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Editors

Murad ESENOV

Editor-in-Chief

Tel./fax: (46) 70 232 16 55; E-mail: m.esenov@gmail.com

Kalamkas
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EDITORIAL OFFICE: CA&C Press AB, Hubertusstigen 9. 97455 Luleå, SWEDEN

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FOR YOUR INFORMATION

***The Special Feature section
in the next three issues will discuss:***

- ***Eurasia: Energy Policy and Energy Projects***
- ***China's Infrastructure Projects in the Black Sea-Caspian Region***
- ***Eurasia: Politics Today***

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REGIONAL INTEGRATION

THE “CHINESE BOX”: THE SILK ROAD ECONOMIC BELT INITIATIVE IN KAZAKHSTAN

Gulmira ILEUOVA

*Ph.D. (Sociol.), Acting Assistant Professor,
Department of Political Science and Political Technologies of
the Al-Farabi Kazakh National University, President,
Strategia Public Fund Center for Social and Political Studies
(Almaty, Republic of Kazakhstan)*

Imanbay ZHANDOS

*Postgraduate student, Department of Political Science and
Political Technologies of the Al-Farabi Kazakh National University
(Almaty, Republic of Kazakhstan)*

ABSTRACT

We have relied on the expert community poll to assess the prospects of Kazakhstan's involvement in the Silk Road Economic Belt initiative (SREB) as part of the global Belt and Road initiative (BRI) unveiled by Chairman of the PRC Xi Jinping in 2013. We have in mind the “five major goals” defined as political coordination, more efforts poured into the construc-

tion of a common highway network, closer trade contacts, bigger money flows and closer ties between peoples.

The quoted results of the opinion poll carried out in Kazakhstan in August-October 2018 among Sinologists, experts in international relations, security, economics and finances revealed what they thought about the realization of the SREB initiative in Ka-

zakhstan, its priorities being arranged into a pyramid with infrastructural development on the top followed by stronger political trust, economic, financial and investment cooperation, humanitarian cooperation.

On the whole, the expert community is fairly positively disposed to cooperation with China, even if expert assessments are gradually changing under the pressure of the project's implementation. The poll revealed the hierarchy of preferences in realizing the SREB initiative in Kazakhstan that allowed us to compare the list of priorities enumerated by Chinese officials, on the one hand, and Kazakhstan experts, on the other. This means that priorities should be selected according to the country's national interests. A

discussion of whether this initiative should be further actively developed and supported in Central Asia as a whole, and in Kazakhstan in particular, has been carefully analyzed together with the prospects of a single road network; interconnected transport infrastructure and possible risks of a wider transit and investment dependence of Kazakhstan on China.

The "policy coordination" issue suggested an analysis of the role of the ruling elites of the countries involved and the related corruption risks. In this context, soft power boils down to the studies of the Chinese language and Chinese (ethnic) traditional culture; universal values are not mentioned.

KEYWORDS: *the Silk Road Economic Belt (SREB) initiative, prospects, Belt and Road initiative (BRI), infrastructure, cooperation, transit.*

Introduction

Methodology

"Ask not what the SREB initiative can do for you—ask what you can do for it." This paraphrase of President Kennedy's famous dictum puts what experts think about the Silk Road Economic Belt initiative into a nutshell.

In 2013, only one week separated the SREB initiative that the Chairman of the PRC Xi Jinping formulated in September in Astana¹ and the 21st Century Maritime Silk Road revealed in October during his Southeast Asian tour,² later integrated into a global strategic Belt and Road initiative.

The Chinese continental SREB initiative stirred a lot of interest in Central Asia as an impressive international multi-structural project that will change the future of Eurasian and Central Asian economies. In 2018, the countries involved marked the fifth anniversary of the Belt and Road initiative. The business forum in Astana attracted about 400 businessmen from China and Kazakhstan who discussed investment cooperation and continued interaction within the BRI.³

At the start of the Chinese initiative, its partners were looking forward to new opportunities in transit transportation, trade, economic and investment cooperation between the countries situated along the historical Silk Route, of which Kazakhstan was one. Despite the fairly optimistic assess-

¹ See: Strategia ekonomicheskogo razvitiya "Odin poias—odin put," 14 May, 2017, available at [<https://ria.ru/20170514/1494097368.html>], 28 January, 2019.

² See: Ibidem.

³ See: "Kazakhstansko-kitayskoe sotrudnichestvo v ramkakh programmy 'odin poias-odin put' obsudili v Astane," 7 September, 2018, available at [<https://primeminister.kz/ru/news/all/17096>], 28 January, 2019.

ments, however, the expert community of Kazakhstan has been asking itself more and more often whether the SREB priorities and goals correspond to the national interests of their country. Indeed, should Kazakhstan accept the lavish proposals of its rich neighbor or should it weigh the pros and cons to demonstrate a more cautious approach to the initiative's fairly vaguely formulated goals?

This means that the country should go back to the initial goals to find out how Kazakhstan experts assess the initiative's future today.

We relied on the results of the poll and expert consultations; the questionnaire used certain elements of the Delphi method of expert prognostication. The poll was carried out in two stages: in August 2018 and September–October of the same year. Seventeen experts were involved in the first stage and 14 of their colleagues in the second; they were Sinologists, experts in international relations, security, economics and finances.

During the first stage, the experts answered the questions formulated in the questionnaire, which consisted of two blocks:

- (1) the tasks, challenges and prospects of the realization of the SREB initiative and
- (2) their assessment of Kazakhstan's transit potential and the correlation between the initiative, the Eurasian Economic Union (EAEU) and the Nurly zhol state program.

The questionnaire was based on a 5-point assessment scale, where 1 meant very low and 5—very high with a possibility of commenting. The first stage with the results summarized and the participants informed about them was followed by the second stage that included 8 key questions. The participants were invited to either confirm their earlier opinions or adjust them to those of the majority. Their comments supplied us with arguments for and against the results of the first stage. Time did not allow us to go beyond the first two stages.

The vast high-quality material provided by the poll allowed us to delve deeper into the problem.

The preliminary results were tested at the International Scientific-Practical Conference “The Dialog between Researchers and Experts—Possibilities of Integration Development of the CIS countries” that took place in Bishkek on 18–21 September, 2018. The contributions were formulated as the Report *The Problem of Correspondence between the EAEU and SREB as Assessed by the Expert Communities of Kazakhstan and Kyrgyzstan*.⁴

This article sums up the results of the poll.

The SREB Prospects and National Interests

In the speech he delivered at the Nazarbayev University on 7 September, 2013, General Secretary of the CC Communist Party of China Xi Jinping enumerated the five priorities that would consolidate economic ties, deepen cooperation and expand the development space of the Eurasian countries from which “all countries along the Great Silk Road will profit.” This means more emphasis on political coordination, more efforts poured into the construction of a common highway network, closer trade contacts, bigger money flows and closer ties between peoples.⁵ On the whole, the initia-

⁴ For the information about the conference, see [<http://www.naskr.kg/index.php/ru/news/1401-v-bishkeke-proshlaezhegodnaya-nauchno-prakticheskaya-konferentsiya-dialog-issledovatelej-i-ekspertov-vozmozhnosti-integririvannogo-razvitiya-stran-sng>], 28 January, 2019.

⁵ See: “Vystuplenie Predsedatelia KNR Xi Jinpinga v Nazarbayev universitete (full text),” 16 September, 2013, available at [<http://kz.chineseembassy.org/rus/zhgx/t1077192.html>], 28 January, 2019.

tive was accepted and approved because, as experts have pointed out, “generally, China, Kazakhstan and their neighbors share ideas about the future of the processes unfolding in Eurasia, which creates fertile soil for their cooperation.”⁶

According to the results of the poll, the experts paid particular attention to the integrated highway network and infrastructure connectivity: 65% of the polled agreed that SREB members would improve regional infrastructure, build up a network of safe and highly efficient transportation routes on land, at sea and in the air and would work on a new-generation means of communication.

