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The Central Asia chess-game:
Renewed hopes for European
energy security

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Abstract:

Rich in natural resources and subject to a vacuum of power since their independence from the Soviet Union, the Central Asia states are at the crossroads between four regional hegemony seeking to expand and secure their power and influence over Eurasia and the Middle East. The power currency in this game is the control over gas and oil transit, which the involved actors seek to pursue in detriment of the others. For the European Union, control over the transit of oil and gas in this region could be a game changer, no longer having to rely so heavily upon its main exporter, Russia.

Keywords:

Central Asia, regional hegemony, oil, gas, energy security, China, Russia, Iran, Europe, US.

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Introduction

Located in Mackinder's Heartland, Central Asia is the region composed by the five exsoviet republics of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. Mackinder identified it as a key area of Eurasia and predicted that dominion over this region would always impregnate the geopolitical calculations of surrounding hegemon¹. This prediction has held true all throughout the past century and still does. Central Asia is rich in fossil fuels, and its economy is highly dependent on oil and gas production. The relative stability of this region—as compared to its neighbors in the Middle East—and its position at the crossroads between energy consumers and producers turns Central Asia into a key route for pipeline transit and energy production.

Furthermore, the dissolution of the Soviet Union generated a vacuum of power in the region, leading to an interesting and complex geopolitical panorama, as the surrounding regional powers tried to step in and secure their disparate interests. Central Asia is surrounded by Eurasia's hegemon: Russia and China, with whom it shares borders; and Europe which has only recently acknowledged the geopolitical importance of this region. Iran to the south is a player that should not be overlooked, since it is a regional superpower in the Middle East and has the capacity to project its influence over the region. Despite the U.S. not being too involved in Central Asia, the recent publication of its strategy towards Central Asia, its role as a global superpower and its relations with the surrounding hegemon make its stance worth taking into consideration.



Figure 1. Soviet Union region map.

Source. Created with mapchart.net

¹ MACKINDER, Halford J. "The geographical pivot of history", *The Geographical Journal*, N° 4, Vol. 23, (April 2004).

Hegemonic interests

Central Asia is a game board in which four regional hegemons are competing against each other. Whoever gains power, understood here as control over the oil and gas transit, does so at the other's expense. In order to understand the complex geopolitical and geostrategic situation taking place in Central Asia, the historical and current interests and strategies of Russia, China, Europe and Iran in the region will be addressed. Despite the U.S. not being a regional power in Central Asia, its role in the region will also be discussed given its influence capabilities as a global superpower.

Russia

A historical continuum of wars and conflict has made the feeling of insecurity a defining feature of the Russian state. To counterbalance this inherent feeling, product of its historical legacy, Russia has pursued expansionism and the creation of buffer zones to achieve security and block potential threats. Furthermore, Russia longs to have an exit to warm seas, which has also accompanied its expansionist policy. Russia sees both Central Asia and the Caucasus as a buffer zone between it and the Greater Middle East, a zone it must dominate to secure itself from the political and religious upheavals of the Greater Middle East, as well as from Iran's influence expansion in the region².

Russia's main concerns in Central Asia are: the security of the Russian minorities in the ex-soviet countries, maintaining its historical influence over the region, avoiding U.S. penetration in the area and most importantly, ensuring that gas and oil produced in those countries is transported through Russian territory and not through European one³. While interested in maintaining its historical ties to the region, the Central Asia countries seek to become ever more independent from Russia, thus turning towards other hegemons such as Europe or China. Both of which have already overtaken Russia's economic involvement in Central Asia. While Europe has only recently showed interest in this area, China is challenging Russia's position in the region through the creation of infrastructure and by purchasing vast quantities of natural resources. Despite sharing an alliance based

² KAPLAN, Robert D. *The Revenge of Geography: What the map tells us about coming conflicts and the battle against fate*, (Paperback, 2013), 10.

³ OMELICHEVA, Mariya Y. "Russia's Foreign Policy in Central Asia" (February 2018).

on their mutual anti-U.S. foreign policies, their geographical proximity, and demographic, military and economic might, generates a tense and complicated relationship between these two revisionist powers. Aware of this they launched the Shanghai Cooperation Organization (SCO), a permanent intergovernmental organization to ensure regional security and stability. The organization includes the participation of all the Central Asian states except for Turkmenistan. Despite the existence of the SCO, Central Asia and their shared frontier in the Far East are points of tension for both hegemons.

