in Turkmenistan following the death of the long-serving President Niyazov. He notes the continuing difficulties for the EU to operate in the country, but also finds increasing openings and opportunities for a new relationship with Ashgabad, with important implications for energy issues. Matteo Fumagalli considers the situation in Tajikistan nearly ten years after the end of the civil war and concludes that the EU should lead the way in developing a new approach to the country that moves beyond the post-conflict paradigm.

In the final section, two observers look at the broader aims of the EU's Strategy in Central Asia. Nargis Kassenova offers a perspective from the region with a focus on the EU-Kazakhstan relationship. She notes the important role that Europe has played in advancing democratisation in Kazakhstan and points to the critical role that the Union could play in the future. Neil Melvin concludes the volume by examining the broad political aims of the EU in Central Asia and argues that the Union should be careful to play to its strengths by promoting a European form of development in the region rather than seeking to operate as a geopolitical actor.

2. SECURITY CHALLENGES IN CENTRAL ASIA: IMPLICATIONS FOR THE EU'S ENGAGEMENT STRATEGY

*DANIEL KIMMAGE**

Introduction

Central Asia presents the European Union with a uniquely problematic set of security challenges. Enumerated in their most basic form, without reference to context, the challenges are formidable enough: the threat of violent extremism, a well established conduit for smuggling illegal narcotics and potential instability rife with the possibility of conflict and humanitarian catastrophe. But these challenges are not stand-alone issues that can be treated individually; they are embedded in a regional context that creates additional difficulties for engagement. Namely, while Central Asian states may share a common understanding of 'security challenges', that understanding differs considerably from accepted definitions within the EU. More importantly, the Central Asian states themselves have evolved in various directions since gaining independence in 1991, and it is by no means clear that a 'regional policy' is the most effective means by which to engage them.

This paper examines security challenges in Central Asia in light of the recently adopted EU strategy. It begins with an examination of the differing definitions of 'security' and disjunctions within Central Asia before moving

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to a discussion of the linked challenges of extremism, drug trafficking and potential instability. Recommendations are presented in the conclusions.

2.1 What do we mean by 'security'?

In established democracies with strong institutions, security challenges on the national level are broadly understood as serious, wide-ranging threats to the well-being of the citizenry that are best countered by concerted government action. This definition presumes the existence of robust, transparent institutions; elections in accord with international standards; and an elected political leadership that is accountable to voters. As a result, it does not envision a contradiction between the actions of government and the interests of citizens.

The assumption rarely holds in Central Asia. None of the Central Asian nations is a fully functioning democracy in the sense accepted by the EU, as indicated by numerous reports prepared by the Organisation for Security and Cooperation in Europe (OSCE) on the monitoring of elections in the region. Some of the Central Asian nations lack all but the barest trappings of democratic governance. All of Central Asia's states are, to one degree or another, nations in which an elite partly or wholly consumed by the pursuit of its own material interests maintains power through the exercise of decorative democracy. With elections stage-managed and institutions weak, the elite, which breaks down into a welter of informal influence groups vying for control of material resources, is largely unaccountable.

Throughout the region, national elites have repeatedly demonstrated their commitment to a single overriding interest – the preservation of power to maintain a materially beneficial status quo. This does not preclude the existence of other interests, including the common good of ordinary citizens, but it by no means presumes them.

Elite commitment to the maintenance of the status quo is usually expressed in terms of a need to preserve 'stability', with Western calls for reform or the application of international standards frequently interpreted as menacing attempts to 'destabilise' the country. After Uzbekistan used massive force to quell unrest in Andijon in May 2005, for example, a number of Western nations issued calls for an independent international inquiry. In a typical example of an official Uzbek response at the time, the country's embassy in Kyrgyzstan issued a statement lambasting "the puppeteers who want to destabilise the Ferghana Valley by means of

obedient international organisations and NGOs continue to exploit the fallout from the failed plan to bring off an armed coup in Uzbekistan in order to justify their step-by-step imposition of the so-called 'project to advance democracy'.¹

An article in the government-controlled Uzbek newspaper *Pravda vostoka* on 24 June 2005, made a similar point: "Under the pretext of concern for human rights, there are unceasing attempts to interfere in the internal affairs of the independent state of Uzbekistan. Especially active in this respect is the United States, which uses the cover of the United Nations and the creation of an international commission to destabilise the situation."²

In a word, Central Asian elites are strongly inclined to define as a 'security challenge' anything that they perceive as a threat to their power, including calls for democratic reform. In extreme cases, this produces a near-total disjunction with the EU concept of a security challenge. For example, a Central Asian regime may perceive political pluralism as a security challenge and commit considerable resources to prevent this undesirable outcome. In less extreme cases, a Central Asian regime may commit scant resources, say, to narcotics smuggling both because it does not see the problem as a threat to its power and because elements of the ruling elite may view the financial rewards they reap from involvement in the drug trade as an enhancement to their power.

This disjunction puts the EU in a double bind. First, as in the case of political pluralism, a situation may arise in which the Central Asian regime views as a security challenge something that the EU considers a desired outcome. Second, the means the Central Asian regime employs to meet its perceived security challenge, which include the suppression of dissent in the case of political pluralism, may in fact create a situation that the EU views as a security challenge in and of itself – namely, a suffocating political system that increases the chances of instability.

¹ See Daniel Kimmage, *Is Regional Turbulence Return of the Great Game?*, Radio Free Europe/Radio Liberty (RFE/RL), 19 July 2005 (<http://www.rferl.org/featuresarticle/2005/07/5324D86C-D2EA-4FB4-8BE0-14C7B6B164D6.html>).

² See Daniel Kimmage, *Karimov Battens down the Hatches*, Radio Free Europe/Radio Liberty (RFE/RL), 1 August 2005 (<http://www.rferl.org/featuresarticle/2005/08/33050805-e933-4780-9c9f-347688033ba2.html>).

This paper uses EU definitions of security challenges, but it does not presume that the definitions employed here match those of Central Asian regimes. The disjunction is of minor importance in the overview but of considerably greater importance in the recommendations for engagement with Central Asian states.

2.2 Does 'Central Asia' exist?

Like the nations that make up the EU, Central Asian nations share considerable historical, cultural and, at times, linguistic similarities against a backdrop of significant differences. Unlike the EU, however, Central Asia is not home to a regional integrationist project with a well developed institutional structure. While Central Asian nations belong to a variety of regional organisations, there is no regional organisation that consists solely of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan, nor are any of the supranational organisations to which these countries belong remotely similar to the EU.

What's more, the nations of Central Asia have followed distinct trajectories of development since gaining their independence in 1991. Kazakhstan enjoys increasing oil wealth, along with the problems of an extraction-based economy, and has embarked on limited democratic reforms. Resource-poor Kyrgyzstan has suffered from economic malaise and, since 2005, political turmoil, yet it has achieved a degree of rough-hewn political pluralism that is unique in the region. Tajikistan endured a destructive 1992-97 civil war, and has been economically battered and politically quiescent ever since. Turkmenistan veered into extreme isolationism and mounting socio-economic peril under the despotic rule of President-for-life Saparmurat Niyazov and now faces uncertain prospects under the leadership of President Gurbanguly Berdymukammedov. Uzbekistan confronts considerable socio-economic problems with few venues for dissent and a disturbing history of violent incidents.

This overview perforce treats Central Asia as a region. Nevertheless, while grouping security challenges under thematic rubrics, it looks also at national specifics within each rubric. The recommendations deal in more detail with the problem of EU engagement with a 'region' that is really composed of five distinct and disparate nations.

2.3 Extremism

The security challenge most commonly associated with Central Asia is religious extremism; more precisely, the threat of radical Islam. Despite the attention this issue has received, both from Central Asian governments and foreign powers, it is by no means clear that it is truly the most serious security challenge facing the region. Moreover, the efforts undertaken by Central Asian governments to stamp out extremism provide a textbook example of differing EU and Central Asian definitions of 'security challenges', posing additional questions about the possibility of effective engagement on this issue.

Central Asia is home to at least one internationally known terrorist organisation and one widespread movement espousing extremist views. The Islamic Movement of Uzbekistan (IMU), which grew out of radical tendencies in the Uzbek section of the Ferghana Valley in the 1990s, eventually adopted a violent, extremist ideology not unlike that of Al-Qaeda, with which the IMU established strong organisational ties in Afghanistan in the late 1990s. Recognised as a terrorist organisation by the US State Department, the IMU carried out armed incursions into Tajikistan, Kyrgyzstan and Uzbekistan in the late 1990s.

After 9/11, the US-led military operation in Afghanistan, where the IMU had come to base itself, seriously impacted the organisation's operational abilities and drove it to seek refuge in the lawless hinterlands of Pakistan. Though occasional reports have indicated that the IMU may be regrouping in Pakistan, and may be widening its target theatre as the Islamic Movement of Turkestan, it is not certain that the organisation retains any real capability to carry out terrorist operations in Central Asia. Recent fighting in Pakistan appeared to degrade the IMU's operational capacity even further.³

Hizb ut-Tahrir (HT), an organisation that emerged in the Arab world in the 1950s, seeks to unite all Muslims in a restored caliphate ruled by Islamic law. HT employs stinging anti-American and anti-Semitic rhetoric, and its ultimate goal would seem to imply the overthrow of secular

³ See Daniel Kimmage, *Has the IMU Reached the End of the Line?*, Radio Free Europe/Radio Liberty (RFE/RL), 30 March 2007 (<http://www.rferl.org/featuresarticle/2007/03/7a04b472-5c21-498d-8d62-dab6f7f31b32.html>).

regimes throughout the Muslim world, including Central Asia, yet the organisation claims that it pursues change by non-violent means. In Central Asia, HT operates through a clandestine cell structure and reportedly has thousands of followers, leading some to speculate that HT could potentially mount a Bolshevik-style coup attempt should it abandon its avowed commitment to non-violent means.

A number of incidents in Uzbekistan, including a series of bombings and shootouts in Tashkent in 2004 and a popular uprising in Andijon in 2005, underscored the potential for violence in the region, although the extent of the role played by extremist ideology and violent Islamists in these events is somewhat unclear. There were substantial indications that the 2004 violence in Tashkent was the work of an extremist group, but the absence of a credible investigation has left many questions unanswered.

The unrest in Andijon in May 2005, which Uzbek authorities crushed with the use of massive force, neatly illustrated the ambiguities surrounding the issue of religious extremism in Central Asia. The Uzbek authorities asserted that the violence was perpetrated by an Islamic extremist group called Akramiya, although there were credible indications that the uprising had a strong socio-economic component. Moreover, accounts by independent witnesses that the Uzbek security services massacred demonstrators were never properly investigated, and the trial of individuals involved in the violence failed to meet international standards of fairness and impartiality.

Uzbekistan has adopted the harshest policies on extremism, with thousands of people believed to be imprisoned there on flimsy charges of Islamist activity.⁴ Other Central Asian governments have also employed tough tactics to deal with the threat, and credible allegations of human rights violations by security services in the battle against extremism have emerged in virtually every Central Asian country. A considerable body of expert opinion argues that the methods adopted by Central Asian governments, and particularly the Uzbek authorities, are counterproductive, and have in fact contributed to the rise of extremism in the region.

⁴ See *Creating Enemies of the State: Religious Persecution in Uzbekistan*, Human Rights Watch, 2004 (<http://hrw.org/reports/2004/uzbekistan0304/>).

Viewed in the context of extremist movements worldwide, Central Asia's threat does not appear to warrant the draconian measures often employed by regional governments. The number of terrorist attacks in Central Asia is relatively low, and the involvement of Central Asian extremists in globally active terrorist organisations is minimal (with the notable exception of the IMU's close ties to Al-Qaeda, although that phenomenon appears to be geographically limited to parts of Pakistan, and perhaps Afghanistan, at present).

This does not mean that violent extremism is not a threat in Central Asia. The region has numerous features that make it a potential breeding ground for terrorists. Poverty in and of itself does not foster extremism, but the same cannot be said of serious socio-economic problems left to fester by unaccountable, undemocratic governments that err on the side of brutality in their efforts to combat extremism.

2.4 Narcotics

Central Asia is an important corridor for the smuggling of illegal narcotics produced in Afghanistan through Russia to European markets. The problem is most acute in Tajikistan, which shares a long, porous border with Afghanistan, but it is present in all of the other Central Asian countries as well. Moreover, the growing presence of cheap illegal narcotics, and particularly heroin, is fuelling drug abuse within Central Asian countries. This has resulted in rising rates of HIV/AIDS, with the use of contaminated needles the most common route of infection. The UN has warned that if the spread of HIV/AIDS is not contained, a serious public health crisis could emerge in coming years. Finally, the same channels used by drug smugglers to move illegal narcotics could serve as conduits for extremists to ferry weapons and explosives across borders.

2.5 Instability

Instability remains a looming threat in Central Asia. As 2003-05 upheaval in Georgia, Ukraine and Kyrgyzstan demonstrated, post-Soviet regimes – of which the Central Asian nations are outstanding examples – cannot be assumed to be stable. What's worse, since the regime changes in those three countries do not seem to have made a fundamental impact on the underlying system of flawed governance, there is no guarantee that history will not be repeated. If anything, the post-Soviet world's clan-ridden, decoratively democratic and often kleptocratic regimes appear to become

less stable as they age, their dysfunctional political systems incapable of imparting legitimacy or resolving internal contradictions. Bungled elections are only one potential flashpoint. In the more authoritarian systems, where the greatest power is concentrated in aging presidents and repressive mechanisms are most prominently employed to maintain order, succession poses grave risks.

Since the end of the Tajik civil war in 1997, the centre has held in Central Asia, despite violent outbursts in Uzbekistan and the tumultuous fall of President Askar Akaev in Kyrgyzstan in 2005. Even the sudden death of long-ruling Turkmen President Saparmurat Niyazov in December 2006, saw Deputy Prime Minister Gurbanguly Berdymukhammedov ascend to the presidency in what appeared to be a smoothly orchestrated succession (although the true extent of the new president's power remains somewhat unclear).

But it would be foolish to assume that the tenuous centre will hold indefinitely. Broadly speaking, the region's political systems are as opaque as its socio-economic problems are clear. More specifically, instability could result from infighting in Turkmenistan's new leadership, from renewed violence or a succession struggle in Uzbekistan, or from unchecked political turmoil in Kyrgyzstan. Even in Kazakhstan, which has benefited from windfall oil profits, one should remember that it is not poverty that spawns conflict, but inequality.

Instability in any Central Asian country could open a Pandora's box of problems with significant spillover potential for neighbouring countries. Violent conflict along ethnic or regional lines could wreak havoc in a number of places, but most devastatingly in the densely populated Ferghana Valley. Conflict would cause refugee flows for which the regional infrastructure is woefully unprepared. And conflict zones are often the greatest incubators of extremism.

2.6 Governance

As the preceding overview suggests, the issue of governance is of dual relevance to the EU as it implements its strategy for engaging Central Asian nations. First, in each of the security challenges reviewed here – the threat of extremism, narcotics smuggling, and instability – governance is of crucial importance. Central Asian governments share a penchant for repressive, and possibly counterproductive, measures to combat extremism. Law enforcement agencies are rife with corruption to an extent

that eases the flow of narcotics through the region. And the overall lack of good governance in Central Asia creates preconditions for instability.

Nevertheless, there is no way to engage Central Asia effectively without engaging Central Asian governments. While some countries, such as Kyrgyzstan, boast relatively numerous and vibrant non-governmental organisations (NGOs), the pervading attitude in the region towards NGOs is suspicion, even outright hostility. In Turkmenistan, NGOs are for all practical purposes non-existent. In Uzbekistan, they operate under heavy surveillance and tight constraints. Moreover, the crucial role played by national governments in efforts to combat extremism, narcotics trafficking and instability underscores the need to confront the issues of governance that have hamstrung the effectiveness of these efforts in Central Asia.

In its efforts to engage Central Asian governments, the EU should remain aware of the above-noted regional tendency to view Western reform initiatives as potentially damaging to their hold on power and, thus, as security threats. Russia and China reinforce this view, with the Russian- and Chinese-dominated Shanghai Cooperation Organization (SCO: China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan) a case in point. As this author argued elsewhere: “for SCO member states, ‘terrorism, separatism, and extremism’ are viewed not as distinct abstract phenomena with global relevance to be dealt with globally, but rather as a single phenomenon that is locally defined by the ruling elite and left to sovereign states to combat by any means they see fit”.⁵ To this end, the SCO's charter lists among its aims and objectives “joint opposition to terrorism, separatism, and extremism in all their manifestations”, but the organisation's first principle is “mutual respect for states' sovereignty, independence and territorial integrity and the sanctity of borders, nonaggression, non-interference in internal affairs, the non-use of force or the threat of force in international relations and renunciation of unilateral military superiority in contiguous areas”.

⁵ See Daniel Kimmage, *Does the Road to Shanghai go through Tehran?*, Radio Free Europe/Radio Liberty (RFE/RL), 12 June 2006 (<http://www.rferl.org/featuresarticle/2006/06/1af793c3-bbb9-4688-87f4-c71c53791ea7.html>).

2.7 Recommendations for EU engagement

- The EU should take care to ensure that it sticks to its definitions of security challenges and remains vigilant to the differing definitions used by Central Asian governments. Because the former are explicit, while the latter are often implicit, the EU must carefully examine the real definitions employed on a case-by-case basis and target for engagement those areas where it can make progress on security challenges as they are explicitly defined within the EU, and not as they are defined implicitly by Central Asian governments. The strategy states: "To align expectations of Central Asian partners with those of the EU will be a mutually beneficial and reinforcing process." EU representatives should be mindful, however, that the alignment of expectations may prove somewhat more difficult in practice.
- The EU should not make excessive efforts to engage Central Asia as a region. Instead, the EU should pursue a policy of targeted engagement directed at specific issues in specific countries. This is particularly important in light of the limited availability of resources, since nationally targeted engagement can make effective use of resources in areas where they can produce results, while a region-wide policy will necessarily waste resources by spreading them across five countries when they are likely to be effective only in some parts of the region. The current strategy rightly accords 'special importance' to bilateral cooperation, but also advocates a 'regional approach' for a welter of issues including organised crime, human, drugs and arms trafficking, terrorism and non-proliferation issues, inter-cultural dialogue, energy, environmental pollution, water management, migration as well as border management and transport infrastructure. While this is conceptually appealing, the less-than-encouraging record of regional cooperation in Central Asia suggests that the regional approach to these issues should be subject to regular review with an eye to alternate bilateral approaches.
- The EU can and should engage Central Asian governments, both because governments are key interlocutors in meeting security challenges and because the quality of governance is a crucial factor in combating extremism, narcotics smuggling, and potential instability.
- The EU should focus primarily on the quality of governance in the fight against extremism and narcotics trafficking, and not on efforts

to bolster existing approaches to these problems. The emphasis, in other words, should be on qualitative change, not quantitative improvement.

- Moving from the regional to the national context, Kazakhstan and Kyrgyzstan present the most attractive options for heightened EU engagement. Kazakhstan is committed to maintaining solid ties with the West through its multi-vector foreign policy, and it has invested considerable prestige in its bid to chair the OSCE in 2009. This renders it amenable to properly formulated and targeted reform efforts, and its political system, while far from ideal, affords possibilities for positive change. Kyrgyzstan, despite its unsettled domestic politics, has a thriving civil-society sector, and the country's small size makes it a good target for the allocation of limited resources. On security issues, neither country is beholden to the rigid security conceptions shared by the leaderships of Uzbekistan and Turkmenistan. For example, both Kazakhstan and Kyrgyzstan make fewer efforts to control their citizens' movements than Uzbekistan and Turkmenistan and are thus likely to be significantly more receptive to cooperation on border issues.
- The EU can and should engage Turkmenistan and Uzbekistan, but with realistic expectations of what can and cannot be achieved. As Turkmenistan begins to open up to the outside world in the wake of Niyazov's death, opportunities for limited engagement will arise, and these should be seized upon, particularly in follow-up efforts to ensure the implementation of stated reform policies in education, health care, and social services. Current levels of engagement with Uzbekistan should be preserved, with an emphasis on maintaining lines of communication with an eye to expanded engagement if and when the opportunity presents itself.

3. DEMOCRATISATION AND HUMAN RIGHTS IN CENTRAL ASIA: PROBLEMS, DEVELOPMENT PROSPECTS AND THE ROLE OF THE INTERNATIONAL COMMUNITY

*EUGHENIY ZHOVTIS**

Introduction and background

To understand the reasons for the relative failures of the transition to democracy, the formation of a law-based state and the establishment of respect for human rights in the independent states of Central Asia today, as well as the role of the international community, one has to assess, first of all, the dynamics of the political process in this region of the world. In large part, the origins of the current weakness of democratic processes are the result of developments during the final decades of Soviet power. By the early 1990s, there arose a situation in which the ruling authorities Communist Party of the Soviet Union (CPSU), ruling authorities, realising the necessity of reform but at the same time wishing to retain power, initiated a set of reforms that employed democratic phraseology but which aimed first of all at protecting the interests of the ruling group.

In this context, during the late 1980s and early 1990s, the reduction of the CPSU's power, on the other hand, and the beginning of independence for the former republics of the Soviet Union, on the other, resulted in a

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certain liberalisation of both public opinion and social institutions. The first signs of political and social pluralism appeared in Central Asia in the form of opposition's political groups and parties and independent non-governmental organisations. Independent journalists and even independent mass media also emerged. For various reasons, the process of reform took different forms in each of the Central Asian countries.

The First Secretary of the Kazakhstan Communist Party, Nursultan Nazarbaev, proved to be one of the most energetic, decisive and far-sighted representatives of the Soviet *nomenclature*. Rejecting the Communist rhetoric, and instead offering Kazakh national statehood as a main political argument, he sought to attract foreign experts and young executive technocrats to initiate reforms. Relying upon absolute control of the State machinery and valuable experience acquired in the Communist Party institutions, Nazarbaev introduced a series of macroeconomic reforms that achieved important success; he also set up an institutional structure for the newly independent state. Skilfully balancing between Russia, China, the US and Europe, Nazarbaev's foreign policy has allowed the president to gain certain external guaranties of security. The establishment of the institutional infrastructure of a market economy and the launching of investment-efficient economic branches, focused primarily upon the considerable mineral raw material resources, including oil, gas, non-ferrous and rare metals in Kazakhstan attracted significant foreign investments to be made in the country and, correspondingly, has raised the level of economic and political interest in Kazakhstan on the part of industrialised countries.

Kyrgyzstan's President Askar Akayev, being a representative of the same Soviet *nomenclature* as Nazarbaev but belonging to its scientific branch, has managed to undertake more serious attempts at democratisation in the political system and social sphere compared with his Central Asian neighbours. In part this was possible because of the country's weak economic capacity. As a result of the poor economic conditions in Kyrgyzstan, during the 1990s the country became increasingly dependent on foreign credits and loans, which led to a positive international influence on the speed of democratic reforms. Civil society quickly developed in the country, as well as the institutions of a political system, a parliamentary-based form of power, and independent mass media. However, with scarce economic resources, the top elite belonging to the same former Communist Party *nomenclature*, were increasingly

criminalised and prone to corruption, by the early part of this century, the economic reforms had slowed almost to a halt which led, eventually, to a popular uprising to remove President Akaev from power in 2005.

A brief period of political liberalisation and public activism in Tajikistan in the early 1990s was followed by a bloody civil war. The legacy of this conflict continues to cast a long shadow over Tajikistan today. The impact of the war has severely limited the economic development of the country and held back political liberalisation.

The First Secretary of the Uzbekistan Communist Party, Islam Karimov, initially demonstrated some support for a democratic way of development of his country (political opposition, independent mass media, alternative presidential elections, and a tolerant attitude towards NGOs in the early 1990s). Then in the latter part of the decade, Karimov moved clearly to a highly authoritarian form of rule. Political opponents were persecuted and imprisoned or they left the country. Under the pretence of combating Islamic radicalism and fundamentalism, many religious figures and believers were persecuted. The independent mass media were almost completely annihilated and many foreign non-governmental and international organisations were expelled from the country. Individuals who did not conform to the new political order also came under pressure.

And finally in Turkmenistan, the First Secretary of the Communist Party, Saparmurat Niyazov, very quickly stopped all the democratic reforms that had been initiated in the newly independent country. Relying upon powerful domestic security structures (the army, police and special services), he usurped power and thereby created a totalitarian regime similar to that of North Korea. During the last decade, almost all public figures and civil society activists working to develop democracy were either imprisoned or left the country. Absolute control over the mass media, the judiciary system, and the way that people think prohibition of different ways of thinking and the creation of a new 'iron curtain' were typical features of Turkmenistan under Turkmenbashi.

It should be noted that Turkmenistan has ratified almost all the international agreements on human rights but became a member of the UN and the Organisation for Security and Cooperation in Europe (OSCE) without observing its obligations, neither within the framework of the ratified international tools on human rights, nor those of OSCE. Despite the failure to fulfil its international commitments, Turkmenistan did not suffer negative consequences.

3.1 The challenges to democratisation and the protection of human rights

This example of Turkmenistan can be used as a litmus test to assess the capacity and possibility of developed democratic states to influence the development of democracy, civil society and human rights in any region of the world, including Central Asia. This case demonstrates, firstly, the weakness of the instruments available to the EU states in trying to challenge anti-democratic developments in Central Asia. Secondly it shows the shortcomings of international organisations (including the UN and the OSCE) in fulfilling their responsibility to challenge states that fail to observe their international obligations on human rights agreements.

Thirdly, the situation with Turkmenistan has highlighted the crisis of international law in the sphere of human rights. International agreements and documents on human rights (including juridical obligations on democracy and civil society development, the rule of law and respect for human rights) have become agreements of a 'second order' as compared with similar agreements in the spheres of security and economic cooperation. A failure to observe commitments made under the former types of agreement seems to imply no consequences for the delinquent country. Fourthly, the international approach to Turkmenistan points to the observance of double standards with respect to democracy and civil society development, the rule of law and respect for human rights when weighed against economic, geopolitical and security considerations. One can say that in the modern world, democracy, human rights and sustainable development have four enemies: oil, gas, the war against terrorism, and geopolitical considerations. Moreover, Turkmenistan's complete neglect of its obligations vis-à-vis the OSCE 'third basket' (the human dimension commitments), the organisation in which the European Union members play a key role, renders all the criteria and obligations into very abstract notions.

When assessing the democracy and human rights situation in the different countries of the OSCE, developed democratic states and notably European countries, instead of applying clear criteria fixed in the international human rights tools and OSCE documents, have begun to practice the so-called 'comparative method'. Under this method, politicians in Brussels, Vienna or Strasburg ask: "Is the situation in Kazakhstan, for instance, better or worse than in Turkmenistan or Uzbekistan?" "Better" answer the ambassadors of West European states in Astana, the capital of

Kazakhstan. And in this way, the positive dynamics in Kazakhstan are noted! With similar success, North Korea, Burma, Cuba, etc. could be chosen as criteria for comparison.

Under these circumstances, Kazakhstan, Kyrgyzstan, Tajikistan, Azerbaijan, Russia and Belarus – all of whose records fall short in many respects of meeting the international standards of- human rights and freedoms fixed in OSCE documents would look more or less decent, since they are being compared to Turkmenistan and Uzbekistan. Unfortunately, all the countries become hostage to this policy: both democratic OSCE countries and the ruling elites in those countries that are trying to develop democratically, and those countries that imitate democratic reforms and the peoples of those countries.

Now it should be noted that the main ‘property’ of the Party *nomenclature* in the Soviet period was the ‘armchair’ (formal position), which ensured access to comforts, privileges, scarce goods and other advantages granted to the elite. Money and property by themselves were not as important as a place in the Party hierarchy in terms of determining one’s level of influence and ensuring access to comforts.

With the transition to private property and the market economy, the situation changed dramatically. During this period of change, the main task was to convert the ‘armchair’ into money and property in the form of factories, employment, houses, ships, etc. This effort was led by the Party *nomenclature* in all the republics of the former Soviet Union. Having preserved complete control of law-enforcement structures (thus securing oneself from possible persecutions), and of the national mass media (i.e. controlling people’s access to information), the Party *nomenclature* at the same time started to build up a new statehood, reform the economy and secure its own interests during the privatisation processes.

After the basis of a market economy was set up and privatisation, or to be precise, property-sharing between representatives of the political elite, was completed, three challenges have emerged to a lesser or greater extent in all the countries of the region, as discussed below.

1. *The legitimisation of the outcome of privatisation before the general public.* To say it plainly, this is to ensure the agreement of the people with the fact that the majority of property has already been distributed, and to reconcile the general population with that fact. The instruments of ‘reconciliation’ are various: from absolute control of law-enforcement structures, mass media, suppressing any

resentment, up to achieving consent with the results of this primary 'savage' stage of capital accumulation. The consent of the people is obtained by those who have accumulated this capital by their sharing it with the people through ensuring a visible growth of welfare and living standards, and then, after all, strengthening the belief that "all the same you can change nothing".

2. *The legalisation of capital and property 'accumulated' during the transition period in order that those who have acquired wealth in this way are able to sleep calmly, without being afraid that any change of power or dissent would result in an unwanted visit by the financial police, prosecutor's office officials or national security bodies.*
3. *Securing guaranties against any revision of privatisation results, property-sharing, investigation and persecution in case of a change of power.*

Until these issues are addressed by the ruling authorities, all the former-Soviet states will be politically unstable. The first countries of the former Soviet Union (with the exception of the Baltic states) to start an active search for the answers to these questions are Georgia, Ukraine and, to some extent, Kyrgyzstan – resulting in confrontation and political change. We shall see what solutions will be found and how successful they will be. In all of these countries, the replacement of the Party *nomenclature* with a new elite has just started, and many years must pass before the process will be completed, resulting in a certain stability of political development. Against this background, let us try to assess the state of society and people 15 years after *perestroika*.

First, the notion of democracy has been significantly discredited. It is often identified with anarchy, chaos, robbery, the cancellation of social guarantees, criminal enrichment, etc. Meanwhile, public opinion does not see that all this instability is, in fact, a result of the rule by the same Communist Party *nomenclature* who were in charge of the country before the collapse of communism.

Second, freedom remains an abstract notion. The majority of society perceives no connection between a comfortable life, respect for human dignity, fairness and democracy, freedom and human rights. Third, definite ideas were formed in the society during the transition period with respect to the unjust nature of privatisation and public property-sharing, about its practical pillaging and robbery of the people. In essence, there is a widely held view that everything was taken by those who had power, their relatives and criminals closely connected with them. Such deep-rooted and

not ill-founded ideas automatically render any wealth as illegitimate as in the mind of the general public in the societies of Central Asia.

Fourth, the population that grew up in an atmosphere of permanent lies and manipulation during the Soviet era has continued to be highly sceptical of official claims and does not trust official information or rather has grown used to constant lies. On the other hand, aggressive official publicity, especially the kind that proposes simple, though far from truthful answers to complicated issues, still remains a very efficient tool.

And finally, nearly two decades after the end of the Soviet Union, the sense of absolute power of the state remains, while the notion of the futile struggle of the 'little man' with the state, which was deeply ingrained in the 'Soviet' man, continues today. The individual has simply turned away from the authorities and officials still more. The notion of an opposition between 'us' and 'them' has acquired an even more tangible form. The expectation that the State will solve our problems has been preserved and has even become stronger. We have only to wait and endure a little longer. At the same time, we only hope it will not get worse!

Distrust in democratic slogans and disbelief in the possibility to change anything have grown such that even protests against the failure to pay pensions and salaries, which has led to hunger, have attracted only as few as several hundred persons. Meanwhile, demonstrations agitating for freedom of speech, democratic development or political rights can achieve little in this atmosphere of apathy.

In short, authoritarian regimes have been established throughout the region: from the totalitarian dictatorship in Turkmenistan to the hard authoritarian regime in Uzbekistan and up to the more or less 'soft' authoritarian regimes of Tajikistan, Kazakhstan and Kyrgyzstan. National mass media of the countries of Central Asia are completely controlled by the ruling authorities. Political systems are not developed; political pluralism, in fact, is absent or reduced to a minimum and no real separation of powers has been established. Parliaments and local authorities are appendages of the executive power, while the real levers of power are held by presidential structures, with no system of restraints or counterbalances.

All the constitutions of the region's countries, which formally fix the authority of the three branches of power, i.e. legislative, executive and judicial, serve to delineate the presidency as an independent branch of power, which the ideologists of authoritarianism intend to act as a kind of

arbitrator and coordinator of the other branches' concerted actions. Such is the original interpretation of constitutional democracy in Central Asia!

The most successful macroeconomic reforms have been carried out in Kazakhstan, to a certain extent in Kyrgyzstan and to a lesser extent in Tajikistan and Uzbekistan. It is difficult to judge the success of economic reforms in Turkmenistan because of a lack of information. Nevertheless, even the success of macroeconomic reform in Kazakhstan, not to mention the slow rates of reform in Kyrgyzstan and Tajikistan, as well as the relative failures in Uzbekistan and other countries of the region, highlight another major problem: economic reforms at the level of microeconomics, at the level of business development, and especially small- and medium-sized business development, have not been successful.

For such reform to succeed, at least two conditions must be met. There should be a decrease in the level of state involvement in economic management at the micro level and a sustainable system of the 'game rules' must be created and supported by efficiently operating state institutions and mechanisms. And this, in its turn, requires the construction of a law-based state – the establishment of the rule of law, a real division of powers, the maintenance of judicial independence, equality of all citizens before law, the fostering of a legal culture and eradication of legal ignorance. Unfortunately, due to numerous reasons of a political character, these reforms, as a matter of fact, either did not begin at all, or were of a vague and inefficient nature.

In addition, there was no system of restraints and counterbalances, nor a real division of powers; country leaders were not replaced for one and a half decades following the collapse of Communism, during which time the initial accumulation of capital was effected. All this caused severe corruption of the state institutions.

3.2 Minimum conditions for political reform in Central Asia

Democratic reforms, construction of a lawful state and promotion of respect of rights include, at least, two components:

1. Reform of the national legislation in the sphere of human rights with the aim to bring it into conformity with international standards, and
2. Reform of the state institutions.

3.2.1 Reform of the national legislation in the sphere of human rights

It should be noted that in the early 1990s, that the countries of the region signed almost all the basic international documents on human rights: the International Covenants on Civil and Political Rights and on Economic, Cultural and Social Rights, the Conventions on Children's Rights, on the Liquidation of all Forms of Racial Discrimination, on the Elimination of all Forms of Discrimination against Women, Convention on Torture Prohibition, etc. The last country to ratify the international pacts on human rights was Kazakhstan (2005). The ratification of the international agreements on human rights binds the participating states to bring their legislation and judicial practice in conformity with their provisions. As a matter of fact, however, none of the region's states has followed this practice in a significant way.

The constitutions of all the Central Asian countries contain sections devoted to human rights and freedoms, and the main provisions of these sections repeat the articles of the General Declaration of Human Rights and the International Covenant on Civil and Political Rights. Any analysis of the laws that regulate political rights and civil liberties of these states, however, shows that there is a conceptual discrepancy between those principles and the norms containing the international tools on human rights. For the most part, the national laws retain a Soviet legislative spirit which, first of all, was directed at the restriction of human rights and freedoms and at granting an opportunity to the state bodies and officials to interpret those or other norms of the law in their own interest. The legislation is constructed on an obvious priority of interests of the state before the individual rights and freedoms!

Fundamental principles intended to create the laws regulating human rights and fundamental freedoms, such as the restriction on admissibility check, proportionality, legal predictability and definiteness are practically not applied in the preparation of draft legal acts concerning human rights. If we analyse the acts regulating specific rights and freedoms and judicial practice, for example, in the Republic of Kazakhstan (RK), the above-stated conclusion seems to be even more obvious. See box below offering a case study of Kazakhstan.

The lack of observance of basic rights: A case study of Kazakhstan

a) The right to life. Although amendments to the criminal legislation have been approved in Kazakhstan, concerning the possibility to apply lifelong imprisonment as an alternative to the death penalty, and a moratorium on the death penalty was introduced, this is still a moratorium on the implementation of death penalty verdicts rather than a moratorium on their pronouncement.

Having ratified in 2005 the International Covenant on Civil and Political Rights, Kazakhstan did not ratify the Second Optional Protocol to it aimed at cancelling the death penalty. Moreover, petitions from high-ranking officials began to appear more frequently over the last year about the need to restore the death penalty for terrorism and illegal trafficking of drugs. Finally, the national legislation does not determine the status of persons in relation to which the moratorium on execution of the death penalty verdict and the circle of their guaranteed rights is uncertain.

b) The right to freedom from torture. Despite the fact that Kazakhstan ratified the UN Convention against torture in 1998, no announcements have been made to date for clauses 21 and 22 of the Convention, i.e. the competence of the UN Commission against Torture to consider individual complaints to application of torture in the Republic of Kazakhstan has not been recognised. Nor did the country ratify the Optional Protocol to this Convention, concerning the monitoring of confinement places for persons in custody for possible application of tortures.

Having ratified the Convention in 1998, Kazakhstan thus assumed the obligation to bring the legislation into accord with the Convention, but the country did not start doing this until 2002, when the Convention-relevant definition of torture was included in the criminal legislation.

In 2001 Kazakhstan submitted a primary report on the implementation of the Convention against Torture. After the report was considered, the UN Commission against Torture submitted 16 recommendations to the government of Kazakhstan, of which only three have been implemented. There is no independent agency in the country to investigate claims of torture made by the victims, nor effective procedures for documenting torture. Moreover, judiciary experience shows that many complaints about torture in the overwhelming majority of cases are dismissed by the judges as an attempt by the defendants to escape responsibility and therefore no effective investigation is carried out.

c) The right to freedom of speech, expression and access to mass media. This right is regulated by the Law on Mass Media, which is practically a continuation of the Mass Media Law that applied in the Soviet Union in the

late 1980s. Despite the constitutional interdiction of censorship, this law is practically aimed at the creation of a large-scale monitoring system for mass media, with the participation of public prosecutors and a special state body – the Ministry of Culture and Information.

The Republic of Kazakhstan's criminal legislation contains norms connected with criminal liability for insults and slander and, separately, for encroaching on the honour of the President and deputies of Kazakhstan's parliament. Statutory acts published by state agencies, such as rules mandating mass media registration or journalists' accreditation, render the laws of Kazakhstan relating to freedom of speech still more inconsistent with international standards.

Finally, legislation to combat extremism and terrorism and on national security, which is being constantly supplemented, still contains many clauses that either directly limit the freedom of speech, or give the opportunity to the authorities to interpret ambiguous definitions and in whichever way they wish. In spite of numerous appeals by the OSCE Representative to bring the RK's legislation concerning freedom of the mass-media into conformity with international standards, the situation has not changed.

d) The right to freedom of association. As with the regulation on freedom of speech, this right is regulated by the Law on Public Associations which, in essence, is a continuation of the Public Association Law accepted in the Soviet Union in the late 1980s. The requirement of obligatory registration of public associations – contradicting international standards – is still fixed in the legislation, thereby practically forbidding the activities of informal public associations.