Why did the experts in Kazakhstan prioritize the infrastructural component? In their commentaries they specified that while the SREB initiative was fairly vague as a belt of transportation and logistics corridors from China to Europe, an assessment of any of its elements as a priority was purely pragmatic. The infrastructure projects should be implemented with the help of Chinese funds because the present state of infrastructure in Kazakhstan was unacceptable and should, therefore, be improved and developed. “So far, the main hopes of the SREB and, on the whole, the Belt and Road members are fed by an access to Chinese money poured into infrastructure projects in their territories. In the past they had been either on the agenda or had been pushed back because there had been neither investors nor budget money.”

The results of cooperation in the infrastructure sphere are impressive enough, something that the Chinese side never fails to mention. In Almaty, Zhang Wei, Consul General of the PRC, illustrated the efficient cooperation of the two countries with the following: “We have acquired a vast structure of over ten interconnected routes of container trains moving between China and Europe, China and Central Asia, the main Western Europe-West China railway and direct air flights between six cities of the two countries. The port of Lianyungang, one of the starting points of these container trains, is highly important for Kazakhstan as a land-locked country. The volume of passenger and goods traffic is growing by 30% every year. Grain, soya beans and other high-quality agricultural products from Kazakhstan are moved, on a permanent basis, to China and further on to Southeast Asia.”⁷

An analysis of expert opinions on the relationship between Kazakhstan and China reveals that they are generally very positive about the prospects of cooperation with China in infrastructural development. Ruslan Izimov and Zamira Muratalieva have written: “Construction of new transportation arteries and modernization of the old ones in the vast territory of Kazakhstan fully correspond to the republic’s interests. Close cooperation with China ‘under the flag’ of the Silk Road initiative gives us a chance to increase the Kazakhstan’s transit potential.

“High technologies have already allowed us to shorten the road between the Pacific ports and European countries along the land corridors to move goods and passengers twice as fast.”⁸

The expert community is gradually moving towards a conclusion that the national interests of the Central Asian countries (including Kazakhstan) are not taken fully into account within big international projects with integrative components (“Kazakhstan and its neighbors do not have a long-term perspective when it comes to the implementation of certain projects and possible advantages which each of them, rather than China, will acquire with their implementation”). The initial euphoria of the Chinese project’s grandiose possibilities is going away under the pressure of more sober assessments. Izimov and Muratalieva have pointed out that in the long-term perspective “the prospect of becoming totally dependent on the eastern neighbor’s trade, economic and migration expansion”

⁶ Here and elsewhere expert commentaries are in italics.

⁷ Zhang Wei, Consul General of the PRC in Almaty, “Vystuplenie na otkrytii kruglogo stola ‘Ekonomicheskiy poyas Shelkovogo puti v kontekste regionalnoy bezopasnosti,’” in: *Sbornik materialov kruglogo stola*, Almaty, 15 March, 2017, p. 12.

⁸ R.Iu. Izimov, Z.T. Muratalieva, “Tsentralnoaziatskiy trek initsiativy ‘Poyas i put: vozmozhnosti i riski,’” *Vestnik mezhdunarodnykh organizatsiy*, Vol. 13, No. 3, 2018, p. 132.

is growing clearer.⁹ This is indirectly confirmed by the fact that the countries that have already established close economic ties with China are trying to wriggle out from the trap of its influence or, at least, trim it: “*The experience of Malaysia, Sri Lanka, Pakistan and other partners of the PRC that have already received Chinese loans on infrastructure and have already begun using them promptly discovered that the projects were overestimated, that the volume of investments was overstated while the value of the projects exaggerated.*”

The experts are convinced that SREB is not “*an integration project in its pure form*” and that China is not interested in the development of infrastructure in any of the countries involved. It pours money,

- first, “*to move Chinese goods to the countries of Europe and the Middle East hence an accent on the transport-logistical infrastructure and simplified customs and visa processes*” and,
- second, “*to get access to raw materials and create the infrastructure required to transport them to China.*”

Our poll has demonstrated that the experts are less impressed by the prospects of “closer political coordination” than by the problems of infrastructural development: only 41% deemed it necessary to point out that SREB would deepen political trust between the member countries.

What is meant by “closer political coordination”? Beijing considers it a means of coordinating the development strategies of the two countries in the form of synchronized presentation of two infrastructure projects: the Chinese Belt and Road initiative and the New Economic Nurlu Zhol Policy of Kazakhstan. Coordinated state strategies deepened their bilateral ties; widened the sphere of cooperation and mutual trust between their top crusts (that is, elites).¹⁰ Russian economist Elena Kuzmina has pointed out: “Today, all bilateral transportation and all other important investment projects are subjected to political assessment within SREB” even though “they would have been implemented without SREB on the strength of mutual economic and strategic interests.”¹¹

Experts in Kazakhstan agree that the SREB initiative is appreciated and supported by the elites of the countries (Kazakhstan being no exception in this respect) in which it will be realized. Indeed, this is an indispensable condition of the implementation of this multisided project as closely associated with the “*political situation in the corresponding countries.*”

This connectivity is highly problematic: experts point to the high level of corruption potential of the projects partly implemented with Chinese money since no balanced analysis is carried out; their impact on Kazakhstan’s national economy is not assessed and no exact and objective calculation of the debt level and the country’s ability to service it was offered. This can be explained by the comprador nature of central and local elites that proceed “*from their own mercantile interests,*” rather than from the country’s strategic interests.

Kazakhstan’s Central Asian neighbors demonstrate the ruling elites’ far from disinterested support of the Chinese projects. Tajik sociologist Saodat Olimova has written: “The political and financial elite of Tajikistan worked hard to let China into the Republic. The Tajik side has been attracted by the ‘limitless’ generosity, the Chinese obliging and highly unobtrusive style, the absence of obvious political and economic demands and the fact that this ensures political longevity for people in

⁹ Ibid., p. 135.

¹⁰ See: Zhang Xiao, Ambassador of the PRC in the RK, “Odin poyas-odin put”: vzaimovogodnoe razvitie i sovmestnoe protsvetanie Kitaya i Kazakhstana,” available at [<https://www.kazpravda.kz/fresh/view/odin-poyas--odin-put-vzaimovogodnoe-razvitie-i-sovmestnoe-protsvetanie-kitaya-i-kazahstana>], 28 January, 2019.

¹¹ E.M. Kuzmina, “Tsentralnaia Azia mezhdru Rossiiyey i Kitaem (ekonomicheskii aspekt),” in: *Sbornik materialov nauchnoy konferentsii “Integratsionnye proekty v Evrazii: problemy sotsialno-ekonomicheskogo razvitiia,*” Almaty, 2016, p. 69.

power in Tajikistan.”¹² Kubat Rakhimov, economist and expert in infrastructural development of Kyrgyzstan, has written: “The local elites cannot grasp the fact that economy does not serve the railway, rather, the railway serves the economy. Any railway is a part of the infrastructure; a branch that produces nothing, yet may strongly affect territorial development.”¹³ This “failure to grasp” explains why the Kyrgyz elite is actively lobbying the project of a railway from China to Uzbekistan via Kyrgyzstan that may, according to Rakhimov, divide the country into two loosely connected parts.

Today, Chinese financial institutions have already extended financial support of the projects in Kazakhstan to the total sum of over \$50 billion,¹⁴ which is a lot. At the same time the issues of economic and financial cooperation received much less attention (3rd place) than infrastructural development and political interaction. Indeed, only 35% of the polled agreed that SREB would simplify the investment and trade procedure, promote a basic network of free trade zones and consolidate economic ties. One out of four experts (24%) believed that the Silk Road Economic Belt would encourage free yet organized movement of means of production.