Military-wise Russia remains the dominant force in Central Asia through its Collective Security Treaty Organization alliance with Tajikistan, Kyrgyzstan and Kazakhstan. The latter two countries are also members of the Russia-led Eurasian Economic Union (EAEU).

China

China's size and geographical position in the map allow it to be both a continental and a sea power. It is embedded in the Chinese strategic culture to exercise its power through means of economic and cultural attraction of other societies. China, aware of its potentiality to be a land and sea power, seeks to expand its sphere of influence through the creation of road and railroad infrastructure and by gaining access to major sea trade routes, thus enhancing its power and economic interactions⁴. While being the third military power behind Russia and the U.S., China is expanding its sphere of influence through the implementation of economic initiatives, such as the Belt and Road Initiative. This project contemplates the creation of six overland corridors, two of which will pass through Central Asia: The New Eurasia Land Bridge (China-Kazakhstan-Russia-Belarus-Europe) and China-Central Asia-West Asia, connecting western China to Turkey and Iran via all five Central Asian countries⁵.

Central Asia is a key piece for three of the main Chinese strategic goals: incrementing trade with Europe, securing access to resources, and gaining access to the Indian Ocean's ports. China needs to secure raw materials in order to support the rising living

⁴ Idem.

⁵ "The new Silk Road corridors", One Belt One Road, accessed January 2020. Available at: <https://www.oboreurope.com/en/beltandroad/one-belt/>

standards of its population, and Central Asia is rich in said resources. Thus, China is offering to create major infrastructure projects which benefit the region, in order to exploit its economic potential and resources. These infrastructure projects are also a key component of the second goal, gaining access to the Indian Ocean resources and ports. Despite Central Asia being landlocked, China is building roads and railroads to connect the autonomous region of Xinjiang with Kyrgyzstan, Tajikistan, Afghanistan and Pakistan to ensure access to natural resources and ports from the Indian Ocean locked due to the various straits separating it from the South China Sea⁶.

As a regional hegemon, China is increasing its power to secure its interests without resorting to the use of force, thus abiding by Sun Tzu's principle, key to Chinese strategic culture. Sun Tzu, author of the *Art of War*, exalted victory without bloodshed, subduing the enemy without fighting⁷. Creating trade routes and economic networks enhances Chinese power and territorial influence without creating a security dilemma leading to the use of force.

European Union

Until very recently Central Asia was a region overlooked by Europe, more concerned about its relations with its nearest neighbors, imposed by geography: Russia, Africa and the Middle East. Approaches to Central Asia were limited to economic and development programs. However, renewed negotiations over the Trans-Caspian Gas Pipeline and the European Council's new strategy for Central Asia launched in 2019 are increasing the opportunities for a strong partnership between these two regions. Europe's priorities in the region are responding to security threats, protecting human rights, promoting economic development, developing transport and energy links, and ensuring environmental protection⁸.

Despite a friction possibility with China over Central Asia's resources —especially in Turkmenistan— the infrastructure projects carried by the Asian giant benefit the European

⁶ Idem³.

⁷ Giles, *Sun Tzu: On the Art of War*, (Abingdon, Oxon: Routledge), (2013).

⁸ RUSSEL, Martin. "The EU's new Central Asia Strategy", *European Parliament* (January 2019). Available at: [https://www.europarl.europa.eu/RegData/etudes/BRIE/2019/633162/EPRS_BRI\(2019\)633162_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2019/633162/EPRS_BRI(2019)633162_EN.pdf)

economic performance and involvement in the region. Both hegemonies have become the region's biggest trading partners, and mutual interests of cooperation between them allow for new opportunities of collaboration in Central Asia. At the same time, Central Asian countries are becoming more interested in engaging with Afghanistan, which can be relieving for Europe. While economic cooperation per se does not ensure stability, it can facilitate negotiations and cooperation in other areas such as security. This can appease Europe's fear of Afghani instability spilling over its neighboring countries.

In the absence of a Western military presence in the region, and of Central Asian aspirations to join the EU or NATO, Russia has not objected to EU involvement either⁹. Nonetheless, renewed hopes for the implementation of the Trans-Caspian Gas Pipeline have been received with mistrust and opposition from Russia and Iran. The most important geostrategic aspect of Central Asia for Europe remains the diversification of oil and gas routes. Circumventing Russian territory for energy transit would enhance Europe's energy security, by limiting Russia's coercive power. The construction of the Trans-Caspian Gas Pipeline could be a game changer for Europe, entailing an increase in security and ensuring that its high energy demands are met. Given the geostrategic importance of the matter, the construction of the Trans-Caspian Gas Pipeline and its impact on European security will be furthered develop in following sections.

