

Andreea MOCANU

THE ECONOMIC DIMENSION
OF RUSSIAN FOREIGN POLICY
IN CENTRAL ASIA
AFTER 9/11:
PURSUING AND PROMOTING
ENERGY DIPLOMACY



Economic

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Abstract

Since he has become president, Vladimir Putin had two important points on his policy agenda, which he has tried to fully maximize. Firstly, he intended to pursue a foreign economic policy and secondly to preserve Russia's economic interests, aiming therefore to achieve WTO membership. Moreover, these two points are best reflected in Russia's policy towards the Central Asian states. Considering these issues, the purpose of this study is to analyze the salience of the economic ties that exist between Russia and the five oil-rich republics. As a result, this dissertation aims to contribute to the understanding of Russia's position in world politics after 9/11 by analyzing the impact of these events on shaping Russia's attitude in preserving its economic interests in Central Asia. It will focus particularly on Russia's attitude towards Central Asia after the US troop's arrival in the region. All the advanced propositions are done by examining the available English or Russian literature that focuses on the existing economic ties between Russia and Central Asia.

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Introduction

Events and ‘crossroads’ in world politics can be perceived as a simple coin. No matter which side of the coin you choose, there is always a risk at stake and even more important you have to assume full responsibility for the choice you have made. If you are the leader of a country which lost its imperial power, but still regards itself as a superpower, the responsibility is even greater. The particular case of Russian foreign policy fits very well into this framework.

Russia found itself at ‘распутья¹’ or ‘crossroads’ at the beginning of the 1990s, after the dissolution of the Soviet Union in fifteen distinct republics. This situation was the consequence of the 1989 events which changed forever the landscape of world politics. Boris Yeltsin and his team were confronted with an unusual situation: Russia had to define its ‘national identity’ as an independent state and not as an empire. This topic was regarded as a cornerstone for the Russian policy-makers in the 1990s

¹ The English transliteration is *rasputyia*.

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because Russia's 'new identity' had to respond to its national interest and to external stimuli.

Another turning point in Russian foreign policy was Putin's decision to support George Bush in the global war on terror, thus initiating the US-Russia rapprochement period. A revolutionary change can be identified regarding the US-Russia relations, but Putin has never lost sight of the preservation of Russia's vital interests.

Furthermore, in the war against terrorism a great importance was granted to the region of Central Asia, viewed by the Washington administration as a cornerstone in securing the area of the Middle East. The geographical proximity of the Central Asian countries to Afghanistan conferred on them the status of a highly important geo-strategic point on the U.S. agenda in the war against the international terrorism. Central Asia is however part of what Russian politicians call the 'near abroad' and the U.S. needed Russia's consent in order to place its troops there; despite the fact that the Central Asia countries are independent and sovereign, Russia has an increased level of influence in the area.

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Surprisingly as it might seem, president Putin gave the green light for the U.S. troops to use the territory of the former republics of the Soviet Union. The question which arises at this stage is what determined Putin to allow U.S. troops to be deployed right in Russia's 'backyard'. Were there any rhetoric reasons for Putin to take this decision or is this decision a genuine reflection of Putin's new approach in shaping Russian foreign policy? The answer to this question is a multifaceted one, but fascinating at the same time. Lena Jonson provides an answer in her study, *"Putin and Central Asia"*(2004), focusing on the security, geopolitical and political issues which emerged from Putin's decision, but taking into account both the domestic and the external factors which influenced Putin's decision.

Considering Lena Jonson's position, I will try to provide an alternative answer to the question stated above, emphasizing the economic reasons which stood behind Putin's decision, linking it with the major objectives of Russian foreign policy: to improve Russia's relation with the U.S. and to integrate Russia into the world economy. Therefore, this study aims to demonstrate that behind the political decision taken by Vladimir Putin, to allow the deployment of the American troops in Central Asia, lay the

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economic reasons which are the driving forces in shaping the **new Russian foreign policy** towards the ‘near’ abroad. Subsequently, the ‘economization’ principle in the making of Russian foreign policy is best applied towards Central Asia, focusing on the energy issue, *i.e.* the sensitive problem of oil and gas exploitation and transportation to European markets².

In order to analyze Russian foreign policy in relation to Central Asia, I will divide the dissertation into four main sections. Section **I** analyzes the various theoretical debates over the best ‘official philosophy’ which should guideline Russian foreign policy, examining all the changes in the different stages of Russia’s post-communism development. Section **II** deals with Russian foreign policy towards Central Asia and it covers the years 1992-2001 until the events of 9/11, including Putin’s first years after he came into power, first as prime minister and afterwards as president. In section **III** the analysis focuses on the security issues related to the Central Asia region in the context of the war on terror. What I want to highlight in this section is that

² In this study, the analysis is temporally stopped at the Iraq’s invasion in 2003, focusing only on the impact of the 9/11 events on Russian foreign policy, without making other assumptions for the period after 2003.

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foreign policy is pointless without security issues ('soft' or 'hard'), even if the question which I debate throughout this paper regards the economic aspect of Russian foreign policy. The last and the most important section of this study deals with the issue of the Central Asian energy resources and its importance for Russia. Section **IV** therefore focuses on providing an explanation for the importance of the energy issue for the Russian Federation in terms of gaining (1) geopolitical power in Central Asia and (2) the status of Europe's major supplier of energy.

As Fiona Hill points out in one of her study published in 2004, Russia is no longer eager to (re)gain its "hard power" at international level, but it concentrates on using its energy policy as an instrument for reacquiring "soft power". The shift regarding the means through which this country may gain power at international level is a genuine proof of Putin's new approach in making Russian foreign policy. Russia has already gained the prominence in global energy after the economic crisis in 1998 and the events in the aftermath of 9/11 facilitated Russia's transformation in a 'new energy superpower'.

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The map of Central Asian states (2000)³



NOTE:

In this study, as this map shows, Central Asia is defined as the territory which comprises the five states in the region: **Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan.**

³ The map is available online at:
www.un.org/Depts/Cartographic/map/profile/centrasia.pdf

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Section I: Russian foreign policy.

Theoretical framework

I.1 Russia's foreign policy after the collapse of the Soviet Union: searching for a 'new' identity

After the disintegration of the Soviet Union in 1991, the Russian Federation found itself, domestically and externally, in a new position. Despite the fact that it had inherited almost everything from the Soviet Empire in terms of institutions and logistics, Russia had to get used to taking decisions and to acting only in its own interest. It had to face internal and external challenges as a newly independent state and not as an empire. It is not an over-reaction then to argue that first of all Russia had to find its new identity in a world where it no longer played one of the most serious roles. For sovereign states just as for the individuals, identity is shaped in relation to *'the other'* and *itself*. Therefore, the problem Russia was facing can be formulated as follows: once Russia found its new identity, it could define its

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