The above figures mean that the experts doubted the economic value of the project for the Republic of Kazakhstan and were concerned about the implementation of the Chinese economic projects in Kazakhstan (“*the program is designed to consolidate the PRC’s positions in the region and its economic colonization*”). The majority of the polled were convinced that China had its own ideas about the project and was persistently promoting it (“*SREB will ensure China’s security and economic flourishing*”). This means that China is interested in the transit potential of Kazakhstan and its resources; this makes it abundantly clear that because of the active implementation of Chinese projects “*China will do away with all modernization and diversification projects in Kazakhstan.*” Indeed, SREB’s future will completely depend on China’s investment potential. As the main sponsor, it will not be interested in what Kazakhstan really wants or which tasks it has already formulated if they do not fit the Chinese image of the future.

This has been confirmed by Ekaterina Sadovskaia on the example of the East Kazakhstan Region: “Two versions of the railway’s project’s feasibility study have been proposed, both with a multiplicative effect. The first stipulates for the construction of a Maykapchagay-Zyrianovsk railway. The choice of the terminal is explained by the mineral riches of the Zyrianovsk, Kurchum and Katon-Karagay regions that remain undeveloped because of the absence of transportation lines and roads. The Zaysan District is rich in shale (about 4 billion tons) which is a good source of energy that remains undeveloped because of high production costs. A railway will open access to all the resources.”¹⁵ The author says nothing about who will gain access, yet it is obvious that it presumably is China, since the railway will be extended to the Chinese border. The author was probably correct when she wrote that “the railway will give an impetus to the development of these areas of EKR.”¹⁶ At the same time it seems highly important that this and other regional projects were substantiated and well-balanced in all respects in view of the risks of “resource development.” The well-known practices of economic activities of companies with Chinese participation (for example, buying raw materials and products only from “their own” companies, pernicious exploitation of land, removal of all types of resources, such as timber and metals, to China) stir up no optimism among Kazakhstan experts.

¹² See: S.K. Olimova, “Sopriazhenie EAES i proekta Shelkovogo poiasa: budushchee dlia Tadzshikistana,” in: *Sbornik materialov nauchnoy konferentsii “Integratsionnye proekty v Evrazii: problemy sotsialno-ekonomicheskogo razvitiia”*, p. 81.

¹³ K. Rakhimov, “Stroitelstvo ‘koridora razvitiia’ Chui-Ferghana—istoricheskii shans dlia biznesa v Kirghizii: Kubat Rakhimov,” Interview to the Regnum agency, 23 May, 2012.

¹⁴ See: Zhang Xiao, op. cit.

¹⁵ E.Iu. Sadovskaia, *Kitayskaia migratsia v Respubliku Kazakhstan: traditsii Shelkovogo puti i novye vektory sotrudnichestva*, Raritet, Almaty, 2014, p. 149.

¹⁶ Ibid., p. 150.

The expert community of Kazakhstan is very skeptical about the prospect of a better understanding between peoples (“closer ties between peoples”); only 12% of experts believe that SREB will broaden humanitarian exchanges and contribute to the mutual cultural enrichment and only 6% expect that it will promote cultural exchanges and contacts between different civilizations and peace on Earth.

Academics and experts in Kazakhstan have not yet reached an agreement on China’s soft power: some believe that it is fairly developed, while others insist that it is being formed. During the poll some of the experts insisted that “*China has not yet learned how to create soft power instruments, let alone use them*” and doubted that cultural and humanitarian priorities can be achieved. Konstantin Syroezhkin, on the other hand, believes that “China is known to use its soft power (*ruan shili*) as an instrument of its foreign policy.”¹⁷ Widely different opinions are rooted in the inadequate understanding of Chinese-style soft power. “Harmony” or “social harmony” is one of its elements that Syroezhkin interprets as the desire to minimize the damage created by the relationships between people, society and the environment, and between states.

According to political scientist Aydar Amrebaev, “in the context of philosophy, the Chinese dream means promoting harmony based on the Confucian idea of attaining harmony first within oneself, then in the family and society; today it includes the promotion of harmony outside China. Put in a different way, this is the task of ‘civilizing’ the world, making it more global and more universal in the Chinese sense of the word.”¹⁸ The author has pointed out that the content of the Chinese soft power concept and the operating style of the Chinese think tanks expected to enrich it are changing to a great extent: they modernize and optimize this concept to catch up with the expansion of the country’s impact on the global scale.

Here is what the Chinese side has to say. According to the assessments of Zhang Xiao, Ambassador of the PRC to the Republic of Kazakhstan, “in recent years the interest in the studies of Chinese has reached its highest in Kazakhstan in the same way as the interest in Kazakhstan has become one of the permanent features of Chinese life. Today five Institutes of Confucius are launching courses of the Chinese language in Kazakhstan, while five Kazakhstan’s cultural-and-language centers of Kazakhstan (the biggest number among the Central Asian countries) have found their place in China. Today, about 14,000 students from Kazakhstan are studying in China and about 1,400 Chinese students—in Kazakhstan. Last June, during his third state visit to Kazakhstan, Chairman Xi Jinping responded to the request of Kazakhstan with a promise to add 200 state grants for the students from Kazakhstan in the next five years.”¹⁹ The ambassador did not, however, specify which side of Kazakhstan stirred up an interest that “has become one of the permanent features of Chinese life.”

By inviting to develop cooperation in the humanitarian sphere China means, first and foremost, all types of activities—exchanges, teaching, meetings and cultural centers—without discussing the content of such cooperation, at best it is vaguely formulated. So far, China offers studies of the Chinese language and Chinese (ethnic) traditional culture, something that does not necessarily attract people of other cultures.

The results of the poll helped us identify the following hierarchy of prospects offered to Kazakhstan: infrastructural development at the top, followed by deeper political trust, economic, financial and investment cooperation at the lower levels and humanitarian cooperation at the bottom.

¹⁷ K.L. Syroezhkin, *Nuzhno li Kazakhstanu boiatsia Kitaia: mify i fobii dvustoronnikh otnosheniy*, Astana, Almaty, 2014, p. 121.

¹⁸ A.M. Amrebaev, “Mozgovye tresty Kitaia obnovliaiutsia,” available at [http://www.exclusive.kz/expertiza/politika/115532/?fbclid=IwAR10wgDNajbrBZFUWrf3r2b_J-k6qGwimgmr3CszX1dndGcr5RLNglqplI, 24.01.2019], 28 January, 2019.

¹⁹ Zhang Xiao, op. cit.

It is highly interesting to compare the hierarchy of Kazakhstan’s SREB priorities with the priorities set by the Chinese side. In his article devoted to the fifth anniversary of realization of the Belt and Road initiative, Zhang Xiao has identified the “five connecting elements” that bring together the Belt and Road initiative and the Nurlı Zhol New Economic Policy.²⁰

- First of all, deeper political coordination; connectivity of development strategies;
- second, promotion of barrier-free trade, optimization of the trade and economic structure;
- third, acceleration of building integrated infrastructure, creation of logistic networks;
- fourth, encouraging money flows, joint counteraction of financial risks;
- fifth, moving people’s hopes closer and promoting friendship in consecutive generations.

Table 1

**The Hierarchy of Realization of the SREB Initiative:
Kazakh and Chinese Approaches**

SREB Prospects (Expert Poll in Kazakhstan)	SREB: Connecting Elements (Chinese Position, 2018)
Infrastructural development	Deeper political coordination
Consolidation of political confidence	Optimized trade and economic structure
Economic cooperation	Accelerated infrastructural interconnections, logistic network setup
Cooperation in the financial and investment sphere	Promoted currency circulation and joint counteraction of financial risks
Humanitarian cooperation	Moving people’s hopes closer and promoting friendship in consecutive generations

The above clearly demonstrates how the ideas of Kazakhstan experts about SREB priorities differ from China’s official position on the same issue. The term “interest” was and remains the key one for both sides that intend to meet their national interests in the course of SREB realization. It remains to establish the degree to which both sides comprehend these interests and take them into account.