Moreover, the administrative and criminal laws contain the norms that provide for responsibility for infringement upon the legislation on public associations on the whole, rendering it practically impossible to discern what offence has been committed and what responsibility will be applied. And, as in the case of the regulation of freedom of speech, the process of constantly adding legislation to counter extremism and to combat terrorism means that there are more and more norms that either directly limit freedom of speech, or give the authorities the opportunity to interpret ambiguous definitions in whichever way they wish.

As a result of a mismatch between fair opaque principles and legal proceedings, some foreign and religious organisations were identified as extremist or terrorist in nature in absentia by decisions of judicial bodies. Although it is true that the majority of these organisations really are composed of extremists or terrorists, still the process of legally determining this status did

not correspond to the requirements of Kazak legislation, and relevant court decisions were not promulgated.

The law on political parties also does not conform to international standards, establishing an unreasonable registration threshold of 50,000 members for a country with a population of 15 million, a complicated procedure for a person to acquire legal status, with the requirement to collect personally in one place 1,000 founding members of a party, with checks of the names performed by the judicial authorities, etc.

e) The right to participate in the management of the country. The existing election law does not provide real political pluralism and equal opportunities for opposition parties and candidates; instead, it lays the foundations for conditions favouring the government. This bias is particularly notable in the formation of election commissions, which are almost entirely composed of representatives of pro-government parties, organisations or official bodies. Thus, during the period between elections, opposition parties and candidates have practically no access to national mass media. As a result of such practices, in a country with a population of 15 million where the official number of supporters of opposition political parties totals nearly half a million persons, there is only one opposition deputy in both chambers of Parliament (out of 116 deputies), and the opposition has almost no representation in local representative authorities. The law on local government has not yet been passed, in spite of the requirement to do so in the 1995 Constitution.

The discrepancy between legislative and judicial practice in the country compared to international standards has been so great that no elections in Kazakhstan, including presidential, parliamentary or local ones, have been recognised as corresponding to international standards by the Organisation for Security and Cooperation in Europe (OSCE) during all the years it has sent election observation missions to Kazakhstan.

There is a similar situation with respect to freedom of conscience and the right to a fair court proceeding. As far as the latter right is concerned, a special lecturer of the United Nations on the independence of judges and lawyers visited Kazakhstan in 2004. He published a report about this mission in 2005 containing many recommendations, a majority of which have never been implemented. These features found in Kazakhstan are, to more or less the same degree, typical of all the countries of the Central Asian region.

3.2.2 Reform of the state institutions

The progress achieved with respect to reforming state institutions in Central Asia is even worse than the situation prevailing in the area of national legislation on human rights. The majority of the state institutions, – first of all, law enforcement bodies, national security, the public prosecutor's office and the courts – are the direct successors of the Soviet system and they continue to be Soviet in spirit in their organisational structure, ideology and their involvement in public policy.

The constitutions of all the countries of the region, while formally based in principle on the division of authorities and the creation of a system of 'restraints and counterbalances', are, as a matter of fact, the main laws of authoritarianism in which the competence and powers are redistributed heavily in favour of the presidential branch of power. The presidents of all the countries of the region (with the exception perhaps of Kyrgyzstan, where efforts have been taken to revise the constitutional articles with the purpose of restricting presidential power in favour of the Parliament) possess unlimited political opportunities to control the state and society.

One can say that all the levers of actual country management are concentrated in presidential administrations and agencies in which relevant departments carry out both external and internal policy. The system of such management of the structure, ideology and style of management reminds one of the supervising structures of the Communist Party of the Soviet Union (CPSU). The small and powerful group around the president, which includes administration officials and a number of the most influential government officials, resembles, in many respects, the Politburo and administration itself – the Central Committee of the CPSU.

In practically all the countries, national security bodies and public prosecutor offices are not a part of the government, but rather are directly subordinate and accountable to the president, thus providing the basis for and supporting presidential power. In view of the almost unlimited authority of presidents in Central Asia, these state bodies have such extensive functions that they directly participate in the main political process and the political struggle inside each country.

When speaking about Kazakhstan, the unique governmental structure that has undergone structural reforms from the point of view of human rights and freedoms is the penitentiary system. Its transfer from

under the authority of the Ministry of Internal Affairs to the authority of the Ministry of Justice was a serious step to its demilitarisation and transformation from a retaliatory into a corrective establishment, although there have only been initial steps in this direction.

The introduction of legal proceedings with the participation of a jury could also be worth mentioning. For the rest, the state institutions have not only not come nearer to international standards from the point of view of maintaining human rights and freedoms, but they keep on becoming tools in the political struggle reflecting and protecting the interests of the ruling elite.

As was already noted, the Ministry of Culture and Information 'supervises' and controls the mass media. In this capacity, the ministry periodically proposes initiatives to introduce anti-democratic amendments into the current legislation. There is a special representative body under the Ministry of Justice – the Committee on Religious Affairs that was set up to control religious associations. The Committee carries out its ideological functions in the best traditions of the Soviet past.

The control over the non-governmental organisations and political parties, which was previously carried out by the Ministry of Culture, Information and Public Consent (nowadays the Ministry of Culture and Information), is now basically carried out by the public prosecutor's office and national security and internal affairs agencies. Thus, there are special departments on communication with public associations in the system of internal affairs and departments of public security. Those departments essentially carry out the functions of political police. According to the concept of the activities of the public prosecutor's office, among the seven strategic directions pertaining to the realisation of supervising functions, the control of mass media and public associations is included.

Despite the introduction of legal proceedings with the participation of a jury, which, as has already been noted, could certainly be considered an important positive step, the court remains under obvious political control and it is extremely difficult to call it as an independent branch. Finally, all the state institutions are severely affected by corruption, which bears a systemic character and penetrates the state system from top to bottom.

In 1993, the Republican Commission on Human Rights was set up in Kazakhstan under the President of the Republic, and in 2002, the Institute of the Representative for Human Rights and the National Centre on

Human Rights were also created. It was intended that these measures would represent a serious step on the way towards the creation of national institutions for human rights. However, these structures were created by Presidential decree, and as a result, they are essentially a part of the President's administration and therefore cannot be considered as independent national structures for human rights. Their creation, subordination, powers and competence appreciably fall short of the Paris Principles of the United Nations regarding the status of national establishments engaged in the promotion and protection of human rights.

With conceptually suspect legislation in the sphere of political rights and civil freedoms, as well as unreformed state bodies which tend to retain Soviet habits, it is not difficult to predict the inefficiency of procedures and the discrepancy between Kazakhstan's judicial practice and international standards.

The development of civil societies, as implied by the development of political parties, trade unions, non-governmental organisations, independent mass media and other public institutes, has practically failed in all the countries. The civil society of Turkmenistan simply does not exist in any sense of the word. The non-governmental sector of Uzbekistan is completely controlled by authorities, and any display of civil consciousness that does not coincide with the official point of view is generally persecuted. In Tajikistan, the activities of non-governmental organisations are severely limited at the psychological level due to the consequences of civil war. The most advanced development of civil society has been realised in Kazakhstan and, especially, Kyrgyzstan, but even there, one cannot speak about a consolidated and institutional expression and reflection of social needs and interests.

3.3 What is the role of the international community and, first of all, the US and the EU in this process?

Directly following the collapse of the Soviet Union, the international community, on behalf of international organisations, international financial institutions and individual states (first of all, western ones), started to render active assistance to the newly independent states to help set them on their feet. In the region of the Central Asia, these activities were also aimed at the creation of a capable state system and a strengthening of the law and order structures (army, law enforcement, national security bodies), reform

of the economy and the development of democracy, a law-based state and the rule of law.

One can see that the motivation, resources, methods and technologies used were inseparable from the interests of various international organisations or individual countries. Among these interests were both geopolitical and economic interests, as well as the interests of regional and global security, and, to some extent, common human interest for promoting universal values, including democracy, freedom and human rights. In addition, it is necessary to consider that all the assistance in the reforms in this region was carried out with a geopolitical 'amendment' for the interests of China and Russia.

As far as the assistance is concerned for the creation of more or less capable state institutions that would allow us to speak of the countries of the region as 'real states', then we can speak of certain successes, although the events in Kyrgyzstan have shown that these systems are unstable, and nobody knows how they will develop when there is a change of power. So far there are many more questions than answers in the field of economic reform in all the countries, except possibly Kazakhstan.

Now we shall try to estimate the international community's policy efficiency in Central Asia in the sphere of democracy development, building a law-based state and respect for human rights and freedoms. Looking at the problem from the perspective of someone in the region in question, this policy was based on a number of basic theses:

- Representatives of the top Party *nomenclature* are inclined to carry out economic and political reforms. They head the states that became independent and consequently aspire to be accepted in the international community, to become participants of international relations and international trade. This desire in itself can be a good catalyst on the way to democratisation.
- The process of democratisation will take a lot of time and changes of, at least, one or two generations, especially to move beyond the generation of those raised with a Soviet mentality and communist ideology. Therefore the main emphasis should be placed on 'pushing', where possible, reforms and 'work for the future', to prepare the next generations, free from the Soviet past and open to progressive and more rational mechanisms of governmental and social management, to bring change.

- Sustainable development is, first of all, about economic development and the maintenance of security. If the ruling elites guarantee it to a greater or lesser extent, then it is possible 'to forgive' some deviations from fundamental ideas of democracy and human rights fixed in international obligations.
- Encouraging freedom, democracy, ideas of the open civil society, a law-based state and human rights should be carried out, bearing in mind local attitudes, traditions and the cultural features of the region.

Such reasoning has had a direct influence on the programme of the help implemented in the region, by both international organisations and by individual states. It should be especially noted that due to a number of objective and subjective reasons, the short-term and intermediate-term measures to promote democratic reforms in the countries of Central Asia have never produced an impression of well-elaborated and well-coordinated strategies.

Instead, there is the impression that international organisations such as the United Nations and the OSCE are considerably limited in the extent to which they can facilitate reforms in such politically sensitive spheres as the development of democracy, civil society and fostering a culture of human rights. In this respect, however, the policy of the OSCE was certainly more transparent and progressive. The international financial institutions, such as the International Monetary Fund, the World Bank, the European Bank for Reconstruction and Development and the Asian Development Bank, did not undertake any specific steps in this direction except for declaring an interest in sustainable development and political modernisation in the region.

The European Union as a community of European states has not developed a clear and coordinated position in relation to democratic processes in the region, with the exception of some resolutions by the European Parliament. Instead, each of the European states has followed and protected its own interests in the region, first of all economic interests (namely energy resources) and geopolitical interests. It is sufficient to mention that during all the 1990s, European countries such as Germany, France, Italy, Spain and even Great Britain carried out no public policy in relation to the political processes and development of democracy in the region. Only the US made regular appeals for political reform and for the development of democracy and respect for human rights, irrespective of the motives it was guided by. In 2001-04, the situation began to change a

little, while European policy became more visible only during the past three to five years.

As has already been noted, assistance to the countries of the region from international organisations and western states has basically been directed at resolving the problems of the state-building, eliminating sharp social and economic disparities, reforming the economy and strengthening the national and regional security systems. In the field of democracy and civil society development, these programmes were basically directed at the support of non-governmental organisations, reform of legislation and legal institutes and development of educational projects.

All the countries of the region developed personified authoritarian political systems, in which power is concentrated in the hands of the leaders, presidents and their close circle of advisors. No serious political or economic decision is possible without the clearly expressed political will of the head of state. And this political will should not only be clearly expressed, but also be accompanied by concrete steps to put it in practice.

It is especially important to distinguish between the genuine political will to accept democratic reform and its imitation. The ruling post-communist elites of the former Soviet Union have learned not only how to build 'manageable democracies' as defined by Russian President Vladimir Putin, but also how to build 'imitative' or 'façade' democracies. That is, the state and social systems are similar in form to constitutional democracies (provision of constitutions, elections, parliaments, local representative bodies of power, political parties, mass media, etc.), while in their content they are not so far away from the Soviet system.

Unfortunately, a large number of the programmes organised by the international community in the sphere of democracy development, state-building and promotion of human rights and freedoms in the region simply managed to support this imitation of democratic development. These were programmes on inter-parliamentary cooperation, judicial reform, legislative processes, etc. Their failure was explained by western politicians with the help of an argument offered by the ruling elites of the region's countries, based on the above-stated theses:

- Reform should first focus on the economy and security and then on democracy and human rights.
- The democratic process is a long process.

- The countries of Central Asia must first overcome the legacy of totalitarianism and communist ideology.
- The Asian mentality should be accounted for.
- Ruling elites are basically ready for political reforms, but the people are not, and geopolitical conditions are adverse.

Certainly, this criticism of the international community's role in democratic reforms (or in its absence) in the region is not universally applicable and all-condemning. Educational programmes, assistance in the development of civil society, support for public debate in the society, at least in Kazakhstan, Kyrgyzstan and Tajikistan, had and continue to have a positive impact. Some programmes aimed at the abolition of the death penalty or reform of the penitentiary system were also rather successful.

However, these are more likely to be the exception rather than the rule. As can be seen, there have been no system changes. And this means that both the strategy and the content of supporting programmes require a certain revision.

3.4 What can we say about the international strategies, policy and programme of support pursued in Central Asia?

3.4.1 The policy should be fair, especially that at the international level

During the Soviet time, the population was, metaphorically, trained to believe that $2 \times 2 = 25$ in the social and political sphere of our region. Right after 'perestroika' was finished, it was, in effect, declared by the authorities that $2 \times 2 = 8$ and still one should be grateful to the authorities that nobody forces them to say it is 25. Over 15 years after the Soviet Union's collapse, the population is no longer forced to believe what is patently false. Rather, arrangements in each of the Central Asian countries ensure that through voluntary-compulsory mechanisms the population has come to accept that $2 \times 2 = 25$, or 4.8, or 4.5, depending upon the rigidity or softness of the authoritarian tendencies in the country. And in so doing, the authorities sometimes cite the US or a European country as an example of where they also from time to time say that for the reasons of political expediency it is temporarily necessary to consider that $2 \times 2 = 4.15 \dots$

The European Union, as a whole, and each European country individually should consistently insist that $2 \times 2 = 4$ and that according to the international documents on human rights and the concepts accepted in

the international community on freedom of speech, associations, movement and peaceful assembly, fair legal procedures and fair elections, the division of authority and systems of checks and balances are all understood as absolutely concrete things.

The problems of manipulation, distortion and substitution of concepts relating to the key elements of the human dimension – the developments of democracy, the rule of law and respect for human rights – have become so sharp in the world that they require special attention. All the governments of the developed democratic countries, international organisations and international remedial organizations must undertake serious efforts at the international level to strengthen international remedial mechanisms and world politics in the sphere of human rights.

These efforts are especially urgent in the light of direct attacks by Russia, Belarus and other authoritarian CIS states on the Organisation for Security and Cooperation in Europe, in particular, on the OSCE Office for Democratic Institutions and Human Rights, on the missions of observers from the OSCE and the European Union, and on the OSCE centres in some countries. It is also necessary to resist attempts to transform international law and international agreements in the sphere of human rights into the so-called ‘soft’ rights or ‘soft law’, as well as to default from obligations within the limits of which it is considered a usual phenomenon.

The EU should endeavour to ‘reanimate’ the clauses that are contained in basic documents on human rights accepted within the OSCE framework, in particular, the documents of the Copenhagen and Moscow meetings on the human dimension, especially those relating to the extraterritorial nature of human rights. It is necessary to resist the attempts to declare human rights an internal affair of the states, which in one form or another is already ideologically propagandised in the documents of the Shanghai Cooperation Organisation (SCO) and the Collective Security Treaty.

In sum, if the EU wishes to influence the observance of human rights and freedoms in Central Asia, it must interact with international organisations and the governments of the democratic states, to take advantage of every possible opportunity to exert pressure on the authorities.

3.4.2 The regional approach should be used very cautiously

The EU has begun to use more frequently in its relations with the region. Despite their geographical proximity, the countries of the region strongly differ both in history and in economic capacity, in culture and in the way they have developed over the course of the past 15 years. Against this background, a 'cross-border' programme on democratic development and promotion of human rights will be artificial and in some cases simply unfeasible. Generally speaking, the regional political identification can cause erroneous strategies and decisions. Regional projects can be quite effective in limited spheres e.g. labour migration, regional trade, regional security, the struggle against the trafficking of people and drug-dealing, and projects connected with the distribution of water resources.

As a whole, there have been modest results during the past 15 years by the European Union in its participation in the political development of the countries of Central Asia, especially regarding the promotion of democracy, freedom and human rights. This shortcoming is in a certain sense a challenge to European policy, and many things depend on how deeply the results of past failings will be analysed, and whether the proposed corrections of strategy will be adequate to the task in the region.

3.4.3 European policy in the region should in full measure take account of the condition of the society 15 years after perestroika and the nature of the ruling political elite as well as the prospects for political development.

It is obvious that the internal political processes in all the region's countries will be, first of all, connected with intra-elite processes. It is improbable that any serious political changes will be connected with movements 'from below'. For the time being, politics in the region will be a 'top-down' process. And under these circumstances, such a policy should be sufficiently flexible, but consistent considering the fact that the ruling elites are not solid. To some extent, both progressive and conservatives elements are present within their ranks, and, besides, China, and especially Russia exert influence on the internal political processes in the region, because in those countries similar processes are also taking place.

Every possible effort should be made to maintain the dialogue with the society for the development of mutually acceptable political decisions, especially those connected with the continuity of power. In addition, individual efforts should be taken to counteract negative anti-democratic

tendencies coming from Russia, which are appreciably supported and promoted by the authoritarian leaders of the region.

3.4.4 To facilitate democracy development in Central Asia, two strategies are available for the construction of lawful states, civil societies and respect for human rights depending on the disposition of the country's political leadership.

- i) *For countries where there is a clearly expressed political will to accept systemic democratic reforms and to take concrete steps towards its realisation. In this case, the European Union, individual states, international organisations, and other donors should efficiently use the available financial, political and economic resources to facilitate these reforms with a maximum involvement in this process of local NGOs, national experts, scientists, practitioners, etc. Despite the fact that no political will is expressed for political modernisation or systemic democratic reforms in Turkmenistan or Uzbekistan, and it is poorly expressed in Kazakhstan, Kyrgyzstan and Tajikistan, it is nevertheless quite possible to initiate certain systemic steps in some directions.*
- ii) *For countries where there is no political will for systemic democratic reforms on the part of the top leadership. In this case, first, it is possible to direct efforts towards the formation of such a political will, through appeals to the observance of international obligations through economic and political levers, including a country's aspiration to expand trade relations or to integrate more closely into European structures, including the desire to preside over the OSCE. And secondly, if the emergence of such a political will, for whatever reasons, is improbable, one can assist in preparing for such reforms in the future when either the necessary political will would emerge, or there is a change of power creating more favourable conditions. Such assistance can be provided by helping with the creation of a viable concept for such reforms, producing ideas and promoting educational programmes.*

Such strategies should be directed in equal measure towards all components of democratic reform in the region: legislative, institutional and judicial.

To concentrate assistance on personnel retaining, capacity-building is inefficient when carried out under conditions of unreformed legislation

and unreformed institutions. Frequently, such programmes lead to the opposite result, leading the personnel of official institutions to be more cynical and legally ignorant. Therefore the programmes aimed at achieving reform should encompass to some extent all three components, and only in the context of reforming the legislation and the institutions can one speak about the need for educational courses and training and programmes.

3.4.5 The implementation of programmes should be coordinated as much as possible.

Various international organisations, including interstate ones, frequently implement the same programmes in the sphere of human rights, and, unfortunately, with the same low degree of efficiency. External and internal actors should be brought together into a serious coalition to be able to carry out similar programmes to facilitate reforms in the sphere of the rule of law and promotion of human rights and freedoms. In doing so, the strategies and programmes will probably differ substantially from one country in the region to another.

4. THE EU AND KAZAKHSTAN: IS THE PURSUIT OF ENERGY AND SECURITY COOPERATION COMPATIBLE WITH PROMOTION OF HUMAN RIGHTS AND DEMOCRATIC REFORMS?

*BHAVNA DAVE**

Introduction

Kazakhstan's continuing socioeconomic and political stability, a formal commitment to political reforms and an avowed pro-Western orientation make it the European Union's most reliable partner in the Central Asian region. Kazakhstan's expanding economic and security partnership with Europe is part of its 'multivectoral' foreign policy geared at balancing its ties with Russia, China, the Western states and the Muslim world. Kazakhstan has skilfully utilised its geostrategic location as a corridor between Asia and Europe and the country's rising profile as the leading oil exporter to Europe after Russia (almost 80% of EU imports from Kazakhstan consist of fuel) to carve out a special niche for itself within the European market.

A telling indicator of Kazakhstan's ambition to seek a prominent role within Europe was the intense diplomatic lobbying by Astana, accompanied by a large-scale public relations exercise, to attain the rotating OSCE chair for the year 2009. After a year-long delay, the ministerial

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meeting of the 56 participating states of the OSCE eventually agreed at a meeting in Madrid in late November 2007, that Kazakhstan should take up the chairmanship of the Organisation in 2010, a year later than what Kazakhstan had bid for. The lack of a consensus within the OSCE had led to a postponement of a decision on Kazakhstan's chairmanship as the US and the UK withheld support by questioning Kazakhstan's commitment to human rights and democracy.

The decision on Kazakhstan's bid for the OSCE chairmanship was a critical moment in defining whether Kazakhstan, which had secured the backing of Russia, most other Soviet successor states and a growing number of West European states, will work to promote a set of common values and a commitment to democracy and human rights or whether it will serve to foster the claim by Russia and other post-Soviet states, also affirmed earlier by Kazakhstani leaders, that the organisation was increasingly being divided between a 'first tier' and 'second' tier' set of nations. After a renewed pledge by Kazakhstan in late November 2007 to work to preserve the long-established practice within the organisation of decision-making through consensus, as well as to safeguard the election monitoring missions of the OSCE and the Warsaw-based Office of Democratic Institutions and Human Rights (ODIHR), which had been criticised by Russia, the US dropped its objections to its candidacy. Thus, the goal of preserving the unity of the OSCE and its election monitoring missions has clearly taken precedence over those of human rights and democratisation. Kazakhstan obtained the 2010 chair by fostering a cautious optimism among the OSCE member states in Kazakhstan's ability to use its good relations with Russia to safeguard the unity of the organisation. Although the decision in Madrid attaches little conditionality to the offer of chairmanship of the organisation, it does suggest an acceptance by Kazakhstan of some implicit conditions, judging by the detailed pledge made by Kazakhstan's Foreign Minister Marat Tazhin in accepting the offer.¹

In a separate vein, although the new EU Strategy on Central Asia (see Annex 3 at the end of this book) broadly pledges commitment to three key

¹ See http://www.companyreports.com/cgibin/stories.pl?ACCT=ind_focus.story&STORY=/www/story/11-30-2007/0004714512&EDATE=FRI+Nov+30+2007,+01:35+PM

aims – security, democracy and development – and defines the promotion of good governance and democracy as focal areas for Kazakhstan, it refrains from spelling out concrete benchmarks for progress in these areas. The EU’s decision to suspend the sanctions on Uzbekistan, which had been imposed in May 2005 in response to the refusal by Tashkent to allow an international investigation into the Andizhan events, suggests that i) the EU lacks effective leverage over key Central Asian states; but more particularly ii) the German-led EU presidency of the first half of 2006 set the agenda for Brussels to prioritise economic, energy and security cooperation over political reforms and commitment to human rights. This was reflected in the endorsement of Kazakhstan’s bid for the OSCE chairmanship by the German-led EU presidency, notwithstanding criticisms by leading Kazakhstani political and civil rights activists as well as international human rights organisations of Kazakhstan’s lack of commitment to human rights and democracy.² Recognising the vital position to be assumed by Kazakhstan in 2010, this paper emphasises two key points:

1. the EU should continue to refine its strategy towards Central Asia by recognising Kazakhstan as a strategic anchor in the region and encourage it to play a more responsible role in aiding stability, security and effective governance; and
2. the EU should give priority to the promotion of democratic reforms and the transparency of political and economic processes together with its emphasis on aiding good governance, which can turn Kazakhstan into a more reliable partner for the EU and also help Kazakhstani leadership to serve as a positive engine for reform in the broader region.

Clearly, the EU Strategy on Central Asia has acquired a sharper focus now as a result of the OSCE decision to strengthen Europe’s engagement in

² See the testimony by Kazakhstan’s leading human rights activist (and author of chapter 3 in this book) Evgeniy Zhovtis at a hearing organised by the US Helsinki Commission on Security and Cooperation in Europe (http://www.csce.gov/index.cfm?Fuseaction=ContentRecords.ViewDetail&ContentRecord_id=582&ContentRecordType=P&ContentType=P&CFID=18849146&CFTOKEN=53); and the statement released by Human Rights Watch on 12 April 2007 on the draft EU Strategy on Central Asia (<http://hrw.org/backgrounder/eca/eu0407/>).

Kazakhstan and across the region. In order for this engagement to be effective, the EU must work actively to develop a more comprehensive, differentiated, and at the same time balanced approach towards the five states of Central Asia. These states vary enormously in their economic and human potential and in their willingness and ability to implement political reforms. As the richest state with the most dynamic indicators of economic and human development, Kazakhstan's record in promoting economic and political reforms needs to be assessed by making appropriate comparisons with other members of the 'New Europe' and not simply be seen as 'better' than that of the repressive regimes in Uzbekistan and Turkmenistan or as 'impressive' in contrast to the continuing instability and donor dependency of the two weakest Central Asian states of Kyrgyzstan and Tajikistan. Having accepted Kazakhstan's bid for the OSCE chairmanship in 2010, and spurned those who called for making a successful bid conditional upon implementing democratic reforms, the EU must not only work actively to promote a partnership with Kazakhstan based on shared interests, but also take the lead in establishing shared values.

4.1 Economic success and political leadership

Thanks to its enormous oil and mineral wealth, Kazakhstan boasts one of the most successful and competitive economies in the former Soviet sphere. Its economy has grown from \$18 billion in 2000 to nearly \$80 billion in mid-2007 and is predicted to double in the next 7-8 years. Having already achieved recognition by the EU and the US Department of Commerce as a country with a market economy, Kazakhstan is aiming to attain WTO accession in the near future and be among the top 50 most competitive economies in the world within the next decade. Its GDP accounts for almost two-thirds of the combined GDP of Central Asian states and is likely to grow further, although slower than projected earlier due to delays in oil production in the Kashagan oilfield. The gap between its economy and that of its neighbours is increasing rapidly. Already the leading investor in Kyrgyzstan, Kazakhstan has made significant investments in Georgia, Armenia and Ukraine, and is moving fast to invest in the gas sector in Turkmenistan.

Kazakhstan's economic success hinges on what President Nursultan Nazarbaev has tirelessly acclaimed as the 'ethnic peace and political stability' forged by his leadership. Nazarbaev's *Strategy 2030* has outlined a vision of Kazakhstan as a prosperous country that is set to achieve the

economic success of Kuwait, and the social harmony, political stability and development levels of Western societies within the next two decades. This promise of stability and prosperity, to be materialised by oil wealth, has enabled Nazarbaev's regime to garner considerable domestic support, mould public opinion and manufacture legitimacy.

In propounding the view that democracy can only be built on a sound economic footing and in a stable political environment, Nazarbaev and leading members of the ruling elites are championing a vision of 'managed democracy' that resembles the one prevalent in Russia, and has some parallels with the model followed in Singapore and Malaysia, than the practice in Western Europe and in other established democracies. By establishing an essential linkage between economic prosperity, socio-political stability and democracy, the ruling elites, now linked with the Nur Otan party, have gone on to craft the country's legislative and electoral institutions in a way that assures them a continuing mandate after pushing all other parties out of the formal political process. Having won the presidential elections in December 2005 by obtaining 91% vote, Nazarbaev went on to secure all seats for his party Nur Otan in the elections to the lower house of the parliament (Mazhilis) in August 2007. In early 2007, the largest pro-regime party Otan refashioned itself into an enlarged entity Nur Otan after other pro-regime parties – Asar, founded by Dariga Nazarbaeva; the Civil Party of Kazakhstan sponsored by the 'Eurasia Group' headed by the oligarchs Alexander Mashkevich, Patokh Shodiev and Alizhan Ibragimov; and the Agrarian Party of Kazakhstan – merged with it and elected Nazarbaev as their supreme leader.

The parliamentary elections were held two years ahead of schedule following a spate of constitutional amendments which lifted the two-term limit on Kazakhstan's 'First President' and effectively paved the way for him to become president for life. The amendments also transformed the 77-member Mazhilis into a 107-member chamber in which 98 deputies are elected on the basis of a party list system on proportional vote, eliminating single member constituencies, including the right to seek election as an independent. The remaining nine are elected by the Assembly of Peoples of Kazakhstan, a body created at the personal initiative of Nazarbaev in the 1990s and permanently chaired by him. It provides for a symbolic representation to ethnic minority figures who owe their position to the patronage of the regime rather than to the support of their ethnic communities.

Nazarbaev and the top ruling authorities in Kazakhstan were fully aware that a positive assessment by the OSCE-ODIHR of the elections was to be crucial in strengthening Kazakhstan's bid for the OSCE chairmanship. All previous elections in Kazakhstan had fallen short of this norm. Independent observers characterise this outcome as the resurrection of the 'Kazakh Soviet Socialist Republic', with Nur Otan stepping into the position held by the Communist Party during the Soviet years.³ Prominent figures within the government have since intensified international public relations campaigns by extolling Kazakhstan's 'democratic' achievements and averring that a 'one-party system' may in fact be a stronger guarantor of 'stability'.

The Soviet-style vote in support of the incumbent in the 2005 presidential election and the election of the parliament composed entirely by a single party Nur Otan which is named after the president suggest that the political system in Kazakhstan hinges more on Nazarbaev than ever before. All potential contenders for the presidential office, including successors from within the 'family' ranks, have been sidelined. Dariga Nazarbaeva failed to obtain nomination on the Nur Otan ticket after her party Asar merged into the former, and she has kept a very low profile since her husband Rakhat Aliev (whom she promptly divorced in June 2007), was charged with the kidnapping and murder of senior officials in *Nurbank* as well as of corruption and money laundering. Kazakhstan is seeking his extradition from Austria, where he had been posted as ambassador and was most active in procuring support for Kazakhstan's candidacy for the OSCE chair. The Austrian court has rejected the request for Aliev's extradition as the Kazakhstani authorities have begun a trial of him and his associates (most of whom are abroad) in absentia. In addition to owning numerous businesses, media channels and stocks in banks and other companies together with Nazarbaeva, Aliev exerted a strong influence over the National Security Committee in which he had held the position of a senior Deputy Chairman. Now writing his memoirs called 'Godfather-in-law', Aliev has alleged that the media outlets owned by him have been illegally transferred to the financial group *Kazakhmys* to prevent the publication of materials implicating top officials in financial misdeeds and in ordering the killing of the opposition leader Altynbek Sarsembaev in

³ See "Kazakhstaia SSR" (<http://www.vremya.ru/2007/148/5/185188.html>).

February 2006. In an interview with Radio Free Europe in October 2007, Aliev held Nazarbaev personally responsible for these killings and promised to produce evidence ‘in due course.’⁴ Kazakhstani officials are anxious to prevent him from possibly testifying in the ‘Kazakhgate’ hearings in the US involving alleged kickbacks from Western oil interests, or from revealing other incriminating details concerning the President and key figures within the government. Given that Aliev himself has been a highly controversial figure who has alienated many influential people within the regime, as well as in the opposition, it is not ruled out that he may still strike some sort of a deal with the Kazakhstani authorities.

Timur Kulibaev, who is married to Nazarbaev’s second daughter Dinara, has amassed vast wealth and influence through control over the oil and pipeline business and held various leading positions in the energy sector of the country. Unlike Aliev and Dariga Nazarbaeva, who together harboured political ambitions, the Kulibaevs have not sought to hold any political office and concentrated only on expanding their financial empire (both were listed in the Forbes 2007 list of the world’s richest billionaires).⁵ Incidentally, the remaining five Kazakhs on the Forbes list control three of the most influential financial groups (Alexander Mashkevich and Alijan Ibragimov of the Eurasia Group, Vladimir Kim of the Kazakhmys Group, and Nurzhan Subkhanberdin, the Kazkommertsbank Group).⁶ As in Russia, the leading ‘oligarchs’ in Kazakhstan have not sought a formal political position though they indeed constitute a key pillar of support to the regime and exert considerable informal influence in a political system that lacks transparency. In what may be an important signal to domestic and international observers that Nazarbaev is not preparing to hand over power to any contender within the family, in September 2007 Kulibaev was removed from the post of president of the newly formed holding company

⁴ “Kazakhstan: President Accused of Ordering Opposition Leader’s Murder”, Radio Free Europe/Radio Liberty (RFE/RL), 26 October 2007 (<http://www.rferl.org/featuresarticle/2007/10/02926747-4483-4294-9299-9AE71C78562C.html>).

⁵ http://www.usatoday.com/money/2007-03-08-forbes-billionaire-list_N.htm, accessed on 12 December 2007.

⁶ http://www.forbes.com/lists/2007/10/07billionaires_The-Worlds_Billionaires_CountryOfPrmRes_11.html, accessed on 27 November 2007.

Samruk, which manages the top energy companies of Kazakhstan. However, there is no evidence of decline in his economic influence.

Two of Kazakhstan's most prominent financial groups – the Eurasia Group and the Kazakhmys Corporation – are very closely associated with Nazarbaev and are among the key sponsors of the party Nur Otan. The Eurasia Group (Eurasia Natural Resources Corporation) owns various industrial enterprises and mining business which are estimated to account for about 15% of the GDP of the country. It made a net income of \$1.26 billion in 2006 on revenues of \$3.26 billion.⁷ The Kazakhmys Corporation, which is managed by two Kazakhstani Koreans Vladimir Kim and Vladimir Ni (who has now retired), controls key mineral resources and metal industries. Its revenues rose from \$2.28 billion to \$2.79 billion in 2007 and it became a member of the UK FTSE 100 stock-market index. Its president Vladimir Kim, worth \$5.5 billion, headed the list of 7 Kazakh billionaires on the Forbes list.

Overall, Kazakhstan's relative economic well-being and socio-political stability can be attributed to 1) a firm control and management by President Nazarbaev of the country's enormous oil and natural gas reserves, combined with mineral wealth, which have attracted some \$34 billion in foreign direct investment since 1991; and 2) a skilled disbursement of this wealth and political privileges to the urban, highly-skilled technocratic class, bureaucrats, government officials as well as entrepreneurs through the use of patronage, balancing of clan and ethnicity-based attachments, and rewards for political loyalty.

Having held the top leadership position since 1989 under Soviet rule, Nazarbaev has displayed considerable political acumen in steering his country along an economic transition to establish a modern, competitive, market-oriented economy. While showing remarkable pragmatism and flexibility in responding to new challenges, he has also skilfully improvised upon Soviet-era mechanisms of coercion and control for extracting the compliance of the citizenry to his particular form of rule. Nazarbaev has erected a patronage-based system in which the inner circle of family,

⁷ Andrei Grozin, 'Kto est' kto v sovremennom Kazakhstane', (<http://www.kub.kz/article.php?sid=11051>, accessed on 16 November 2006. <http://www.turkishdailynews.com.tr/article.php?enewsid=89982>, accessed on 1 December 2007).

friends and business associates exerts formal and informal influence over vital economic resources, industries, political positions and media channels. Nazarbaev has continued to broaden and regenerate his clientelist base, offering rapid career advancement to technocratic elites and top level government bureaucrats. Political loyalty to the regime is the best means of attaining career mobility whereas the pursuit of independent political ambition invites severe sanctions.

4.2 Internal political structure and stability

Kazakhstan's 1995 constitution and subsequent amendments have vested unlimited constitutional and de facto powers upon the office of the president in what already was a unitary, highly-centralised presidential system. Subsequent constitutional amendments have conferred immunity from prosecution to the 'First President' and will allow him to play an advisory role upon quitting office. The prime minister, who is appointed by the president, is a technical functionary entrusted with implementing socio-economic policies and delivering results without challenging the authority of the president. The presidential administration, which is an extra-constitutional structure beyond the purview of the parliament, exerts considerable power and influence, whereas the Council of Ministers headed by the prime minister forms the second, and subordinate, flank of the executive.

A notable development since 2004 is the emergence of a third centre of power, although one still much weaker than the other two, in the growing influence of Kazakhstan's Security Council.⁸ Currently headed by Berik Imashev (its previous heads were Marat Tazhin and Bulat Utemuratov – two of Nazarbaev's closest confidantes), the Security Council has acquired a leading role in coordinating the activities of the law and order authorities, formally under the control of the Ministry of Interior Affairs, thus eroding the authority of the prime minister. Kazakhstan's National Security Committee has also expanded its functions by launching anti-terrorist activities and intensifying monitoring of various religious groups, opposition and civil rights NGOs. Aliev, who has held a senior position in the National Security Council, is reported to have pockets of

⁸ Mukhamedzhan Adilov, "Organ pri prezidente ili tretii tsentr vnimaniia?" (<http://www.kub.kz/article.php?sid=16536>).

influence within the security services. Kazakhstan's top political establishment was shaken by the sensational posting of transcripts of recorded conversations purportedly among top government figures discussing illicit campaign-financing methods on two opposition websites (www.kub.kz and www.inkar.kz). The tapes contain a voice purported to be Nazarbaev's, instructing an aide to induce some of the most influential entrepreneurs to make large-scale 'donations' to the Nur Otan Party.⁹ It is widely believed that people loyal to Aliev in the security services may have been responsible for obtaining the tapes and leaking them to the pro-opposition websites. The government has reacted by practically imposing censorship and seeking to control flow of information over the Internet.

The appointment of 41-year old Karim Masimov, an ethnic Uighur, fluent in English, Chinese and Arabic in addition to Russian, as prime minister early in 2007 brought several reform-oriented technocrats within the cabinet and led to significant changes within the government.¹⁰ Daniyal Akhmetov, who held the post earlier, now heads the Ministry of Defence. Tokaev now occupies the pivotal post of Chairman of the Senate. The post was previously held by Nurtai Abykaev, a kin of Nazarbaev and widely seen as a 'grey cardinal', presently ambassador to Russia. Abykaev's temporary exit from the domestic scene may be geared at protecting him from rumours about his alleged complicity in the killing of Altynbek Sarsenbaev, a leader of the opposition party Nagyz Ak Zhol, in February 2006. A number of former employees of the Ministry of Interior and the National Security Service, some of whom were closely associated with Abykaev, have been convicted in the Sarsenbaev murder case.¹¹ Past trends indicate that the key figures within the inner circle have easily re-entered domestic politics after having held vital diplomatic posts abroad. Numerous Kazakhstani analysts note that a 'compromise' between Aliev

⁹ Joanna Lillis, "Kazakhstan: Appearance of damaging audio tapes perhaps linked to Aliyev trial", *Eurasianet.org*, 19 November 2007 (http://www.eurasianet.org/departments/insight/articles/eav111907_pr.shtml).