Eurasian hegemonies Russia, China and Europe are by far the most important and powerful actors playing their cards in Central Asia. While the bulk of the game will be played between them, there are two additional powers that should not be overlooked, since they also have the capacity to influence the balance of power: Iran and the U.S.

Iran

Iran still remembers its past as the world's first superpower, in the age of the Persian Empire. The conduits for Islamization and civilization in Central Asia were the Persian language and culture, creating ethnic links in Central Asia that are still present nowadays, and that could be used to increase Iran's influence arch over the region¹⁰. Furthermore, Iran stands in a key advantageous location, being the only country, which encompasses

⁹ Idem ⁸.

¹⁰ Idem ³.

both energy-producing areas —the Middle East and Central Asia—. While it is not a powerful hegemon for Eurasia, within the Middle East Iran is a regional superpower. Not only does Iran dominate the whole Persian Gulf, but it can provide the shortest route to warm waters to the landlocked Central Asian countries, increasingly interested in joining the international markets.

Nonetheless, while after the collapse of the Soviet Union Iran was quick to recognize the independence of the Central Asia states and sought to expand its influence through cultural, historical and religious commonalities, its soft power policies on the region are being undermined by the current state of geopolitical affairs and tensions. Central Asia states are well aware that a close relationship with Iran would damage connections with the EU and the U.S., powerful western partners with whom it seeks to get closer. Not only that, Russia was also discontent about Iran's military and political leverage in Tajikistan and seeks to prevent Iran's growing influence in the region. Despite its advantageous position regarding geography, as well as religious and cultural commonalities, U.S. containment strategy towards Iran in the form of economic sanctions, the current escalation of tensions over the death of Soleimani, and Iran's tense relations with the West, make it an unattractive partner for Central Asia¹¹.

U.S.

Due to its lack of historical ties to the region and its geographical distance, the U.S. has never been a major player in Central Asia, and even less so after it decided to leave Afghanistan in the period from 2011 to 2014¹². Nonetheless, and in accordance to the Strategy for Central Asia 2019-2025 published by the U.S. Department of State this February 2020, the U.S. has made clear its purpose of becoming an important actor and economic partner in the region. Its main objectives in Central Asia are: support and strengthen the sovereignty and independence of the Central Asian States, reduce terrorist threats, expand and maintain support for stability in Afghanistan, encourage

¹¹ BOTOBEKOV, Uran. "Unjustified Hope of Iran's Central Asia Policy", *modern diplomacy* (August 31, 2019). Available at: <https://moderndiplomacy.eu/2019/08/31/unjustified-hope-of-irans-central-asia-policy/>

¹² GUSEV, Leonid. "The Importance of Central Asia for Russia's Foreign Policy", ISPI, (October 3, 2019). Available at: <https://www.ispionline.it/en/pubblicazione/importance-central-asia-russias-foreign-policy-24071>

connectivity between Central Asia and Afghanistan, promote the rule of law and respect for human rights, promote U.S. investment in and development of Central Asia¹³.

It is easy to deduce that this strategy –despite insisting on the importance of Afghanistan’s stability- goes hand in hand with the National Security Strategy published in 2017, in which the U.S. identifies Russia and China —revisionist powers— as geopolitical threats to the U.S. security. While the U.S. aims at reducing the expansion of the Sino-Russian sphere of influence, actions in the region will be limited to economic and political aspects, since involving itself directly would lead to an escalation of the already tense situation with Russia and China. Furthermore, U.S. is likely to back the EU’s projects for energy transit in the area at the expense of the other two players. Neutralizing and decreasing Sino-Russian influence and power in Eurasia —and in the world— is paramount for the U.S. if it wants to maintain its status as a global superpower.

Russia along with China is seeking to prevent a US presence in Central Asia —the previously mentioned Shanghai Cooperation Organization also serves a counterbalancing purpose—. Another regional power, Iran, is also aligned with Moscow and Beijing to avert a US and NATO presence in the region. In fact, the triangle of Russia-China-Iran has largely succeeded in doing so¹⁴.

Internal dynamics of Central Asia

While the international framework is key to understand the overall geopolitical dynamics taking place in Central Asia, the internal regional relations should not be overlooked. Despite being a generally stable region, tensions and potential sources of conflict exist between its constituent states. Politically drawn borders, territorial disputes, historic and ethnic animosities, radical Islam and disputes over the equitable management of water resources are some of the friction points which threaten stability in the region¹⁵.