Kazakhstan experts point to the fact that the interests of their country are underestimated in the projects implemented as component parts of the SREB initiative. It should be said, however, that “*SREB is not a charity project,*” and that China, which is pouring huge amounts of money into it, is determined to achieve very specific economic gains for itself at any price, including bribes. This means that Kazakhstan should assess all prospects from the point of view of its national interests, while the society should control the process.

China, in turn, demonstrates flexibility when formulating priorities and realizing the initiative. In 2013, for example, Chairman Xi Jinping had described infrastructural development as one of the top priorities; five years later it slid to the third place in the list of priorities. It is difficult to understand whether the priorities were changed because the 5-year stage had been completed or it was a response to the changed regional context. The experts assert that this is another argument in favor of “*much closer studies of the decision-making mechanism in China and the reasons for which projects are*

²⁰ See: Zhang Xiao, *op. cit.*

suggested in the first place. The experience of other countries and regions that attract Chinese investments is worth closer attention.

Economics or Politics?

The polled experts described the SREB initiative as the Chinese “ideological product” designed for external and internal consumption “*with no specific financial and time limits.*” Deprived of any specific content, the SREB project (“*the projects implemented and planned within SREB are vaguely formulated*”) tolerates any definition.

The project is useful for Kazakhstan’s economy, primarily because it inspires economic growth, creates new jobs and increases budget proceeds. This means that “*the cultural dialogue between civilizations should be left for high-flown statements.*” In the face of what looks as Chinese expansion and challenge to national identity to certain parts of Kazakhstan society, Kazakhstan will hardly appreciate the declared “*abstract gains*” of the humanitarian nature.

To what extent can this axiological concept be accepted by the countries within the SREB initiative (Kazakhstan, in particular), which are absorbing the values of Western democracy: individualism, freedom and the rights of man? It should be said that the polled experts were negatively impressed by the fact that the rhetoric that accompanied the project “replaces the course for liberal democratic values and reforms with myths about economic wellbeing through infrastructural projects.”

They deemed it necessary to point out that China that lacks information openness was not ready for civilizational approaches and contacts. Its treatment of national minorities in the XUAR and the policy of acculturation and assimilation are not quite understandable and have not yet been adequately explained. This creates a negative background for its economic projects in Central Asia: “*So far, China cannot be open or it can be open on its own conditions, and this interferes with exchange and contacts between different civilizations*” and does nothing good to “*the planet’s peaceful development.*”

Conclusion

All in all, the polled experts pointed out that the opaque nature of the SREB initiative “*makes its prospects vague; the initiative is not transparent enough economically and lacks clear arguments in favor of future advantages of transit, future changes in infrastructure, etc.*” This means that a high-quality and objective analysis of trends and scales of bilateral cooperation within the SREB initiative will remain impossible as long as information remains one-sided and the fundamental studies of the subject are absent.

THE CENTRAL CAUCASO-ASIAN COUNTRIES AND THE PROSPECTS OF ACCESSION TO THE EURASIAN ECONOMIC UNION

Vladimer PAPAUA

*D.Sc. (Econ.), Full Member of the Georgian National Academy of Sciences,
Professor at the Ivane Javakhishvili Tbilisi State University
(Tbilisi, Georgia)*

ABSTRACT

This article considers the possible enlargement of the Eurasian Economic Union (EAEU) through the accession of post-Soviet countries that form the geopolitical region of Central Caucasio-Asia. Three countries of that region—Armenia, Kazakhstan, and Kyrgyzstan—are already members of the EAEU. The possible accession of the other Central Caucasio-Asian countries—Azerbaijan, Georgia, Tajikistan, Turkmenistan, and Uzbekistan—remains an open question. In search of an answer, the author analyzes the main features of Central Caucasio-Asia as a region and examines the basic economic mechanism of EAEU integration, based on a redistribution of customs revenue from the export of Russia's hydrocarbon resources in favor of the other Union countries. The sanctions against Russia imposed by the United States and other countries, as well as the counter-sanctions imposed by Moscow in response to them, significantly complicate the functioning of the EAEU as a regional economic association, thus considerably reducing its attractiveness to countries that can be regarded as potential members of this Union in the foreseeable future. At the same time, for Central Cauca-

so-Asian countries that have hydrocarbon resources of their own (Azerbaijan, Turkmenistan, and Uzbekistan), the economic mechanism for redistributing customs revenue from Russian hydrocarbon exports at work in the EAEU may prove to be entirely insufficient to induce them to join the Union. The remaining countries of Central Caucasio-Asia (Georgia and Tajikistan) differ markedly in their attitude to possible EAEU membership.

For Georgia, its European orientation is a matter of principle. Today, it is underpinned by the EU-Georgia Association Agreement (signed in 2014 and effective since 2016), which includes, as an integral part, an agreement establishing a Deep and Comprehensive Free Trade Area (DCFTA). For Tajikistan, there are no fundamental obstacles to possible EAEU membership, although Western sanctions against Russia and Russian counter-sanctions, all other things being equal, may be seen by Dushanbe as something of a barrier to EAEU accession. At the same time, of all the Central Caucasio-Asian countries that are not members of the EAEU, Tajikistan is the most likely one to join the Union.

KEYWORDS: *Central Caucasio-Asia, Central Caucasus, Central Asia, Eurasian Economic Union, hydrocarbon resources.*

Introduction

The Russia-Kazakhstan regional project known as the Eurasian Economic Union (EAEU) has been functioning since 1 January, 2015. Belarus, Kazakhstan, and Russia are its founding members. Armenia joined the Union on 2 January, 2015, and Kyrgyzstan, on 12 August. Initially, the idea that it would make sense to create such a union was suggested by President Nursultan Nazarbayev of Kazakhstan in 1994.¹

The development of the EAEU implies more intensive integration,² primarily through an improvement of the legal framework.³

Three of the five EAEU member countries—Armenia, Kazakhstan, and Kyrgyzstan—are part of the geopolitical region of Central Caucaso-Asia.⁴

The purpose of this article is to explore the principal, primarily geo-economic,⁵ opportunities for expanding the EAEU by attracting new members from among the Central Caucaso-Asian countries.

In order to present a more or less realistic picture of the prospects of integration of the Central Caucaso-Asian countries into the EAEU, it is necessary to give a brief geopolitical description of this region (Central Caucaso-Asia) and discuss the main economic mechanism that underlies the Union.

The Geopolitical Nature of Central Caucaso-Asia

The question about the advisability of identifying Central Caucaso-Asia as a distinct geopolitical region is particularly relevant in the context of Central Eurasia.⁶

Geographic Central Eurasia as the central region of the Eurasian continent almost entirely covers geographic Central Asia,⁷ but not Central Europe. Logic suggests that since geographic Eurasia as a continent consists of two parts (Europe and Asia), geographic Central Eurasia should naturally include both Central Europe and Central Asia, as well as the Central Caucasus that connects them.⁸ The most widespread definition of Central Eurasia differs fundamentally from this rationale and is

¹ See, for example: Zh. Alpysbaeva, “Nursultan Nazarbayev: ot idei evraziiskogo soiuza k perspektivam evraziiskoi integratsii,” zakon.kz, 30 May, 2014, available at [<https://www.zakon.kz/4628189-nursultan-nazarbaev-ot-idei.html>], 1 March, 2019.

² See: L.M. Grigoriev, V.V. Brilliantova, V.A. Pavliushina, “Evraziiskii ekonomicheskii soiuz: uspekhi i vyzovy integratsii,” *Mir novoi ekonomiki*, No. 3, 2018, pp. 6-19.