¹⁰ Daniyar Ashimbaev, "Nazarbaev smenil matritsu", *Kontinent*, 14 February 2007 (<http://www.kub.kz/article.php?sid=16285>).

¹¹ "Kazakh Court Upholds Sarsenbaev Murder Convictions", Radio Free Europe/Radio Liberty, 8 December 2007 (<http://www.rferl.org/featuresarticle/2006/12/cf021dc5-eb0d-4eb9-a24c-fe2b4c6b70dd.html>).

and Nazarbaev is not ruled out. Many also note the efforts to purge the National Security Council of Aliev loyalists by charging them of involvement in the murder of Sarsenbaev and in the kidnapping and murder of the two top *Nurbank* officials.

With increasing evidence that Nazarbaev is neither preparing to nominate a successor nor faces any effective leadership challenge from within or from the opposition, two key members of the presidential inner circle – Kasymzhomart Tokaev and Marat Tazhin – are seen as the strong guarantors of Nazarbaev’s support base. Both owe their political prominence to their unswerving loyalty to the president and to their reputations for technocratic prowess, and are likely to play a decisive role in a battle for succession in the event of Nazarbaev’s sudden death. Tokaev, a Sinologist who has previously held the posts of Ambassador to China, Minister of External Affairs and Prime Minister, currently holds the crucial post of Chairman of the Senate, which has the constitutional authority to assume power in the event of the death or incapacitation of the president. Having headed the National Security Service in the past, Tazhin now holds the position of the Minister of Foreign Affairs. While Tokaev and Tazhin have strengthened their positions by demonstrating loyalty to the president, another close presidential associate Imangali Tasmagambetov, a former *akim* (head) of the oil-rich West Kazakhstan oblast and currently the *akim* (mayor) of Almaty city, is encountering growing criticism from Nazarbaev and other top figures for his handling of various land and property disputes in the city and may find himself in political disfavour.

4.3 Foreign relations and oil export routes

Kazakhstan has done well to exploit its territorial expanse and the need for multiple outlets for oil exports to follow what it terms a ‘multi-vectoral’ foreign policy. Rather than attaching priority to a single country, its foreign policy is geared at developing close partnerships with all of its neighbours and an active engagement in multilateral regional organisations, particularly the Commonwealth of Independent States (CIS), the Shanghai Cooperation Organisation (SCO), the Eurasian Economic Community (Eurasec) and the EU. This approach has allowed Kazakhstan to deepen its already close ties with Russia, expand economic, political and strategic cooperation with China, develop growing ties with the European Union and procure the support of the US. In what is an important rhetorical affirmation of the close ties with Russia and the commitment to the CIS,

Nazarbaev has also called for establishing a Eurasian Economic Union on the model of the EU. Outlining Kazakhstan's new military doctrine, the Defence Minister Daniyal Akhmetov acknowledged that participation in the Collective Security Treaty Organisation (CSTO) and military cooperation with its member states is a priority for Kazakhstan. As a key member of CSTO after Russia, Kazakhstan sees itself as better-placed to gradually build a further partnership with NATO and the US. While its relationship with Russia and key role in the CSTO is the primary source of security and diplomatic leverage, Kazakhstan's political elite is eager to push for a closer collaboration with NATO and the US, particularly through participation in peace support operations.

Without a doubt, Kazakhstan needs a close and preferential partnership with Russia to increase its oil exports, and thereby build a stronger economic base. At the same time, President Nazarbaev is also looking to diversify the country's energy export routes. At present, the Caspian Pipeline Consortium (CPC) linking the Tengiz oil field in Kazakhstan to the Russian Black Sea port of Novorossiisk is the largest export route for transporting oil from Kazakhstan. It carried 31 million tonnes of oil from Kazakhstan in 2006 (above the design capacity of 27 million tonnes annually for its first stage) and is planned to transport up to 67 million tonnes annually in its second stage, which will allow Kazakhstan to transport this oil to Europe with Russia's consent. Kazakhstan is seeking further oil export routes that complement, rather than compete with the routes offered by Russia. Russia remains keen to channel the main Central Asian energy export routes across its territory. In May 2007, President Putin persuaded Kazakhstan together with Turkmenistan to back Moscow's plan to build a gas pipeline to bring gas from the two Central Asian countries along the Caspian shore and into Russia – rather than across the Caspian and the South Caucasus, the route favoured by the EU and the United States.

China has also sought access to Kazakhstan's energy resources. A 1000 km-long pipeline linking Atasu in central Kazakhstan to Alashankou on the Chinese border is already operational and will provide a new source of oil for China to develop its western Xinjiang region as it is connected to the Caspian in 2008. Although further expansion of this route is planned, the high transportation costs make the economic benefits of the pipeline to Kazakhstan uncertain. The route currently has greater political than economic significance for Kazakhstan.

Issues such as oil export routes and energy security are vital for the EU. Kazakhstan is the EU's biggest trading partner in Central Asia, with bilateral trade worth over €15 billion. About 85% of Kazakhstan's exports to the EU consist of oil and gas. Should the EU's relationship with Russia be transformed and result in a much closer economic and strategic partnership, Kazakhstan's partnership with the EU and participation in many of its programmes could be enhanced further. Since pipelines via Russia are still the most economical and politically reliable route for Kazakhstan, the balancing skills of Kazakhstan's leadership will come under stress if the continuing differences between the EU and the OSCE on the one hand and Russia on the other are further exacerbated.

Nazarbaev has already indicated a willingness to consider any pipeline route that could be "profitable for Kazakhstan", while reiterating that it is a partner, and not a competitor with Russia in seeking to diversify its export routes. A continuing EU engagement can enable Kazakhstan to become more closely involved in extending the Baku-Tbilisi-Ceyhan (BTC) pipeline and possibly use its close ties with Russia to assuage the latter's discontent over the route.

Furthermore, closer cooperation between Kazakhstan and the EU is crucial in aiding the development of the trans-Caspian-trans-Black Sea energy transit corridor and for the Odessa-Brody pipeline. By aiding a diversification of oil export routes, the EU is keen to ensure a secure supply of oil and help Kazakhstan, Uzbekistan and Turkmenistan to obtain higher export prices – notably for gas exports – and establish a stronger position vis-à-vis Russia. Kazakhstan has been steadily increasing its investment in Georgia, particularly in the transportation infrastructure, becoming the third major investor after the UK and the US. As a result, it is in a position to play an important role in achieving the EU's aims in the south Caucasus through its investment in the economies of the region.¹² Given the widespread agreement within the EU to support these pipeline routes and enhance energy security, there are four vital issues that the EU must address in expanding energy cooperation with Kazakhstan:

¹² Diana Petriashvili, "Georgia pins investment hopes on Kazakhstan", *Eurasianet.org*, 17 April 2007 (<http://www.eurasianet.org/departments/insight/articles/eav041707a.shtml>).

- Ensuring transparent management of revenues from oil and gas through closer cooperation with international efforts in this area, such as the Extractive Industry Transparency Initiative (EITI).
- Implementing comprehensive policy measures for an equitable distribution of wealth and social welfare. Although poverty levels are declining, an estimated 16-18% of the population, a vast proportion of which resides in remote rural areas, live below the poverty line. Growing inflation and the rising prices of basic commodities such as bread as well as housing have hurt other social strata surviving just above the poverty line.
- Development of grassroots institutions for civic participation and lifting various legal barriers that restrict basic civil rights to public assembly and to participation in electoral contests. This will help to rectify the emphasis of the regime on promoting 'democratisation from above' (and presumably promote a more genuine democratisation).

4.4 Realising the New EU strategy for Central Asia

As the EU seeks to develop a coherent although internally-differentiated strategy towards its recent members, it must also be mindful of the shared historical experience of the Central Asian people as well as the significant variation in socio-economic development, reform-orientation and state capacity among them. Kazakhstan has shown a keen interest to participate in the European Neighbourhood Policy (ENP), a privileged relationship between the EU and current non-member states around the borders of the EU that do not have the prospect for EU membership. Benita Ferrero-Waldner, the European Commissioner for External Relations and European Neighbourhood Policy, emphasised developing a more differentiated approach by the EU and establishing a unique relationship towards each of the Central Asian states.¹³

¹³ Benita Ferrero-Waldner, "The European Union and Central Asia – Building a 21st century partnership", talk by the European Commissioner for External Relations and European Neighbourhood Policy at L.N. Gumilev Eurasian National University, Astana, 17 October 2006 (<http://www.europa-nu.nl/9353000/1/j9vvh6nf08temv0/vhezfobvbuxv?ctx=vgu719bwytoy>).

Kazakhstan has continued to emphasise its 'Eurasian' status, underscoring its geographical, historical and ethno-cultural ties with Europe and the desire to play a prominent role in the Western club of nations on the basis of its enormous size and economic potential. Although pragmatic considerations push the present Kazakh leadership to maintain a balance between Russia, China and the West, a growing stratum of its elites, in many cases educated in the West, are fully cognizant of the advantages to be attained from a close and growing multilateral partnership with Europe. They see Europe as providing vital technical assistance in modernising Kazakhstan's educational, health and social infrastructure, in addition to reforming its economy.

If Kazakhstan is the obvious candidate for regional leadership and the most reliable partner for the EU in the region, it is in large part due to the failure of Uzbekistan, a powerful contender for regional leadership, to utilise its enormous potential despite possessing the most diversified economic infrastructure and human capital. President Islam Karimov's resistance to reforms has generated a systemic socio-economic crisis that the Uzbek regime is tackling through an alarming use of repression since the killings in Andijan in May 2005. Succession in Uzbekistan is unlikely to be as smooth as in Turkmenistan, which appears to be taking incremental measures to engage with the outside world and extricate itself from the personality cult of its ex-leader Saparmurat Niyazov. This turns Uzbekistan into the gravest long-term threat to stability in the region. While committed to establishing relatively open political systems, both Kyrgyzstan and Tajikistan are weak states lacking resource wealth, plagued by poor governance capacity, and dependent on donor support.

However, the EU must not succumb to the facile reasoning that Kazakhstan is far 'better', and 'more democratic' than the rest in the region which is seen as lacking structural and cultural conditions to build democratic institutions and processes. Such a view can easily lapse into condoning the Kazakhstani regime's formalistic and instrumental pledge to introduce political reforms and reinforcing its fixation with 'stability'. As a fast expanding economy with a GDP that is currently almost two-thirds that of the entire Central Asian region, Kazakhstan's record in promoting democracy and human development needs to be assessed in comparison with other post-communist states that have a comparable success in establishing market economies and aiding privatisation. While sensitivity to the cultural and historical legacy of the region – notably the impact of the

Soviet years – is necessary, ‘culture’ should not be viewed as a static variable hampering democratic development. The powerful resistance within Kazakhstan to creating an open media and a competitive political system comes from groups and interests within the present regime who have accumulated enormous wealth, sought to legitimise these by acquiring political office and denying their opponents a share in the country’s political institutions.

Kazakhstan’s present political elites, despite having skilfully branded themselves as reform-oriented technocrats, secular and pro-Western in outlook, are isolated from the citizenry and lack a strong social base or significant popular support. Their political career and economic well-being are dependent on demonstrating loyalty to the president and refraining from assuming an active political or social role. These elites are concentrated in the former capital Almaty and the new capital Astana, where voter turnout in the August 2007 parliamentary election was the lowest, 22% and 42% respectively. Independent observers and opposition activists in Almaty claim that the turnout was in fact only 16%, which cast doubt on the validity of the votes. Of those who voted for the opposition Social Democratic Party, official data show that 10.6% of voters were in Astana and 21.5% in Almaty.¹⁴

These figures suggest two key trends: 1) that an important section of the inhabitants of these two cities, which have benefited the most from the reforms, are disinterested in voting in elections that provide no real contest; and 2) a significant proportion among them are inclined to support non-regime parties, including the opposition (the opposition claims to have obtained a far greater percentage of votes than indicated by the official figures). While neither the EU member countries nor other Western states have the capacity to directly aid pro-reform and democratic forces in the country, it is at least vital to be aware of the underlying pluralism and political differences within Kazakhstan’s top political elites and upper middle classes and be cognizant of how the regime has rewarded compliance and political apathy under the guise of promoting ‘stability’.

¹⁴ http://election.kz/portal/page?_pageid=73,605082&_dad=portal&_schema=POR

4.5 Kazakhstan's OSCE chairmanship of 2010 and commitment to political reforms

As noted above, Kazakhstan's ruling elites were fully aware of the need to ensure that the presidential election of 2005 and the parliamentary elections of August 2007 met the basic international standard as spelled out by the OSCE to boost their candidacy for its chairmanship of the organisation. While there were fewer technical and procedural violations in both the 2005 presidential elections and the 2007 parliamentary elections, the entire administrative and propaganda machinery worked together to favour the incumbent and discredit the opponents.¹⁵ Nazarbaev secured another 7-year term by garnering 91% of the vote, an outcome that would be considered implausible and even illegitimate in a democratic or democratising country. Referring to him as 'Mr 91 percent', independent journalists have warned about the impending '100 percent' scenario in the next presidential elections, originally scheduled for 2012. However, amendments passed in May-June 2007 have reduced the presidential term from 7 to 5 years, which means that the next presidential elections will be due in 2010, the year when Kazakhstan will chair the OSCE. There may be a distinct possibility that elections could be held earlier.

Attaining the OSCE chair and gaining a visible niche within the European framework had become a matter of status and prestige for the Nazarbaev regime. Kazakhstan has already hailed the decision as a major diplomatic victory. But such a victory also opens it up to far greater scrutiny of fellow OSCE member states, the EU, as well as international human rights organisations.

Kazakhstan's Foreign Minister Marat Tazhin's speech to the OSCE meeting in Madrid in November 2007 contains an outline of the accepted conditions and an impassioned pledge to comply with the OSCE's commitment to democracy and human rights.¹⁶ He pledged to amend Kazakhstan's highly restrictive Media Law as well as the Law on Elections

¹⁵ Republic of Kazakhstan, Presidential Election 4 December 2005, OSCE/ODIHR Election Observation Mission Final Report, released on 21 February 2006 (http://www.osce.org/documents/odihr/2006/02/18133_en.pdf).

¹⁶ Vladimir Socor, "Kazakhstan to chair the OSCE: Splitting the Russia-led bloc?" *Eurasia Daily Monitor*, Jamestown Foundation, 6 December 2007 (http://www.jamestown.org/edm/article.php?article_id=2372645).

by taking into consideration the OSCE's recommendations. In amending the Media Law, he promised in particular to "withdraw draft laws that would increase liabilities for defamation in the media; instead, consider reduction of criminal liability for defamation; support the development of self-regulation mechanisms of the media; and liberalise registration procedures for media outlets, in consultations among authorities, journalists, and the OSCE." The pledge to reform the Law on Elections promised to liberalise registration requirements for political parties; implement ODIHR's recommendations on the functioning of political parties and on media coverage of elections and to enhance local representative bodies within the overall system of government. However, this pledge still lacks any substantive plans to review the May 2007 amendments on electing members of the Mazhilis which have made the legal framework for elections even more restrictive and are inimical to the development of a truly competitive democratic system. First, the requirement that all candidates be elected according to a party list on a proportional basis has eliminated elections by single mandate vote and privileged loyalty to the party over accountability to one's electorate. Second, in requiring the candidates to be members of parties, citizens are denied the right to seek election as individuals or as independent nominees. Third, the 7% threshold is too high in a country where the ruling party already dominated the previous Mazhilis elected in 2004. Finally, the provision to reserve 9 seats for members of ethnic minorities, who are to be elected by the Assembly of Peoples of Kazakhstan (APK), fails to provide for a democratic method of representing ethnic minorities. The APK is an appointed body that meets under the chairmanship of the president, who is its patron and benefactor. At the same time, ethnic minorities lack any mechanism of participating in the appointment of their representatives.

4.6 Can the Kazakh political elite reconcile the practice of democracy with its vision of prosperity?

Nazarbaev and his associates continue to contend that democracy can emerge only on the back of economic prosperity and social stability. Increasing oil exports and high global oil prices have propelled Kazakhstan's economic growth to over 8% annually since 1998, in which oil revenues accounted for about two-thirds of the country's budgetary revenues in 2006. As Kazakhstan aims to join the ranks of the top five oil

exporters by the year 2015, oil will account for over three-fourths of its budgetary revenues. However, Kazakhstan was forced to revise its economic growth projections from 9% to about 5% in 2008 due to the delay in starting commercial oil production in the Kashagan oilfield, which have also made the government lower its projected oil export target by some 20%.¹⁷ Financial experts have been warning about increasing instability of Kazakhstan's financial markets with international ratings agency such as Standard and Poor's (S&P) downgrading its sovereign credit rating in October 2007 to the lowest investment grade category BBB-, and Moody's also downgrading the debt ratings of prominent Kazakhstani banks.

The promise of rising prosperity, which has allowed Nazarbaev to muster considerable popular support and legitimacy, will be harder to deliver in 2008, when Kazakhstan will begin repaying foreign loans following heavy borrowings. Inflation, at 18% in late 2007, is likely to soar as prices of essential commodities and real estate continue to increase. The real estate market in Almaty and Astana has become overheated with prices increasing at least eight-fold over the past 6-7 years. An economic setback could spur the lower strata of the population, who have remained apolitical but supportive of the government, to demand greater material and social security and shake Kazakhstan's 'stable' political system.

The Kazakhstani political establishment tends to equate any reference to the promotion of democratisation and civil society as the imposition of a Western ideological agenda which is fraught with negative and destabilising consequences. The state-regulated media skilfully portray the 'colour revolutions' in the near abroad as a popular outpouring against economic discontent and which has only exacerbated lawlessness. Such propaganda has had a considerable effect in inoculating the ordinary people 'against political change' to support 'stability' and in equating democracy with social unrest and Western propaganda.

Voicing its commitment to establish a 'responsible' civil society, Kazakhstan's ruling elites have used economic carrots, political control and electoral mandates to pressure non-governmental organisations and independent political parties to forge a 'constructive partnership' with the

¹⁷ Vladimir Socor, "Kazakhstan's oil export picture detailed", *Eurasia Daily Monitor*, Vol. 4, No. 190, 15 October 2007 (http://www.jamestown.org/edm/article.php?article_id=2372502, accessed on 28 November 2007).

government. As the government has stepped up funding to loyal or pro-government NGOs (a new legislation now lifts the limits placed on the government to fund them), NGOs engaged in advocacy of civil rights and political reforms who are dependent on foreign donors and their activities have come under continuing surveillance through financial audits and other forms of control. Much of Kazakhstan's much-acclaimed social and ethnic stability is achieved by curtailing civil and political rights and rewarding a culture of civic apathy and political disengagement.

So far the Nazarbaev leadership has opted incrementally to allow 'democratisation from above' by initially overseeing the emergence of a multi-party system and then streamlining it into a one-party system, regulating electoral competition, and attempting to create a structure of NGOs and civil society that is loyal to the regime. The state-appointed Commission on Democratisation and Civil Society devotes itself to this task. The reforms proposed by the regime in response to the mounting pressure from the OSCE, particularly the US, have been formalistic and cosmetic. The government tends to announce its desire and commitment to political reforms in the presence of leading international actors, but often fails to follow up with appropriate legislation and implementation. Just a few days before the high-profile annual meeting of Eurasian Media Forum in 2007 organised by Dariga Nazarbaeva, a new, more liberal draft media law was introduced in the parliament.¹⁸ Though the draft media law eases restrictions on freedom of information and media registration, it retains the provisions that prosecute journalists for writing articles that undermine "the honour and dignity of the president". The OSCE, and leading international media watchdogs such as Freedom House, have called for the abolition of this particular clause. Thus the pledge by Foreign Minister Tazhin at the Madrid meeting needs to be followed through with a comprehensive and substantive set of reforms.

Notwithstanding the incremental promotion of democratisation from above, it is vital to note that neither the regime, nor international actors can fashion the development of democracy and civil society in the desired direction. The Kazakhstani ruling elites' support to democratisation may be

¹⁸ Joanna Lilis, "Kazakhstan: Officials send signal on media liberalization", *Eurasianet.org*, 20 April 2007 (<http://www.eurasianet.org/departments/insight/articles/eav042007.shtml>).

largely instrumental and self-serving, but it still provides an opening for long-term processes conducive to political liberalisation, transparency and civic participation.

The Kazakhstani ruling elites' support to democratisation may be largely instrumental and self-serving, but it still provides an opening for long-term processes conducive to political liberalisation, transparency and civic participation. Leading Kazakhstani human rights activists have expressed a cautious optimism that the increased international spotlight on Kazakhstan as the first non-European OSCE chair could herald greater political reforms, whereas a denial of the chairmanship would have certainly deprived its political elites of much incentive to reform and pushed them further towards Russia.

The EU needs to have a much clearer approach in emphasising the need for substantive democratisation policies to ensure that the award of the OSCE chair does not simply put a seal of international legitimacy on a regime that has not yet proved that it shares the core values of democracy and human rights.

Kazakhstan has a great potential to play a positive role in bridging the growing rift between the EU and Russia. A greater transparency will allow its political elites to strike a more effective balance between Russia, the EU and China. Some policy analysts have suggested that the EU can strengthen its role in Central Asia by forging a partnership with the Shanghai Cooperation Organisation (SCO), which includes all Central Asian states except Turkmenistan, Russia and China. While urging that the EU's Central Asia strategy must make a closer case for EU-SCO links, it is vital also to note that 'economic' and 'security' issues do not push out the commitment to promote democratic and governance reforms.¹⁹

4.7 Conclusion: Long-term prospects for reforms

Despite the numerous shortcomings of its political system, Kazakhstan possesses the various supporting conditions for achieving a transition to democracy in the long run. This is because the establishment of a competitive, market economy has unleashed several processes that indicate

¹⁹ Oksana Antonenko, "The EU should not ignore the Shanghai Cooperation Organization", Centre for European Reform Policy Brief, 11 May 2007 (http://www.cer.org.uk/pdf/policybrief_sco_web_11may07.pdf).

a long-term trend towards democratisation. Among the most significant of these are the emergence of a private and competitive educational system, the rise of an upper middle class, the introduction of a modicum of electoral competition, and a strong desire among the political elite and the educated citizenry to be part of a 'European' framework. These resonate with the emphasis on education and human development in the EU Strategy on Central Asia.

To be sure, the rapid emergence of a market economy has generated stark economic disparities and weakened the social safety network, as it has enhanced the ability of the regime to use patronage and sanctions to subordinate private business. Markets have not produced an independent entrepreneurial class or facilitated the expansion of a middle class that can press for political and economic reforms to limit the role of the state. On the contrary, business interests and entrepreneurs remain dependent on governmental patronage and goodwill.

When the development of institutions of political representation and civil participation do not keep pace with the rapid rise in oil-based revenues, it becomes ever more challenging to establish a rule of law, accountability and transparency. In order to cushion the economy from fluctuating global oil prices, Kazakhstan set up the National Oil Fund in 2000. Its reserves have already grown to \$20 billion, thanks to high world prices of oil. However, questions pertaining to the transparency, management and redistribution of oil fund revenues have not been addressed.

The EU must develop a nuanced approach in urging compliance with these recommendations, offer sustained support to building mechanisms of transparency and accountability in political processes and financial dealings and renounce the cliché of the 'preservation of stability' so beloved by the ruling group in Kazakhstan. It must ensure that the desire to secure further cooperation in the energy sector does not derail pursuit of its fundamental aims.

While the EU strategy towards the region understandably couples security and energy interests, such a strategy cannot be de-linked from an overall emphasis on political reforms and transparency.²⁰ According

²⁰ <http://euobserver.com/9/23329>.

priority to energy and security interests over democracy and institution-building is harmful in the longer run. Cultivation of close cooperation in energy and economic issues without a simultaneous emphasis on pursuing political reforms, combating corruption and encouraging civic participation will be detrimental to both EU and to Kazakhstani citizenry in the longer run. In the absence of a democratic framework, such cooperation can only aid technocratic purposes, benefit the top strata of society and produce a new class of professional technocrats interested in enhancing their career prospects and perpetuating rather than reforming the present system. Together with the OSCE, the EU must emphasise the urgency for Kazakhstan to launch a set of comprehensive democratic reforms that can provide the basis for a sustainable process of political reform in the country. This emphasis offers incentive and hope to the pro-reform elite within the government, civil rights NGOs as well as the growing middle class to press for political reforms in order to be more closely tied with Europe.

4.8 Recommendations to the EU

The following recommendations identify a set of reforms that the EU should seek to promote in Kazakhstan through its engagement with a dialogue focused on developing concrete ways to implement such reforms.

- *Lift all constraints on the civil right to public assembly.* Kazakhstan must scrap the numerous legal restrictions on freedom of assembly. Under current provisions, prior permission from the Ministry of the Interior is required in order to organise any public meeting. Existing laws and informal actions prevent opposition and civil society groups from holding a public meeting in any of the central areas of the major cities. The planning of the new capital Astana and the various construction projects in the city allow the government to control public space and make it logistically difficult for citizens to organise public meetings in any of the central areas. The authorities deliberately attribute a subversive and destabilising agenda to even the smallest act of public protests as they seek to preserve ‘stability’ by rewarding political apathy and lack of civic activism.
- *Introduce substantive measures to ensure the independence and openness of the media.* Kazakhstan’s media is privately-owned but controlled almost entirely by major financial groups affiliated with key members of the regime and connected with the major pro-regime political

parties. Kazakhstan must be encouraged to repeal its highly restrictive media law which currently makes it impossible for banned news outlets to re-register or for a banned journalist to be absorbed in the existing media channels. The clauses about protecting the “honour and dignity of the president” in the law, other anti-libel provisions as well as anti-terrorism legislation are widely used to restrict basic media freedoms.

- *Review the 2007 amendments providing for electing Mazhilis (the lower house) deputies on a party list based on proportional vote with a high 7% threshold.* Kazakhstan has not complied with any of the recommendations made by the OSCE-ODIHR to reform its Law on Elections. Instead, the 2007 constitutional amendments provide for 98 out of 107 Mazhilis seats to be elected on a party list based on proportional vote, setting a high 7% barrier. This system produced only one winner as all other parties failed to cross the stipulated 7% threshold. Kazakhstan must be persuaded to adopt a mixed system which i) combines voting for party lists with single mandate voting; ii) lowers the required threshold for political parties; and iii) removes the clauses that bar a person convicted of an administrative offence from contesting elections. Independent and opposition figures have routinely faced politically-motivated charges of economic misdemeanours, some of which have been upheld by the courts, in turn disqualifying them from standing for any public office.
- *Ensure independence and impartiality of the Central Election Commission (CEC).* Under the present system, the presidential administration maintains complete control over the appointment of the CEC. The latter in turn has an uncontested mandate to appoint lower-level election commissioners. This system rests on patronage and has allowed the regime to successfully utilise the so-called ‘administrative resources’ in order to produce a desirable electoral outcome. The Election Commission is fully loyal to the president who handpicks its members. Orderly organisation of elections and successful delivery of expected results have opened up further career paths for the chairman and other members of the CEC. The EU, together with the OSCE, must press for reforms that limit the power of the president to appoint members of the CEC and regional and district and local election commissioners and allow an effective say to non-governmental organisations and non-governmental figures.

- *Provide for proper procedures for electing local elections.* Foreign Minister Tazhin reiterated his commitment to enlarge powers of local representative bodies within the overall system of government. But in a political framework where the parliament is entirely constituted by the pro-presidential party Nur Otan, and the members of the Election Commission at all levels are dependent on the regime's patronage, enlarging powers of local bodies or providing for direct elections will have no positive effect. Local reforms must be carried out in conjunction with reforms at the higher levels.
- *Ensure independence of the judiciary.* Under the country's strong executive system based on presidential patronage, the judiciary, like the legislative branch, has remained loyal to the regime. The judiciary has continued to protect the interests of the state and its functionaries rather than those of individuals, minorities and the weaker strata of society. Despite notable improvement in wages and professional training for judges, Kazakhstan's judiciary has a very poor record in handling cases related to civil liberties and human rights and has not issued a single verdict in the past decade that acquitted members of the opposition or independent journalists in respect to charges brought against them by individuals affiliated with the regime. The EU strategy has defined the judiciary as one of the focal areas in Kazakhstan for promoting reforms. If this focus is to be effective, the EU needs to develop a more nuanced approach towards promoting legal-judicial reforms and ensure that reforms of a technical nature (i.e. the introduction of jury trials, the improvement of training and salaries for judges) go hand in hand with promoting judicial independence.

5. THE EU AND UZBEKISTAN: WHERE TO GO FROM HERE?

*MICHAEL HALL**

Introduction

In 2005, following the suppression of the Andijon uprising, the European Union, alone among world powers, took a necessary and principled stance towards the regime of Uzbekistan's President Islam Karimov. A visa ban was imposed on officials believed to be involved in the indiscriminate killing of mostly unarmed civilians, an embargo was placed on arms shipments to Uzbekistan and high-level bilateral relations were frozen. Now, almost two years later, the strain in relations appears to be taking its toll on both sides. The Uzbek government has made tentative overtures to the EU, and there are indications that some in the EU are willing to accept such overtures at face value in the rush to normalise relations, often citing security and energy concerns, as well as 'progress' in the sphere of human rights. Unfortunately, arguments that Uzbekistan can meaningfully contribute to European security – of any kind – and that the Karimov regime is willing to reform do not stand up to closer examination. While it is to be welcomed that Germany chose to make Central Asia a foreign policy priority during its Presidency of the EU in the first half of 2007, any normalisation of relations must be contingent not on promises or cosmetic changes from Uzbekistan, but on concrete measures taken to improve the lives of its citizens. To accept anything less would be to commit a grave disservice to ordinary citizens, and would be devastating to the EU's credibility.

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5.1 Human rights dialogue with Uzbekistan likely to be dead-end

As part of its efforts to improve its image in the EU, Uzbekistan in November 2006 agreed in principle to begin a 'dialogue' with the EU on human rights, an agreement that has yet to yield any concrete results. Even as both sides talk of 'dialogue', the relentless persecution of human rights activists, independent journalists and opposition supporters – both within the country and abroad – continues. As an illustration, let us recount three recent cases.

- **Umida Niyazova.** An independent human rights activist who had previously worked for a number of international organisations, Niyazova, a 32-year-old single mother, was stopped by customs officials in December 2006 at Tashkent's airport while returning from Bishkek, Kyrgyzstan, where she was a trainee at the OSCE Academy. Customs officials confiscated her laptop computer, on which, they subsequently claimed, they had discovered "extremist materials". Niyazova left Uzbekistan for Kyrgyzstan, where she sought political asylum, but then returned to Uzbekistan in January 2007, having been told that the charges were dropped. She was immediately arrested and held incognito for several days in Andijon before being returned to Tashkent, where she was charged with the smuggling of contraband, distribution of extremist materials and illegal border crossing. After a closed two-day trial, on 1 May 2007, Niyazova was convicted on all counts and sentenced to seven years in prison. Following an international outcry, her sentence was changed to a three-year suspended sentence; the price for her freedom was Niyazova's public repentance and a denunciation of the activities of international human rights organisations such as Human Rights Watch.
- **Isroil Kholdorov.** A leader of the banned opposition movement Erk ("Will") in Andijon, Kholdorov, 57, fled to Kyrgyzstan following the 2005 uprising and sought political asylum there. He continued his public denunciations of the Karimov regime, and is believed to have been kidnapped by Uzbek security agents and forcibly returned to Uzbekistan. On 19 February 2007, he was sentenced to six years in prison for, among other things, establishing an illegal group, illegal border crossing and the distribution of extremist materials.
- **Gulbahor Turayeva.** A doctor and NGO activist from Andijon, Turayeva, 40, was an eyewitness to the slaughter in Andijon and had

repeatedly challenged the Uzbek government's version of events. In January 2007, she was arrested while crossing the border from Kyrgyzstan, bringing with her materials published by the banned opposition movement Erk ("Will"). She was sentenced to six years in prison in April 2007 for slander, distributing threatening materials and infringing on the constitutional order. A further conviction for slander on 7 May resulted in a fine of roughly \$518 being added to her sentence; initial reports were that her prison sentence was also almost doubled. As was the case with Niyazova, Turayeva's sentence was commuted to a three-year suspended sentence on 12 June 2007, after she also made a humiliating public denunciation of her previous statements and of the statements of other foreign journalists regarding the Andijon events.

The release of Niyazova and Turayeva is, of course, to be welcomed. At the same time, the fact that both have been arrested and convicted means that their freedom is still at great risk. In the meantime, there are continuing concerns about the well-being of other detainees, such as human rights activist Mu'tabar Tojiboyeva, businessman and political activist Sanjar Umarov, and independent journalist (and nephew of the president) Jamshid Karimov, all of whom are believed to have been severely mistreated in detention. Tojiboyeva and Karimov have been subjected to forced psychiatric hospitalisation. And Uzbekistan's prisons remain full of thousands of other individuals unjustly arrested and imprisoned – in often extremely inhumane conditions – on a variety of politically-motivated charges.

Niyazova, Kholdorov, Tojiboyeva, Umarov, Karimov, and others like them are all victims of a regime that seems to view any independent activity – be it religious, political, economic or cultural in nature – as a potential threat. Those who dare step out of line face intimidation and harassment – including beatings by unknown assailants¹ – arrest on trumped-up charges, and perfunctory trials with apparently pre-determined verdicts. And persecutions are not limited to Uzbekistan itself, as Kholdorov's case indicates; since the Andijon uprising, Uzbek refugees

¹ For example, human rights activists Elena Urlaeva and Vasila Inoyatova were attacked in January and February 2007, respectively.

and asylum seekers in Kazakhstan, Kyrgyzstan, Russia and Ukraine have been the victims of kidnapping and illegal deportation.²

Similarly, Tashkent has done little to address the EU's concerns about its handling of the Andijon uprising. The Uzbek government did agree to allow a group of EU experts to visit Andijon in December 2006, although the time the EU's experts were allowed to spend in Andijon and the number of people they were allowed to meet with in general were limited. There have been grudging acknowledgments from the Uzbek side that its forces may have made mistakes in their response to the uprising. And in October 2006, Andijon governor Saydullo Begaliyev was fired by Karimov himself, who stated that Begaliyev's administration, by ignoring socio-economic problems in the province, was partially to blame for the Andijon events. All encouraging signs, perhaps, but progress on this front has been stalled as well. The Uzbek government was apparently reluctant to hold any further meetings, reportedly announcing that the Andijon issue was, in their view, "closed". A second meeting was eventually held, yet also yielded no results; a planned third meeting has yet to be scheduled. In the meantime, the Karimov regime continues to insist – without offering any convincing evidence³ – that the Andijon events were the work of terrorists with extensive foreign backing (including the alleged support of the US embassy in Tashkent, Western-funded NGOs and Western media outlets such as the BBC). And acknowledgments along the lines of 'mistakes were made' fall far short of allowing a full-scale, unfettered independent inquiry into the bloody events of May 2005.

It is certainly significant that Karimov pointed to socio-economic concerns in his sacking of Begaliyev. What is often overlooked, however, is that Begaliyev's style of government was the rule, not the exception. Regional administrators throughout Uzbekistan are appointed or removed at the behest of the president, and are fully aware that their political

² The Moscow-based human rights organisation 'Memorial' has been particularly diligent about tracking such cases (for more information, see their website, www.memo.ru).

³ What evidence the Uzbek government has offered has been in the form of confessions from those accused of organising or participating in the uprising. Given the widespread use of torture in Uzbekistan, evidence consisting solely of confessions must be regarded with scepticism.

survival – and personal freedom – depend on appeasing Karimov, with little or no attention given to the needs of the local population, to whom administrators are not in any way accountable. This is particularly the case in Uzbekistan's cotton-growing regions, where local administrators are under massive pressure to see to it that government-set harvest quotas are met.

With failure to meet quotas a common reason for their dismissal, local administrators resort to whatever means they see as necessary. Large-scale forced labour with little or no compensation, physical intimidation – including beatings – of farmers who fail to deliver, seizure of land from those who try to grow other crops for subsistence or sale – all are commonplace. With more and more young men leaving impoverished rural areas to seek work in Tashkent – or leaving Uzbekistan altogether – the burden falls increasingly on the women and children left behind. As is the case with gas, the revenues from Uzbekistan's cotton fibre exports – perhaps as much as \$1 billion per year – often vanish into off-budget accounts; again, it is thought to be the Karimov regime and its security services who benefit, and not the impoverished and occasionally brutalised farmers.⁴ While Begaliyev and others face periodic dismissal,⁵ as long as the system itself remains fundamentally unchanged, there is little reason to expect their successors to act any differently.

In sum, the steps taken by Uzbekistan to address the concerns expressed by the international community on the Andijon events and on the human rights situation in the country have not been sufficient to justify a return to the *status quo ante*. This is not to suggest that dialogue should be

⁴ For more information, see International Crisis Group, *The Curse of Cotton: Central Asia's Destructive Monoculture*, ICG Asia Report No. 93, 28 February 2005.

⁵ An interesting case is that of former Jizzakh Governor Ubaydullo Yomonqulov. A protégé of current Prime Minister Shavkat Mirziyoyev, Yomonqulov had a long-standing reputation for violent behaviour towards farmers who failed to meet their cotton targets. In February 2007, at a session of the local government chaired by Mirziyoyev himself, it was announced that Yomonqulov had, on his own initiative, submitted his resignation. At this point, it is impossible to say whether or not Yomonqulov's resignation was in fact voluntary – perhaps Yomonqulov's behaviour, widely reported by Uzbek human rights activists and independent journalists, had finally become an embarrassment to a regime seeking to improve its image abroad.

abandoned, yet dialogue for its own sake will accomplish nothing. Any normalisation of relations with Uzbekistan must follow concrete steps by the government to improve the lives of its citizens and address the international community's concerns about human rights. In the past, the Uzbek government has proven willing to make the occasional token gesture in these areas when international criticism has grown inconveniently strident. Fundamental changes, however, have been utterly lacking. During the years of its close relationship with the Karimov regime, the United States constantly advocated 'dialogue' as a means to bring about such change in Uzbekistan. The Andijon events and the continuing repressions that have followed showed convincingly exactly how much the years of dialogue with Karimov had accomplished.

5.2 Uzbekistan's limited potential as energy exporter

While the EU strategy has not yet been made public, concerns have been voiced that it may prioritise the EU's energy concerns above human security and human rights concerns in Central Asia. The EU's desire to diversify its energy suppliers is perfectly understandable. It is questionable, however, to what extent Uzbekistan can genuinely contribute to EU energy security. Uzbekistan's gas delivery network is highly inefficient, and barely able to meet the needs of its own consumers. The Russian gas giant Gazprom enjoys a virtual monopoly on the export of Uzbek gas, and given the lack of alternate routes – and Uzbekistan's ever-closer relations with Moscow – this is highly unlikely to change any time soon.