¹³ U.S. Department of State, “United States Strategy for Central Asia 2019-2025: Advancing Sovereignty and Economic Prosperity Overview”, U.S. Department of State. Available at: <https://www.state.gov/united-states-strategy-for-central-asia-2019-2025-advancing-sovereignty-and-economic-prosperity/>.

¹⁴ RAHIMOV, Rahim. “Geopolitics and Conflict Potential in Central Asia and South Caucasus”, *Geopolitical Monitor* (May 25, 2018). Available at: <https://www.geopoliticalmonitor.com/geopolitics-and-conflict-potential-in-central-asia-and-south-caucasus/>

¹⁵ BOBOEV, Nodir. “Why Central Asia Won’t Go to War” *The Diplomat* (April 5, 2017). Available at: <https://thediplomat.com/2017/04/why-central-asia-wont-go-to-war/>

Kazakhstan and Uzbekistan are the major regional powers in Central Asia in terms of military, economic, territorial and demographic terms. This has led to rivalry over Central Asia's internal hegemony, undermining possibilities towards furthering regional integration. Still, there is yet another element which is used as a power currency within the region and is actually in the hands of the weaker states: water. Disputes over water resources put a continuous pressure over the regional relations of the five ex-soviet republics. In terms of hydric resources, Central Asia could be divided into two main blocs: downstream and upstream countries. The downstream countries —Kazakhstan, Turkmenistan and Uzbekistan— are richer in fossil fuels but dependent on water inflows. The upstream countries —Kyrgyzstan and Tajikistan— are home to the hatcheries of the Syr Darya and Amu Darya respectively. While economically weaker, these countries trade water to Uzbekistan and Kazakhstan for energy in the form of gas, coal or oil. Tensions often go as follows: Turkmenistan is using too much water to the detriment of Uzbekistan, which in turn has been accused by Kazakhstan of taking more than its share. Kyrgyzstan and Tajikistan say that the three downstream countries are all exceeding quotas¹⁶. Conflict has been more acute between Uzbekistan and the upstream countries, often leading to negative narratives and the threat of the use of force over hydric resources.

Nonetheless, despite some skirmishes over territorial disputes and heated political discourses, traditional war-like conflict between the Central Asia states is unlikely to happen, especially in the light of the interests of Russia, China and the EU in the region. The Eurasian hegemons would oppose or mediate any sort of conflict erupting between states in order to ensure the stability of the region and thus secure their interests.

The EU's energy security strategy

So far, this article has focused on the geopolitical and geostrategic importance of Central Asia. This has served as pavement towards the key concern of this analysis: the potential of Central Asia to meet European demands for energy security and diversification. It is within the EU's main strategies to reduce its energy dependence. The EU relies heavily on imports to meet its energy needs, and its dependency rates keep growing. One of the

¹⁶ TYNAN, Deirdre. "Central Asia: Water and Conflict", International Crisis Group, (30 May, 2002). Available at: <https://www.crisisgroup.org/europe-central-asia/central-asia/uzbekistan/central-asia-water-and-conflict>

main threats to the security of this energy supply is the concentration of these imports among very few external partners, being Russia the main supplier. EU gets 30 % of the oil and 40 % of the gas it imports from Russia¹⁷. In face of the current tense relationship between Russia and the EU sparking as a result of the 2014 Ukraine crisis, EU's need for diversifying its energy supply routes has become increasingly pressing. Many countries in Central and South East Europe are dependent on a single supplier to meet their gas energy needs. Further developing the Southern Gas Corridor—a complex chain of pipelines bringing natural gas from the Caspian region to Europe—is key to improve the security and diversity of European energy supplies¹⁸.

There are currently three projects within the Southern Gas Corridor which enhance the security of the EU in terms of energy: The Trans-Anatolia Natural Gas Pipeline (TANAP), bringing Azeri gas through Turkey and into Europe; the Trans-Adriatic-Pipeline (TAP), coming from Turkey and joining with Greece, Albania and Italy; and the South Caucasus Pipeline, connecting Azerbaijan, Georgia, Turkey and Europe.