³ See: N.E. Kotova, “Evraziiskii ekonomicheskii soiuz: sovershenstvovanie normativno-pravovoi bazy,” *Vestnik Finansovogo universiteta*, No. 5, 2016, pp. 126-132, available at [<https://financetp.fa.ru/jour/article/view/294/221>], 1 March, 2019.

⁴ The geopolitical region of Central Caucaso-Asia (Central Caucasia) includes the following countries: Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan (see: V. Papava, “‘Central Caucasia’ instead of ‘Central Eurasia,’” *Central Asia and the Caucasus*, No. 2 (50), 2008, pp. 30-42).

⁵ See, for example: G. Kvinikadze, “Conceptualization of Geo-Economic Threats in Small Countries with Transition Economies,” *Economic and Regional Studies*, Vol. 10, No. 3, 2017, pp. 42-52.

⁶ See: V. Papava, “Central Caucaso-Asia: Toward a Redefinition of Post-Soviet Central Eurasia,” *Azerbaijan in the World*, The Electronic Publication of Azerbaijan Diplomatic Academy, Vol. 1, No. 17, 1 October, 2008, available at [http://biweekly.ada.edu.az/vol_1_no_17/Toward_a_redefinition_of_post-Soviet_Central_Eurasia.htm], 1 March, 2019.

⁷ Conceptual and terminological issues related to Central Asia are discussed in: S.M. Gorshenina, *Izobretenie kontsepta Srednei/Centralnoi Azii. Mezhdru naukoii i geopolitikoi*, Central Asia Studies Program, The George Washington University, Washington, 2019, available at [<http://centralasiaprogram.org/wp-content/uploads/2019/02/svetlana-gorshenina.pdf>], 1 March, 2019.

⁸ See: E. Ismailov, V. Papava, *Rethinking Central Eurasia*, Johns Hopkins University-SAIS, Washington, D.C.; Institute for Security and Development Policy, Stockholm, 2010, pp. 8-20, available at [http://www.silkroadstudies.org/resources/pdf/Monographs/2010_MONO_Ismailov-Papava_Rethinking-Central-Eurasia.pdf], 1 March, 2019.

fully in line with the tradition formulated by the Russian Eurasianists, according to which Russia is not only part of that region, but should also have a dominant place in it.⁹

In the post-Soviet period, researchers have tended to consider the problems of the Central Caucasian countries¹⁰ (Azerbaijan, Armenia, and Georgia)¹¹ together with those of the Central Asian countries (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan).¹² In contrast to the Eurasian concept, the region that consists of these eight countries is usually also called Central Eurasia.¹³ As noted above, Russian specialists, based on Russia's interests, not only place Russia among the above eight countries of the region, but also believe that Russia is the country that unites the Central Eurasian region. This is not surprising because Eurasianism as an ideology is a manifestation of outright anti-Westernism.¹⁴

That approach to defining Central Eurasia is based on an imperial geopolitical vision of the region, in contrast to the newly proposed geopolitical approach based on democratic principles.¹⁵ This approach has provided a basis for rethinking Central Eurasia. In particular, considering that the above eight countries form two sub-regions (the Central Caucasus and Central Asia), the larger region that includes both sub-regions was called *Central Caucaso-Asia*, or *Central Caucasasia*.¹⁶ The new construct preserves the word "Central" as a determinant of both sub-regions, while the new term "Caucaso-Asia" (in Russian *Kavkazia*) is derived from two words: "Caucasus" and "Asia".

Central Caucaso-Asia as a region is not integrated, primarily because it has no political or cultural homogeneity.¹⁷ However, its component countries have much in common, which is why it makes sense to regard them as a single region.¹⁸

⁹ See: L. Gumilev, *Ritmy Evrazii: epokhi tsivilizatsii*, AST, Moscow, 2007; A. Dugin, *Osnovy geopolitiki. Geopolitiches-koe budushchee Rossii*, Arktogeia, Moscow, 1997; idem, *Evraziiskaia missiia Nursultana Nazarbayeva*, Evraziia, St. Petersburg, 2004; idem, *Proekt "Evraziia"*, Eksmo, Iauza, Moscow, 2004; N. Trubetskoi, *Nasledie Chingiskhana*, Eksmo, Moscow, 2007.

¹⁰ See: E. Ismailov, V. Papava, "A New Concept for the Caucasus," *Southeast European and Black Sea Studies*, Vol. 8, No. 3, 2008, pp. 283-298.

¹¹ See, for example: K.S. Gadzhiev, *Geopolitika Kavkaza*, Mezhdunarodnye otnosheniia, Moscow, 2003; V. Cheterian, *War and Peace in the Caucasus: Ethnic Conflict and the New Geopolitics*, Columbia University Press, New York, 2008; E. Herzig, *The New Caucasus: Armenia, Azerbaijan and Georgia*, The Royal Institute of International Affairs, London, 1999; E. Ismailov, V. Papava, *The Central Caucasus: Essays on Geopolitical Economy*, CA&CC Press, Stockholm, 2006; E. Nuriyev, *The South Caucasus at the Crossroads: Conflicts, Caspian Oil and Great Power Politics*, LIT Verlag, Berlin, 2007.

¹² See, for example: *Crossroads and Conflict: Security and Foreign Policy in the Caucasus and Central Asia*, ed. by G.K. Bertsch, C. Craft, S.A. Jones, M. Beck, Routledge, New York, 2000; *Faultlines of Conflict in Central Asia and the South Caucasus: Implications for the U.S. Army*, ed. by O. Olikier, T.S. Szayna, RAND, Santa Monica, 2003; *The OSCE and the Multiple Challenges of Transition. The Caucasus and Central Asia*, ed. by F. Sabahi, D. Warner, Ashgate, Aldershot, 2004.

¹³ See, for example: M.P. Amineh, H. Houweling, "Introduction: The Crisis in IR-Theory: Towards a Critical Geopolitics Approach," in: *Central Eurasia in Global Politics: Conflict, Security and Development*, ed. by M.P. Amineh, H. Houweling, Brill, Leiden, 2005, pp. 2-3; C. Fairbanks, C.R. Nelson, S.F. Starr, K. Weisbrode, *Strategic Assessment of Central Eurasia*, The Atlantic Council of the United States, Central Asia — Caucasus Institute, Johns Hopkins University, Washington, D.C., 2001, p. vii; K. Meyer, *The Dust of Empire: The Race for Supremacy in the Asian Heartland*, Abacus, London, 2004, p. 206; G. Xuetaang, "The Energy Security in Central Eurasia: The Geopolitical Implications to China's Energy Strategy," *China and Eurasia Forum Quarterly*, Vol. 4, No. 4, 2006, p. 117.

¹⁴ See: V. Papava, "The Eurasianism of Russian Anti-Westernism and the Concept of 'Central Caucaso-Asia'," *Russian Politics and Law*, Vol. 51, No. 6, 2013, pp. 45-86.

¹⁵ See: V. Papava, "Central Caucaso-Asia: From Imperial to Democratic Geopolitics," *Bulletin of the Georgian National Academy of Sciences*, Vol. 4, No. 1, 2010, pp. 183-187.

¹⁶ See: V. Papava, "Eurasia Versus Central Caucaso-Asia: On the Geopolitics of Central Caucaso-Asia," *CICERO Foundation Great Debate Paper*, No. 09/8, December 2009, available at [http://www.cicerofoundation.org/lectures/Vladimer_Papava_On_the_Geopolitics_of_Central_Caucaso_Asia.pdf], 1 March, 2019.

¹⁷ See: K. Weisbrode, *Central Eurasia: Prize or Quicksand? Contenting Views of Instability in Karabakh, Ferghana and Afghanistan*, The International Institute for Strategic Studies, Adelphi Paper 338, Oxford University Press, New York, 2001.