What is more, the small amounts of gas that Uzbekistan exports usually come at the expense of its own citizens, who face frequent shutoffs of gas during the winter months. This has led to increasing discontent within Uzbekistan, and demonstrations provoked by interruptions in gas supply took place in many regions of the country prior to the Andijon uprising. Recently, there have been reports of renewed demonstrations, particularly in the impoverished Autonomous Republic of Qaraqalpaqistan – paradoxically, the source of much of Uzbekistan's gas.

A further question is what happens to the revenues generated by the export of Uzbek gas. As with Uzbekistan's other main export commodities, such as gold, cotton and uranium, it is believed that the lion's share of the proceeds do not in fact go into state coffers but are diverted into off-budget accounts controlled by the Karimov regime and its close allies, particularly in the repressive security services. The government has announced its

intentions to improve domestic delivery and boost exports through structural reforms and new exploration, yet its own ability to implement such measures is limited, and the notoriously corrupt investment climate in Uzbekistan seems to be giving even such major players as Russia's Gazprom some pause. At any rate, whatever increased production does result will inevitably enter the Gazprom-dominated delivery system.⁶

In short, it does not seem likely that Uzbekistan can contribute in any meaningful way to EU energy security. What is more, the manner in which its own energy resources are exploited makes them more of a force for resentment and instability within Uzbekistan itself than a force for socioeconomic development. This may have consequences for states or companies seen as benefiting from the unfair and opaque use of energy resources. Rising public resentment against foreigners – and locals – working in the energy sector in Kazakhstan are one sign of this, and recent events in the Niger Delta show that such resentments can have very dangerous consequences over the long term.

5.3 EU in danger of misreading the situation in Uzbekistan

The idea that Uzbekistan can somehow contribute meaningfully to European energy security is one of a number of false assumptions about Uzbekistan that seem to inform much of the policy debate. One idea that simply must be abandoned is the view that Central Asian society in general – and Uzbek society in particular – is 'Oriental', 'traditional', and 'clan-based', and therefore somehow fundamentally antagonistic to Western ideas of good governance and democracy. In fact, the most stubborn resistance to the implementation of political and economic reforms comes not from the public at large but from leaders such as Karimov, who see such reforms as threatening their stranglehold on political and economic life. Stereotypes such as these serve both Karimov and those abroad who wish to maintain the status quo – or at least avoid such sensitive topics. They do a disservice to both the citizens of Uzbekistan and the credibility of the West. Even if the establishment of a fully-functioning multi-party democracy along European lines may not – at present – be a priority for the average Uzbek citizen, it is indisputable that Uzbekistan's long-suffering

⁶ For more information, see International Crisis Group, *Central Asia's Energy Risks*, ICG Asia Report No. 133, 24 May 2007.

population does indeed desire, at the very least, fundamental justice, fairness and accountability from those who govern them. One reason that groups such as Hizb ut-Tahrir are as widespread as they are in Central Asia is that they offer a vision of at least some kind of justice and accountability, and while the vision they offer may be at best distasteful to many in the West, to many in Central Asia – particularly in Uzbekistan – it clearly represents a preferable alternative to the status quo. When approaching Uzbekistan, the EU would do well to ask itself which version of ‘justice’ it would ultimately like to see take root in Uzbekistan – one closer to its vision, or one closer to that of Hizb ut-Tahrir. Not to stand up for the former may well lead to the strengthening of the latter.

This raises yet another false assumption about Uzbekistan’s importance to the West in general: namely, that Uzbekistan has an important role to play in the ‘global war on terror’. Although occasionally lionised by its admirers in the US as a strategic partner in the ‘war on terror’, in fact the Karimov regime, through its repressive and exploitative policies, has perhaps done more to foster the growth of radical Islamism in Uzbekistan and in the wider Central Asian region than it has to contain it. Rampant corruption, abuses of power, arbitrary arrest, the systematic use of torture, the suppression of any and all legitimate opposition movements, the evisceration of civil society, the co-opting of religious institutions and the closing down of alternative sources of information – all leave Uzbekistan’s citizens with fewer and fewer alternatives. While the current threat posed by militant Islam in Uzbekistan should not be exaggerated – as the government itself is wont to do – nonetheless there are reasons to be greatly concerned about the long-term dangers. And while none of the apparent acts of terrorism in Uzbekistan has specifically targeted European citizens or interests, terrorists around the world have demonstrated their willingness to use violence not only against their own governments, but against those states perceived as supporting them.

5.4 The future of the Karimov regime

Another question the EU – and indeed, all foreign governments seeking to cultivate ties to Uzbekistan – should consider is the future of the Karimov regime. At present, Karimov himself is in a curious legal position. According to Uzbekistan’s Constitution, Karimov’s term as president expired on 22 January 2007, seven years after his latest inauguration. Uzbekistan’s law on elections, however, states that new presidential

elections can only be held in December of the year in which the president's term expires – meaning, if the letter of the law were to be followed, that Uzbekistan would technically be without a president for eleven months. The Karimov regime, however, has proven adept at interpreting the law to suit its own ends, and, where this cannot be done, simply changing it to meet the facts. There has been some speculation that the regime will do exactly this, perhaps by holding a referendum to extend the president's term. A second scenario posits Karimov's stepping aside in favour of a successor, or carrying out a symbolic restructuring of government while retaining de facto power himself. At present, there is no clear sign that Karimov is planning to do either; in fact, all indications are that Karimov intends to seek re-election in December. Given the nature of the Uzbek political system, there is little doubt that, if elections are indeed held, Karimov will win easily.

Nonetheless, the issue does again raise a nagging question: who will succeed Karimov once he departs the political scene? While there has been speculation about certain individuals – including Karimov's daughter Gulnora, National Security Service chief Rustam Inoyatov, Prime Minister Shavkat Mirziyoyev, and Moscow-based oligarch Alisher Usmonov – there is no clear 'front-runner' in line for succession. This is more than an academic question. The sudden death of former Turkmen President Saparmurat Niyazov is an example of how quickly and unexpectedly change can come. Despite predictions that Niyazov's death could spark a potentially violent succession struggle, the transition in Turkmenistan has nonetheless been smooth – for the time being. It should not, however, be assumed that this would be the case in Uzbekistan as well. The people of Turkmenistan, for whatever reason, appear to have essentially made their peace with Niyazov's style of government, and were never likely to openly challenge either his rule or that of his successor. In Uzbekistan, on the other hand, the population is many times larger than that of Turkmenistan, and anger – and even hatred – towards the Karimov regime have been steadily growing for a number of years. While Andijon sent an unambiguous message as to how serious unrest would be dealt with, the underlying tensions have not subsided. Furthermore, Uzbekistan, unlike its neighbour to the south, has an active radical Islamist underground. And Uzbekistan, unlike Turkmenistan, is home to wealthy and influential individuals outside of the regime itself, some of whom may decide to make independent bids for power once Karimov is out of the picture. In sum, there are serious reasons for concern about the prospects for profound

instability, and even violence, in post-Karimov Uzbekistan. Protracted instability or violence in Uzbekistan could well have disastrous consequences for neighbouring countries.

5.5 EU priorities for a new relationship with Uzbekistan

A common argument put forward by those who wish to see a rapid improvement in EU-Uzbek relations is that it is simply impossible to conceive of a Central Asian strategy that does not centre on Uzbekistan. First, there is reason to question the need for an overarching regional strategy for Central Asia, as all five countries have taken increasingly divergent paths since independence. More to the point, however, this approach may greatly exaggerate Central Asia's importance. It is true that, with over 25 million people, Uzbekistan is by far Central Asia's most populous country. On the other hand, at least as many people live in the surrounding countries, which, to varying degrees, have generally proven more amenable to reform than Uzbekistan. Even Turkmenistan, under new President Gurbanguly Berdimuhammedov, has promised reforms which, in comparison to the increasingly repressive and megalomaniacal policies of Niyazov, far exceed anything that Uzbekistan has committed itself to – although here, too, the EU and the international community in general must be cautious not to mistake promises for action. Rather than struggling to 'engage' with a regime that for years has stubbornly resisted international appeals for reform, a more productive approach may be to increase engagement and assistance to those regimes taking genuine steps towards improving the lives of their citizens.

Also of concern is Uzbekistan's ability to make life difficult for neighbouring countries, particularly Kyrgyzstan and Tajikistan. While Uzbekistan's post-Andijon rapprochement with Russia has led to its re-entry into Kremlin-backed regional integration schemes, such as the Eurasian Economic Community (EurAsEC) and the Collective Security Treaty Organisation (CSTO), this has yet to translate into better bilateral relations with other member states. Kyrgyzstan has faced serious political pressure from Tashkent in retaliation for its granting of political asylum to Uzbek refugees in the past; consequently, Bishkek has been increasingly reluctant to do so, and those seeking refuge from persecution in Uzbekistan now face increasing difficulties finding safety. Only recently, and very reluctantly, has Tashkent agreed to allow visa-free travel for Kyrgyz citizens, a condition of EurAsEC membership. Tajikistan's relations with

Uzbekistan, never particularly warm to begin with, have sunk to an all-time low, with the two countries trading accusations of espionage and harbouring insurgents. Tashkent has also apparently been seeking to draw Russian attention – and investment – away from Tajikistan. Visa requirements for Tajik citizens remain in place. The fact that both Kyrgyzstan and Tajikistan are dependent on Uzbekistan for their gas supplies gives Tashkent increased leverage over both. As long as Tashkent feels that its ability to exert pressure on its neighbours is unchecked, no amount of ‘dialogue’ or ‘engagement’ is likely to dissuade it from doing so. To counteract this, any EU strategy for Central Asia should include plans to strengthen the infrastructural and energy independence of Kyrgyzstan and Tajikistan vis-à-vis Uzbekistan and promote greater cooperation between these two countries and Kazakhstan, which is rapidly emerging as the region’s economic locomotive.

Those who argue for such approaches have on occasion been accused of seeking to ‘isolate’ Uzbekistan. Nothing could be farther from the truth. The aim of such a policy would not be to isolate Uzbekistan, but rather to reward those governments that demonstrate the political will to make positive changes. It should be made very clear to the Uzbek government that improved relations with and greater assistance from the EU are available – provided it takes the first steps towards serious reform. Such measures should include:

- ceasing all persecution of human rights activists, independent journalists and supporters of political opposition movements;
- granting access by the International Committee of the Red Cross (ICRC) to all those in places of detention, and in particular to political detainees;
- ending the use of forced labour during the cotton harvest (a practice that even violates Uzbekistan’s own laws); and
- allowing a full and unhindered independent investigation of the Andijon uprising by an independent rapporteur, including access to returned refugees and those in detention.

Measures such as these must be regarded only as starting points for a resumption of high-level bilateral dialogue between the EU and Uzbekistan. Given the nature of the Karimov regime, however, even such steps as these are highly unlikely. Still, to make even symbolic concessions

to Tashkent in return for the purely cosmetic changes that have so far been proffered by the Uzbek side⁷ would send the wrong message entirely.

In sum, it is difficult to see how the Karimov regime can in any meaningful way contribute to the EU's energy, security or human rights objectives – however these may ultimately be defined – in Central Asia. While the normalisation of relations must remain the ultimate goal, it must also be made clear that the requirements for such a normalisation lie entirely with the Uzbek side. In the meantime, engagement with and assistance to those countries that have demonstrated at least genuine commitment to reform and to improving the lives of their citizens should be enhanced. It is to be welcomed that the EU plans to expand its on-the-ground diplomatic presence in Central Asia; to do so in Uzbekistan may still be premature. What engagement there is should be only part of the EU's multilateral relations with the Central Asian region as a whole, and should be kept only at the level necessary to maintain EU-sponsored projects in Uzbekistan aimed at improving the lives of ordinary Uzbek citizens.

To say that Europe's sanctions against Uzbekistan “are not working” is a gross oversimplification. True, the economic impact of such measures is negligible. But their symbolic importance simply cannot be overlooked. For one thing, the EU's firm and unyielding position vis-à-vis Uzbekistan will send a strong message to other countries in the region: namely, that there are consequences for those who commit massive human rights abuses such as the Andijon massacre. On this front, the EU has done much to undermine its own credibility – Germany's granting of a visa to Uzbekistan's then Interior Minister Zokirjon Almatov, despite his presence on the travel ban list, was a serious blow – and to relax the sanctions regime now without signs of concrete progress from Uzbekistan would be disastrous. At a time when revelations about the abuse of detainees at Baghram, Abu Ghraib and Guantánamo have done serious harm to the credibility of the US on human rights, the importance of the EU taking a strong stance on human rights becomes paramount.

⁷ Among these is a much-touted law that would grant a greater role to political parties in parliament in naming the prime minister. In Uzbekistan's rubber-stamp parliament, however, where no genuine opposition parties are allowed, such a change means little.

As far as Uzbekistan is concerned, there too the symbolic impact of the sanctions should not be underestimated. Put simply, Karimov does not wish to be a pariah. While major powers such as Russia and China seem willing to strengthen their ties with Uzbekistan without asking awkward questions about political and economic reform or human rights, it is questionable how comfortable Karimov truly is with the current state of Uzbekistan's international relations; his long-standing mistrust of Russia, at any rate, is well known, and suspicion towards China has deep roots in the post-Soviet states, the Shanghai Cooperation Organisation notwithstanding. The current state of (relative) isolation from the West is probably not entirely pleasing to Karimov, who is too savvy a politician not to want a greater degree of balance in his international relations. This can only enhance the effect of Europe's sanctions. It seems plausible that the fumbling, at best half-hearted attempts by the Karimov regime to improve its image in the West are an indication of how much the current freeze in relations rankles in Tashkent. Tashkent needs Brussels far more than Brussels needs Tashkent. In the current diplomatic standoff, it must be Tashkent that blinks first.

6. TURKMENISTAN AND THE EU: CONTEXTS AND POSSIBILITIES FOR GREATER ENGAGEMENT

*MICHAEL DENISON**

Introduction

The sudden death of Turkmenistan's President Saparmurat Niyazov on 21 December 2006, has opened a window for engagement between the European Union and Turkmenistan. There appears to be a realisation across the Turkmen political elite that Niyazov's style of policy micro-management was unsustainable and undesirable, both in terms of its immediate outcomes and for its broader impact on political and social cohesion. Accordingly, a more balanced and predictable form of governance under President Gurbanguly Berdymuhammedov has emerged, albeit with an increasingly accented personalistic tone. Although formal democratisation remains a distant prospect, a sequence of foreign, economic and social policy changes has begun to occur. The principal objectives of these shifts will be to reverse Niyazov's most idiosyncratic and unambiguously damaging policies, and to commence a process of cautious re-engagement with the outside world. An important task for the EU is to understand these developments and assess whether they are designed principally to mitigate the damage of the Niyazov years, or whether they are harbingers of something more qualitatively ambitious. These reforms have the potential to be simultaneously emancipating and destabilising. Using a fusion of traditional Turkmen and Soviet techniques,

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paid for by gas rents, Niyazov managed to create a regime that, for over two decades, rather effectively neutralised any actual or potential sources of opposition to his rule. Without that primitive overlay, some multiplication of political actors, combined with necessary reforms to increase the role of the private sector, is likely to test the state's institutional strength, and open new internal commercial pressures for engagement in and beyond the region.

At present, Turkmenistan can offer the EU only a limited menu of potential goods – a fairly reliable supply of cheap natural gas, and a modest addition to the Caspian oil and liquefied natural gas (LNG) market mix. Given present concerns over Russia's reliability as a long-term supplier of hydrocarbons, Turkmen gas reserves have acquired a new salience. However, there are significant obstacles in bringing them directly to the European market, not the least of which is the lack of either an existing infrastructure or a compelling incentive for the Turkmen leadership to sell the bulk of its onshore gas to Europe. The list of 'harms' to EU interests that might emanate from Turkmenistan is also correspondingly limited. The interest of the Turkmen people in radical, politicised Islam has historically been extremely limited, but may yet grow with the emergence of a disaffected middle-class. The prospect of any such radicalisation causing domestic political instability, or being targeted at EU interests, remains remote. Internal challenges to the current government are more likely to stem from internecine elite feuds that mask clan/regional interests. Informal in-country reports, for example, point to tension in Mary *velayet* (oblast or region) over the perceived exclusion of that region's interests in the elite pacting process that occurred in the immediate aftermath of Niyazov's death. The security services are believed to have taken personal control over the administration of the presidential election in Mary city, presumably to ensure that there was no regional deviation in the final result.¹ The most significant security problem is likely to remain the use of Turkmen territory for the transit of narcotics from Afghanistan and Iran on to Russia and Europe. The EU can play an interdiction role in the disruption of this trade, but will depend on the cooperation of the Turkmen political, military and intelligence elites to make an impact. This cannot be

¹ See International Crisis Group, *Turkmenistan after Niyazov*, ICG Asia Policy Briefing No. 60, 12 February 2007.

guaranteed, but there are recent signs that the government is taking the problem seriously.²

Accordingly, the EU's principal opportunity to engage with Turkmenistan is not likely to carry a short-term pay-off. Nor should one be expected. It will require careful work to help build the foundations of what Weber called a 'legal-rational' system of governance, underpinned by significant assistance, without conditionalities, in the education and health sectors. There is clearly a very serious debate going on within the Turkmen elite about its preferred form of relationship with Russia (and China).³ Heavy-handed democracy promotion at the outset is likely to predetermine that outcome by driving the new regime into the arms of Moscow and Beijing. By focusing on technical governance issues, while making available the option of alternative natural gas export routes, the EU can assist in laying the foundations for genuine cooperation which will carry a more significant and uncomplicated political, security and commercial dividend in the medium-term.

The remainder of this paper is structured into four sections: the first analyses of the reconfiguration within the Turkmen political elite

² Interviews conducted in Turkmenistan in May 2007 with reliable sources indicated a reduction in the amount of narcotics available in provincial towns in southern Turkmenistan in spring 2007. The Turkmen government hosted an international symposium of the UN Office on Drugs and Crime (UNODC) in Ashgabat in September 2007. The Turkmen state media reported on 20 September 2007 that 460 kg of heroin was seized on the Turkmen-Iranian border following a gun battle with traffickers (*Esger*, 20 September 2007, p. 2).

³ Note the comments made by Russian Foreign Minister Sergei Lavrov on 27 January 2007 (*Itar-TASS*, 27 January 2007), and the cool response from Ashgabat to the Russian proposal for a gas OPEC (*Russian Oil and Gas Report*, 2 February 2007). The Russian delegation to Berdymuhammedov's inauguration received reassurances on existing contracts only, despite a reportedly generous package of assistance offered by Gazprom (*Gazeta*, 15 February 2007). Since then, elements within the Russian media have expressed alarm at the new 'multivector' orientation of Turkmen foreign policy, and expressed fears that the gas sales and pipeline agreements with China have seriously diminished Russian influence over Turkmen foreign policy (see for example, Alexander Zhelenin, "Price for Gas Issue: By concluding an agreement with China, Turkmenistan is leaving Russia's zone of influence", *Nezavisimaya Gazeta*, 31 July 2007).

occasioned by Niyazov's death, and assesses its likely impact on domestic policy; the second section focuses on the important changes in the organisation and functions of the oil and gas sector in the period immediately before and after Niyazov's death, and considers how the Turkmen government may seek to realise its main priorities for energy sector development; the third section seeks to explain the rationale behind post-Soviet Turkmen foreign policy in order to gauge whether and how the government is likely to reorient policy after the long period of relative isolation under Niyazov. The paper concludes by offering some specific policy suggestions for greater EU engagement with Turkmenistan that may encourage the country's re-integration into the global community, while assisting the EU to extend its diplomatic and moral reach into Central Asia.

6.1 The domestic political landscape

Prior to 21 December 2006, Turkmenistan could fairly be described as a 'sultanistic regime'.⁴ President Niyazov ruled through a mixture of fear and rewards, using natural gas rents to furnish patronage networks and maintain a coercive state apparatus centred on the security services and the Presidential Guard. Augmenting these techniques of material control was a pervasive cult of personality built around certain motifs, texts and symbols associated with Niyazov himself, as well as other approved figures.⁵ The cult of personality fulfilled several important functions. It was (and remains) an important instrument of social integration in a society where national identity remains weak. It expressed the regime's visual and spatial power, particularly in the urban redesign of Ashgabat, where it presented a continual reminder to Turkmen of the source of their political independence and heavily subsidised basic provisions. The cult was, through Niyazov's books, particularly *Ruhnama* (Vols. I and II), an important mechanism for political socialisation, offering a normative navigational aid for Turkmen in the uncertain waters of post-Soviet transition. Finally, the cult increasingly functioned as an important strategic resource for mid- to upper-level officials who, by instigating ever

⁴ See H.E. Chehabi and Juan J. Linz (eds), *Sultanistic Regimes*, Baltimore, MD: Johns Hopkins University Press, 1998.

⁵ These included Niyazov's deceased parents.

more extravagant projects, hoped to preserve or advance their own and/or their region's interests.⁶

The formal political landscape theoretically provides checks to presidential power but, in reality, has rarely done so. The Turkmen State Constitution is actually a relatively liberal document, providing for a separation of the branches of government and protection of the rights of the individual against unnecessary state intrusion. Although the President is accorded significant powers, the sovereign organ of state power is the *Khalk Maslahaty* (People's Council), a unique fusion of the executive, legislature and judiciary, comprising 2507 appointed and elected delegates who sit for a few days once or twice every year. However, the Council has, in practice, largely functioned as a vehicle for the approval of government policy and the ritual acclaim of Niyazov. The election of Berdymuhammedov to chair the *Khalk Maslahaty* at an extraordinary session convened on 30-31 March 2007, suggested that this practice will remain essentially unchanged for the foreseeable future. The *Majlis*, a 50-member Parliament which effectively succeeded the Soviet Congress of People's Deputies, essentially undertakes the execution of daily government business with minimal dissent from the prearranged line of the Presidency and the Cabinet of Ministers.

Two comments should be made about this rather bleak and flattened institutional landscape. Firstly, a process of minimal but significant liberalisation, that passed virtually unnoticed, was under way *before* Niyazov died, possibly to assuage criticism from international institutions such as the OSCE, but also perhaps to introduce a highly controlled outlet for the expression of political pluralism and, in the case of the constitutional amendments, to broaden the net of possible successors. Elections to the *Majlis* and *Khalk Maslahaty* in 2004 and 2006 respectively were increasingly, within limits, competitive, albeit between candidates pre-selected for their reliability. Not all candidates belonged to the Democratic Party of Turkmenistan, although all were no doubt hand picked. The Constitution was amended twice in 2005 in order to liberalise eligibility for the presidency, a sign that Niyazov's health was known to be fragile but that a successor had not yet been settled upon. The second point

⁶ For more detail on the Niyazov cult, see the author's PhD thesis, "Why do sultanistic regimes arise and persist? A Study of Government in the Republic of Turkmenistan, 1992-2006", University of Leeds, 2006.

is that, traditionally, Turkmen politics has been conducted consensually. Pre-Soviet Turkmen tribal *maslakhaty* (village councils) were acephalous, ad hoc affairs with no permanent leadership, except in periods of conflict.⁷ Where a decision could not be reached unanimously it was deferred until complete agreement was possible. Even persistent dissenters eventually felt obliged to fall in behind and support the communal decision wholeheartedly, knowing that some concession would have been formulated to accommodate their views. The alternative was to leave the group entirely. Adversarial politics in Turkmenistan is not a sign of health, but an act of treachery against group interests, a perspective that was of great incidental utility to Soviet officials. Niyazov effectively combined and adapted the traditional and Soviet ways of seeing and doing politics, retaining the forms of consensuality without the content.

Niyazov's death left the state constitutionally, institutionally and politically unprepared for the succession. In the event, nothing short of a *coup d'état* was accomplished in the hours afterwards. The Speaker of the *Majlis*, the constitutionally designated successor, was arrested and rather bizarrely charged with harassing a young female relative and other unspecified acts of corruption. Minister of Health Gurbanguly Berdymuhammedov was appointed as the acting president, and then duly confirmed in this post by a sitting of the *Khalk Maslahaty* on 26 December 2006, before securing the inevitable election landslide victory against five nominal opponents on 11 February 2007. In this respect, the choice of Berdymuhammedov may be of lesser importance than the way in which the transition of power was effected, and its implications for future leadership successions.

Unofficial sources in Turkmenistan suggest that Niyazov appointed Berdymuhammedov on his deathbed in the presence of General Akmurad Rejepov, the long-standing head of Niyazov's Presidential Guard.⁸ On his initiative, the State Security Council therefore effectively appears to have

⁷ William Irons, *The Yomut Turkmen: A Study of Social Organization among a Central Asian Turkic-Speaking Population*, Ann Arbor, MI: University of Michigan Press, 1975; Paul Georg Geiss, *Pre-Tsarist and Tsarist Central Asia: Communal Commitment and Political Order in Change*, London: RoutledgeCurzon, 2003; Arminius Vambery, *Travels in Central Asia*, New York: Harper, 1865.

⁸ Interviews in Ashgabat, May and September 2007.

brought Berdymuhammedov to power and then, crucially, directed constitutional amendments at the subsequent *Khalk Maslahaty* session that gave it the right to determine whether a president is physically fit to retain office, and to nominate an interim successor if not. In practice, this gives the State Security Council legitimate powers to remove Berdymuhammedov should he prove to be insufficiently compliant, and to replace him with another, more suitable candidate. As a member of the Ersari tribe from the Lebap region, Rejepov would possibly have been unacceptable as a presidential candidate to the *Khalk Maslahaty*, with its strong Ahal Teke tribal base. Berdymuhammedov has clearly gained political traction of his own (in the way that those other post-Soviet placemen, President Vladimir Putin in Russia and President Imomali Rakhmonov in Tajikistan, have done), subsequently arresting and imprisoning Rejepov and his allies in the “power ministries” in May 2007 and then subsequently cleansing the Cabinet of unreliable elements.⁹ Although his Cabinet is now heavily staffed by Ahal Tekes of similar age, background and education to Berdymuhammedov, he has still been cognisant of the need to distribute power between representatives of different tribes and regions, as was the case during the Soviet period.¹⁰ For example, Tachberdy Tagiyev, the powerful Deputy Prime Minister in overall charge of oil and gas issues, effectively represents the interests of the Yomut tribe of western Turkmenistan in the political elite, and the head of the Presidential Administration, Yklymberdy Paramov is from Tagtabazar in the southeastern Mary *velayet*.

The promises of social and economic liberalisation made by Berdymuhammedov and the other candidates before the February 2007 election indicate that there was a consensus among political elites that some

⁹ *Kommersant International*, 17 May 2007. This process continued with the dismissals of Lieutenant-General Geldymukhammet Ashirmukhammedov, the Minister for National Security, and Khojamurat Annagurbanov, the Interior Minister, on 8 October 2007.

¹⁰ For Soviet ‘tribal policy’ in Turkmenistan, see Adrienne Lynn Edgar, *Tribal Nation: The Making of Soviet Turkmenistan*, Princeton, NJ: Princeton University Press, 2004; Shokhrat Kadyrov, “Ethnos, State and Political Struggle”, unpublished paper presented at the Oxford Society for Central Asia Turkmenistan Workshop, St. Antony’s College, Oxford, 18 June 2004.

form of major change is needed. There is no evidence that there was significant tension in Turkmen society, or that the reform pledges were a response to pressure from below. Rather the proposals signify that a new elite settlement is being worked through, probably along the following lines:

- 1) a more predictable, stable, rational system of governance manifested by the return of ministers shown the door by Niyazov;
- 2) the termination of the most harmful and arbitrary policies that were the product of Niyazov's prejudices and paranoia, such as the amputation of components of the state cultural, education and health sectors;
- 3) a clean slate for state officials suspected of filing falsified reports of agricultural production and colluding with each other to deceive central government;
- 4) the release and partial rehabilitation of socially significant senior government officials imprisoned for corruption;
- 5) a compact on minimum state welfare provision, including the restoration of pensions abolished in January 2006, the maintenance of existing subsidies on water, gas and fuel, and the assurance of uninterrupted supplies of cheap flour;
- 6) a cautious programme of controlled liberalisation that excludes political reform but involves modestly increasing social freedoms, including increased access to the internet, perhaps more foreign travel and overseas scholarships for students, and greater openness to foreign investment;
- 7) the preservation of ethnic Turkmen hegemony over Uzbek and Russian minorities, but without explicit and aggressive discrimination; and
- 8) the funding of the above programmes through the capture and repatriation of significant gas and cotton revenues that were placed in Foreign Exchange Reserve Fund (FERF) accounts with Deutsche Bank under Niyazov's personal control.¹¹

¹¹ For the candidates' election platforms, see News Central Asia's coverage (www.newscentralasia.org); Bruce Pannier, "Turkmenistan: Sorting out the

The policy announcements made thus far suggest that the restoration of social cohesion is the new president's principal priority. Rapid and far-reaching education reforms to be enacted include a reversion of the mandatory period of schooling back to ten years, a 40% rise in teachers' pay and significant relaxation of regulations for university students, including exemption from military service, abolition of the two compulsory gap years, extension of degree schemes back to their Soviet level and an end to restrictions on university study abroad. The second major policy shift initiated by Berdymuhammedov has been the restoration of state pensions to their pre-January 2006 position. Cuts in eligibility had created significant hardship, particularly within the ethnic Russian population. These measures will place additional strain on the public finances, but higher gas export revenues, savings made by abandoning some of Niyazov's more outlandish public works projects and firmer controls on official corruption will go some way to bridging any deficit. Moreover, the political dividends of populist reforms are likely to outweigh short-term budgetary considerations.

Berdymuhammedov has been notably more cautious in tackling structural reform in the agricultural sector. The logical conclusion to draw from the convening of the extraordinary *Khalk Maslahaty* session on 30-31 March 2007 specifically to address this issue was that the government was planning a major announcement along the lines of large-scale land privatisation. Instead, the session, with Berdymuhammedov assuming the role of Chairman, gave plenty of space for the airing of grievances, but actually proposed only to ensure that farmers received 'inputs' (feed, fertiliser, seeds, etc.) and state payments in a more efficient and timely fashion. More wide-ranging reforms may follow later in 2007, but it would appear that, for the present, the government is hoping to rebuild trust with farmers in order to give the existing system a chance to function more effectively.

Although EU member states will keep a watching brief on the progress of these reforms, particular attention is likely to be paid to progress on human rights issues. A handful of reports by non-governmental organisations (NGOs) were critical of human rights abuses in

Presidential Candidates", *RFE/RL Newslines*, 7 February 2007; and "Election pledges raise hope of change", *IRINnews*, 12 February 2007.

Turkmenistan earlier in Niyazov's presidency, but it was only after the failed coup attempt of 25 November 2002 that the international community subjected the Niyazov regime to serious scrutiny and censure. In the spring of 2003, the Organisation for Security and Cooperation in Europe (OSCE) invoked its 'Moscow Mechanism' for the first, and so far only, occasion since the conflict in former Yugoslavia in 1993. The Turkmen government did not cooperate with the subsequent report prepared by Professor Emmanuel Decaux, which was highly critical of the policy of interrogating relatives of the suspected coup plotters, of the conditions of their detention, and of the judicial process all the way through to sentencing.¹² Niyazov remained similarly unmoved by the passing of a non-binding UN General Assembly Resolution of 20 December 2004, which called on the Turkmen government to release prisoners of conscience, and adhere to its commitments on freedoms of thought, conscience and religion. Further reports prepared by the Open Society Institute, Amnesty International, the International Crisis Group, the London School of Tropical Hygiene, the Turkmenistan Helsinki Initiative and the International League for Human Rights have condemned the political hospitalisation of dissidents, conditions in civilian and military prisons, the treatment of ethnic minorities, the bullying and exploitation endured by army conscripts, the drastic reduction in primary health care provision, and the deterioration of education provision, but none has had any visible impact on government policy.

The extent to which the power brokers in the new regime, many of whom are responsible for abuses perpetrated under Niyazov, are serious about improving human rights is wholly unclear. If reports from inside the country are accurate, the Berdymuhammedov era began inauspiciously with a serious riot in the notorious Ovadan-Depe political prison on 22 December 2006, leading to the killing of 23 prisoners by special forces.¹³ This prison has reportedly since been closed and demolished, which indicates some sensitivity to international opinion.¹⁴ To some degree, the

¹² Emmanuel Decaux, *OSCE Rapporteur's Report on Turkmenistan*, OSCE, Office for Democratic Institutions and Human Rights, Vienna, 2003.

¹³ Turkmenistan Helsinki Foundation sources in *Kommersant International*, 19 January 2007.

¹⁴ *Ferghana.Ru*, 6 February 2007.

extent to which the new regime wishes to re-engage with the international community will determine its sensitivity to criticism. With both Russia and China steadfastly refusing to comment on the country's internal affairs, however, the regime has, in the event of sustained Western criticism, solid 'fall-back' options in its choice of strategic partners.

A multiplicity of new challenges is also likely to emerge, not least of which is the puzzle of how to sensitively manage the process of decultification. It is likely that the Niyazov cult will remain in place for the time being, minus the expensive construction projects. A Khrushchev-style 'secret speech' is not (yet at least) on the cards, but the new government has announced that Niyazov's name has been dropped from the state oath,¹⁵ and that new bank notes will no longer carry his image. As of September 2007, the number of portraits of Niyazov adorning public buildings has diminished, with a proliferation of images of President Gurbanguly Berdymuhammedov instead, although this new symbolism has not been ideologised and remains rather devoid of content. Pointedly, Turkmen state television broadcast an opera (which had been banned by Niyazov) on the night of the presidential election for the first time in several years.¹⁶ Any 'thaw' is likely to take the form of a gentle 'crowding out' of Niyazov's presence rather than open disavowal.¹⁷

Niyazov's death may also allow some free play for the reassertion of sub-national identities. The dire warnings of state collapse after Niyazov were not predicated on substantive in-country research, or even serious comparative analysis. Turkmenistan has, by and large, an apolitical society. The number of pressure points that might trigger conflict is low – the spatial distribution and sparseness of the population ensures that there are few communal conflicts over land, water, religion or ethnicity. The suspension of Niyazov's elaborate construction projects, and a more equitable distribution of rental income to those regions (Balkan, Mary and Lebap) where gas reserves are located, would do much to alleviate discontent at the channelling of government revenues into the capital city of Ashgabat, the historic centre of Ahal Teke influence. However, there is

¹⁵ *Reuters*, 21 February 2007.

¹⁶ *RFE/RL Newslines*, 12 February 2007.

¹⁷ For example, the re-introduction of physical education and new school texts would reduce the amount of time devoted to study of the *Ruhnama*.

no guarantee that this will occur and the traditionally delicate balance of regional interests in the oil and gas bureaucracy may require careful management in order to prevent senior officials from embezzling funds that they view as rightfully belonging to their tribe or region. Developing this issue, the reported shift in January 2007 to house arrest of powerful imprisoned state oligarchs, such as former oil and gas supremo Yolly Gurbanmuradov, indicates that a further complex realignment and upheaval of elites could be under way.¹⁸

Accordingly, while the promises of reform are a positive indication of serious intent to respond to the more egregious legacies of Niyazov's rule, they may uncover or unleash a set of 'second order' problems, such as uncontrolled corruption, intense ethno-regional bargaining and possibly a rise in organised criminal activity that cannot be successfully captured and controlled by the state. As the example of Kyrgyzstan since the 'Tulip Revolution' of 2005 has shown, these problems have tended to arise when a multiplication of political actors combines with the fragmentation of the political agenda.

6.2 The energy sector

The death of Niyazov has given rise to considerable speculation that the new government may seek to diversify its natural gas export options by reaching a commercial agreement on gas sales, either with individual EU member states, or with the EU collectively. Turkmen gas would be delivered by way of a sub-sea Caspian extension to the new Baku-Tbilisi-Erzurum (BTE) South Caucasus pipeline which, in turn, would be connected to the projected Nabucco pipeline servicing the major European gas junction situated at Baumgarten in Austria. President Niyazov rejected such an option, preferring to maintain a core gas relationship with Gazprom, while developing projects to export supplemental volumes south-east, through Afghanistan to Pakistan and India (the now largely defunct TAPI pipeline project) and, pursuant to a preliminary agreement signed in April 2006, east to China.

The export of significant onshore gas volumes in a westerly direction is possible but unlikely. Russia, through Gazprom, maintains a tight grip

¹⁸ *Ferghana.Ru*, 6 February 2007.

on the existing pipeline infrastructure in Central Asia and has a 25 year supply contract covering almost all of Turkmenistan's current gas export capacity. Turkmen gas output has stalled since the collapse of the Soviet Union and requires external technology, capital and expertise, which Gazprom will provide, to restore production to Soviet levels.¹⁹ The Russian-Turkmen relationship is symbiotic. Gazprom provides a steady revenue stream and is responsible for pipeline maintenance and upgrading, and attaches no conditionality on human rights and democratisation issues. Russia/Gazprom has (or can adopt) a Soviet *modus operandi* with which the Turkmen elite feels comfortable. From the other side, Turkmen exports enable Gazprom to service its lucrative European contracts, and provide an important supply bridge before the Yamal peninsula project comes onstream. Thus, Gazprom will not surrender its hegemony in Turkmenistan lightly and, as yet, there is insufficient incentive for the Turkmen leadership to look seriously elsewhere.

However, while the principal onshore eastern fields have been effectively 'booked' by Russia (and the new Yolotan field by China), there is potential for European international oil companies (IOCs) to look carefully at developing some of the more interesting offshore fields,

¹⁹ There is wide variation between Turkmen and external sources on the extent of the country's recoverable oil and gas reserves. Turkmengeologiya declared on 14 November 2005 that recoverable natural gas reserves were 20.415 trillion cubic metres (tcm), approximately 10% of global reserves (*News Central Asia*, 14 November 2005). BP's *Statistical Review of World Energy 2006* is far more conservative, estimating 2.9 tcm. The last published independent Russian audit, undertaken by VNIIGaz, estimated 7.84 tcm, which would place Turkmenistan fourth on the global list. Source: Ottar Skagen, *Caspian Gas*, London: Royal Institute for International Affairs, 1997, p. 7. Production during the Soviet period peaked in 1990 at 90 billion cubic metres (bcm) per year. Production in 2005 was 63 bcm (*Global Insight Country Report*, accessed 14 September 2006). Target production for 2006 was 80 bcm (*APS Review Gas Market Trends*, Vol. 67 No. 12, 18 September 2006), but this was unlikely to have been met. Estimates of oil reserves vary even more widely, between 171 billion barrels according to Turkmengeologiya (*News Central Asia*, 14 November 2005) and 500 million barrels according to BP's *Statistical Review of World Energy 2006*. Production has more than doubled since 1995 due to increased foreign investment, but is currently static at around 190,000 barrels per day, below the government's annual target of 70 million barrels for 2006 (*APS Review Gas Market Trends*, Vol. 67, No. 12, 18 September 2006).

notably the Livanov-Barinova-Lam (LBL) structures, which are geologically integrated with the large Azeri Chirag-Guneshli (ACG) deepwater oil and gas fields, currently under commercial development by BP. While these prospective fields will not substitute entirely for Russian gas supplies, they will substantially augment existing Caspian basin volumes, and have relatively inexpensive tieback potential to western Caspian infrastructure, without disturbing Gazprom's existing contracts and provoking a reaction against European IOCs working in Russia.