The EU has succeeded in reaching some of the resources of the Caspian Sea without relying on Russian transit lines. Nonetheless, Central Asia resources still fall to some degree under Russian control. Kazakhstan, an oil exporter to Europe and key partner for Russia serves as transit route for oil and gas from the other Central Asian states¹⁹. While resources from Central Asia do enter the European Union, they do so through the Russian Federation. For this reason, the reopening of negotiations over the Trans-Caspian Gas Pipeline are bringing renewed hopes for EU's energy security. The Trans-Caspian Gas Pipeline (TCGP) is a proposed subsea pipeline between Turkmenistan—the region's main gas exporter—and Azerbaijan, which would connect to the Southern Gas Corridor and transport natural gas into the EU.

¹⁷ "Shedding light on energy in the EU, a guided tour of energy statistics", *Eurostat*, (2019). Available at: <https://ec.europa.eu/eurostat/cache/infographs/energy/index.html>

¹⁸ "Southern Gas Corridor", Trans Adriatic Pipeline, accessed January 2020. Available at: <https://www.tap-ag.com/the-pipeline/the-big-picture/southern-gas-corridor>

¹⁹ HART, Michael. "Central Asia's Oil and Gas Now Flows to the East" *The Diplomat*, (August 18, 2016). Available at: <https://thediplomat.com/2016/08/central-asias-oil-and-gas-now-flows-to-the-east/>

First proposed in the late 90's this project has been heavily opposed and criticized by Russia and Iran, current transit countries of Turkmen gas²⁰. Russia claims that any project requires the consent of all five Caspian littoral states and has also opposed it by appealing to environmental issues. China is also an important factor to consider when balancing the possibility of the project taking place. Turkmenistan exports directly to China through the Central Asia-China Gas Pipeline²¹. The Chinese giant has almost a monopsony over Turkmenistan, and it is likely that it will not welcome bargains over it.

Turkmenistan, member of the Non-Aligned Movement, has already completed the construction of an East-West pipeline to bring its onshore resources to the Caspian Basin, showing its interest on exporting directly to Europe and diversifying its clients. But this pipeline remains obsolete due to the failure to build the TCGP. Its relations with Russia have become colder over the past decade, since the ex-Soviet republic considers that Russia benefits Kazakhstan over Turkmenistan within the Caspian Sea²².

While it seems that recent negotiations meet the same dead ends as they did when first proposed, an offshore actor could still lobby towards the implementation of the project. Despite lacking presence in the region, the U.S. still has the economic and political means to coerce countries in far off territories. Not only has the U.S. shown support for the TCGP but actively opposes the Nord Stream 2 pipeline project launched by Russia to carry gas to Europe through the Baltic Sea. In doing so, Russia would bypass Ukraine eliminating its role as a transit country²³. So far Nord Stream 2 has failed to get all the necessary permits and the U.S. has threatened to impose sanctions on companies involved with the project. The potential failure of the Nord Stream 2 could uplift the possibilities of Russia allowing the building of the TCGP.

²⁰ RAHIMOV, Rahim. "Prospects for the Trans-Caspian Gas Pipeline Under the Trump Administration", *The Russia File*, (July 18, 2019). Available at: <https://www.wilsoncenter.org/blog-post/prospects-for-the-trans-caspian-gas-pipeline-under-the-trump-administration>

²¹ "The European Commission's Connecting Europe Facility is funding the Pre-FEED, Reconnaissance Surveys and Strategic and Economic Evaluations of the Trans-Caspian Pipeline", Trans-Caspian Pipeline, Accessed January 2020. Available at: <http://w-stream-transcaspian.com/>

²² VELÁZQUEZ LEÓN, Sonia. "Gas y petróleo en Asia Central, ¿Alternativa para la dependencia energética de la UE?", *IEEE*, (11 August, 2017).

²³ Idem 20.

Conclusion

Central Asia is the chessboard in which powerful regional hegemonies are competing for influence over the continent, and oil and gas are the power currency with which they are playing. Russia aspires to maintain its historical grip and ensure the European Union remains dependent on its oil and gas exports; China needs this region to meet its growth demands; and the EU sees it as a key energy transit zone to enhance its energy security, thus reducing dependence from Russia. While Iran has lost influence over the region, the U.S. seeks to enhance its presence through political and economic means, backing the EU's aspirations of constructing the Trans-Caspian Gas Pipeline, and thus neutralizing the Sino-Russian power growth in Central Asia. Gaining influence over the region is paramount for each hegemon to keep the others in check and is in turn benefiting Central Asia. These complex geopolitical dynamics are giving some of these states significant bargaining power over the interested players, whose involvement in the region can help uplift their economic development.

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