¹⁸ See: E. Ismailov, M. Esenov, "Central Eurasia in the New Geopolitical and Geo-Economic Dimensions," in: *Central Eurasia 2005 (Analytical Annual)*, CA&CC Press, Stockholm, 2005; N. Muzaffarli (Imanov), *Reiting Azerbaidzhana v mezhdunarodnykh sravnitelnykh issledovaniakh*, Kavkaz Publishers, Baku, 2006.

After the breakup of the Soviet Union, all the countries of Central Caucaso-Asia began their new life under more or less identical conditions. For example, they lacked the necessary state institutions, and the level of political culture was quite low; moreover, all of them were faced with the problem of transition from a command economy to a market economy. At the same time, Central Caucaso-Asia has several conflict sub-regions in its territory,¹⁹ something that interferes, to varying degrees, with economic progress in some of the countries and prevents the region from realizing its potential. It should be emphasized that Russia is involved, politically and militarily, in virtually all conflicts in the post-Soviet space.²⁰

A circumstance that deserves particular attention is that large hydrocarbon reserves are one of the main specific features of Central Caucaso-Asia,²¹ which at least makes it an attractive investment destination.²² Attempts by global or regional states to gain political influence in the region are equally important and are quite natural, considering that the foreign policy of these states is usually integrated with their energy policy.²³

Let us note that in the Central Caucaso-Asian countries, except Kazakhstan, there is an inverse relationship between market reforms and natural hydrocarbon resources: the availability of such resources hinders reform, because these countries have sufficient funds to avoid borrowing from international financial institutions, which make loans conditional on the implementation of market reforms.²⁴ One should also recognize the fact that the economy in the Central Caucaso-Asian countries is, unfortunately, over-politicized.²⁵

The Main Economic Mechanism of the EAEU and the Possibilities of Its Enlargement to Include Central Caucaso-Asian Countries

As noted above, three of the eight Central Caucaso-Asian countries are members of the EAEU.

It should be emphasized that the establishment of the EAEU was seen by many politicians and experts as a victory of the Eurasianist ideology in Russia.

¹⁹ See, for example: K. Weisbrode, op. cit.

²⁰ See: T.W. Simons, Jr., *Eurasia's New Frontiers: Young States, Old Societies, Open Futures*, Cornell University Press, Ithaca, 2008, p. 47.

²¹ See, for example: I. Aliev, "Kaspiiskaia neft Azerbaidzhana," *Izvestia*, Moscow, 2003; B.A. Gelb, "Caspian Oil and Gas: Production and Prospects," *Current Politics and Economics of the Caucasus Region*, Vol. 1, No. 2/3, 2008; B.A. Gelb, T.R. Twyman, *The Caspian Sea Region and Energy Resources*, Novinka Books, New York, 2004.

²² See, for example: S.F. Starr, "The Investment Climate in Central Asia and the Caucasus," in: *Russian-Eurasian Renaissance? U.S. Trade and Investment in Russia and Eurasia*, ed. by J.H. Kalicki, E.K. Lawson, Woodrow Wilson Center Press, Washington, D.C., 2003.

²³ See, for example: *Energy and Security: Toward a New Foreign Policy Strategy*, ed. by J. Kalicki, D.L. Goldwyn, Woodrow Wilson Center Press, Washington, D.C., 2005; F. Hill, *Energy Empire: Oil, Gas and Russia's Revival*, The Foreign Policy Centre, London, 2004, available at [<https://www.brookings.edu/wp-content/uploads/2016/06/20040930.pdf>], 1 March, 2019; E. Rakel, "Paradigms of Iranian Policy in Central Eurasia and Beyond," in: *Central Eurasia in Global Politics: Conflict, Security and Development*, ed. by M.P. Amineh, H. Houweling, Brill, Leiden, 2005.

²⁴ See: A. Åslund, "Eventual Success of Market Reform," in: *Russian-Eurasian Renaissance? U.S. Trade and Investment in Russia and Eurasia*.

²⁵ See: T.W. Simons, Jr., op. cit., p. 7.

The economic model of Eurasianism is based on ideocracy, or the domination of certain ideological principles in social and political life. For Eurasianists, the market and private property are a pragmatically acceptable and pragmatically useful realm, on the basis of which they recognize “society with a market” instead of a “market economy.” The Eurasianists’ main objective is to maintain and develop all economic systems that reflect the cultural and historical paths of the peoples living in a single Eurasian state. Eurasianists believe that the “principle of ownership” is less important than the “principle of possession,” according to which the owner should be socially responsible and should work for the public welfare. In other words, the owner should be responsible to society and the state for the use of his/her property. The state, in turn, should promote national enterprise, follow a paternalistic policy, and use tariff and non-tariff protection mechanisms.²⁶

Considering some characteristics of the economic model of Eurasianism (such as “society with a market” or state ownership as a guarantee for achieving public welfare), the economy of Belarus, given the country’s governance regime, comes closest to this model. As for Armenia and Kazakhstan, they have already carried out more or less successful market reforms, while in Kyrgyzstan and Russia such reforms were quite successful only at the initial stage of the post-Soviet era.

As regards the EAEU model, in fact it differs fundamentally from the economic views of the Eurasianists.²⁷

The main economic interest that drives the integration process in the EAEU is based on the existence of a mechanism for redistributing oil and gas revenues.²⁸ Specifically, the Eurasian Economic Union is simultaneously a customs union, so that exports within the Union are duty-free. As a result, the price of a given commodity is reduced by the amount of export duty compared to the world price. Export duties are levied only when commodities cross the borders of the EAEU, which is why part of the revenue (resource rent) due to Russia is redistributed in favor of the other member countries. Since oil and gas are Russia’s main export product, the redistribution of revenue from these commodities is the key integration mechanism in the EAEU.

Obviously, this integration mechanism is economically unprofitable for Russia, but it is the mechanism that allows Moscow to pursue its imperial ambition of reviving the Soviet Union in a modernized form. Such an attitude to the EAEU on the part of Moscow follows directly from the approach according to which Russia has shifted its focus from promoting economic development to consolidating its geopolitical power through the use of energy resources.²⁹

Considering that at the present stage world energy prices show a clear downward trend, the effectiveness of the revenue redistribution mechanism outlined above declines as well.

Since the spring of 2014, the United States and other countries have imposed economic sanctions on Russia because of the incorporation of Crimea into Russia and the armed conflict in eastern Ukraine. Since August 2014, Moscow has responded with so-called counter-sanctions.

The sanctions imposed on Russia do not apply to other member countries of the EAEU, which is why the latter have not joined the Russian counter-sanctions. As a result, goods banned for import

²⁶ See: A. Dugin, *Proekt “Evraziia”*.

²⁷ See: M. Laruelle, “Eurasia, Eurasianism, Eurasian Union: Terminological Gaps and Overlaps,” *PONARS Eurasia Policy Memo*, No. 366, July 2015, available at [http://www.ponarseurasia.org/sites/default/files/policy-memos-pdf/Pepm366_Laruelle_July2015.pdf], 1 March, 2019; V. Papava, “Economic Models of Eurasianism and the Eurasian Union: Why the Future is Not Optimistic,” *The Central Asia-Caucasus Analyst*, 29 October, 2015, available at [<http://cacianalyst.org/publications/analytical-articles/item/13296>], 1 March, 2019.

²⁸ See: A. Knobel, “Evraziiskii ekonomicheskii soiuz: perspektivy razvitiia i vozmozhnye prepiatstviia,” *Voprosy ekonomiki*, No. 3, 2015, pp. 87-108.

²⁹ See: H. Appel, V. Gelman, “Revising Russia’s Economic Model: The Shift from Development to Geopolitics,” *PONARS Eurasia Policy Memo*, No. 397, November 2015, available at [http://www.ponarseurasia.org/sites/default/files/policy-memos-pdf/Pepm397_Appel-Gelman_Nov2015.pdf], 1 March, 2019.

into Russia enter the Russian market from these countries. This situation is fundamentally in conflict with the principle of integrity of the EAEU's common customs territory.