The focus on downstream activities has led European policy-makers to completely neglect very serious governance issues in the domestic energy sector. No part of the state apparatus experienced more upheaval in the final 18 months of Niyazov's rule than did the state energy bureaucracy. The frequent dismissal and rotation of state officials and ministers was characteristic of Niyazov's rule. However, the purging of the sector's most senior and competent personnel from May 2005 was supplemented by drastic structural reorganisation which has only been reconfigured on a more rational basis since March 2007 (see Appendix). The resultant bottlenecks effectively precluded officials from executing policy, engaging with foreign operators or monitoring effectively existing commercial operations.

The two most powerful and longstanding members of Niyazov's entourage – Deputy Prime Minister for Oil and Gas Yolly Gurbanmuradov and Head of the Presidential Administration Rejep Saparov – were both dismissed, tried and given long prison sentences for embezzlement in the early summer of 2005. It is believed that each was briefing against the other, and Niyazov took no chances by sequentially removing both.²⁰ They were followed by a procession of other officials: the chairmen of Turkmenneftgaz, Turkmenneft, Turkmengaz and Turkmengeologiya, four of the country's five state energy agencies, were removed and jailed, along with the head of the Turkmenbashi oil refinery and the chairman of the Central Bank. Nearly all of their replacements were, in turn, removed over the ensuing year, creating a form of 'permanent revolution' in the upper reaches of the energy bureaucracy. It is difficult to gauge to what extent the charges laid were real or imagined, although official toleration of some

²⁰ Institute of War and Peace Reporting (IWPR), Special Report No. 402, 12 August 2005.

level of corruption in the oil and gas business was believed to exist. It is possible that Rejepov and Gurbanmuradov had overstepped permissible limits or that they were seeking to transform their financial leverage into political muscle.

The damaging shortage of experienced personnel was compounded by Niyazov's decision on 2 September 2005 to abolish the Competent Body (the interface with foreign oil companies) and transfer its responsibilities and operations, along with those of Turkmenneftegaz, to the Ministry of Oil and Gas.²¹ Three quarters of the core staff concerned with the negotiation, licensing and control of contracts were sacked, and there were no clear lines of demarcation or authority within the Ministry for the implementation of executive decrees or new legislation. Such was the paralysis that ensued (allied to the fact that the legal signatory of Production Sharing Agreements with foreign companies is the Competent Body), that Niyazov informally reconstituted the Competent Body on 15 December 2005 to act on a strict case-by-case basis under his personal control, reportedly signing off personally LNG sale contracts of only \$10,000.²²

One of the most important issues facing President Berdymuhammedov was to reconstitute the state oil and gas bureaucracy and restore the negotiation, licensing and control functions to the Competent Body. This he did on 12 April 2007 with the creation of a new State Agency for Management and Use of Hydrocarbon Resources, which essentially assumed the functions of the disbanded Competent Body and will be an important step in facilitating further foreign investment in the sector. Turkmenistan's relative diplomatic isolation can be partly explained by the acute shortage of competent personnel working at mid and upper levels of government, and their consequent lack of confidence and vision in

²¹ For the implications of this decision, see Jonathan H. Hines and Alexander V. Marchenko, "Turkmenistan's Oil and Gas Sector: Overview of the Legal Regime for Foreign Investment", revised draft of unpublished paper prepared for LeBoeuf, Lamb, Greene and MacRae LLP, 30 May 2006. Additional unpublished and confidential commercial sources, that cannot be specifically referenced, were also used for this section of the paper.

²² Author's interview with Ilham Shaban, Editor of "Turan-Energy Bulletin", Baku, 15 November 2006.

dealing with IOCs and international institutions.²³ Not knowing what to do, officials have chosen to do nothing. This has been to the immeasurable benefit of Russia and Gazprom. There is, therefore, an important role for the EU in helping to equip a new generation of civil servants and technical specialists to serve effectively in government.

6.3 Foreign policy

Turkmenistan has followed a policy of permanent neutrality since shortly after the collapse of the Soviet Union in December 1991. This stance was formally recognised by UN General Assembly Resolution A/RES/50/80 passed on 12 December 1995, and then codified into domestic law on 27 December 1995. Niyazov engaged only minimally with the Commonwealth of Independent States (CIS) and even sought unsuccessfully to downgrade Turkmen status to Associate Membership in August 2005.²⁴ Niyazov did not accede to the Shanghai Cooperation Organisation (SCO), or the Eurasian Economic Community and has had highly circumscribed contact with the World Bank, the International Monetary Fund and NATO's Partnership for Peace programme.

The rationale for this policy lies in several interconnected factors. The perceived loss of sovereignty in joining regional security institutions could have led to situations where Turkmenistan became a weak frontline state against countries such as Iran and Afghanistan, with whom it has no individual quarrel. The precursor of the SCO was very much geared to containing Taliban influence whereas, somewhat paradoxically, Niyazov

²³ The Turkmen negotiating team on the Caspian Sea Working Group does not deviate from a set line agreed in advance of negotiations, according to interviews conducted by the author with two senior Azeri Foreign Ministry officials on 15 and 16 November 2006. The inability of officials to negotiate with IOCs effectively was confirmed to the author by a British oil company representative resident in Turkmenistan for several years (interview conducted in London on 23 February 2007).

²⁴ Turkmenistan has no dealings with the CIS Interstate Bank or the Inter-Parliamentary Assembly, and does not forward data to the CIS Interstate Statistical Committee (*Izvestiya*, 3 June 2004). The application to downgrade membership was refused because Niyazov did not attend the CIS Heads of State summit in Kazan to sign off the relevant documents (*Russica Izvestiya*, 27 August 2005).

maintained cordial relations with the Taliban leadership. Secondly, threats to Turkmenistan's sovereignty are more likely to emanate from unresolved border disputes with Uzbekistan, but the CIS Collective Security Treaty (CST) has no mutual defence or conflict resolution provisions for CST signatories who are attacked by other CST states. Finally, Turkmen foreign policy is founded on not prejudicing either transit routes or markets for its natural gas exports, hence the emphasis on functional bilateral ties with Iran, Russia and Kazakhstan.²⁵

The only significant change that can be expected from the new government is to extend these underlying principles to a wider set of actors. In practice, this means cementing relatively close relations with China, defrosting relations with Azerbaijan and cautiously engaging with the US and European states.²⁶ Such engagement may take the form of exploratory discussions on new gas export routes, but could also encompass issues such as anti-terrorist and counter-narcotics cooperation, the provision of university places for Turkmen students and assistance on curriculum development, teacher training, installation of new facilities and provision of textbooks in the secondary and tertiary education sectors.

The major obstacles to a more developed 'Western dimension' to Turkmen foreign policy lie in a mixture of functional and intangible issues. The first of these is the long-running dispute with Azerbaijan over the ownership of the Kyapaz/Serdar oil and gas fields in the central Caspian Sea. This disagreement is one of the core factors preventing an overall resolution of the legal status of the Caspian Sea. Settlement would also provide the key to the development and tieback of Turkmen offshore fields into existing Azeri infrastructure, because Kyapaz/Serdar lies midway between, and forms part of, the ACG and LBL structures described above. The inexorable logic of a jointly developed, cross-border exploration and production project would be for the oil and gas produced to transit the

²⁵ See Nadia Badykova, "Turkmenistan's Quest for Economic Security" in Gennady Chufrin (ed.), *The Security of the Caspian Sea Region*, Oxford: Oxford University Press, 2001, pp. 231-243.

²⁶ The only official visit by Niyazov to Azerbaijan occurred on 18-19 March 1996, and the only official visit by an Azeri head of state was made by President Heidar Aliyev on 26-27 October 1994 (Source: Ministry of Foreign Affairs of Azerbaijan, October 2006).

Baku-Tbilisi-Ceyhan (BTC) and BTE oil and gas pipelines to service European markets. The present stalemate suits both Russia and Iran, the losers in East-West transport corridor initiatives. However, the Azeri government is apparently keen to resolve the issue, bilateral diplomatic relations have been unfrozen and a negotiating process recommenced separate from the multilateral Caspian Sea Working Group (CSWG) framework. There might be a role for the EU, as an honest-broker, to assist with mediation and in formulating the technical criteria for demarcation of the border either inside or outside of the existing CSWG structures.²⁷

The more intangible issues revolve around the regime's fear of external influences. Students sent abroad to study might never return, or alternatively, might import values and aspirations that contradict the government's rather unsophisticated nation-building exercise and authoritarian methods of control. However, the government may have to take this chance, because otherwise the opportunities for those with an education to emigrate might simply multiply in any event. There is pretence in Turkmen public life that the population operates and thinks along the narrow lines laid down by official propaganda. The reality is different and more complex. Turkmen watch Russian satellite television and Bollywood films, and selectively lock into and drift out of official discourse when it is instrumentally profitable to do so. Alexei Yurchak records how late Soviet citizens increasingly removed themselves from state-directed leisure spaces, simultaneously living within the system's formal constraints, and yet not following its parameters.²⁸ This *vnye* (outside) style of everyday living, preferencing *svoi* (autonomously constructed) social networks over officially sanctioned activities does not entail the disparaging of the system as a whole. Rather it involves carving out a niche within it. Field research conducted in Turkmenistan between 2002 and 2005 suggests that this was also true of life under Niyazov. However, without his remorseless and very real domination of public life,

²⁷ Azeri Foreign Ministry sources indicated that, while the government "would never give Kyapaz away on the whole", it would entertain a joint sovereignty/development solution (Source: Author interview, Baku, 14 November 2006). Iran still disputes the principle of median line division of the seabed.

²⁸ Alexei Yurchak, *Everything Was Forever Until It Was No More: The Last Soviet Generation*, Princeton, NJ: Princeton University Press, 2006.

it would be unrealistic for the new government to insist that the existing cult vocabulary constructed under Niyazov can still resonate with the same strength. The government's response to this social legacy of the Niyazov era will be a critical determinant of the extent to which greater diplomatic engagement by the EU will translate into opportunities to develop civil society and commercial partnerships.

6.4 Recommendations for the EU

Turkmenistan is not so much at a crossroads as at the start of a journey. The shape and trajectory of the new political order is not yet definitively known. President Berdymuhammedov was, in the immediate hours after Niyazov's death, the beneficiary of a Security Council putsch that displaced Niyazov's constitutional successor. The Security Council has since consolidated its power by engineering three constitutional amendments that effectively enable it to dictate, or at the very least broker, the terms of future succession arrangements. While removing Berdymuhammedov from power is now a much more straightforward constitutional exercise than it would have been in Niyazov's time, the president himself is emerging as an increasingly powerful elite figure in his own right who may be outgrowing his initial compromise candidate status.

Berdymuhammedov's has undoubtedly gained some independent political traction and genuine popularity of his own, assisted by a calm and reasonable manner, astute prioritisation of early reforms and careful diplomatic positioning. Although he may not be as comfortable as Niyazov with the technical details of the hydrocarbon sector, Berdymuhammedov's considered approach to policy-making is a welcome antidote to the extravagances and idiosyncrasies of Niyazov's rule. Berdymuhammedov also appears able to maintain the sometimes fragile informal coalitions that hold the state together. The new government is clearly dominated by Ahal Tekes, but the presence of senior ministers from other clans indicates that there is some degree of tribal balance and pluralism within the inner circle of power. Accordingly, there is no reason to believe that Berdymuhammedov, with the backing of the Security Council, cannot remain in power for the foreseeable future.

The EU can assist in getting the country moving in a secular, progressive, modernising direction that will balance necessary structural reforms with continuing welfare provision, particularly in the areas of treatment for drug addiction, penal reform and housing, in order to protect

the most vulnerable and impoverished section of the community. Before it does so, it has to order its own priorities. The first of these is to decide whether democracy promotion initiatives are normative or instrumental. The encouragement of, and then subsequent withdrawal of support for, democracy activists in Azerbaijan in 2003 and 2005 greatly damaged the EU's reputation among reformist elements in that country. At present, the EU has no significant interests in Turkmenistan and can afford to be purist in its approach, encouraging, but also maintaining pressure on, the new regime to adhere to normative international commitments on human rights issues. Instrumental democracy promotion can slip into support for authoritarianism, as the US government found in Uzbekistan between 2001 and 2005. The purist approach is, in many ways, the simplest and the noblest. To work, however, it must be consistent and committed and must give Turkmen people both ownership and *authorship* of the political process.²⁹

The conscious subordination of democracy promotion to engagement on technical issues as a means of prefiguring wider social empowerment could also be justified, and might yield more measurable results in the medium-term. This approach would entail helping the government govern better, and focus on improving the opportunities and livelihoods of Turkmen rather than seeking formal democratic outcomes.

The EU can initiate a number of practical, non-threatening and predominantly 'apolitical' measures, in conjunction with other institutions such as the OSCE, EBRD and UN agencies that would tangibly improve governance and living standards, and gently help to lead the country out of isolation. The EU should not seek to push the new government too far too fast, but could formulate attainable development objectives – for example, an English language text book for every primary school child within two years, or the provision of modern drug treatment centres in each of the country's five regional capitals. That would make a tangible difference, without disrupting the balance of domestic political forces, or undercutting the government's own reform agenda. Similarly, the EU has a role in working with the grain of government proposals to increase civic space.

²⁹ See Gordon Crawford, "Promoting Democratic Governance in Central Asia: Barriers for External Actors", unpublished paper presented at CORE conference, Hamburg, 9-11 February 2007.

Post-communist leaders have shown themselves to be adept at speaking back to Euro-Atlantic institutions their preferred agendas without enacting meaningful reforms. Thus, Berdymuhammedov's expressed intention to provide internet access for every village is a matter of public record, and a role for the EU could be to 'hold him to account' on the pledge by offering to assist with the provision of computer hardware and dial-up facilities. Guidance is also essential on a more specialised technical level, for example training government and state agency officials in commercial contract drafting and in developing advocacy and judicial expertise, and court procedures that would increase the country's juridical capacity.

The recommendations above do not presuppose a developing political relationship between the EU and Turkmenistan. It would be fair to say that the prioritisation of democratisation and human rights issues by the EU in its March 2007 strategy document will, in the medium-term, engender suspicion and prevent the development of close bilateral relations. Unless the EU is prepared to instrumentalise or set aside the promotion of 'European values', perhaps for the sake of a long-term gas supply contract through a trans-Caspian pipeline, then some wariness and conscious distancing on the Turkmen side is inevitable. Moreover, the EU would be wise not to expect too much from its energy dialogue. At present, the Turkmen leadership has very few incentives to ditch its long-term gas supply contracts to Russia and China. The prospect of large volumes of onshore Turkmen gas from the eastern Dauletebad and Yolotan fields being moved across the Caspian Sea and directly routed to Europe remains remote, and in many respects, unfeasible. As noted above, the focus of EU policy should be directed at encouraging European companies to develop promising offshore fields and then facilitating tiebacks to existing offshore infrastructure on the Western side of the Caspian. Although Turkmenistan will miss out on some downstream processing, such an arrangement would carry far less diplomatic and environmental baggage than an expensive set piece pipeline project across legally contested waters, and still be able to make a more than marginal addition to volumes presently being transported through the BTC and BTE pipelines.

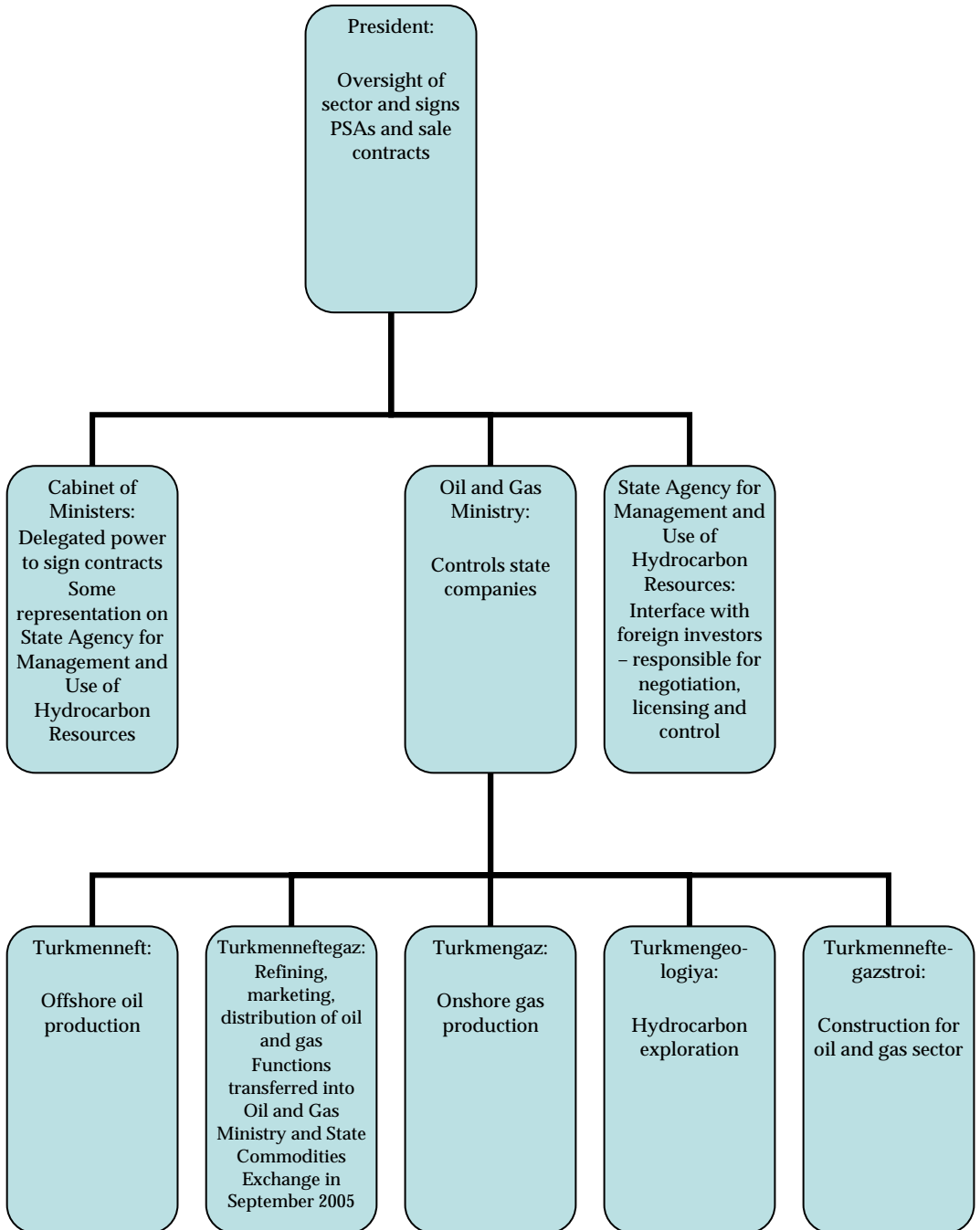
The EU should, therefore, be realistic in its ambitions by pressing hard on Turkmenistan's existing treaty commitments if and when certain minimum standards of human rights observance are breached, but by generally adopting a policy of positive engagement and encouragement when things are 'ticking over'. In this sense, EU External Relations

Commissioner Benita Ferrero-Waldner was right, after her meeting with Turkmen foreign ministry officials on the sidelines of the EU-Central Asia summit in Astana on 29 March 2007, to praise the reforms so far enacted and offer friendly encouragement for deeper dialogue. It would be fair to conclude that Turkmen as much as outsiders are looking forward to a fresh start in the country, but they must feel that they are both author and owner of any processes of reform and liberalisation for them to succeed. Within this framework, the 15 recommendations listed below are by no means exhaustive, but would, if implemented, represent a modest start and a basis for deeper engagement:

- The provision of EU scholarships in business, government, medicine, engineering, chemistry and agricultural management for Turkmen students
- Assistance with the provision of textbooks and other learning materials in the Turkmen, Russian and English languages for primary and secondary school pupils, teacher training through educational exchanges, assistance with sports facilities and computer equipment. Teacher training may be interesting too
- Technical assistance on restoring a functioning state oil and gas bureaucratic apparatus, including the Competent Body, and assistance with legal and commercial issues arising from the negotiation, performance and enforcement of PSAs
- The provision of scholarships and technical training for future oil and gas sector workers
- Assistance in the drafting of tighter local content laws for PSAs and construction contracts
- Short-term assistance in primary and preventive healthcare directed at rural communities
- Assistance in the reform of the agricultural sector, including water conservation, sanitation and environmental management, irrigation and livestock care, and in the modification of the existing state purchasing system
- Grants for the construction of water purification systems, particularly in smaller towns and villages
- Enhanced cooperation and training on border security and drug interdiction

- Assistance in the monitoring and improvement of conditions in remand centres (*Sizos*), civilian and military prisons (including women's prisons) and psychiatric hospitals
- The presentation of constructive options for a Western transit route for oil and gas products
- Mediation in the Caspian Sea border dispute with Azerbaijan over the disputed Kyapaz/Serdar fields
- Recognition of the previous government's role in ending the Tajik civil war by helping Turkmenistan fulfil its aspiration of hosting a regional conflict prevention, mediation and resolution centre, that would lend content, value and prestige to the country's permanent neutrality status
- Assistance with the establishment and management of a National Gas Fund to sterilise gas revenues and prevent 'Dutch Disease'
- Technical assistance in developing new, non-state media outlets (including Internet provision) and reviving the national film industry.

Appendix Structure of Turkmenistan's state hydrocarbon sector



7. TAJIKISTAN AND THE EU: FROM POST-CONFLICT RECONSTRUCTION TO CRITICAL ENGAGEMENT

*MATTEO FUMAGALLI**

Introduction

For the European Union, the development of closer ties with Tajikistan within the context of the recently launched Strategy for Central Asia represents a significant opportunity. Tajikistan occupies a geographically peripheral position, but it is precisely this location outside the limelight – and therefore less subject to the pressures of geopolitics and the struggle for energy resources that shapes much of the politics of the rest of the region – that could allow the EU to foster new forms of cooperation with the local authorities. Policies should be devised that aim at strengthening the Tajik state's capacities and stability, thereby significantly assisting reform and development in the country. At the same time this would mean building on the encouraging developments taking place in bilateral relations and taking additional steps aimed at achieving the goals above in a more effective way.

The international community has typically looked at Tajikistan through the lenses of conflict prevention and post-conflict reconstruction. This has meant that bilateral relations have become routinised, and stasis rather than critical engagement has been the defining element of

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international strategies towards the country. It is argued here that it is now time to dispose of this framework and to begin to deal with Tajikistan as a 'normal country'.¹ Such a paradigm change would offer the European Union key opportunities, namely operating in a country that after the war has experienced relative stability (unlike some of its neighbours) and where, as a result, there is now the possibility to concentrate on advancing reform. Further, progress in key areas in Tajikistan would offer the opportunity to promote similar policies elsewhere in the region.

7.1 Historical challenges facing the modern Tajik state and nation

The formation of Tajikistan was the consequence of the Soviet process of national delimitation and the territorial-administrative re-organisation of Central Asia (1924-36).² Home to sedentary and nomadic communities until the Russian conquest in the late 19th century, the populations of Central Asia largely lacked experience of modern statehood. Instead, several forms of allegiance co-existed and overlapped: at the supra-national level (Islam) and at the local level (city and regional affiliations). National loyalties had also hardly developed among the peoples of the region. The Soviet effort to introduce new forms of political organisations and identity in Central Asia, therefore, played a formative role in shaping the Tajik state and the Tajik nation.

As a result of the process of national-territorial delimitation in Central Asia during the 1920s and 1930s – which established five entities (Union Republics) each of which bore the semblances of a state (with constitutions, flags, anthems, parliaments), but remained deprived of sovereignty, which rested with the Soviet state – Tajikistan was created in 1929 as the last piece in the regional puzzle. Tajikistan had previously been part of the Uzbek Union Republic (SSR), endowed with a lower degree of autonomy (Autonomous Republic).

With no history of previous independent statehood and no sense of political, institutional or even cultural coherence, different portions of

¹ A similar point has been made in J. Heathershaw, "The paradox of peacebuilding: Peril, promise and small arms in Tajikistan", *Central Asian Survey*, 24(1), 2005, pp. 21-38.

² P. Bergne, *The Birth of Tajikistan. National Identity and the Origins of the Republic*, London: IB Tauris, 2007.

territory were assembled to create a Tajik Republic. Historical centres of Persian/Tajik culture, such as the cities of Bukhara and Samarkand, were assigned to the Uzbek SSR. The Tajik Republic comprised the south-western part of the Ferghana Valley (around Khujand), the Pamir areas (later to become Gorno-Badakhshan), the Hissar and Gharm valleys and the southern regions of Khatlon and Qurghonteppa along the Afghan border. A *modus vivendi* was established during the Soviet period, which allowed different regions to occupy distinct niches in the political and economic system of the country. At the same time, the division of the region left many in Tajikistan with a strong sense of historical injustice in terms of the loss of the 'heartland' of Tajik culture and the creation of a substantial number of co-ethnics concentrated in the Uzbek Republic.

7.2 Tajikistan from conflict to reconstruction

In the early 1990s, social and political order collapsed in Tajikistan when the liberalisation initiated by former Soviet President Gorbachev led to a sudden shift in power relations in the republic.³ As a result of these changes, the precarious political balance put in place by the Soviets to rule the diverse regions of the republic was shattered and the country virtually imploded. A sudden and particularly brutal civil war erupted in 1992, which eventually left more than 50,000 dead and at least half a million people displaced. Although the bloodiest phase of the hostilities was over by 1993, the conflict continued until 1997, when a peace agreement was signed by representatives of the government forces and opposition factions. The peace accord set in place a power-sharing agreement where, at least formally, the government conceded to the opposition a role in the power structure and institutions. Ten years later, Tajikistan has slowly, but steadily emerged from the abyss of the civil war to a process of state formation and integration with the regional and international system.

For the larger part of the past decade, analysts and policy-makers have tended to look at Tajikistan's post-war course through the lenses of

³ On this, see M. Atkin, "Thwarted democratization in Tajikistan", in K. Dawisha and B. Parrott (eds), *Conflict, cleavage, and change in Central Asia and the Caucasus*, Cambridge: Cambridge University Press, 1997, pp. 277-311; and S. Akiner, *Tajikistan: Disintegration or Reconciliation?*, Royal Institute for International Affairs, London, 2001.

conflict prevention and post-conflict reconstruction. While this frame is not incorrect *per se*, this brought with it an implicit assumption that because Tajikistan was on a course of precarious recovery from the war, criticism of failed progress should be kept to a minimum to avoid the risk of derailing the post-conflict course, altering the fragile agreement and, in the end, plunging the country back into bloodshed. Although moderate encouragement was sensible, continuing to look at Tajikistan through the lenses of post-conflict reconstruction is turning post-war dynamics into stasis (perhaps even allowing the emergence of authoritarian politics).

Faced with this situation, the new approach to Central Asia developed by the EU offers the opportunity to re-engage with Tajikistan at a vital stage in its post-independence history and, in particular, to introduce new policies that can assist the development of the country and avert the drift into authoritarianism. In this paper I concentrate on three main issues which the EU has identified as its priority areas in the region: security and stability, economic transformation, and democratisation and political reform.

7.2.1 Security and stability

Tajikistan has come a long way from the abyss of the civil war during the 1990s. In the early post-war period, occasional episodes of unrest and insurgencies have continued even after the peace accord. Former warlords, disgruntled political figures and factions, or even renegade elements of the Tajik army have periodically challenged the authority of the centre. Former Tajik army Colonel Makhmud Khudoberdiev's occasional insurgencies in the late 1990s are typical of the type of challenges that persisted in the aftermath of the peace accord. Allegedly with the backing of neighbouring Uzbekistan, Khudoberdiev attempted a mutiny in southern Tajikistan in 1997 and later attacked government buildings in the northern province in what appeared as a failed coup in 1998. The turbulent period continued, and former field commanders and warlords (such as Yoqub Solimov) plotted against the authorities.

After years of confrontation with former allies challenging his authority, President Emomali Rahmon has been able to consolidate his position and that of the ruling People's Democratic Party of Tajikistan

(PDPT).⁴ This has brought the marginalisation of former warlords previously associated with the administration,⁵ but consolidation of power has come at the expense of legitimate dissent, as will be discussed later on. The country has remained overall stable and has not experienced the convulsions and unrest that have taken place in neighbouring Uzbekistan and Kyrgyzstan in recent years. As the occasional rebellions of former warlords decreased, another thorn in the authorities' side is now represented by the question of border security. Tajik authorities have faced the accusation of connivance or ineptitude with respect to control over the country's borders, as Islamic militants have been reported to have infiltrated Uzbek and Kyrgyz territory from the Tajik side of the border. Militant incursions in the summer 1999 and 2000, as well as the more recent clashes between criminal groups and border guards on the Tajik-Kyrgyz border in May 2006, illustrate well the authorities' deficiencies in this area.⁶

The EU Strategy for Central Asia for 2007-13⁷ identifies security and stability in the region as its key strategic interests in the region. This builds on current European efforts in this direction: since 2000, European assistance to enhance border security and combat drugs trafficking has come through two related programmes: the Border Management Programmes for Central Asia (BOMCA) and the Central Asia Drug Action Programme (CADAP). These programmes cover a number of areas (legal assistance, assistance at the customs, intelligence, human resources, drug abuse prevention) designed to improve security in the Central Asian region. Security at borders has in fact improved in recent years, but the above-mentioned 2006 clashes are a reminder that more should be done in

⁴ Actually the ruling circles seem to come all from the President's village of Dunghara in the southern Kulob region, causing wider resentment among the excluded groups from other parts of the country or even elsewhere in Kulob.

⁵ This includes the removal from official posts of former field commanders Saidsho Shamolov and the Cholov brothers (*Varorud*, 21 January 2002).

⁶ RFE/RL, "Central Asia: Fighting Erupts along Tajik-Kyrgyz Border", 12 May 2006 (available at <http://www.rferl.org/featuresarticle/2006/05/2c513239-7c60-433a-a87e-37112536b9be.html>).

⁷ *The EU and Central Asia: Strategy for a New Partnership* (reproduced in Annex 3 at the end of this book and available at <http://register.consilium.europa.eu/pdf/en/07/st10/st10113.en07.pdf>).

this area. In particular, since Tajik troops have recently replaced their Russian predecessors on the Afghan border, border management appears a critical area where cooperation between the Tajik authorities and their international partners (including the EU and Russia) could be enhanced.

7.2.2 *Economic transformation*

The Tajik economy has grown significantly in recent years, which is obviously a welcome development. Industrial production has expanded, and so has agricultural output. Domestic consumption also grew as a result of a rise in salaries and especially of the remittances of Tajik migrants abroad. Poverty reduction measures have helped to decrease the poverty rate from 81% in 1999 to about 65% of the population in 2007. EC assistance to Tajikistan has played a critical role in enabling the local population to cope with the economic hardship of post-Soviet transition.⁸

Since 1999 the country has reported a robust growth, due primarily to expanding cotton, gold and aluminium exports.⁹ The government has also pledged to undertake serious reforms in a number of areas, mostly to alleviate poverty, still widespread, land reform, and to address the question of public administration reform. The announced 'National Development Strategy until 2015' as a comprehensive strategy to ensure sustained economic growth and reduce poverty¹⁰ is an important step in this direction and this is an area where the EU, along with other states and international institutions can assist. If macroeconomic results have been positive, however, the Tajik economy has been dependent on three main sources of revenue, none of which bodes well for the long-term viability of the country's economy: remittances from Tajik migrants abroad, trafficking of narcotics and international aid. The paradoxical situation here is that all three converge to make Tajikistan a rentier state,¹¹ which is a state whose

⁸ Total EC assistance to Tajikistan for the period 1991-2006 amounts to €499.7 million. Of this total, €109.8 million were allocated to food security and €165.1 million to humanitarian assistance (ECHO).

⁹ World Bank, World Bank Indicators (2001-05), Washington, D.C.

¹⁰ Available at [http://www.untj.org/files/reports/NDS_\(English\).pdf](http://www.untj.org/files/reports/NDS_(English).pdf)

¹¹ On the concept of 'rentier state', see G. Luciani (ed.), *The Arab State*, London: Routledge, 1990.

revenue depends on a small number of resources. The trafficking of narcotics risks turning the country into a ‘narcostate’¹² and while some progress has been made and drug seizure levels have increased significantly in recent years, the administration has sent mixed signals. On the one hand attempts to curb corruption among border guards and the severing of ties with former warlords involved in narco-trafficking is a welcome development. On the other, this process appears selective, as the (brief¹³) appointment of former General Ghaffor Mirzoev, a former PFT commander,¹⁴ to head the State Drugs Control Agency raised doubts over the seriousness of the Rahmon administration in this regard.¹⁵

Two other sources of revenue have enabled the population to cope with post-war hardship: remittances from labour migrants and poverty-alleviation measures. It is difficult to imagine how the growing Tajik population would have survived without remittances and international aid.¹⁶ It is estimated that the annual remittances from labour migrants amount to \$1.2 billion in 2005 (17% of the country’s GDP), up from \$0.6 billion in 2005 (12% of GDP).¹⁷ At the same time, however, there are limits to the benefits these measures bring to economic development; they are palliatives, not solutions.

Action should be directed to help the Tajik economy to diversify and, thereby, to rely less on the fluctuations of global commodity prices. Tajikistan should also be more effectively integrated into the international

¹² E. Marat, “Impact of Drug Trade and Organized Crime on State Functioning in Kyrgyzstan and Tajikistan”, *China and Eurasia Quarterly Forum*, 4(1), 2006, p. 105.

¹³ Mirzoev was later removed in 2006 and jailed against accusations of profiting from the narco-business.

¹⁴ The PFT (Popular Front of Tajikistan) was one of the militias that fought in the civil war on the side of the ‘government faction’.

¹⁵ Analogous situations occurred in the cases of Mirzokhujo Nizomov, Hokim Kalandarov and Salamsho Muhabbatshoev, who were also elevated to key positions in official institutions (K. Nourzhanov, “Saviours of the nation or robber barons? Warlord politics in Tajikistan”, *Central Asian Survey*, 24(2), 2005, p. 124).

¹⁶ See note 8.

¹⁷ *EIU Tajikistan Country Profile* (June 2007). Marat suggests that the figure may in fact be much higher, at about \$6-8 billion, approximately the size of the country’s GDP (Marat, op. cit., p. 105).

economic system: the energy sector is an area where the country's potential has not yet been adequately developed. Plans to channel Central Asian hydropower resources southwards would demand that Tajikistan's infrastructure undergoes serious upgrading if the country is to benefit from transit trade.¹⁸ An obvious area here is the investment in the country's hydro-electric potential. Despite a potential output of about 300,000 billion Kwh a year, the country currently generates only 5% of that.¹⁹ There is a large potential for investing in developing Tajikistan's hydroelectric power, either independently or in coordination with Russian companies.²⁰

Russia's recent difficulties as regards the Rogun dam project (the deal was finally torn up by the Tajik authorities²¹) shows that there is a space for non Russian companies to play a role in the local economy. Furthermore, the EU's Water Initiative (EUWI) constitutes an important comprehensive initiative which acknowledges the importance of the country's hydroelectric power while also highlighting the question of safe water supply and integrated water resources management.

Another area where more could be done is the transport infrastructure. The dilapidated national airline (Tajik Air) desperately needs an overhaul of its ageing and inefficient fleet; the country would also benefit from a tunnel connecting the northern and southern part of the country and while this project is in progress at present, the state of the Iran-financed tunnel raises questions as to the safety and long-term viability of

¹⁸ This is an area that has been recently explored by the United States as well. The United States Trade and Development Agency (USTDA) in particular has commissioned feasibility studies in relation to the rehabilitation of existing power projects (Qayraqum and Varzob) and the possibility to channel Tajikistan's resources southwards to Afghanistan and Pakistan.

¹⁹ Output was 16,491 billion Kwh in 2004, 17,086 billion Kwh in 2006 and 9,800 billion for the first half of 2007 (EIU Tajikistan, op. cit., p. 19).

²⁰ Kazakhstan has pledged \$100 million to develop Tajikistan's electric power plants.²⁰ Iran and Russia are currently investing in the upgrading of the power plants Sangtuda-1 and Sangtuda-2, respectively. (E. Marat, "Iran, Tajikistan strengthen cooperation in the energy sector", *Eurasia Daily Monitor*, 1 February 2006).

²¹ "Tajikistan/Russia politics: The breaking of the dam?", *EIU Country Briefing*, 31 August 2007.

this link. The rail network has benefited from a new link with Uzbekistan's capital Tashkent that by-passes Turkmenistan, thus avoiding the necessity of going through slow border checkpoints (with the attached strings of corruption and harassment) and the purchase of various visas.

For large part of the post-Soviet period the Trade and Cooperation Agreement has regulated relations between the European Communities and Tajikistan. It will be replaced by the Partnership and Cooperation Agreement (PCA), which represents the framework within which the European Union has dealt with the individual Central Asian states. The PCA with Tajikistan, signed in 2004, is awaiting ratification by the EU members, and pending that, an Interim Agreement on Trade and Trade-related Matters signed on 1 May 2005, provides the implementation of trade-related provisions of the PCA. The PCA covers a number of traditional policy areas (including political dialogue, economic cooperation, democracy and human rights, prevention of illegal activities, cultural and financial cooperation), as well as new areas of common interest, such as weapons of mass destruction (WMD), migration and terrorism reflecting the changes in the post-cold war international system. The importance of establishing rule of law, democracy and continuing political reform occupies a somewhat more peripheral place in the PCA and it is only in the recent EC Regional Strategy Paper for Assistance to Central Asia for the period 2007-13 and the EU Strategy, that these issues are addressed at length.