Because of its political ambitions, Moscow is obviously unlikely to lift its counter-sanctions before the lifting of sanctions against Russia. At the same time, it is just as unlikely that the U.S. and other countries will lift their sanctions, assuming that Russia will not give up Crimea and will continue to provoke armed conflict in eastern Ukraine.

Since it is very likely that in the foreseeable future Moscow will neither give up Crimea nor stop supporting the separatist movement in eastern Ukraine, the future of the Eurasian Economic Union simply cannot be seen as optimistic.³⁰

In this situation, it would be interesting to analyze the possibilities of EAEU enlargement through the accession of other Central Caucaso-Asian countries.

Two of the three Central Caucaso-Asian countries that are members of the Union, Armenia and Kyrgyzstan (just like Belarus, which does not belong to the region of Central Caucaso-Asia), have no hydrocarbon resources of their own. This is why it is very important for them to receive revenue from the export of Russian energy resources. In addition, Armenia's membership in the EAEU is due in large part to the fact that Moscow's support in the confrontation with Azerbaijan and Turkey over Nagorno-Karabakh is vitally important for the republic.³¹

As regards Kyrgyzstan, it is characterized by quite intensive relations with Kazakhstan, its immediate northern neighbor. In the economic context, this is manifested in the fact that even though Kazakhstan is only its third largest trading partner (behind Russia and China), the main flow of goods from Russia to Kyrgyzstan passes through Kazakhstan.³² Since Kazakhstan is not just a member of the EAEU, but also the initiator of its creation, Kyrgyzstan had sufficient reasons (including economic ones) to become a member of the Union.³³

Although Kazakhstan has significant hydrocarbon resources, its interest in moving closer to Russia and particularly in establishing the EAEU, all other things being equal, was due to the large number of ethnic Russians living in the regions of northern Kazakhstan bordering on Russia.³⁴

When looking at the prospects of integration of the remaining Central Caucaso-Asian countries into the EAEU, attention should primarily be paid to those of them that potentially should be more interested, because of the lack of significant hydrocarbon resources of their own, in using the above mechanism for redistribution of revenues from the export of these resources as the Union's main economic integrator. From such a perspective, this economic mechanism should be less attractive to Azerbaijan, Turkmenistan, and Uzbekistan, because these countries themselves are exporters of their own energy resources. At the same time, this reason is rarely mentioned in official statements, where

³⁰ See: V. Papava, "Economic Models of Eurasianism and the Eurasian Union: Why the Future is Not Optimistic."

³¹ See, for example: S.E. Cornell, *Small Nations and Great Powers. A Study of Ethnopolitical Conflict in the Caucasus*, Curzon Press, Surrey, 2001; S.E. Cornell, R.N. McDermott, W. O'Malley, V. Socor, S.F. Starr, *Regional Security in the South Caucasus: The Role of NATO*, Central Asia-Caucasus Institute, SAIS, JHU, Washington, D.C., 2004.

³² See, for example: P. Diatlenko, "Struktura otnoshenii Kazakhstana i Kyrgyzstana v kontekste EAES," *Vneshniaia politika*, 8 July, 2015, available at [<http://foreignpolicy.ru/analyses/struktura-otnosheniy-kazahstana-i-kyrgyzstana-v-kontekste-eaes/>], 1 March, 2019.

³³ See, for example: V.V. Perskaia, "Mesto i rol Kyrgyzstana v razvitiu Evraziiskogo ekonomicheskogo soiuza," *Vestnik Finansovogo universiteta*, No. 6, 2016, pp. 133-139, available at [<https://financetp.fa.ru/jour/article/view/313/240>], 1 March, 2019.

³⁴ Problems of ethnic relations in Kazakhstan are of considerable importance (see, for example: S. Isabaeva, "Mezhetnicheskaiia napriazhennost v Kazakhstane vse-taki sushchestvuet," *Central Asia Monitor*, 2 November, 2015, available at [<http://camonitor.kz/19209-mezhetnicheskaya-napriazhennost-v-kazahstane-vse-taki-suschestvuet.html>], 1 March, 2019; A. Shustov, "Otchuzhdennost rastet...", *Stoletie*, 27 July, 2017, available at [http://www.stoletie.ru/zarubejie/otchuzhdennost_rastet_631.htm], 1 March, 2019.

emphasis is placed on other reasons why Azerbaijan,³⁵ Turkmenistan,³⁶ and Uzbekistan³⁷ openly refrain from joining the EAEU.

Only two of the non-EAEU countries in Central Caucaso-Asia—Georgia and Tajikistan—are poor in hydrocarbon resources.

Georgia made its choice in favor of the West quite a long time ago.³⁸ Its preferences are determined not only by economic factors, but also by opportunities to develop democratic institutions in the country, which is why possible membership of the European Union (EU) is obviously preferable to EAEU membership.³⁹ Georgia's most significant achievement along these lines is its Association Agreement with the EU, signed in 2014 and effective since 2016,⁴⁰ which includes an agreement on a Deep and Comprehensive Free Trade Area (DCFTA) as its integral part.⁴¹

As for Tajikistan, the likelihood of its joining the EAEU,⁴² despite the negative (along with the positive) consequences of such a move,⁴³ is actually high. But although Moscow has openly invited the country to become a member of the Union,⁴⁴ Dushanbe is still in no hurry to make a final decision.⁴⁵

Although Azerbaijan, Turkmenistan, and Uzbekistan have hydrocarbon resources of their own, it is theoretically possible that some of them will have to join the EAEU, particularly for political reasons (as in the case of Kazakhstan), if they are faced with geopolitical or geo-economic problems. However, the likelihood of this happening in the immediate future, especially if the sanctions against Russia remain in place, is quite low.

³⁵ See, for example: G. Godjaev, "Azerbaijan in EAEU: Is It Possible?" *Eurasia Review*, 18 February, 2018, available at [<http://www.eurasiareview.com/18022018-azerbaijan-in-eaeu-is-it-possible-oped/>], 1 March, 2019; L. Tariverdieva, "Azerbaijan v EAES: kogo pugaet takaia perspektiva?" *Day.Az*, 12 October, 2017, available at [<https://news.day.az/politics/940642.html>], 1 March, 2019.

³⁶ See, for example: "Turkmeniia schitaet Rossiyu partnerom, no v EAES vstupat ne budet," RIA Novosti, 14 July, 2014, available at [<https://ria.ru/20140714/1015832476.html>], 1 March, 2019; V. Tarasova, "Turkmenistan ne budet chlenom Evraziiskogo soiuza," *Masterforex*, 14 July, 2014, available at [<http://www.profi-forex.org/novosti-mira/novosti-sng/turkmenistan/entry1008218148.html>], 1 March, 2019.

³⁷ See, for example: A. Zhanuzakov, "Uzbekistan i EAES: vstuplenie isklucheno, no torgovat možno," 365 Info, 10 August, 2017, available at [<https://365info.kz/2017/08/uzbekistan-i-eaes-vstuplenie-isklyucheno-no-torgovat-mozhno-ekspert/>], 1 March, 2019; P. Vorobyev, "Uzbekistan v blizhaishee vremia ne budet vstupat v Evraziiskii soiuз," *Evraziiskie issledovaniia*, 12 February, 2018, available at [<http://eurasian-studies.org/archives/7082>], 1 March, 2019.

³⁸ See, for example: A. Rondeli, "The Choice of Independent Georgia," in: *The Security of the Caspian Sea Region*, ed. by G. Chufirin, Oxford University Press, New York, 2001.

³⁹ See: V. Papava, "A Eurasian or a European Future for Post-Soviet Georgia's Economic Development: Which is Better?" *Archives of Business Research*, Vol. 5, No. 1, 2017, pp. 159-170, available at [<http://scholarpublishing.org/index.php/ABR/article/view/2651/1554>], 1 March, 2019.