7.2.3 Democratisation and political reform

Progress has been made in the areas of security/stability and economic development (with all the caveats outlined above). It is in the area of political reform that the country is lagging behind. The political opposition as well as the media have been subject to tighter restrictions in what appears to be a decisive turn towards authoritarian policies. President Emomali Rahmon won re-election in November 2006 (until 2013). The opposition was weak, divided and often harassed. Moreover the Islamic Renaissance Party (IRP) is still in the process of redefining its role in national politics under the new leadership of Muhiddin Kabiri. Kabiri succeeded the historic leader Said Abdullo Nuri who died in 2006. The IRP

decided not to field a candidate, and the opposition Democratic Party²² and the Social-Democratic Party boycotted the elections on the grounds that harassment and fraud would make them neither free or fair. Isolated protests against the elections were reported in some areas of the country, but none of these posed a challenge similar to those that led to the overthrow of the government in neighbouring Kyrgyzstan or other post-Soviet countries. Challengers, real, potential or imagined, have progressively been sidelined, ensuring Rahmon's dominant status. The two main challenges here are the criminalisation of political life and the overall institutional weakness of the Tajik state. Warlordism has been successfully contained since the end of the civil war and warlords have been jailed, pushed out of political life or killed. As President Rahmon's authority in the country has consolidated, potential challenges by former warlords and allies have been gradually sidelined. Consolidation of central authority has not, however, decreased the influence of criminal groups in the country's political and economic life.²³ Tajikistan stands out as one of the most corrupt countries of the world. According to the organisation Transparency International, the republic ranks 150 out of 157, according to its Corruption Perceptions Index (CPI).²⁴ The emphasis in the EU Strategy for Central Asia on the importance of rule of law, human rights, good governance and the presence of transparent political institutions for the "development of a stable political framework and functioning economic structures" is to be welcomed, and a strategy of critical engagement (combining encouragement with criticism, when appropriate) should help shape reform, despite the region's many recalcitrant actors. In particular the EU Rule of Law Initiative should identify clear ways of monitoring and rewarding progress and training personnel and but should also be firm in

²² Democratic Party leader Mahmadrusi Iskandarov was imprisoned in October 2005. The party later suffered from an allegedly government-induced split that undermined its position.

²³ E. Marat, *Organized Crime, and Corruption in Kyrgyzstan and Tajikistan*, Silk Road Papers, Baltimore, MD: Johns Hopkins University and Uppsala, Sweden: Uppsala University, October 2006.

²⁴ See Transparency International's 2007 country indexes (http://www.transparency.org/news_room/in_focus/2007/cpi2007).

highlighting areas where implementation does not follow (or where legislative change is taking place slowly).

At a more general level, the consolidation of formal institutions is taking place only gradually (if at all) and much of the politics in Tajikistan occurs through informal institutions. Patron-client networks dominate both the politics of the centre and the regions. The interplay between formal and informal institutions, however, need not be seen as necessarily conflictual.²⁵ While warlordism is certainly detrimental to the process of political reform in the country, working alongside local authority figures can contribute to make formal and informal institutions convergent towards the goal of initiating political reform. This should not be understood as suggesting that the EU should work with people outside the law. Rather, it should attempt to work along with traditional institutions such as the *avlod* (an institution comprising community elders and regulating relations among community members with shared kinship ties²⁶) and the *mahalla* (neighbourhood community) to ensure that local community leaders have a stake in the system and particularly in the functioning of the system. This is an area that has thus far not received sufficient attention from the European Union, which has preferred to emphasise the role of formal institutions.

7.3 Conclusion and recommendations

Noticeable progress has been achieved in EU-Tajikistan relations in the past, with humanitarian relief, poverty alleviation, border management and drug control among the areas on which the EU has focused its relations with Tajikistan. The PCA and more recently the EU Strategy for Central Asia and the EC Regional Strategy Paper for Assistance to Central Asia show a willingness to develop relations further on both sides, provided that the key priorities outlined in the documents are not diluted in a myriad of other issues. The breadth of the documents can come at the expense of its depth. More crucially the EU has to move away from reluctance to highlight areas in which progress is not being made, and

²⁵ A similar point (at a more general level, and not specific to the case in question) is made in G. Helmke and S. Levitsky, "Informal Institutions and Comparative Politics: A Research Agenda", *Perspectives on Politics*, 2(4), 2004, pp. 725-739.

²⁶ B.V. Babajanian, "The social exclusion framework and poverty reduction strategy in Tajikistan", *Central Asian Survey*, 25(4), 2006, p. 409.

begin setting clear instruments to monitor and reward progress. Consequently, lack of progress should be clearly identified and pressure exerted to effect change. One first opportunity for developing closer relations is offered by the dramatic proportions assumed by the drugs problem in the region. Afghanistan's record opium harvest in 2007 demands that various international actors, including the EU through its relevant instruments (BOMCA/CADAP), closely cooperate with the Tajik authorities (especially the Drugs Control Agency) to ensure border security and the reduction of corruption of officials both at local and national level. It is therefore a pity that the EU foreign policy chief Javier Solana did not visit the country during his brief tour of the region in October 2007. Drugs, along with energy issues, figured high among the EU priorities highlighted in the talks,²⁷ but Tajikistan's central role as both part of the problem and possibly of the solution too was apparently missed.

The approach that has informed international, including EU, action in the country, namely the focus on Tajikistan as a post-conflict country, has outlived its initial purpose. Unlike Uzbekistan and Kyrgyzstan, Tajikistan has not experienced analogous domestic turmoil in recent years. Relations between Tajikistan and the EU have intensified over the years. The signature of the Partnership and Cooperation Agreement certainly constitutes an attempt to bring them to the next level, and specific key areas for cooperation identified in the EU Strategy and more clearly in the EC Strategy for Assistance to Central Asia establish the conditions for the full potential of the partnership to be fulfilled. However promising, a number of actions should be taken that would directly identify and tackle problem areas, as outlined below.

1. *Work with the Shanghai Cooperation Organisation, and Russia and China.* There are several areas in which the interests of the EU converge with those of the above actors. Combating drugs trafficking and arms smuggling, as well as enhancing border security are common goals at the state, regional and international levels. The waning of US influence in the region has opened a space that has been filled by the swift return of Russia and a growing Chinese economic presence, as exemplified by the formation and consolidation of the Shanghai Cooperation Organisation (SCO), a regional organisation created in 2001, involving Russia, China, Kazakhstan,

²⁷ "Central Asia: Solana to Focus on Energy, Drug Trade", *RFE/RL*, 7 October 2007.

Kyrgyzstan, Tajikistan and Uzbekistan.²⁸ Russian and Tajik forces have cooperated on issues of border security and drug control for more than a decade. These are capital projects that other actors, including the EU, should build on. While Russia may not have been keen on sharing the provision of Tajikistan's security with other powers, the EU could encourage the SCO to become a stronger regional organisation that could actually undertake operations in its member states, for example on the Tajik-Afghan border, where joint activities could be conducted with the EU in a way that would make the EU less intrusive and thus less menacing to Russia and other local actors.

2. *Talk to the local community figures.* Patronage politics is endemic in the country and much of the political and economic developments occur outside the formal institutional framework. It should instead engage the local community leaders in the *avlod* and *mahalla* and make sure they have a stake in the system, so that cooperating with the EU will not simply mean benefiting from aid being 'parachuted' into a particular region, but will give them a stake in the reform process. Such local authority figures have played an important role in maintaining social stability and preventing conflicts from re-occurring.²⁹ While patron-client relations may not have a positive impact on democratisation in the short term, informal institutions have played a crucial role in maintaining stability in the region and their role should not be discounted. Informal authority figures constitute 'entry points' to the system and working alongside them (and not against them)

²⁸ Established as an intergovernmental organisation whose main goal was to establish mutual confidence between the member states and increase cooperation in border regions, the SCO has grown to become one of – if not the – most important regional organisation in Central Asia. It is the only one whose membership includes Russia and China. All the Central Asian republics, barring Turkmenistan, are also members. The SCO's main strategic objective is the fight against terrorism, separatism and religious extremism. In light of the recurrent calls for US withdrawal from the region, however, one may also add to these the reduction of the US presence and influence in Central Asia.

²⁹ A similar argument was made in relation to the role played by the leaders of ethnic minority groups in managing and defusing inter-ethnic grievances tensions in M. Fumagalli, "Informal (ethno-)politics and local authority figures in Osh, Kyrgyzstan", *Ethnopolitics*, 6(2), 2007 pp. 211-233.

would give them a stake in the system and international actors access to local society.

3. Press the authorities to alleviate the pressure on political opposition and liberalising the system. A useful initial step could involve alleviating the pressure on local and international NGOs and the media as well as the gradual opening up of the political system. Political opposition exists, inside and outside the parliament, but it remains under increasingly tight restrictions set by the authorities. The EU should establish clear benchmarks for measuring progress and should not refrain from highlighting problem areas. Cooperation to contain the rise of radical Islamist groups should be expected, but combating terrorism should not be used by the government as an excuse to target all opposition. Tajikistan has been less exposed to this type of threat than the neighbouring republics, also as a result of the fact that an Islamic party is legal in the country, but the lack of outlets for voicing demands and channelling dissent may lead to a rise in popularity of what at present are fringe militant groups. Restrictions on religious minority groups and on registrations of places of worship (both churches and mosques) should be eased.

4. Establish a legal framework to prevent abuse of Tajik migrants in Russia. Attention should also focus on issues of human rights with regard to Tajik migrants in Russia (and elsewhere). The EU could work in concert with the International Organisation for Migration (IOM) and the International Labour Organisation (ILO) and help delineate a legal framework to improve working and living conditions of migrants in the host country as well as in exerting pressure on the Russian authorities to ensure that abuses are not the norm. The Russian Federation has introduced new legislation to regulate and improve the working conditions of the migrant communities in the country and the EU should closely cooperate to ensure implementation and monitoring of the situation in Russia.

5. Criminalisation of the political life, corruption and institutional weakness. These problems continue to represent fundamental challenges to the Tajik polity and society as a whole. The EU should increase pressure on the ruling administration to sever links between state officials and criminal elements (most notably the Minister for Emergency Situations, former

warlord Mirzo Ziyoev³⁰). Tajikistani authorities and the EU should agree on a realistic timeline for introducing substantial reforms and for monitoring progress.

6. *Develop Tajikistan's energy sector.* Developing hydroelectric power is an area that is crucial for achieving long-term viability of the Tajik economy and is fundamental for the whole region's economy too. Russian and other foreign companies have begun investing in rehabilitating and upgrading existing hydropower plants. The EU should work in concert with other actors to favour the development of Tajikistan's unfulfilled potential in hydroelectric power in the region. The EU should also concentrate its efforts on facilitating bilateral and multilateral approaches to deal with disputes over water use and management as well as to develop water infrastructure (working in cooperation with local authorities to prevent potential environmental disasters resulting from the poor security of existing structures).

7. *Upgrade the country's transport infrastructure.* The movement of peoples and goods within the country requires far too long on bumpy roads. Roads connecting the capital Dushanbe with some of the major regional centres (Kulob, Khujand, Khorog) require urgent upgrading. In addition, attention could also focus on upgrading airport facilities (runways) and technical maintenance of ageing aircraft.

8. *Make the education and training of the local youth a priority.* A central concern of international assistance programmes across the region has been the formation of the younger strata of the Central Asian population. This is particularly important in light of the fact that the Central Asian youth represents an increasingly large part of the region's overall population. About 37.9% of Tajikistan's population is under the age of 14,³¹ and it is inevitable to wonder about their future in a country in which the safety

³⁰ Ziyoev was one of the leading figures in the United Tajik Opposition, which fought against the Rahmon faction in the civil war, but that was re-integrated as part of the reconciliation process. Another former warlord, the Interior Ministry's Special Force Brigade commander, Major-General Suhrob Qosimov resigned in March 2007 (*ASIAPlus*, 13 March 2007).

³¹ Data (July 2006 est.) are taken from the *CIA World Factbook Tajikistan*, available at <https://www.cia.gov/cia/publications/factbook/geos/ti.html#People> (accessed 18 March 2007).

valve for the young (especially male) population has been migration. Unemployment, drug use, poor health and declining levels of literacy are among the key challenges that the younger generation faces.³² The EU should continue its focus on youth and education; establishing a 'European Education Initiative in Central Asia' as indicated in the draft strategy is therefore an important step in this direction. In addition it should seek to coordinate its efforts with other organisations, such as the World Bank and the Asian Development Bank, as well as with Japan, which recently upgraded its assistance to the region. The aim should be the improvement of the quality of education provided in the country, through teaching training programmes, a rise in government spending in primary and secondary education and the expansion of scholarships and exchange programmes, but also tighter controls on corruption in schools and universities.

9. Promote cross-border cooperation and trade. Cross-border shuttle trade has constituted a key strategy for local communities to cope with the economic duress brought by the post-Soviet transition. The EU should therefore encourage measures that enhance border security, but this should not come at the expense of promoting cross-border trade. The EC Regional Strategy explicitly refers to the Tajik (and Kyrgyz) border management services.

10. Enhance EU visibility. The EU has played an important role in many forms and areas in Tajikistan, but its presence, although beneficial, is often not visible and this means that outside narrow elite circles, the ordinary population is not aware of its actions. Increasing visibility could take several forms. At a diplomatic level this would entail strengthening the diplomatic representation of the EU in Tajikistan, as well as developing closer contacts with the national parliament. Additional measures could comprise improving the institutional and infrastructural cohesiveness of the country, such as airports and roads, upgrading the country's hydroelectric power stations and assisting and training Tajik forces.

To conclude, this paper has argued that the 'post-conflict reconstruction' framework that has dominated international strategies with Tajikistan for a large part of the post-war period has now outlived its initial

³² Crisis Group, *Youth in Central Asia: Losing the New Generation*, Asia Report No. 66, Brussels, 31 October 2003.

purpose. Through its recently launched Strategy for Central Asia and the EC Regional Strategy Paper for Assistance to Central Asia, the EU now has an opportunity to make a difference to the country's prospects for economic development and socio-political modernisation if it adopts a strategy of critical engagement, whereby it monitors and rewards progress, does not hesitate to identify areas where reforms are lagging behind and places pressure on actors seeking to oppose change.

8. A VIEW FROM THE REGION

*NARGIS KASSENOVA**

Introduction

The German Presidency of the EU in the first half of 2007 inspired great hopes regarding the development of relations between the European Union and the states of Central Asia. In Brussels and other European capitals, it was expected that Germany, as an EU political and economic heavyweight and one of the key promoters of the Common Foreign and Security Policy, would be able to foster a coordinated Central Asian policy giving direction and coherence to European engagement in the region. It was widely hoped – within both the governments of Central Asia and the societies of the region – that Germany, which has traditionally been the most pro-active European country in the region, would elevate the relations between the EU and Central Asian states to a higher level.¹

At the end of the German Presidency, in June 2007, the EU adopted *The EU and Central Asia: Strategy for a New Partnership*.² It was the first-ever EU strategy developed for Central Asia, and in this way, it marked a real breakthrough in the relations between European and Central Asian countries. In this document an attempt is made to go beyond the assistance

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¹ Germany is the only European country to maintain an embassy in all five Central Asian states.

² Council of the European Union (2007), *The EU and Central Asia: Strategy for a New Partnership*, Document 10113/07, Brussels, 31 May (endorsed by the EU Council Presidency Conclusions of the Brussels European Council, 21-22 June 2007) (see Annex 3).

programme with generic developmental goals based on the perceived needs of the region, to define European interests in the region, find prospective areas for cooperation and improve the approaches by making them more effective.

8.1 Key features of the new EU strategy: Interests, approaches and selected areas for cooperation

The Strategy states that the EU is interested in “a peaceful, democratic and economically prosperous Central Asia”. The transformation of the region in this direction is to alleviate the present and potential negative impact of developments in Central Asia and its even-more problematic southern neighbourhood on European security. Central Asian security became more important for Europe in view of the EU enlargement that brought the region closer to European borders, and therefore made the potential of the impact stronger.

The EU approach to security within the Strategy is comprehensive. It will continue to provide direct assistance to the security sector: helping to combat human, drugs and arms trafficking, proliferation, organised crime and international terrorism. It will also help to address the causes of instability, such as poor governance, lack of rule of law, poverty and violation of human rights, through various aid programmes.

Another EU interest in the region lies in the energy sphere. European countries would like to have access to Central Asia oil and gas resources, and the region’s aim is to diversify trade partners and supply routes. The EU member states and the countries of Central Asia share an ambition to reduce their dependence on Russian supplies and pipelines. Therefore, the EU and Central Asian partners have complementary energy security needs and interests.

By articulating its interests in Central Asia, the EU creates a more solid base for EU policy in the region. From the point of view of Central Asia, the adoption of the Strategy is also a positive development. It signals that the EU recognises that it has certain interests in the region and that the Union’s engagement is long-term. With Central Asia the adoption of the Strategy strengthens the perception of the EU as a political and even strategic actor in the region with its own agenda, supported by significant resources.

As for changing approaches, the Strategy envisages an intensification of political ties (regular dialogue on a variety of topics with top officials), more assistance (double the amount/budget for the period of 2007-13) and a strong focus on bilateral relations. The previous assistance programme was criticised for excessive emphasis on the regional approach that proved largely ineffective in the circumstances of Central Asia.³ In the Strategy it was decided to maintain a regional approach for issues that need regional solutions (organised crime, drugs trafficking, water management, etc.) and to develop more tailored policies and cooperation programmes to deal with issues better solved on a bilateral basis, taking into account different needs and conditions in Central Asian states. These developments can only be welcomed, for they indicate more engagement, more resources and more attention to specificities and pragmatic ways of interacting with Central Asia.

While the articulated interests and improved approaches to the region are very important, the core (real 'meat') of the Strategy is the section that specifies a number of areas for "a strengthened EU approach". It shows what areas the EU is planning to focus on in order to promote its interests. These areas can be sub-divided into two groups. The first consists of areas that are fairly straightforward and imply a clear action plan with easily identifiable objectives and activities.

One such area is headed 'Investing in the future: Youth and education'. It is a very promising and forward-looking policy aimed at bringing up a new generation of Central Asians that would be more familiar with and attuned to European values and norms. The Strategy envisions the launch of the European Education Initiative for Central Asia to assist "the adaptation of the education systems of Central Asian states to the needs of the globalised world", and support at all levels of education, from primary to higher. Europe has a lot to offer in this respect, and the will of European countries to help is met by the desire of Central Asians to study in Europe or according to European standards.

Another unproblematic area is the 'Promotion of economic development, trade and investment'. The accession of Central Asian states

³ International Crisis Group, *Central Asia: What Role for the European Union?*, Asia Report 113, 10 April 2006 (<http://www.crisisgroup.org/home/index.cfm?id=4065>).

to the WTO, encouraging exports and economic diversification to be promoted by the EU are objectives that coincide with the agendas of Central Asian governments. The same can be said about the Environmental Stability and Water subsection. Considering the poor level of environmental policies in the region, to achieve the goals will not be easy. However, the spirit of partnership between Europeans and Central Asians can be strong, since the cooperation is in the interests of Central Asian states.

‘Combating common threats and challenges’ can also be placed in the first category, albeit with some reservations. European assistance in border management, fighting regional criminal activity and international drug trade has been and will be appreciated by Central Asian governments. The Border Management Programme for Central Asia (BOMCA), considered one of the most successful European projects in the region, is to broaden its activities.

Difficulties might arise from differences in how Europe and Central Asian counterparts approach the problem of security. The understanding of security in Central Asia is strongly state-centred and determined by the logic of authoritarianism; political dissident is considered as a security challenge.⁴ The opposite assessments of the Andijan events given by European and Central Asian governments (supported by Russia and China) illustrate this point.⁵ Since the EU is not a guarantor of security in the region, however it will not have to face major dilemmas in this regard.

The second group consists of areas of European action that do not have clear-cut solutions, that are subject to difficult dilemmas and where full-fledged cooperation of Central Asian partners is not guaranteed due to various reasons. One such area is Human rights, rule of law, good governance and democratisation, which that is outlined at the outset of the

⁴ For an in-depth discussion of differences between European and Central Asian approaches to security, see chapter 2 in this volume by Daniel Kimmage, “Security Challenges in Central Asia: Implications for the EU’s Engagement Strategy”.

⁵ On 13 May 2005, the Uzbek government used indiscriminate violence to suppress unrest in the city of Andijan located in the Ferghana Valley. As a result, several hundred people died. While the EU and the US demanded an independent investigation of the events, Russia, China and other Central Asian states supported the actions of the Uzbek government.

Strategy. It arises from the interest of the EU in a 'democratic and prosperous' Central Asia. In the Strategy the EU commits itself to launching a Rule of Law initiative, conducting training for regional legal experts and holding a regular dialogue on human rights with the government of the region, and other activities to promote good governance in Central Asia. The problem with this area is that the EU does not have enough leverage with the governments of Central Asian states, for the European 'sticks' and 'carrots' are not that big. The strategy introduces a sentence on conditionality for EU engagement, noting that the intensity of cooperation will reflect the commitment to transition and reform in each country. However, this can work only with the states that are strongly interested in strengthening ties with Europe for geopolitical or other reasons.

European countries have already faced difficult choices with regard to their Central Asian partners. They had to decide how to react in cases of heavy violations of human rights (the Andijan massacre being the extreme case), what to do in respect to other instances of the violation of rights and how to assess largely fraudulent elections. It is clear that more uneasy choices are in store. It is likely that two dilemmas will remain central for the EU in Central Asia: how to balance the liberal goals of the promotion of democracy and human rights and realist interests of securing access to the region's energy reserves, and how to engage and not to 'lose' the region without becoming too soft on local authoritarian regimes.

Another area that implies making difficult choices is 'strengthening energy and transport links'. Diversification of European energy supply means the development of infrastructure to bring Central Asian oil and gas to European consumers bypassing Russia. It is in the interests of both Europe and Central Asia, but European projects in the region have very slim chances of being realised as Russia is strongly opposed to them. Central Asian states are vulnerable to Russian pressures and so are European energy companies that have valuable assets in Russia. As noted by many experts, Moscow has been very successful in playing the energy card and dividing the European countries.⁶ It is also important to keep in

⁶ For the latest overview of Russian policies, see Marc Leonard and Nicu Popescu, "A Power Audit of EU-Russia Relations", European Council on Foreign Relations,

mind the third competitor for Central Asian resources – China, whose influence in the region has been consistently growing. If the EU is to make progress in this area, it will need to pool its resources and determine routes and arrangements that most closely comply with its interests.

For the EU to answer these questions, it will need to address a number of serious geopolitical challenges: How to build a relationship with an increasingly assertive Russia and how to enhance European energy security without antagonising Russia? Whether to engage in Central Asia with the aim of seeking to become a strategic actor in the area, thereby significantly shaping local developments or whether to let the region slip under the traditional Russian control and new Chinese supervision? In this regard, the EU strategy is unusual for it does not dwell on the geopolitical context. Russia and China are not mentioned once.

8.2 Why does Central Asia need greater EU engagement?

Most of 20th century Central Asia endured the domination of Russia. With the collapse of the Soviet Union, Central Asian states found themselves on their own and in a complex geopolitical environment. They could go back to their roots and establish ties with Muslim states, become members of their organisations, and in this way rejoin the Islamic world; they could follow Russia in integrating with the Euro-Atlantic community; or they could start cooperation with neighbouring China. In the end, all of these courses were followed by governments of the region in the form of their ‘multi-vector’ foreign policies. This balancing act worked for a decade, but it is becoming increasingly difficult to sustain due to the new assertiveness of Russia which wishes to strengthen its positions in the ‘near abroad’, a development that is coinciding with the growth of Chinese influence in the region. Both Russia and China are interested in squeezing out the West from the area. At the same time, the engagement of the US and Europe has also been on the rise.

The four actors with the strongest capacity to influence the developments in the region are Russia, China, the US and the EU. If the interests of the region are considered in a comprehensive manner, from the

point of view of the costs and benefits of cooperation with each of these powers, then the EU would come at the top of the list.

Russia is the traditional patron that Central Asians are used to and feel relatively comfortable with. It has an array of tools to use in order to maintain influence in the region (security guarantees, cheap arms, economic projects and investments, etc.). However, at present Russia cannot offer Central Asia real solutions to the problems of the region (poverty, poor governance and potential instability). It does not have enough resources, but more importantly, it does not provide a good example of how to deal with these problems. Besides, there are concerns about the Russia's 'big brother' complex that makes it psychologically difficult for Central Asians to give up the 'multi-vector' diplomacy.

China is politically and economically more successful than Russia. It is also able and willing to contribute to security and to the development of the region. However, further integration with China is even more problematic than that with Russia. Firstly, China cannot offer appropriate models for the transformation of Central Asian states into well-functioning polities because its current Communist party-controlled system is a political 'yesterday' for post-Soviet republics. Indeed, the Chinese government is in the process of experimentation itself and it is not clear how the political system of this country will evolve. Secondly, integration with China is problematic from the psychological perspective. There are already considerable fears of Chinese economic expansion and migration into the region, particularly in Kazakhstan, where the influx of Chinese migrants has been the largest due to economic opportunities in this republic. Unlike Russia, China is perceived as 'the other', a very different civilisation threatening the local identity.⁷ Similar to Russia, in Central Asia

⁷ The attitudes of the general public are reflected in the results of the Asia Barometer Survey 2005. 25.5% of Kazakh respondents, 30.5% of Kyrgyz respondents and 21.9% of Uzbek respondents assessed the influence of China on their country as 'bad' or 'rather bad'. The attitude of Tajik respondents was more positive, only 8.6% of respondents said that the influence of China is 'bad'. This contrasts with the perception of Russia by Central Asians – 2% of Kazakh respondents, 0.8% of Kyrgyz respondents, 0.6% of Tajik respondents and 1.9% of Uzbek respondents defined the influence of Russia as 'bad' or 'rather bad'.

the Chinese immigration is often discussed in terms of 'slow infiltration' and 'taking over the territories.'⁸

Ensuring the long-term security and prosperity of Central Asia are impossible without political reforms, and neither Russia nor China is interested in the democratisation of the region. Instead they have legitimised fraudulent elections and generally act to shelter Central Asian governments from international criticism of their repressive policies. Russia and China position themselves as leading security-providers for Central Asia through the Collective Security Treaty Organisation (CSTO) and the Shanghai Cooperation Organisation (SCO). However, their narrow approach to security can render their engagement in these issues counterproductive. The latest SCO military exercise 'Peaceful Mission 2007' used the scenario of the Andijan events and joint forces were trained to suppress an uprising.⁹ It implies that Central Asian authoritarian governments can expect external support in case of a serious dissent by some of their citizens. At present, it is hard to imagine Russian or Chinese soldiers engaged in military actions in Central Asia. However, if this happens, a flare-up of anti-Russian and anti-Chinese sentiments can be expected which might result in the destabilisation of Central Asia. The suppression can also lead to further radicalisation of dissenting factions, which is not beneficial for the security of the region.

The extent to which the US can deploy international and national support for maintaining and strengthening the sovereignty of the Central Asian countries makes it a very attractive partner for Central Asian states. However, the US is far away and its policies and level of engagement in the region are determined by the general considerations of Eurasian geopolitics, and are therefore subject to change. The emerging rivalry between the US and the leading neighbours of Central Asian – Russia and China – suggest that deeper cooperation between the states of the region and Washington could lead to increased tensions in the region.

⁸ For a brief overview of various opinions held by Central Asian political experts with regard to Chinese expansion, see *Kitaiskaya ekspansiya v Srednuyu Aziyu: igra na operezhenie. Mnenie ekspertov* (<http://pda.regnum.ru/news/issues/866290.html>).

⁹ "Rossiya vypisla povestku SHOS", *Kommersant*, No. 146, 16 August, 2007.

Unlike the US, the EU has long-term interests in Central Asia for it is directly affected by the developments in the region. It has the resources and, as the new strategy indicates, the intention to engage seriously in Central Asia. It wants to contribute to the transformation of the region into a secure and well-governed area, which is in the best interests of Central Asians as well, and it can offer models of political development and good governance and patterns of cooperation that can be emulated to achieve this goal. It can provide an alternative gravitation pole for Central Asia, creating real opportunities for security and sustainable development. What has been lacking so far is a coherent European policy based on clearly defined interests and guided *by realistic but ambitious goals* in the region. The strategy is the first attempt to find this policy. Deeper partnership between the EU and Central Asia will be mutually beneficial. It remains to be seen whether the EU can master the political will to shape and carry out its agenda in the region.

8.3 Democratisation, rule of law and human rights

The EU Strategy contains a commitment to the promotion of the rule of law in Central Asia, rightly claiming that it is the basis of political and economic development. It is planning to support legal and judicial reforms, share experiences and best practices, train local experts, organise and sponsor specialised conferences, etc. However, it is clear that no real legal and judicial reforms can take place in the absence of political reforms. The judicial sector is not independent and is subject to corruption to the same degree as the rest of the political system. Sharing experiences and organising training sessions are very unlikely to have any impact beyond minor cosmetic improvements. On the other hand, training young people who have yet to enter the system might be more productive.

Good governance, rule of law and compliance with human rights are impossible without democratisation and the introduction of proper mechanisms of checks and balances. The EU cannot democratise Central Asia, but it can continue pushing for the enhancement of the political space and greater political pluralism. The pressure of European countries and organisations has been the great support and often the factor of survival of pro-democracy forces in the region. As a result, Europe has become the most important 'reference group' for Central Asian representatives of civil society, political opposition and their supporters.

The 'sticks' Europe has in the region are not big, but nor should they be underestimated. Central Asian political elites do not want to be left to the mercy of Russia and China; they also need Western investments and technologies, factors that account for the persistence of the 'multi-vector' foreign policies of Central Asian states. It is important that they do not acquire the impression that European states and organisations can be blackmailed or bribed (which would fit into their worldview better). It is vital for Central Asia that Europe does not give up on the region and can summon up the necessary patience and strength to ensure its transformation into a 'peaceful, democratic and prosperous' area.

8.4 Developing energy and transportation links

Discussing energy and transportation links, the strategy dwells on the Caspian Sea-Black Sea-EU energy transport corridor. If it is built, Europe will acquire an alternative source of oil and gas supplies, and Central Asian states will receive access to lucrative markets and become less vulnerable to Russian pressure. The project is mutually beneficial, but, as already mentioned, it faces considerable constraints. The EU pipeline aspires to connect Caspian resources with European markets, such as Nabucco, and the trans-Caspian pipeline is meeting strong resistance, for Russia does not want to lose its monopoly control over Central Asian gas. Considering the leverage Moscow has with regard to Central Asia, European countries and European companies, it can be argued that the development of Caspian resources and their transportation directly to Europe cannot be implemented without a certain accommodation of Russian interests and the participation of Russian companies in the deals.

Obviously, this is not an easy task. However, Europe has a number of strong cards to play. Firstly, without European and generally Western participation, it will be impossible to develop the Turkmen gas fields that are to provide the future gas for export. Secondly, Russia is unlikely to ratify the European Energy Charter, but it would need a legal framework for the protection of its pipelines from transit risks.¹⁰ The EU can negotiate such a framework keeping in mind the desired access to Central Asian

¹⁰ V. Milov, "Energodilaog Rossiya-ES; zapolnit vacuum" (Energy Dialogue Russia-EU: To Fill the Vacuum), *Rossiia v globalnoi politike*, No. 5, September-October 2007 (<http://www.globalaffairs.ru/numbers/28/8546.html>).

resources. Overall it would be more profitable for Russia and Europe to have a more cooperative framework that would allow choosing more economically viable pipeline routes over expensive geopolitics-driven ones.

Apart from oil and gas, the Strategy touches upon the development of hydro-power and its distribution in the region of Central Asia. It deems the development of this energy resource crucial to promoting stability and prosperity in Central Asia and beyond, including Afghanistan and Pakistan. It does not make it clear, however, whether the EU supports the increase of links between Central Asia and South Asia via Afghanistan beyond the water and hydropower sector, in effect supporting the integration projects currently promoted by the US and development institutes and often known as the 'Greater Central Asia Partnership'.¹¹

Such an integration project constitutes a very important issue for Central Asia. On the one hand, the project promises benefits to the landlocked Central Asian states, especially to impoverished Tajikistan, by creating opportunities for it to be integrated in the world economy. On the other hand, the risks of such an opening of the region to the highly unstable southern neighbourhood are so significant that they can easily outweigh any potential benefits. Drug trafficking, Islamic extremism are among the threats that Central Asian government believe will be aggravated, and the already-fragile security of the weak Central Asian states, which are only separated from each other by porous borders, might be completely undermined. Since there is a connection between Central Asian and European security (notably in the areas of drug trafficking, weapons and WMD smuggling, international terrorism and the spread of pandemics), Europe will be affected too.

Regional experts tend to be very negative about the 'Central Asian Partnership' project. Kazakh scholar Murat Laumulín stated that "the merger of Central Asia with archaic Afghanistan can change the European vector in the development of Central Asia and Kazakhstan, that is interrupt the process of modernisation, which by fits and starts has been going on for

¹¹ S. Frederick Starr, *A Greater Central Asia Partnership for Afghanistan and Central Asia*, Silk Road Paper, March 2005 (<http://www.silkroadstudies.org/CACI/Strategy.pdf>).

many decades.”¹² In the opinion of his Kyrgyz colleague Alexander Knyazev, “any liberalisation of a border regime with a country producing 90% of the world’s opium and heroin and that remains a haven for extremists and terrorist organisations, would turn the whole region into a huge Afghanistan”.¹³ Thus, there are fears that pushing Central Asia in the southern direction would undermine the achievements of the Soviet modernisation project and distance it from Europe.

8.5 The special case of Kazakhstan

Kazakhstan is often singled out by European policy-makers and experts as the most promising partner for cooperation. It owes its favourable status to its rapid level of economic development, certain freedoms permitted by the relatively benign authoritarian regime, and very importantly some freedom of geopolitical manoeuvre that the country can afford due to its strengths.

The Western vector of Kazakh foreign policy has always been strong. Its European orientation was driven both by the practical reasons mentioned above and also by the sense that the country is a part of Eurasia and, therefore, has a European identity (since part of the territory of the country is geographically in the European part of the continent). President Nazarbayev from time to time stresses that Kazakhstanis are Europeans.¹⁴ The successful bid made by Kazakhstan for the chairmanship of the OSCE indicates that the political elites of Kazakhstan view the country as part of the European space, where they want to play a more active role.

The political opposition in Kazakhstan is even more strongly pro-European oriented. The programme of the single opposition presidential

¹² M. Laumulin, “Bolshaya tsentralnaya Aziya – novyi megaproekt SShA.?” (Greater Central Asia – A new US mega-project?), *Kontinent* No. 22 (158), November 2005, pp. 16-29.

¹³ A. Knyazev, “Bolshaya Tsentralnaya Aziya – eto vpolne ochevidnyi geopoliticheskii marazm” (Greater Central Asia is an obvious geopolitical insanity), interview given to Ferghana-ru information agency on 5 July 2007 (<http://www.ferghana.ru/article.php?id=5214>).

¹⁴ BBC, “Nazarbayev: kazakhi – evropeitsy, a ne aziaty” (Nazarbayev: Kazakhs are Europeans and not Asians), interview given to BBC, 28 September 2006 (http://news.bbc.co.uk/hi/russian/international/newsid_5386000/5386272.stm htm).

candidate in 2006 was entitled “By way of justice – toward a dignified life!” (A Democratic Civilisational Alternative), and promoted the European orientation of Kazakhstan’s foreign policy.¹⁵ It stated that the survival and strengthening of the young nation-state of Kazakhstan is possible if it makes the right choice in terms of civilisational affinity and if it makes a conscious decision to deepen ties with Europe.

It is a telling detail that when the US State Department reorganised and moved the Central Asian states from the Eurasian Bureau to the newly created South and Central Asia Bureau in 2006, Kazakh political elites were particularly perturbed. No Kazakhstani expert assessed this move positively, while, for example, a Tajik expert Rashid Abdullo evaluated the new grouping as more reasonable.¹⁶ The sense of separateness that Kazakhstanis have with regard to the rest of Central Asia can be traced to the Soviet times when the region was referred to as Kazakhstan and Middle Asia (*Kazakhstan I Srednyaya Aziya*).

The EU can draw on these Kazakhstani perceptions and stress the integration possibilities. It is clear that Kazakhstan cannot be offered membership, but it can aspire to be part of the European neighbourhood programme at some point in the future and to participate in elements of the programme on an ad hoc basis. Unlike Russia, Kazakhstan will have no psychological difficulties in becoming a junior partner of the EU.

Although Kazakhstani political elites are attracted to Europe, they are held back by the political legacy they have accumulated (corruption, repressive policies, lack of meaningful political reforms). They would not want to become pariahs in the West, however. The Kazakh leadership draws a considerable portion of its pride and legitimacy from the relatively positive image it enjoys in the West, and that is why it does not hesitate to

¹⁵ Programma predvybornogo kandidata Zharmakhana Tuyakbaya ‘Putem spravedlivosti – k dostoinoi zhizni! (demokraticheskaya tsivilizatsionnaya alternativa)’ (<http://www.akzholparty.kz/action.php?go=content&set=showpage&pid=515>).

¹⁶ Rashid Abdullo, “US Policy in Tajikistan: From Recognition of Its Independence to Partnership”, *Central Asia and the Caucasus*, No. 4 (46), 2007.

spend a lot of money on PR campaigns targeted at Western audiences and it makes the effort of imitating democratic processes.¹⁷

At present, Kazakhstan is entering a systemic political crisis. The country cannot further develop in the current institutional framework. Besides, if until now, the growing economy served as a cushion for the regime, the major problems experienced in the banking and construction sectors (two pillars of the national economy) in 2007 have challenged the 'euphoria of success' of recent years and have made the system more vulnerable. Difficult years lie ahead, and a lot will depend on whether *Kazakhstan has accumulated sufficient potential in institutional consolidation and economic development* to help the young nation-state get through this crisis.

Therefore, it is premature to expect Kazakhstan to play the role of locomotive for regional integration. It is not yet ready. Also importantly, other Central Asian states are not ready for Astana to lead a process of integration for a variety of reasons, the most important being that they are all authoritarian states. The main priority in Kazakhstan today is to establish the conditions for institutional change and political reforms. The EU can make a considerable contribution to this aim through the use of its 'soft power', which can prove effective if the EU policy is clear, consistent and supported by greater engagement.

8.6 Recommendations for the EU

1. It is important to clarify the EU interests in the region against the background of other external actors' interests, particularly those of Russia, China and the US. In the areas where the interests overlap, cooperation projects can be pursued. In cases where they differ, the EU should steadfastly pursue its own agenda.
2. The EU policies aimed at the promotion of good governance, democratisation, rule of law and human rights in the region of Central Asia are extremely important. Central Asian states are located in an authoritarian neighbourhood. The EU and the values it

¹⁷ Nikola Krastev, "Kazakhstan: Long Delays Sap Strength from 'Kazakhgate' Case", Radio Free Europe/Radio Liberty (RFE/RL), 29 September 2006 (<http://www.rferl.org/featuresarticle/2006/09/30c0e4ca-9f32-4cf3-b7e8-862ff58214f8.html>).

embodies create an alternative gravitational pole for Central Asian societies that have been undergoing a serious transformation since the collapse of the USSR. The EU cannot democratise Central Asia, but it can continue pushing for the enhancement of the political space and greater political pluralism in the region. If it is done gently but consistently and if the right incentives are offered, the Central Asian authorities would come to the conclusion that the EU cannot be bought off or easily pacified. As for the Rule of Law initiative, only very small progress can be expected under the current political regimes. The most productive way seems to be through the education of young people.

3. It is of great importance both for the EU and the Central Asian states to build a transport corridor to connect Caspian resources with European markets. The success of the enterprise will be in doubt, however, unless some kind of cooperative framework is developed with Russia. If the EU can develop such a framework, this will be beneficial for all parties involved.
4. The ongoing process of integrating Central Asia with Afghanistan, as is being promoted by the US, can have very serious consequences for the security of the region and push back rather than advance its development. The EU should make a thorough analysis of the situation, with the aim of identifying possible risks of such integration for Central Asia and for European security.
5. Taking into account the pro-European sentiments in Kazakhstan and given the country's advanced economic development, it offers itself as among the most promising in the region not only for cooperation with the EU, but also as a possible candidate for the European Neighbourhood Policy. Such a reconfiguration of the Eurasian geopolitical space would be extremely beneficial for the region of Central Asia at large.

9. THE EUROPEAN UNION'S STRATEGIC ROLE IN CENTRAL ASIA

*NEIL J. MELVIN**

Introduction

For the first time since the collapse of communism, the EU is facing a strategic challenge in its external policies. The rise of Russia and China as international actors – with India close behind – and the growing confidence of some leading regional powers, such as Iran, are creating a serious threat to the EU's ambition to apply external policies that reflect European values. Against this background, the employment of the democracy – promotion agenda developed during the 1990s is unlikely to be effective and may even serve to weaken the position of the EU in key regions. This situation demands an urgent and far-reaching rethink of the approach the Union takes to external relations. If the EU is to remain a serious global actor, it will have to find ways to reconcile the imperative of engaging in difficult regions beyond the immediate European neighbourhood while also remaining true to the values of the Union.

An initial test of the Union's ability to meet the challenges of the shifting international order is taking the form of the EU's relationship with Central Asia. The region has recently emerged as an important focus for the EU for various reasons. Much has been made of the security challenges and energy opportunities in Central Asia – although it is also clear that obtaining access to energy resources is far from straightforward. Others have highlighted the EU's obligation to foster democratisation and promote

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human rights in one of the world's most authoritarian regions. Above all, it is clear that the European Union's ability to exert a positive impact on regions vital to the EU within Eurasia, such as the south Caucasus and the Black Sea, and important countries – notably Russia, Ukraine and Afghanistan – will be greatly enhanced if the EU can also play a more active role in Central Asia.

Advancing the EU's interests in Central Asia while also remaining true to the Union's values will clearly be a tall order. Since independence, the region's leadership has shown an almost genetic disposition to despotic rule. Central Asia has also become the focus of attention for Moscow and Beijing, which are anxious to gain access to the region's energy resources and to ensure stability and security along their borders. Both are little troubled by the need to promote political reform in the region.

In response to the challenge of developing deeper relations with Central Asia, the European Union – following the initiative of the German Presidency – has drafted a Strategy for Central Asia (reproduced in Annex 3). This is an important and welcome development. The strategy offers an opportunity to bring forward new and creative ways to address the issues that face Central Asia and to do so in a comprehensive and strategic fashion.

Finding the right mixture of policies is clearly an important part of developing the EU Strategy for Central Asia. But there is also a more important task for the Strategy. If the EU is truly to be a strategic actor in Central Asia, then the Strategy must set out a path for engagement in the region that offers the prospect of enhancing the Union's influence through promoting policies that strengthen political, social and economic change in the region. In this respect, the Strategy should distinguish the EU from those international actors who are focused exclusively on stability and the status quo in the region. The Strategy should aim to build for the Union a clear identity as an agent for assisting with modernisation, reform and progressive development in the region in line with European standards. This will require careful, comprehensive and well-targeted policies and a light-footed approach. The key to the success of such a strategy will lie in identifying, engaging with and strengthening the dynamic of reform that already exists in key parts of the region.

9.1 The EU's challenge in Central Asia

Central Asia is undergoing fundamental change. The change is multi-dimensional in character and uneven in its impact and it is simultaneously affecting the states and the societies of the region. As a result, Central Asia has entered its most important period since the collapse of the Soviet Union in 1991. The way in which the current changes are managed is likely to define the future of the region for a generation, if not longer. In response to these changes either the region's existing political regimes will be restructured to meet the new conditions and, thereby provide the foundations for an authoritarian and unstable future, or parts of Central Asia will emerge as locations for substantial and sustainable processes of political, social and economic reform, with important implications for the wider region.

External actors will play a key role in defining the contours of change in Central Asia. In recent years, a variety of powerful countries – principally China, the Russian Federation, and, to a lesser extent, the United States, Japan and Turkey – have sought to enhance their influence in Central Asia. The emphasis placed by many of these nations on ensuring stability – motivated in large part by interests in energy and other natural resources, geopolitics and by concerns about security threats from the region – raises the prospect that external influence will be directed to support the status quo in the region.

To date, the European Union has played a marginal role in Central Asia. The initiative by the German Presidency of the European Union to launch a process of rethinking the involvement of the EU in Central Asia, culminating with the production of a Strategy on Central Asia, is thus timely. The European Union has the opportunity to strengthen its presence at a strategic moment for Central Asia. At the same time, the EU is seeking to upgrade its role in Central Asia from a weak position and with little in the way of new or increased resources. Strengthening the Union's engagement in the region and enhancing its leverage can only be achieved realistically by playing to Europe's strengths.

The European Union cannot be a status quo actor in Central Asia. Such an approach would stand in opposition to European values and it would not be in the interest of the Union. Moreover, it would not be a politically tenable position amongst many of the Union's member states. The European Union's greatest strength is its commitment to the combination of economic and social modernism, political pluralism, rule of

law and cultural diversity. To compromise on these values would be to undermine the EU's influence in Central Asia and more widely. The EU must, therefore, set itself clearly apart from those that place stability above progressive change in the region.

This suggests that the EU should build its presence in Central Asia around the promotion of a forward-looking agenda of modernisation and social and political development. This can best be achieved through working with those groups, communities and countries that share a commitment with the EU to such change. That is, the EU should seek to find ways to assist the countries of the region to modernise and develop, in accordance with their own ambitions, while also ensuring this is not the modernisation agenda advanced by Russia and China ('shut up and shop'). The EU should focus its efforts on helping to build and strengthen the foundations for pluralism and law-based states and to reinforce and spread the reform dynamic across the region. In these ways, the EU can challenge efforts to renew authoritarianism in the region.

The EU's approach should be based upon looking for real opportunities for change and to make use of these. In concrete terms, the EU should support bilateral and trilateral initiatives and regional cooperation designed to build closer ties with Europe and to open the region more generally through transport, energy, trade and investment, and communication/media links, but also in terms of strengthening human capital and promoting exposure to new ideas and access to information. At the same time, the EU should aim to build a framework of political and security cooperation within the region that rewards and strengthens those who show a genuine commitment to reform. A framework of positive cooperation should demonstrate the benefits of reform, thereby placing pressure on those who seek to oppose change and challenging those who argue that sustaining authoritarian orders is the only way to ensure stability in the region.

9.2 The transformation of Central Asia

With some of the most authoritarian regimes in the world, it is tempting to see little prospect for reform in Central Asia. The negative political image of the region is further compounded by analysis that stresses the traditional – family and clan – structure of Central Asian society and the prevalence of non-democratic values. The leaders that emerged to dominate the region in the years following the collapse of the Soviet Union have further

strengthened the idea that there is little scope for change by promoting an ideology of authoritarian rule as the only way to ensure stability in the region.

This is a depressing picture but it is also misleading. Central Asia is a diverse region with a wide variety of ethnic, linguistic, religious and social groups. It is also a region that has experienced different forms of political and economic development in the years since independence. Some countries, such as Kyrgyzstan, have seen the emergence of considerable political pluralism and a vibrant civil society. Others, such as Kazakhstan, have opted for economic reforms that have brought forth significant private business interests. Still others, such as Uzbekistan and – at least until recently – Turkmenistan have chosen a path of concentrating political and economic power within the hands of a narrow ruling circle.

The political, economic and social diversity that exists across Central Asia and the fact that apparently traditional societies – for example Kyrgyzstan is often identified as a country rent with clan alliances – can also be the basis for pluralist politics, suggest that it is not conservative values and social structures that have played the primary role in propelling the region towards authoritarian government but rather the interests and political actions of ruling elites.

In the years ahead, Central Asia is likely to become ever more diverse under the impact of internal change and external engagement and as a result of government policies. The change that will take place in the region will offer significant opportunities for promoting an agenda of reform and modernisation. There are five particular sources of dynamism in Central Asia that offer the opportunity for EU engagement in support of reformist agendas:

- *Elite transition.* With the possible exception of Tajikistan, the states of Central Asia have entered an important period of elite change. The region's Soviet-era leadership is beginning to be replaced or is facing replacement in the near future. Differing models of transition have emerged; from the street and parliamentary politics of Kyrgyzstan to the committee-style transition of Turkmenistan. In both cases, however, the new leadership has indicated a desire for change in their countries and this offers opportunities for the EU to work to ensure that the transfer of power does not lead to the consolidation of new authoritarian regimes. In the future, the key elite transitions will be Kazakhstan and Uzbekistan, as these will have regional

significance. In both cases, the EU should be ready to signal quickly its readiness to support the new governments in reform and modernisation.

- *Economic change.* In recent years, the economies of Central Asia have experienced significant growth, although from low starting points, driven primarily by strong world prices for the region's natural resources. Hydrocarbon exports have played a basic role in this growth. As a result, parts of Central Asia are set to experience important economic development. Perhaps most significantly, Kazakhstan is emerging as by far the most wealthy and most dynamic economy. The growth of substantial indigenous economic resources within Central Asia offers new opportunities to promote a strengthening of investment, marketisation and economic integration between countries of the region.
- *Generational shifts.* While the population of Central Asia remains predominately poor, there are important changes underway across the region. Sizeable and influential groups are prospering and are looking for the emergence of societies and political orders that can accommodate their own aspirations, including a desire to play a more active role in decision-making of various types and to ensure their property rights and security through rule of law. Central Asia is also witnessing the emergence into adulthood of the first truly post-Soviet generation. The desire for access to education including international higher education is stronger than ever. Many of those who have experienced post-Soviet education, especially abroad, hold significantly different views on the future of the region from the Soviet generation currently in charge of the region. Strengthening links between the emerging generations in Central Asia and the EU – principally through education – is likely to be one of the most important long-term agents for reform in the region.
- *Geopolitical influences.* During the first decade of independence, the countries of Central Asia pursued policies to consolidate their statehood by balancing relations between the former Soviet hegemon (Russia) and other international actors, while at the same time seeking to strengthen their position within the international system. The growing role of the Russian Federation and China in Central Asia in recent years points to a qualitative shift from the post-Soviet

period and threatens to undermine the 'multi-vector' foreign policies of the countries in the region.

- Anxious to avoid a return to external domination, some Central Asian governments (for example Uzbekistan currently) are seeking the involvement of other significant international actors in the region to help to balance the role of Russia and China. Some countries (notably Kazakhstan) are also looking to external actors to help with their integration into the competitive global economy. The EU has a clear opportunity to ensure that the desire among Central Asian countries to draw the EU into the region will be on the Union's terms.
- *New asymmetries in Central Asia.* The political, social and economic changes occurring in Central Asia today – and that are likely to accelerate in the future – are creating new asymmetries in the region. These shifts will create new challenges – migration, greater inequality – and also new opportunities. The critical relationship is that between Kazakhstan and Uzbekistan. Kazakhstan's rise threatens to eclipse Uzbekistan internationally and perhaps even Tashkent's role in Central Asia. The fact that Kazakhstan has indicated a willingness to pursue reform in cooperation with Europe but also that past reforms have created an internal dynamic for change within the country provides a basis for the EU to strengthen reform in the region and to underline that the current policies pursued by the leadership in Uzbekistan risk leading the country to marginalisation.

9.3 Priorities for the EU in Central Asia

As the EU seeks to enhance its role in Central Asia, it faces a difficult task. The EU needs to build its leverage without even the distant prospect of membership of the Union for the countries of the region and it has at its disposal principally 'soft power' instruments. The Union also faces significant competition for influence from countries ready to commit greater resources to the region with little in the way of conditionality for their assistance in terms of political and human rights policies.

Given this situation, the EU cannot hope to build its engagement in Central Asia within the framework of conventional competitive great power policies. Rather, the EU must differentiate itself from the other external actors in the region by setting out a positive vision of a future Central Asia to be achieved through modernisation and reform. While many point to the forces of conservatism and elements of stasis in the

region and, therefore, stress the need for stability and continuity, the EU should position itself to support and advance the attainment of this vision of change through building reform coalitions, including both civil society and leading figures and groups within the authorities. But to achieve this, the EU will have to establish a comprehensive and carefully differentiated engagement across the region, designed to build leverage through rewarding positive change.

Leverage will only be successful if the EU accepts what it can do and avoids entering areas where it can have a marginal impact. The EU is unlikely to be able to build enough leverage to persuade the region's worst dictators to change their ways except at a cosmetic level – as demonstrated by the lack of real progress in the ongoing EU dialogue with Uzbekistan. The employment of ways to express dissatisfaction – including through a more effective sanctions regime – should remain alongside steps to reward positive developments.

9.4 A regional strategy of bilateral relations in Central Asia

Kazakhstan is the most important country for the European Union in Central Asia. It will emerge as the region's most powerful nation based on its substantial natural resources and commitment to economic reform even without help from the EU. The Kazakhstani authorities have launched a number of significant initiatives aimed at updating their military, promoting modern education and they have signalled their ambitions to play a greater international political role, including as a leading regional actor. They have also demonstrated a clear ambition to bring about change within their country to integrate more effectively within the global economy. As a result, society in Kazakhstan is likely to undergo important additional changes with the emergence of new groups interested in further change in the country.

The European Union can only hope to build an effective strategy for Central Asia if it makes a significant commitment to strengthening the reform drive in Kazakhstan. This engagement should be two-fold in focus. First, the EU should step up its cooperation with the authorities and civil society groups in Kazakhstan to promote far closer ties with Europe in order to strengthen domestic processes of social and economic change. Secondly, the EU should intensify the dialogue with Kazakhstan about political reform and a strengthening rule of law in the country focused on

Kazakhstan's ambition to build closer links to European security and political institutions.

Kazakhstan should be offered a real prospect of chairing the Organisation for Security and Cooperation in Europe (OSCE) in 2009. In return Kazakhstan should introduce a set of measures designed to set in motion a process of change that will lay the foundation for the emergence of a genuine and sustainable political pluralism in the country. Kazakhstan's aim to strengthen its relationship with the Council of Europe could provide the basis for the country to be invited to join some of the Council's mechanism – inter alia the Framework Convention for the Protection of National Minorities. Astana (the country's capital since 1997) could also develop enhanced cooperation with the EU in foreign and security policies (see below).

Success in helping Kazakhstan to move closer to a European-oriented process of modernisation and reform would have a substantial impact on the situation in Kazakhstan but would also represent a dramatic challenge to the leaders of other countries in Central Asia. It would also challenge other external actors who offer little in the way of a future for the region that is substantially different from the present.

Kyrgyzstan has demonstrated that political reform and a commitment by the international community to the support of civil society can help to establish the basis for the emergence of a diverse and dynamic politics. At the same time, the difficult economic situation in the country and problems created by corruption, extremism and substantial social divisions pose a constant challenge to the country's fledgling political pluralism. The EU should focus on strengthening rule of law and furthering economic development, alongside keeping political reform going forward. The EU should seek to play an active role in moving the authorities and the opposition away from confrontation and towards a more constructive political dialogue. Active work in the area of conflict prevention should be stepped up. As with Kazakhstan, building support among the new generation through education should be a priority for the EU.

Tajikistan has some of the poorest communities in Central Asia. At the same time, the leadership of the country is growing increasingly authoritarian and undermining some of the positive power-sharing arrangements that were put in place in the country as part of the peace-building effort following the civil war (1992-97). In this sense, Tajikistan is at a turning point in which there is a real prospect of the emergence of a

full-blown authoritarian order closely involved in corruption and narco-trafficking. Policies aimed to tackle poverty, corruption and drug trafficking should remain a priority for the EU. The bilateral EU-Tajikistan relationship is, however, likely to be limited reflecting the scale of the country's problems and the limited resources of the EU. For this reason, the EU should focus on cooperation with other external actors – notably the United States and Japan – on issues of development and the Union should aim to function as a catalyst for the engagement of multilateral organisations and IFIs in the country.

Turkmenistan has, until recently, been seen as the most stark example of a country in which the interests of the EU (principally access to gas) stand in opposition to its commitment to the values of democracy and to human rights. The death last December of Saparmurat Niyazov, Turkmenistan's President-for-life, offers a significant opportunity for the EU to find a new relationship with Ashgabad. The EU must move quickly to deepen its dialogue with the new leadership of the country in order to build a significant and sustainable dynamic for reform. The EU should initially focus its engagement on helping the new leaders of the country to reverse the damage of the Niyazov era in the areas of education, health, rule of law and media. Work in these areas should be used to build confidence and establish the basis for a broader political discussion on reform.

Uzbekistan under President Islam Karimov has little to offer the European Union in terms of its efforts to enhance its role in the region and to strengthen reform dynamics. While there are pressures for change in Uzbekistan, the current political regime has through its harsh policies towards all voices critical of the ruling regime ensured that these are channelled into violent confrontation and radical politics. President Karimov has provided no opportunities for reformist forces to emerge that could help to bring forth a more pluralist and modernising environment. A closer relationship with Tashkent is, thus, likely to tarnish the image of the Union in the region and more broadly and so weaken the EU's ability to play a positive role in Central Asia and in other difficult regions of the world.

While it may be important to maintain a limited political dialogue with Tashkent – in the hope of bringing about a softening of pressure on some individual human rights cases – this is highly unlikely to achieve anything other than cosmetic change. Tashkent must demonstrate a

commitment to real reform and introduce the sort of changes that will break the iron grip of the authorities on society before there can be any serious commitment from the EU.

In the absence of such a shift in Tashkent, the EU should focus on engaging with Uzbekistan and the problems created by Tashkent's policies through the range of multilateral mechanisms within the region and through regional cooperation organisations. Here the particular concern should be on opening up Uzbekistan – focused especially on the borders and finding ways to reach the country's emerging generations through education and information/media policies. Non-official discussions between policy experts from Europe and Uzbekistan on a range of issues, including security issues, should be supported as a means to prepare cooperative agendas for the post-Karimov era.

9.5 Strengthening regional engagement

Regional powers in Central Asia. The growing attention to Central Asia by external actors, particularly focused on energy and security issues, risks the emergence of harmful competition and the strengthening of authoritarian politics in the region. This is a competition that the EU cannot win and it would be harmed if it tries to compete.

In response to this situation, the EU should adopt a three-fold policy. The EU should be firm in the promotion of its own vision of a future for Central Asia. Second, the EU should strive to forge significant political, economic and cultural relationships with countries in Central Asia that share the Union's vision of reform and that will strengthen the ability of those countries to balance the involvement of other external powers and to pursue their own national interests. Thirdly, the EU should seek to engage regional powers in forms of cooperation that can strengthen the EU's vision of change for Central Asia.

This should include, for example working with the Russian Federation in the areas of national minority rights, strengthening the Russian and other European languages in Central Asia and on educational issues, and keeping the region open to media and information, including Russian media, as well as combating drug trafficking. While with China, the EU should concentrate on cooperation around economic investment that diversifies the infrastructure of the region and serves further to open up Central Asia – especially focusing on border issues. Finally, the EU should consider working more closely with regional organisations on

issues of regional security and economic cooperation – notably the Shanghai Cooperation Organisation (SCO) and Central Asia Regional Economic Cooperation (CAREC).

It is also clear that the EU should coordinate its engagement with external actors that share a broadly common vision of Central Asia's future – international agencies such as the IMF, the World Bank and others – to help ensure that their activities are reinforcing positive change. Here the EU's political vision of change in the region could set the agenda for multilateral investment. Better coordination should be undertaken with the United States, Japan and, possibly, India on key issues to ensure that the activities of these countries do not work against the EU's policies for reform.

Human capital and new ideas. In terms of promoting a Central Asia that is friendly towards the EU, that is moving closer to the values of the EU and is committed to opening up to the world, the EU has considerable potential to play a strong role using soft-power instruments focused on enhancing the region's human capital. Promoting a far better understanding of the European Union in the region is clearly a priority. Strengthening diplomatic representation is a useful step. But the contacts and information flows must go far wider. Support for the development of Central Asian professional groups and strengthened ties to such groups in Europe could help serve as a stimulus for change. Links between policy institutes in Europe and Central Asia could help to promote better mutual understanding and enhance regional knowledge of the successes of the EU and how these were achieved.

The EU also needs a far better understanding of the range of processes of change in the region through policy-relevant research. There is an urgent requirement for the EU to find out what the different people of the region want and not just rely for information on what the region's leaders say. This suggests that there is a clear need to enhance the region's indigenous educational and analytical capacity. Providing scholarships to Central Asian young people to attend European universities can be helpful. But this is not a substitute for developing indigenous educational and policy institutions oriented towards and perhaps supported by the EU. Ultimately, broad change in Central Asia is most likely to come from future generations educated to examine critically the world in which they live and wanting more than to spend their lives as politically passive subjects.

Regional cooperation. Central Asia is a diverse region and the contrasts are likely to become even sharper in the years ahead. Some observers have, therefore, questioned the need for an EU regional strategy and expressed scepticism, based on the lack of past success, about whether regional cooperation should be promoted by the EU. To give up on the agenda of regional cooperation would, however, be to give up on a variety of issues fundamental to the societies of Central Asia – notably improving regional water management and other environmental challenges, cross-border trade, education, labour migration and the creation of an energy market. Building such cooperation should, however, be approached in flexible ways, including carefully focused and bilateral and trilateral initiatives that can build confidence and mutual understanding ahead of efforts to promote more comprehensive forms of regional cooperation.

Rule of law and combating corruption. Corruption is one of Central Asia's greatest challenges. Widespread corruption, including at the highest levels in many of the countries of the region squanders scarce resources and corrodes the legitimacy of state institutions. Challenging corruption through the promotion of rule of law should be a priority of the EU in Central Asia in order to ensure more effective and legitimate governance. It is also a priority that is likely to command broad popular support in the region. The EU should work with the governments and civil society of Central Asia to ensure that income from natural resources is dealt with in an accountable and transparent fashion. Allegations that financial institutions in Europe have played a key role as repositories for monies gained illegally by Central Asian dictators and their families should be thoroughly investigated.

Security challenges. In the years since independence, many of the leaders of Central Asia have developed security agendas focused on perceived threats to the states of the region. Within these agendas, those who criticise and politically oppose the ruling regimes are often lumped together with other more radical and violent threats.

Such understandings of security are incompatible with European notions of 'comprehensive' and 'human' security. In its dialogue with the authorities in Central Asia, the EU must move beyond narrow definitions of security and not be constrained by the anti-terrorism agenda promoted by many of the security services in the region. The EU should seek though dialogue to broaden concepts of security in Central Asia and also to

strengthen cooperation in the area of regional security and conflict prevention activities.

This does not mean that the EU approach to security issues should be unfocused and confined to 'soft' questions. The EU should offer countries showing genuine progress in moving towards European norms the opportunity for a closer relationship to the EU's Common Foreign and Security Policy (CFSP) and the European Security and Defence Policy (ESDP). Some Central Asian countries, Kazakhstan for example, might be invited to align some of its foreign policy positions formally with EU foreign and security policy 'declarations'. Cooperation might also be extended to practical issues with Central Asian states invited to contribute personnel to ESDP missions outside Central Asia, notably in the area of crisis management. In the future, the EU should seriously consider extending elements of the European Neighbourhood Policy to those states in Central Asia that demonstrate an active interest in a closer relationship to the EU and a preparedness to enter into a substantial dialogue on reform and development.

9.6 Conclusions

Central Asia is at a crossroads in its post-independence development. As a result, the European Union has the opportunity to play a significant role in moving the region, or, at a minimum, parts of the region, away from authoritarian rule and towards more positive forms of political and economic development. Such a shift in the region would be in the EU's interests and also represent a significant strengthening of European norms in the post-Soviet space.

The EU Strategy for the region is an important step for the EU-Central Asia relationship but also, potentially, a signpost to the future direction of EU engagements in other parts of the world. Progress in Central Asia would indicate that the EU can move beyond its role as a European actor – through its policies of enlargement and the European Neighbourhood Policy – to being an international actor with a distinct approach and able to operate in the politically most difficult regions of the globe.

It is clear that for the EU and Central Asia, the Strategy document is only the beginning of a new relationship. Much will have to be done to ensure the implementation of the Strategy and to ensure that Central Asia receives increased resources in the years ahead. It will be critical to ensure

that attention to the region is sustained beyond the German EU Presidency. What is equally important is that if the EU is to strengthen its influence in Central Asia, the Strategy will have to be underpinned by a clear, consistent and long-term political approach to the region that is in accordance with European values. It is only on this basis that the EU will be able to build an effective, sustainable and credible presence in the region.

ANNEX 1

MANDATE OF THE EU SPECIAL REPRESENTATIVE FOR CENTRAL ASIA

COUNCIL JOINT ACTION 2005/588/CFSP
of 28 July 2005

appointing a Special Representative of the European Union for Central Asia

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union, and in particular Articles 14, 18(5) and 23(2) thereof,

Whereas:

- (1) The European Union wishes to play a more active political role in Central Asia.
- (2) There is a need to ensure coordination and consistency of external actions of the Union in Central Asia.
- (3) On 13 June 2005 the Council agreed to appoint an European Union Special Representative (EUSR) for Central Asia (Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan).
- (4) The EUSR will implement his mandate in the context of a situation which may deteriorate and could harm the objectives of the Common Foreign and Security Policy as set out in Article 11 of the Treaty,

HAS ADOPTED THIS JOINT ACTION:

Article 1

Mr Ján Kubiš is hereby appointed as EUSR for Central Asia.

Article 2

The EUSR's mandate shall be based on the Union's policy objectives in Central Asia. These objectives include:

- (a) promoting good and close relations between countries of Central Asia and the Union on the basis of common values and interests as set out in relevant agreements;
- (b) contributing to strengthening the stability and cooperation between the countries in the region;

- (c) contributing to strengthening of democracy, rule of law, good governance and respect for human rights and fundamental freedoms in Central Asia;
- (d) addressing key threats, especially specific problems with direct implications for Europe;
- (e) enhancing Union's effectiveness and visibility in the region, including through a closer coordination with other relevant partners and international organizations, such as the OSCE.

Article 3

1. In order to achieve the policy objectives, the EUSR's mandate shall be to:
 - (a) follow closely political developments in Central Asia by developing and maintaining close contacts with governments, parliaments, judiciary, civil society and mass media;
 - (b) encourage Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan to cooperate on regional issues of common interest;
 - (c) develop appropriate contacts and cooperation with the main interested actors in the region, including all relevant regional and international organisations;
 - (d) contribute, in close cooperation with the OSCE, to conflict prevention and resolution by developing contacts with the authorities and other local actors (NGOs, political parties, minorities, religious groups and their leaders);
 - (e) promote overall political coordination of the Union in Central Asia and ensure consistency of the external actions of the Union in the region without prejudice to Community competence;
 - (f) assist the Council in further developing a comprehensive policy towards Central Asia.
2. The EUSR shall support the work of the High Representative in the region and work in close cooperation with the Presidency, Union Heads of Mission, the EUSR for Afghanistan and the Commission.

The EUSR shall maintain an overview of all activities of the Union in the region.

Article 4

1. The EUSR shall be responsible for the implementation of the mandate acting under the authority and operational direction of the High Representative. The EUSR shall be accountable to the Commission for all expenditure.
2. The Political and Security Committee (PSC) shall maintain a privileged link with the EUSR and shall be the primary point of contact with the Council. The PSC shall provide the EUSR with strategic guidance and political input within the framework of the mandate.

Article 5

1. The financial reference amount intended to cover the expenditure related to the EUSR's mandate shall be EUR 470 000.
2. The expenditure financed by the amount stipulated in paragraph 1 shall be managed in accordance with the European Community procedures and rules applicable to the budget, with the exception that any pre-financing shall not remain the property of the Community.
3. The management of the expenditure shall be subject to a contract between the EUSR and the Commission. Expenditure shall be eligible as from the day of the adoption of this Joint Action.
4. The Presidency, Commission, and/or Member States, as appropriate, shall provide logistical support in the region.

Article 6

1. Within the limits of his mandate and the corresponding financial means made available, the EUSR shall be responsible for constituting his team in consultation with the Presidency, assisted by the Secretary General/High Representative, and in full association with the Commission. The EUSR shall inform the Presidency and the Commission of the final composition of his team.
2. Member States and institutions of the Union may propose the secondment of staff to work with the EUSR. The remuneration of staff who might be seconded by a Member State or an institution of the Union to the EUSR shall be covered by the Member State or the institution of the Union concerned respectively.
3. All A-type posts which are not covered by secondment shall be advertised as appropriate by the General Secretariat of the Council and notified to Member States and institutions in order to recruit the best qualified applicants.
4. The privileges, immunities and further guarantees necessary for the completion and smooth functioning of the mission of the EUSR and the members of his staff shall be defined with the parties. Member States and the Commission shall grant all necessary support to such effect.

Article 7

As a rule, the EUSR shall report in person to the High Representative and to the PSC and may report also to the relevant Working Group. Regular written reports shall be circulated to the High Representative, the Council and the Commission. On the recommendation of the High Representative and the PSC, he EUSR may report to the General Affairs and External Relations Council.

Article 8

To ensure the consistency of the external action of the Union, the activities of the EUSR shall be coordinated with those of the High Representative, the Presidency and the Commission. EUSR shall provide regular briefings to Member States' missions and Commission delegations. In the field, close liaison shall be maintained with the Presidency, the Commission and Union Heads of Mission who shall make best efforts to assist the EUSR in the implementation of the mandate. The EUSR shall also liaise with other international and regional actors in the field.

Article 9

The implementation of this Joint Action and its consistency with other contributions from the Union to the region shall be kept under regular review. The EUSR shall present a comprehensive written report on the implementation of the mandate to the High Representative, the Council and the Commission two months before the mandate expires. The report shall form a basis for evaluation of this Joint Action in the relevant Working Groups and by the PSC. In the context of overall priorities for deployment, the High Representative shall make recommendations to the PSC concerning the Council's decision on renewal, amendment or termination of the mandate.

Article 10

This Joint Action shall enter into force on the day of its adoption. It shall apply until 28 February 2006.

Article 11

This Joint Action shall be published in the *Official Journal of the European Union*.

Done at Brussels, 28 July 2005.

For the Council
The President
J. STRAW

Source: L 199/102 EN Official Journal of the European Union 29.7.2005.

ANNEX 2

EXTENSION OF THE MANDATE OF THE EU SPECIAL REPRESENTATIVE FOR CENTRAL ASIA

**COUNCIL JOINT ACTION 2008/107/CFSP
of 12 February 2008
extending the mandate of the European Union Special Representative for
Central Asia**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union, and in particular Articles 14, 18(5) and 23(2) thereof,

Whereas:

- (1) On 15 February 2007, the Council adopted Joint Action 2007/113/CFSP⁽¹⁾ (1) amending and extending the mandate of the European Union Special Representative (EUSR) for Central Asia.
- (2) On the basis of a review of Joint Action 2007/113/CFSP, the mandate of the EUSR should be extended for a 12-month period.
- (3) The EUSR will implement his mandate in the context of a situation which may deteriorate and could harm the Common Foreign and Security Policy objectives set out in Article 11 of the Treaty,

HAS ADOPTED THIS JOINT ACTION:

Article 1

European Union Special Representative

The mandate of Mr Pierre MOREL as the European Union Special Representative (EUSR) for Central Asia is hereby extended until 28 February 2009.

⁽¹⁾ OJ L 46, 16.2.2007, p. 83. Joint Action as amended by Joint Action 2007/634/CFSP (OJ L 256, 2.10.2007, p. 28).

*Article 2***Policy objectives**

The EUSR's mandate shall be based on the Union's policy objectives in Central Asia. These objectives include:

- (a) promoting good and close relations between countries of Central Asia and the European Union on the basis of common values and interests as set out in relevant agreements;
- (b) contributing to strengthening the stability and cooperation between the countries in the region;
- (c) contributing to strengthening democracy, the rule of law, good governance and respect for human rights and fundamental freedoms in Central Asia;
- (d) addressing key threats, especially specific problems with direct implications for Europe;
- (e) enhancing the European Union's effectiveness and visibility in the region, including through a closer coordination with other relevant partners and international organisations, such as the OSCE.

*Article 3***Mandate**

1. In order to achieve the policy objectives, the EUSR's mandate shall be to:

- (a) promote overall political coordination of the European Union in Central Asia and ensure consistency of the external actions of the European Union in the region without prejudice to Community competence;
- (b) monitor, on behalf of the High Representative and in accordance with his mandate, together with the Commission and the Presidency, and without prejudice to Community competence, the implementation process of the EU Strategy for a New Partnership with Central Asia, make recommendations and report to relevant Council bodies on a regular basis;
- (c) assist the Council in further developing a comprehensive policy towards Central Asia;
- (d) follow closely political developments in Central Asia by developing and maintaining close contacts with governments, parliaments, judiciary, civil society and mass media;
- (e) encourage Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan to cooperate on regional issues of common interest;
- (f) develop appropriate contacts and cooperation with the main interested actors in the region, and all relevant regional and international organisations, including the Shanghai Cooperation Organisation (SCO), the Eurasian Economic Community (EURASEC), the Conference on Interaction and Confidence-Building Measures in

Asia (CICA), the Collective Security Treaty Organisation (CSTO), the Central Asia Regional Economic Cooperation Program (CAREC) and the Central Asian Regional Information and Coordination Centre (CARICC);

(g) contribute to the implementation of the European Union human rights policy and European Union Guidelines on Human Rights, in particular with regard to women and children in conflict-affected areas, especially by monitoring and addressing developments in this regard;

(h) contribute, in close cooperation with the OSCE, to conflict prevention and resolution by developing contacts with the authorities and other local actors (NGOs, political parties, minorities, religious groups and their leaders);

(i) provide input to the formulation of energy security aspects and anti-narcotics aspects of the CFSP with respect to Central Asia.

2. The EUSR shall support the work of the Secretary-General/High Representative (SG/HR) and maintain an overview of all activities of the European Union in the region.

Article 4

Implementation of the mandate

1. The EUSR shall be responsible for the implementation of the mandate acting under the authority and operational direction of the SG/HR.

2. The Political and Security Committee (PSC) shall maintain a privileged link with the EUSR and shall be the primary point of contact with the Council. The PSC shall provide the EUSR with strategic guidance and political direction within the framework of the mandate.

Article 5

Financing

1. The financial reference amount intended to cover the expenditure related to the mandate of the EUSR in the period from 1 March 2008 to 28 February 2009 shall be EUR 1 100 000.

2. The expenditure financed by the amount stipulated in paragraph 1 shall be eligible as from 1 March 2008. The expenditure shall be managed in accordance with the procedures and rules applicable to the general budget of the European Communities with the exception that any pre-financing shall not remain the property of the Community.

3. The management of the expenditure shall be subject to a contract between the EUSR and the Commission. The EUSR shall be accountable to the Commission for all expenditure.

*Article 6***Constitution and composition of the team**

1. Within the limits of his mandate and the corresponding financial means made available, the EUSR shall be responsible for constituting his team in consultation with the Presidency, assisted by the SG/HR, and in full association with the Commission. The team shall include the expertise on specific policy issues as required by the mandate. The EUSR shall keep the SG/HR, the Presidency and the Commission informed of the composition of his team.
2. Member States and institutions of the European Union may propose the secondment of staff to work with the EUSR. The salary of personnel who are seconded by a Member State or an institution of the EU to the EUSR shall be covered by the Member State or the institution of the EU concerned respectively. Experts seconded by Member States to the General Secretariat of the Council may also be posted to the EUSR. International contracted staff shall have the nationality of an EU Member State.
3. All seconded personnel shall remain under the administrative authority of the sending Member State or EU institution and shall carry out their duties and act in the interest of the mandate of the EUSR.

*Article 7***Privileges and immunities of the EUSR and his staff**

The privileges, immunities and further guarantees necessary for the completion and smooth functioning of the mission of the EUSR and the members of his staff shall be agreed with the host party/parties as appropriate. Member States and the Commission shall grant all necessary support to such effect.

*Article 8***Security of EU classified information**

The EUSR and the members of his team shall respect security principles and minimum standards established by Council Decision 2001/264/EC of 19 March 2001 adopting the Council's security regulations⁽²⁾, in particular when managing EU classified information.

⁽²⁾ (1) OJ L 101, 11.4.2001, p. 1. Decision as last amended by Decision 2007/438/EC (OJ L 164, 26.6.2007, p. 24).

Article 9

Access to information and logistical support

1. Member States, the Commission and the General Secretariat of the Council shall ensure that the EUSR is given access to any relevant information.
2. The Presidency, the Commission and/or Member States, as appropriate, shall provide logistical support in the region.

Article 10

Security

In accordance with the EU's policy on the security of personnel deployed outside the EU in an operational capacity under Title V of the Treaty, the EUSR shall take all reasonably practicable measures, in conformity with his mandate and the security situation in his geographical area of responsibility, for the security of all personnel under his direct authority, notably by:

- (a) establishing a mission-specific security plan based on guidance from the General Secretariat of the Council, including mission-specific physical, organisational and procedural security measures, governing management of the secure movement of personnel to, and within, the mission area, as well as management of security incidents and including a mission contingency and evacuation plan;
- (b) ensuring that all personnel deployed outside the EU are covered by high risk insurance as required by the conditions in the mission area;
- (c) ensuring that all members of his team to be deployed outside the EU, including locally contracted personnel, have received appropriate security training before or upon arriving in the mission area, based on the risk ratings assigned to the mission area by the General Secretariat of the Council;
- (d) ensuring that all agreed recommendations made following regular security assessments are implemented and providing the SG/HR, the Council and the Commission with written reports on their implementation and on other security issues within the framework of the mid-term and mandate implementation reports.

Article 11

Reporting

The EUSR shall regularly provide the SG/HR and the PSC with oral and written reports. The EUSR shall also report as necessary to working groups. Regular written reports shall be circulated through the COREU network. Upon recommendation of the SG/HR or the PSC, the EUSR may provide the General Affairs and External Relations Council with reports.

*Article 12***Coordination**

The EUSR shall promote overall EU political coordination. He shall help to ensure that all EU instruments in the field are engaged coherently to attain the EU's policy objectives. The activities of the EUSR shall be coordinated with those of the Presidency and the Commission, as well as those of the EUSR for Afghanistan. The EUSR shall provide Member States' missions and Commission's delegations with regular briefings. In the field, close liaison shall be maintained with the Presidency, Commission and Member States' Heads of Mission who shall make best efforts to assist the EUSR in the implementation of the mandate. The EUSR shall also liaise with other international and regional actors in the field.

*Article 13***Review**

The implementation of this Joint Action and its consistency with other contributions from the European Union to the region shall be kept under regular review. The EUSR shall present the SG/HR, the Council and the Commission with a progress report before the end of June 2008 and a comprehensive mandate implementation report by mid-November 2008. These reports shall form a basis for evaluation of this Joint Action in the relevant working groups and by the PSC. In the context of overall priorities for deployment, the SG/HR shall make recommendations to the PSC concerning the Council's decision on renewal, amendment or termination of the mandate.

*Article 14***Entry into force**

This Joint Action shall enter into force on the date of its adoption.

*Article 15***Publication**

This Joint Action shall be published in the *Official Journal of the European Union*.

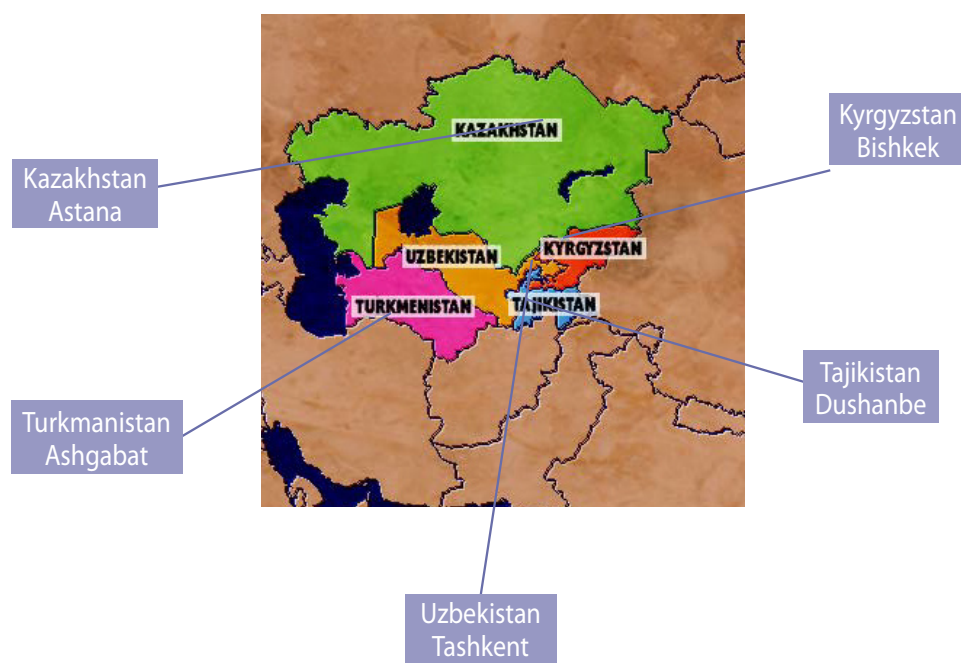
Done at Brussels, 12 February 2008.

For the Council
The President
 A. BAJUK

ANNEX 3



European Union and Central Asia: Strategy for a New Partnership



Notice

This booklet, which has been prepared by the General Secretariat of the Council, does not commit either the European Union or the governments of the Member States.

For further information, please contact the "Press, Communication, Protocol" Division at the following address:

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EC 2007-2013 regional assistance strategy for Central Asia		



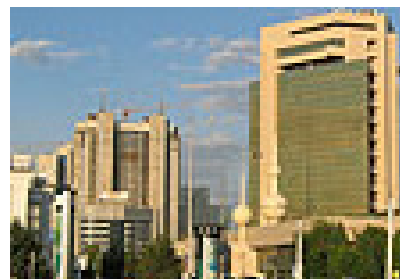
I. Introduction: The EU and Central Asia

Central Asia has a centuries-old tradition of bringing Europe and Asia together. It lies at a strategically important intersection between the two continents. The Central Asian States of Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan have known considerable evolution in political and economic transformation since attaining independence. They have established statehood, safeguarded multi-ethnic understanding and inter-religious communication. By joining the OSCE, they subscribed to the Organization's values, standards and commitments. By signing the United Nations Millennium Declaration they set themselves ambitious goals.

At the beginning of the 21st century, the time has come for a new partnership between the EU and Central Asian States in a globalised world.

The common goal of achieving stability and prosperity by means of peaceful inter-action makes Europe and Central Asia partners for increased cooperation. The strong EU commitment towards its Eastern neighbours within the framework of the European Neighbourhood Policy will also bring Europe and Central Asia closer to each other, both in terms of political cooperation and economic development.

The development and consolidation of stable, just and open societies, adhering to international norms, is essential to bring the partnership between the European Union and Central Asian States to full fruition. Good governance, the rule of law, human rights, democratisation, education and training are key areas where the EU is willing to share experience and expertise.



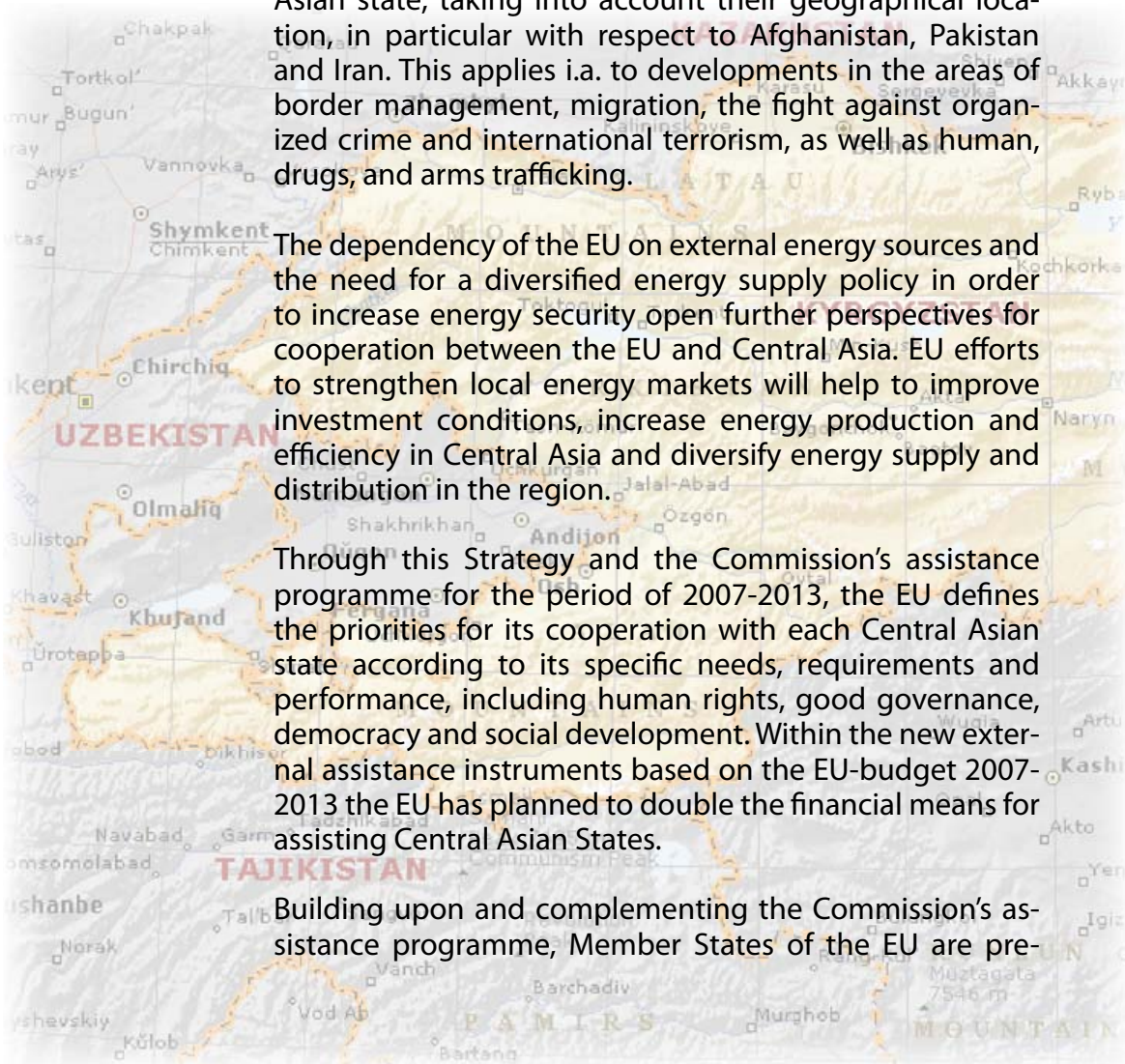
The EU can offer experience in regional integration leading to political stability and prosperity. Lessons learnt from the political and economic transformation of Central and Eastern Europe can also be offered. With their rich traditions and centuries-old exchanges, the EU and Central Asia can contribute actively to the dialogue between civilisations.

Many challenges facing the globalised world affect Europe and Central Asia alike, and warrant a common response. Security questions and regional economic development require close cooperation of the EU with each Central Asian state, taking into account their geographical location, in particular with respect to Afghanistan, Pakistan and Iran. This applies i.a. to developments in the areas of border management, migration, the fight against organized crime and international terrorism, as well as human, drugs, and arms trafficking.

The dependency of the EU on external energy sources and the need for a diversified energy supply policy in order to increase energy security open further perspectives for cooperation between the EU and Central Asia. EU efforts to strengthen local energy markets will help to improve investment conditions, increase energy production and efficiency in Central Asia and diversify energy supply and distribution in the region.

Through this Strategy and the Commission's assistance programme for the period of 2007-2013, the EU defines the priorities for its cooperation with each Central Asian state according to its specific needs, requirements and performance, including human rights, good governance, democracy and social development. Within the new external assistance instruments based on the EU-budget 2007-2013 the EU has planned to double the financial means for assisting Central Asian States.

Building upon and complementing the Commission's assistance programme, Member States of the EU are pre-



pared to study specific bilateral partnership and twinning programmes with individual Central Asian States as well as programmes with a regional dimension based on an adequate and coordinated needs-assessment. Member States will support the Community's programmes to contribute to a more coherent and visible EU policy in the region.

In order to address issues of particular importance, the EU will within the framework of this Strategy:

- Establish a regular regional political dialogue at Foreign Minister level;
- Start an "European Education Initiative" and support Central Asian countries in the development of an "e-silk-highway";
- Start an "EU Rule of Law Initiative";
- Establish a regular, result-oriented "Human Rights Dialogue" with each of the Central Asian States;
- Conduct a regular energy dialogue with Central Asian States.

In implementing the goals and objectives laid down in this Strategy, the EU will be guided by the principles of equal dialogue, transparency and result orientation. It will seek close cooperation with all neighbouring countries of Central Asia.



II. EU strategic interests: Security and stability

The EU has a strong interest in a peaceful, democratic and economically prosperous Central Asia. These aims are interrelated. The aim of the EU Strategy is therefore to actively cooperate with the Central Asian States in reaching these goals as well as to contribute to safeguarding peace and prosperity in neighbouring countries.

The Strategy builds on the progress which the Central Asian States have themselves made since attaining independence. It takes account of their common aspects as well as specific national contexts and requirements.



It also builds on the results obtained under the implementation of the various Partnership and Cooperation Agreements, EU assistance programmes and other initiatives taken by the EU to support the states of Central Asia.

The Strategy is based upon common interests of the EU and the states of Central Asia. To align expectations of Central Asian partners with those of the EU will be a mutually beneficial and reinforcing process.

The EU has an interest in security and stability as well as in adherence to human rights and the rule of law in Central Asian States because:

- Strategic, political and economic developments as well as increasing trans-regional challenges in

- Central Asia impact directly or indirectly on EU interests;
- With EU enlargement, the inclusion of the Southern Caucasus into the European Neighbourhood Policy and the Black Sea Synergy Initiative, Central Asia and the EU are moving closer together;
 - Significant energy resources in Central Asia and the region's aim to diversify trade partners and supply routes can help meet EU energy security and supply needs.

The EU strongly believes that strengthening the commitment of Central Asian States to international law, the rule of law, human rights and democratic values, as well as to a market economy will promote security and stability in Central Asia, thus making the countries of the region reliable partners for the EU with shared common interests and goals.



Mr Javier Solana
High Representative /Secretary-
General of the Council of the
European Union
with President of Kazakhstan,
Mr Nursultan Nazarbayev

III. Instruments

In order to intensify cooperation with Central Asian States, the EU will make full use of the potential of Partnership and Cooperation Agreements, Commission and Member States programmes, cooperation frameworks such as the Baku Initiative and political dialogue, using the variety of CFSP instruments. Cooperation with the UN, in particular the ECE, the OSCE, the Venice Commission of the Council of Europe, NATO, international financial institutions and with other regional organisations and fora will be enhanced. The EUSR, EU Member State embassies and the European Commission delegations should seek to strengthen cooperation with the OSCE. In addition, the EU seeks to put into place, together with Central Asian States, new forms of cooperation, such as a regular bilateral human rights dialogue.

The EUSR and the Commission as well as Member States play an important role in implementing this Strategy. The EUSR shall, on behalf of the High Representative and in accordance with his mandate, together with the Commission and the Presidency, and without prejudice to Community competence, monitor the implementation process, make recommendations and report to relevant Council bodies on a regular basis.

Twinning and seconding staff between EU and Central Asian administrations or companies is an essential part of EU cooperation with Central Asia in order to introduce EU-wide best practices in connection with Community legislation. This policy will be intensified based on the experience gained.

Public-private partnership initiatives as well as bilateral instruments and Member State programmes can play an important role in increasing the EU's commitment in Central Asia.

Interaction with international financial institutions will be strengthened, including the World Bank and the European Bank for Reconstruction and Development (EBRD). The European Investment Bank (EIB) should play an important role in financing projects of interest to the EU in Central Asia.

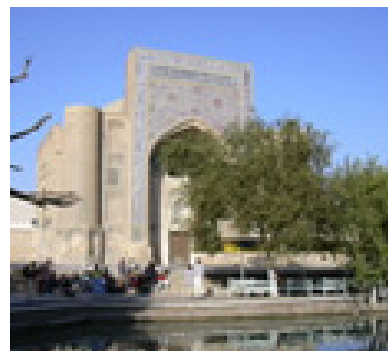
IV. Bilateral and regional cooperation

The EU Strategy aims at a balanced bilateral and regional approach. The EU will balance policy approaches in Central Asia according to the differing needs of every country and to the performance of each country. The EU will foster regional cooperation among Central Asian States and between Central Asian States and other regions.

Bilateral cooperation will be of special importance. It will be strengthened to respond adequately to individual proposals brought forward by each of the five Central Asian States. It is essential to cooperate bilaterally on issues such as human rights, economic diversification, energy and other sectoral issues, including youth and education. The intensity of the cooperation will reflect the commitment to transition and reform of each country.

A regional approach is suitable for tackling common regional challenges such as organised crime, human, drugs and arms trafficking, terrorism and non-proliferation issues, inter-cultural dialogue, energy, environmental pollution, water management, migration as well as border management and transport infrastructure. In this regard the EU will cooperate with international financial institutions, multilateral and regional organisations and institutions.

The EU is prepared to enter into an open and constructive dialogue with regional organisations in Central Asia and to establish regular ad hoc contacts i.a. with EURASEC, the Shanghai Cooperation Organization (SCO), CICA, CSTO, CAREC and CARICC.



V. A strengthened EU approach

Human rights, rule of law, good governance and democratization

The development of a stable political framework and of functioning economic structures are dependent on respect for the rule of law, human rights, good governance and the development of transparent, democratic political structures.

The EU and its Member States intend to step up support for the protection of human rights and for the creation and development of an independent judiciary, thus making a sustainable contribution to the establishment of structures based on the rule of law and international human rights standards. Cooperation on justice between the Central Asian States and the EU Member States will also be appropriate. The EU will cooperate closely with the OSCE, the Council of Europe, the UN and the UN High Commissioner for Human Rights in this field.

The EU is engaged in human rights dialogues with a number of countries. Those dialogues are an instrument of the Union's external policy. Human rights dialogues constitute an essential part of the EU's overall strategy aimed at promoting respect for human rights and fundamental freedoms, sustainable development, peace and stability.

Against this background and on the basis of the relevant EU guidelines, the EU will raise human rights issues with each Central Asian state through an appropriate channel for discussion, inter alia by entering into a structured, regular and results-oriented human rights dialogue. The form and the modalities of such dialogue will be defined individually and at a future stage.

The objectives of a human rights dialogue with each of the countries of Central Asia should include:

- Discussing questions of mutual interest and enhancing cooperation on human rights, inter alia in multilateral fora such as the United Nations and the OSCE;
- Raising the concerns felt by the EU as regards the human rights situation in the countries concerned, information gathering and initiatives to improve the relevant human rights situation.

In addition, human rights dialogues contribute to supporting practical steps aimed at meeting human rights objectives at national level, in particular through financial and technical cooperation and specific projects to be funded under the European Instrument for Democracy and Human Rights.

The EU will respond to suggestions put forward by the Central Asian States and will further intensify cooperation on matters pertaining to the rule of law, good governance and combating corruption. To this end, the EU will develop a Rule of Law Initiative which addresses the specific priorities identified by each country. EU Member States and the Commission will coordinate their projects closely. Within the framework of this Rule of Law Initiative, the EU will support the Central Asian States in core legal reforms, including reform of the judiciary, and in drawing up effective legislation, for example in the fields of administrative and commercial law.



In promoting the consolidation of peace and international justice, the EU and its Member States are determined to share, with the Central Asian States their experience in the adoption of the necessary legal adjustments required to accede to the Rome Statute of the International Criminal Court, and in combating international crime in accordance with international law.

The EU and Member States will aim to:

- Allocate adequate funds to this Rule of Law Initiative;
- Second judicial and administrative experts to Central Asian States on both short-term and long-term assignments;
- Provide training opportunities to experts from Central Asian States;
- Support the transparent implementation of legal reform;
- Offer the possibility of international exchanges by organizing and sponsoring specialized conferences;
- Facilitate cooperation by Central Asian States with the Venice Commission of the Council of Europe;
- Encourage implementation of ILO norms and conventions for decent work;
- Coordinate closely with existing activities of OSCE field missions, the Office for Democratic Institutions and Human Rights (ODIHR), bilateral programmes as well as the UN and the UN High Commissioner for Human Rights;
- and provide technical assistance and establish close cooperation aimed at making the legislative and constitutional amendments required for accession to and implementation of the Rome Statute.

The task of sustaining a culture of human rights and making democracy work for its citizens calls for the active involvement of civil society. A developed and active civil society and independent media are vital for the development of a pluralistic society. The EU will cooperate with the Central Asian States to this end and promote enhanced exchanges in civil society.

The EU will also pursue its objectives of ensuring the promotion and protection of human rights throughout the world, as well as in Central Asia states, through international bodies such as the General Assembly or the Human Rights Council as appropriate. The EU is willing to cooperate with Central Asian States in these international fora to achieve this common aim.

Investing in the future: youth and education

Central Asia's future will be shaped by its young people. The majority of Central Asia's population is under the age of 25, providing enormous potential for development. Good education is essential in order to open up this potential for the younger generation.

The EU and Member States will therefore set up a European Education Initiative for Central Asia in order to contribute to the adaptation of the education systems of Central Asian States to the needs of the globalised world. It is willing to cooperate with major international partners and donors supporting educational programmes and institutions.

Under the European Education Initiative, the EU and Member States will in particular offer support in the fields of

- Primary school education;
- Secondary school education;
- Vocational education and training;
- Higher education cooperation, academic and student exchanges, for instance under the new Erasmus Mundus facility and TEMPUS and bilaterally.



H.E. Ambassador Saymumin Sattorovich Yatimov, Head of the Mission of Tajikistan to the EC, 2nd from right, offering a present to José Manuel Barroso, 1st from left

The EU will support the development of regional education centres and cooperate closely with the OSCE Academy in Bishkek. The EU stands ready to open European Studies Institutes in the region. The EU is prepared to grant scholarships for students from Central Asian countries to European universities.

The EU will also support the continuation of the activities performed by the European Training Foundation in the field of vocational education and training in Central Asia.

Furthermore, the EU stands ready to support Central Asian States in linking with the EU e-network through the development of an 'e-silk-highway' and to promote long distance learning. It is our aim to link Central Asia to global Internet-based communication networks and to enable Central Asian students, teachers, academics, and scientists to participate in modern forms of life-long learning.

Promotion of economic development, trade and investment

The EU supports the removal of trade barriers between the Central Asian States and it will continue to support WTO accession for the four Central Asian States which are not yet WTO members on commercially viable terms and in full compliance with WTO requirements. WTO accession is key for wider economic reforms and diversification and better integration of the countries into the international trade and economic system. The EU will promote the creation of regulatory and institutional frameworks for an improved business and investment environment and further support economic diversification. The EU will continue to cooperate with Central Asian States in order to improve access for Central Asian products to EU markets. In this regard the renewed EU Generalised System of Preferences (GSP – 2006/2015) offers the best ever preferential framework aimed at encouraging exports and economic diversification in these countries. Equally, it will be an incentive

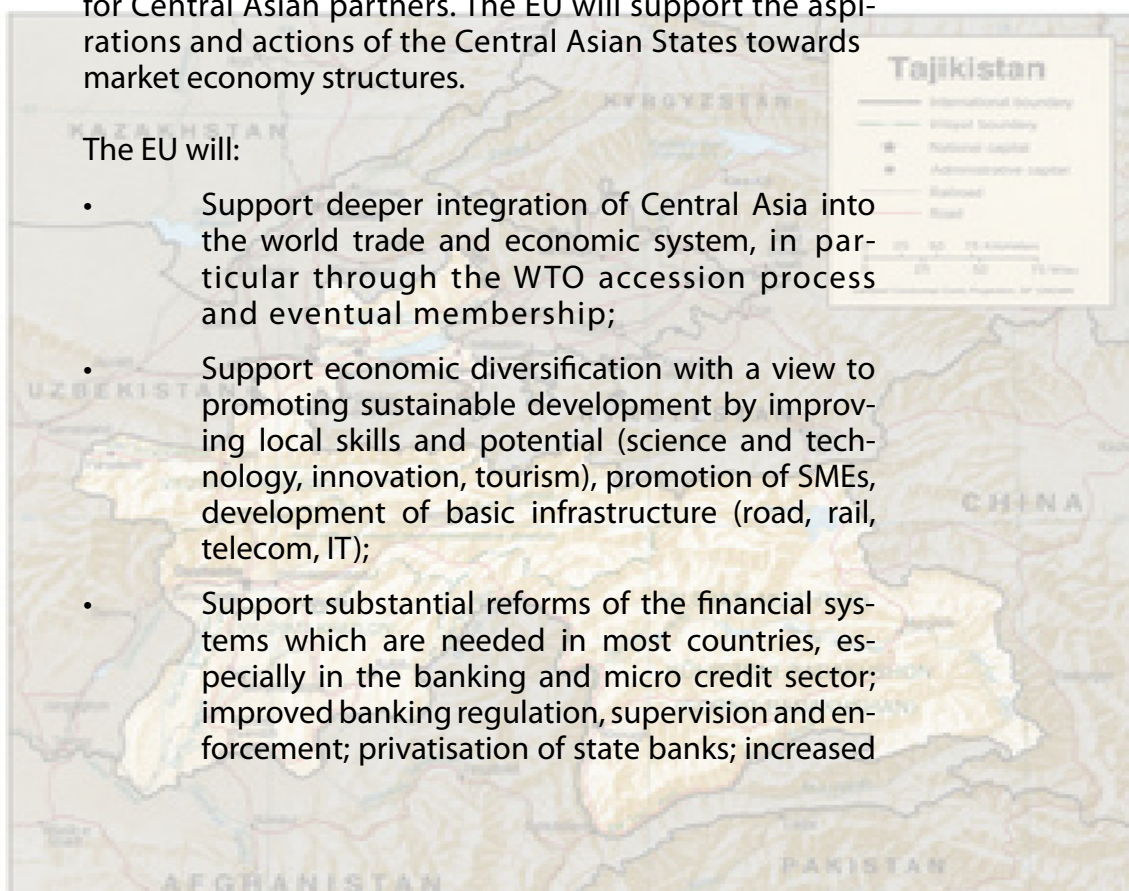
for diversifying their economies on the basis of the market access advantages offered by the EU.

Under INOGATE (Baku Initiative) and TRACECA (funded through DCI and ENPI), the EU will promote the development and expansion of the regional infrastructure in the fields of transport, energy and trade in order to make better use of Central Asia's economic potential, not least through improved regional cooperation. As an important trade corridor between East and South Asia and Europe, Central Asia can benefit from increasing trade.

The EU will continue to support the development of market economy structures in Central Asia. In this connection, the EU will cooperate with interested companies from the EU in a public-private partnership to promote the market economy. It will offer training and assistance programmes for Central Asian partners. The EU will support the aspirations and actions of the Central Asian States towards market economy structures.

The EU will:

- Support deeper integration of Central Asia into the world trade and economic system, in particular through the WTO accession process and eventual membership;
- Support economic diversification with a view to promoting sustainable development by improving local skills and potential (science and technology, innovation, tourism), promotion of SMEs, development of basic infrastructure (road, rail, telecom, IT);
- Support substantial reforms of the financial systems which are needed in most countries, especially in the banking and micro credit sector; improved banking regulation, supervision and enforcement; privatisation of state banks; increased



competition among banks and easier entrance for foreign banks are key steps which Central Asian States need to take;

- Study further possible options to enhance the Central Asian States' ability to make better use of the available GSP and encourage regional trade;
- Develop the necessary systems, including with regard to regulatory approximation to the EC acquis, to allow a practical better access to the EU market for Central Asian products;
- Continue to support the efforts of the Central Asian States to fully implement the trade and economic provisions of the Partnership and Co-operation Agreements;
- Extend trade-related technical assistance and policy advice to facilitate the creation of legislative and institutional frameworks conducive to better business environments and to attracting foreign direct investment;
- Help the countries of the region to work out strategies to improve their individual credit ratings in order to qualify for future lending programmes;
- Support these countries in enforcing best customs practices as set by the World Customs Organisation;
- Support initiatives for know-how transfer and capacity building.

Strengthening energy and transport links

The EU and Central Asia share a paramount interest in enhancing Energy Security as an important aspect of global security. There is a common interest in diversifying export routes, demand and supply structures and energy sources.

Besides oil, gas and electricity, water management is a decisive aspect of energy cooperation with Central Asia.

Hydro-power production and distribution are crucial to promoting stability and prosperity in Central Asia and beyond, including Afghanistan and Pakistan. Its potential has not been sufficiently addressed.

The development of resources in oil and gas has significantly increased the role of Central Asian States as energy producers and transit countries. Increasing oil and gas exploitation will contribute to better world market supplies and will be conducive to diversification. Gas deliveries from the region are of special importance to the EU.

The key elements for a long-term partnership based on common interests and reciprocity can therefore be established in the years to come: the exploitation of the energy resources of Central Asian States calls for substantial and sustained investment as well as for comprehensive policies addressing all the components of their energy sectors and facilitating access to most developed markets. The EU, for its part, is ready to consider all options for the development and transportation of these resources, in cooperation with other interested partners.

A market-based approach to investment and procurement and transparent, stable and non-discriminatory regulatory frameworks guarantee, for all sources of energy, the best prices and increased opportunities for all stake-holders. Against this background, the EU will conduct an enhanced regular energy dialogue with Central Asian States in the framework of the Baku Initiative¹. EU activities will also be based on the Energy Charter and bilateral MoUs on Energy issues.

The EU will support the exploration of new oil, gas and hydro-power resources and the upgrading of the existing energy infrastructure. To enhance EU security of energy supply, the EU will also support the development of additional pipeline routes and energy transportation networks.

1) Energy Co-operation between the EU, the Littoral States of the Black and Caspian Seas and their Neighbouring Countries, launched at the Energy Ministerial conference held in Baku in November 2004.

It will also contribute to regional energy security and co-operation, and widen export markets for Central Asian producers. The EU will lend political support and assistance to Central Asian countries in developing a new Caspian Sea - Black Sea – EU energy transport corridor.

The EU will promote the creation of an integrated Central Asian energy market and will support public-private partnerships which encourage EU investment.

Based on the objectives laid down in the Baku Initiative the EU will focus cooperation with Central Asian States in particular on the following matters:

- Converging of energy markets on the basis of the EU internal energy market principles taking into account the particularities of the partner countries;
- Enhancing energy security by addressing the issues of energy exports/imports, supply diversification, energy transit and energy demand;
- Transparency and capacity-building in statistics and in the governance of the energy sector;
- Supporting and enhancing technological co-operation between the EU and the Central Asian States in the energy sector;
- Supporting sustainable energy development, including the development of energy efficiency, renewable energy sources and demand side management;
- Attracting investment towards energy projects of common and regional interest;
- Supporting the rehabilitation of existing pipelines and the construction of new pipelines and electricity transportation networks inside the region and towards Europe;

- Supporting the development of comprehensive action programmes aiming at the promotion of energy saving, energy efficiency and renewable energy, notably with a view to meeting commitments in the framework of the Kyoto protocol;
- Supporting the 'Global Energy Efficiency and Renewable Energy Fund' initiative;
- Encouraging the countries to take initiatives similar to those taken by the EU in the Action Plan for an Energy Policy for Europe (European Council of March 2007).

Press conference, from left to right: Ambassador Pierre Morel, EUSR for Central Asia, Mr Vladimir Norov, Minister for Foreign Affairs of Uzbekistan, Mr Pertti Torstila, Finnish Secretary of State, Chairman-in-office of the Council, Mr Eneki Landaburu, Commission Director General

In addition, the EU will continue to promote the Extractive Industries Transparency Initiative within the Central Asian region as a means to contributing to sustainable development and poverty reduction.

Environmental sustainability and water

Fair access to water resources will be a major challenge for the world in the 21st century. Most major environmental issues in Central Asia are related to the allocation, use and protection of the quality of water resources. With the region connected through cross-boundary rivers, lakes and seas, a regional approach to protecting these resources is essential. Linked to this is the need to improve forestry management. There is a need to have an integrated water management policy (upstream and downstream solidarity).

For the EU water cooperation is of particular interest, especially in view of achieving by



2015 the Millennium Development Goals on clean drinking water and good sanitation facilities.

Promoting cooperation on water management can at the same time foster regional security and stability and support economic development.

An EU-Central Asia dialogue on the environment was launched in Spring 2006 and will provide the basis for joint cooperation efforts.

Environmental issues related to the extraction and transport of energy resources as well as vulnerability to climate change and natural disasters are also matters of major concern. Questions pertaining to the protection of the environment should be taken into account in regional dialogue at all levels.

The EU will therefore:

- Support the implementation of the EECCA (Eastern Europe, Caucasus, Central Asia) component of the EU Water Initiative (EUWI-EECCA) for safe water supply and sanitation and integrated water resources management.
- Promote transboundary river basin management as well as regional cooperation under the Caspian Sea Environmental Convention;
- Give particular support to the integrated management of surface and underground trans-boundary water resources, including the introduction of techniques for a more efficient water use (irrigation and other techniques);
- Enhance cooperation for appropriate frameworks for facilitating the financing of water related infrastructure projects, including through attracting IFI's and public-private partnership funds;
- Support regional capacity building on integrated

water management and production of hydro-power;

- Cooperate with Central Asian countries on climate change including support for the introduction and further implementation of the Kyoto Protocol mechanisms at regional level;
- Cooperate with Central Asian countries in combating desertification and safeguarding bio-diversity including support for the implementation of the UN Conventions on Biological Biodiversity and to combat Desertification;
- Improve sustainable management of forests and other natural resources in Central Asia, providing assistance for regional aspects of the indicative actions under the Forest Law Enforcement and Governance Ministerial process (FLEG);
- Encourage increased environmental awareness and the development of environmental civil society including through cooperation with the Central Asia Regional Environment Centre (CAREC).



The Kyrgyz delegation in the Council of the EU:
Mr Daniyar Usenov, First Deputy Prime Minister of the Kyrgyz Republic (left)

In the context of the above priorities, the EU will also give attention to related issues:

- Support Central Asian States in developing policies for pollution prevention and control;
- Upgrade natural disaster preparedness and assessment capability in Central Asia;
- Intensify cooperation with EnvSec Initiative.

Combating common threats and challenges

Modern border management creating open and secure borders could facilitate trade and exchange in the region and help combat regional criminal activity, especially the international drug trade.

Assistance in fighting organised crime will be one of the priorities of the EU in the region aiming at a reduction of non-conventional threats to security.

Migration is one of the major global challenges of the 21st century. The impact of migration, both positive and negative, can be felt in all countries, including in Central Asia. The EU seeks to enhance dialogue and cooperation on migration with regions of transit, origin and destination through the EU's Global Approach to Migration. As part of the Global Approach the EU proposes to launch a close dialogue on migration with the eastern and south-eastern neighbouring regions.

The EU will step up its support for the development of modern border management in the region of Central Asia, including the borders with Afghanistan. Afghanistan's cooperation with its neighbours should be strengthened. Through BOMCA, the EU will seek a multilateral and regional approach.

The EU will broaden BOMCA activities and seek synergy with projects under implementation to reform customs services. The EU will seek better coordination and explore possibilities of close cooperation between BOMCA, the OSCE and other border projects from Member States and third countries.

The EU will:

- Continue to introduce the basic principles of integrated border management in border guard services and other relevant services;

- Work on specific border crossing points;
- Provide organisational assistance to support transformation of border guards from a conscript to a professional service; to support transition from a purely military system to a more police-style law enforcement agency and to support efforts to strengthen control mechanisms;
- Seek increased involvement of customs services to facilitate trade;
- Update the legal framework in accordance with international law in the field of combating organised crime (e.g.: UN Convention against Transnational Organized Crime and its Protocols), with a focus on illegal migration, trafficking in human beings, preventing and countering drugs and precursors trafficking; improve institutional capacity of law enforcement agencies, and strengthen regional cooperation in fighting trans-national organised crime.



Handshake between H.E. Ambassador Saymumin Sattorovich Yatimov, Head of the Mission of Tajikistan to the EC, on the right, and José Manuel Barroso

At the same time, the EU will continue to offer its assistance to help the interested Central Asian States –both at national and at regional level- to manage migration in a more balanced manner, which implies setting up well functioning systems to match labour demand and supply, facilitating integration of legal migrants and providing international protection to asylum seekers and refugees and other vulnerable persons.

The EU will give greater support to the fight against corruption, the drug trade, human trafficking, illegal trade of weapons from and to Afghanistan and organised crime in Central Asia. It will step up cooperation with the Central Asian States to combat international terrorism. The EU will strengthen the fight against drugs with a specific EU presence in Dushanbe. It will support the rapid installation of the regional anti-drug centre (CARICC) in Almaty and intensify cooperation with UNODC also with a view to tracking chemical precursors of heroin production. Cooperation with China and the Shanghai Cooperation Organization on drug-trafficking will be strengthened.

The Ferghana Valley best embodies the challenges and possible perspectives of Central Asia. The EU is therefore prepared to lend assistance to Central Asian countries sharing borders in the Ferghana Valley in promoting projects which are designed to bring stability, prosperity and sustainable development to that region. The EU will dedicate special attention to programmes which address questions of border management, intra-regional trade and free movement of goods and persons.

Building bridges: inter-cultural dialogue

The diversity of religions and centuries-old traditions of peace and tolerance constitute a valuable heritage in Central Asia. Moderate and tolerant Islamic thinking respecting the constitutional secular principle is a hall-mark of the Central Asian countries. The EU highly values the peaceful multi-ethnic and multi-cultural co-existence of various creeds in Central Asia.

Building on this, the EU will promote dialogue within civil society and respect for freedom of religion.

VI. The EU and Central Asia in the future

This EU Strategy for Central Asia serves as an overall framework for the EU policies in the region of Central Asia. The EU sees a mutual interest in sustained dialogue and cooperation with the five Central Asian States respecting their differences and fostering closer cooperation among them on regional issues.

The EU is willing to contribute substantially to security, stability and prosperity in Central Asia. To this end the EU is committed to opening Commission delegations in all five Central Asian countries. Member States will consider expanding the network of embassies in Central Asia.

The EU will ensure coherence between this Central Asia Strategy and other EU regional initiatives, including the Black Sea Synergy Initiative. It will support intraregional trade and cooperation. It will also support active integration/participation of Central Asia in the WTO in order to ensure better integration of these countries in the world trade and economic system.

With this Strategy, the EU invites Central Asia to establish an enhanced political dialogue, including regular meetings at Foreign Ministers' level with the EU troika. The EU will hold annual meetings of its Heads of Mission in the region.

Based on the principles of this Strategy, the EU will work with each of the Central Asian countries to develop individual approaches to implementation, according to the specific needs and performance of each country, building on existing and future agreements, including PCAs.

The progress made on implementing the Strategy will be reviewed by the Council in June 2008 and at least every two years thereafter.

EC 2007-2013 regional assistance strategy for Central Asia

The EC's 2007-2013 Assistance Strategy for Central Asia is conceived as a tool to support strengthening of political dialogue with the Central Asian States at regional and national level and to pursue the objectives defined above. In order to reflect greater EU engagement in the region, the EC assistance budget to Central Asia will be significantly increased under the new financial perspectives 2007-2013 to a total of € 750 mio, with the average annual allocation to the region under the development cooperation instrument increasing from € 58 mio in 2007 to € 139 mio in 2013.

The bulk of EC assistance to Central Asia – 70% – will be directed at the bilateral assistance programmes, taking into account the policy agenda of the individual Central Asia countries and their distinct political and social realities.

With more than 50% of the rural population living below the poverty line, poverty reduction through social sector reforms and schemes, including education, to increase living standards especially in rural areas, will continue to be the key priority for EC bilateral assistance. Implementation of Poverty Reduction Strategy Papers or similar policy documents to which the Central Asian governments have committed themselves will serve as guiding framework for such programmes. The second focus of bilateral assistance will be promotion of good governance and democratic processes and the strengthening of public institutions coupled with implementation of core investment and trade policy reforms. The content of the programmes will

be defined in agreement with the authorities and tailored to the specific needs of each country.

Given its importance for the sustainable development of Central Asia, 30% of assistance will be dedicated to facilitating closer inter-state cooperation both within Central Asia and between Central Asia, South Caucasus and the EU, particularly in the energy, transport, environmental and education sectors. In these domains, the alignment of regional cooperation priorities and programmes for Central Asia with the regional strategy for EU Eastern neighbours lies at the heart of future assistance policy.

Closely linking the focus of EU regional cooperation with Central Asia with that of the ENPI regional programmes will enable Central Asian countries to benefit effectively from the relevant inter-state energy, transport, environment and education initiatives and strengthened programmes set up under the ENPI East, facilitating their anchoring to Eastern Europe and access to global markets.