⁴⁰ See, for example: "Soglashenie ob assotsiatsii Gruzii s ES ofitsialno vstupilo v silu," Sputnik, 1 июля 2016 [<https://sputnik-georgia.ru/politics/20160701/232396228.html>], 1 March, 2019.

⁴¹ See, for example: M. Kakulia, "Georgia's Experiences on Developing Trade and Trade Policy Relations with the European Union," *East European Studies*, No. 5, 2014, pp. 137-160, available at [http://vki.hu/files/download_772.html], 1 March, 2019.

⁴² See: V. Panfilova, "Tadzhikistan sdelaet pervyi shag k EAES," *Dialog tsivilizatsii*, 16 December, 2018, available at [<http://www.dialog.tj/news/tadzhikistan-sdelal-pervyj-shag-k-eaes/>], 1 March, 2019.

⁴³ T.G. Rzaev, E.V. Alexandrova, "Vkhozhdenie Respubliki Tadzhikistan v EAES. Pravovoi analiz," *Gosudarstvennaia sluzhba i kadry*, No. 2, 2018, pp. 150-152; Kh. Khurramov, "Tadzhikistan-EAES: ozhidaniia i opaseniia," *Evraziiskie issledovaniia*, 30 March, 2018, available at [<http://eurasian-studies.org/archives/7494>], 1 March, 2019.

⁴⁴ See, for example: V. Panfilova, "Tadzhikistan zovut v Evraziiskii ekonomicheskii soiuз," *Vestnik Kavkaza*, 23 April, 2018, available at [<http://vestnikavkaza.ru/analytics/Tadzhikistan-zovut-v-EvrAziyskiy-ekonomicheskii-soyuz.html>], 1 March, 2019.

⁴⁵ See, for example: "Ministr: Tadzhikistan vse eshche izuchaet plusy i minusy ot vstupleniia v EAES," Sputnik, 10 August, 2018, available at [<https://tj.sputniknews.ru/economy/20180810/1026413934/tajikistan-eaes-vstuplenie.html>], 1 March, 2019.

Conclusion

The geopolitical region of Central Caucaso-Asia, which includes eight countries (Azerbaijan, Armenia, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan), is not integrated as it has no political or cultural homogeneity. However, these countries have much in common, primarily because they were part of the U.S.S.R. for several decades, which is why it makes sense to regard them as a single region. An important role here is also played by the interest shown in this post-Soviet region by both global and regional geopolitical “players.”

At the same time, the geopolitical context of Central Caucaso-Asia differs fundamentally from the generally accepted imperial approach to Central Eurasia.

The establishment of the EAEU was seen by many politicians and experts as an implementation of the ideas of Russian Eurasianism. In fact, the economic model of Eurasianism has nothing to do with the economic model of the EAEU, which is based on the redistribution of customs revenues from the export of Russian hydrocarbon resources in favor of the other Union countries.

Today, three Central Caucaso-Asian countries—Armenia, Kazakhstan, and Kyrgyzstan—are members of the EAEU. A natural question here is whether the Union can be enlarged to include other countries of the region.

Since hydrocarbon resources are the dominant factor in EAEU integration processes, the Union’s enlargement through the accession of Azerbaijan, Turkmenistan, and Uzbekistan, which have their own hydrocarbon resources, is unlikely.

Of the remaining Central Caucaso-Asian countries, Georgia has long opted for closer relations with the EU with a view to integration.

The most likely scenario for the foreseeable future is that EAEU enlargement to include Central Caucaso-Asian countries can only take place with the accession of Tajikistan, although at the present stage Dushanbe is clearly in no hurry to make such a political decision, which is due, other things being equal, to the sanctions imposed on Russia and the counter-sanctions imposed by Moscow in response to these sanctions.

THE BELT AND ROAD INITIATIVE AND CHINA’S FOREIGN POLICY IMAGE

Yerlan MADIYEV

*Ph.D. Candidate, Shanghai Foreign Languages University
(Shanghai, China)*

ABSTRACT

The article discusses the Belt and Road Initiative (BRI) as a discursive intervention within which China in- | tends to create new subjective positions to improve its foreign policy image for the rest of the world. To a great extent, this initiative

can be considered a response to the still persisting negative assessments of China's fast development and its potential impact on the international community.

The paper is based on the analytical categories of Ernesto Laclau and Chantal Mouffe's theory of discourse to demonstrate how discursive strategies used to promote the BRI relate to the "symbolic opposition"

built up on the priority tasks of economic development.

As a result, the Belt and Road discourse relies, to a great extent, not on the definition of what the Chinese initiative is, but on what it is not.

A wide range of texts related to the official and academic discourse in China was utilized.

KEYWORDS: *China, Belt and Road, discourse.*

Introduction

Today, the increased impact of China on the international arena has become one of the most discussed subjects in Central Asia and the rest of the world. Konstantin Syroezhkin has pointed out that "today China leaves no one indifferent: some experts are overenthusiastic about its socioeconomic reforms, while others fear the threats stemming from the country's new role in the world."¹

Pan Chengxin has written in this context that the assessments related to the way China is seen in the West belong to two "bifocal lenses," namely, China as a threat and China as a chance. These images have developed into normative paradigms of sorts that predetermine the nature of questions and answers related to China's successes on the international arena.²

Thus, the international community often sees China within the context of certain expectations of the world power that it is set to become, rather than seeing it as it actually is. As a result, China had become a hostage of its "imagined state" image, within which it is examined from the point of view of future scenarios, rather than the present one.³

Hence the fairly frequent statements that come from the Chinese leaders and the academic community, stating that China should increase its "discourse power" (话语权) to create narratives of its elevation and its repercussions for the rest of the world.

This became one of the priorities of the Communist Party of China in 2012, when Xi Jinping came to power. On 23 October, 2013, in his address at the All-China Working Conference on Propaganda and Ideology, he pointed out that China's discourse power, an indispensable condition of the "realization of the Chinese dream and the great resurgence of the Chinese nation" should be increased.⁴

China's expert community shares an opinion that today the West determines the global discourse and infringes on the rights of the developing countries, China included.⁵ This means that

¹ K. Syroezhkin, "China in Central Asia: From Trade to Strategic Partnership," *Central Asia and the Caucasus*, No. 3 (45), 2007, pp. 40-51.

² See: P. Chengxin, *Knowledge, Desire and Power in Global Politics: Western Representations of China's Rise*, Edward Elgar, Cheltenham, 2012, p. 34.

³ See: S. Breslin, "Still Rising or Risen (or Both)? Why and How China Matters," *The Pacific Review*, Vol. 30, Issue 6, 2017.

⁴ Thesis of Xi Jinping's speech at the All-China Working Conference on Propaganda and Ideology, 23 October, 2013, available at [<http://media.people.com.cn/n/2013/1023/c369229-23303171.html>], 9 January, 2019.

⁵ See: Zhang Zhizhou, "On Certain Theoretical Issues of Forming the International Discourse Power," 27 February, 2017 (张志洲: 国际话语权建设中几大基础性理论问题), available at [<http://www.scio.gov.cn/zhzc/10/Document/1543300/1543300.htm>], 9 January, 2019.

China should consolidate its “right to speak” by being firmly convinced that its values are correct and increase the efficiency of their presentation to the foreign audience.⁶ In the final analysis, discourse power is considered an important attribute of China’s increasing role on the international arena.⁷

This attitude makes the presentation of the BRI a means “of formulating a global agenda” in line with China’s priority of increasing its discourse power.⁸

A more positive interpretation of China’s rise should replace the discursive hegemony on the international arena within which China is perceived as a threat.

This is especially important for the discussion of China’s presence in Central Asia that has caused various phobias. For instance, the 2016 protests in Kazakhstan caused by the changes in the Land Code demonstrated that the narrative about the Chinese threat could affect the sentiments and mobilize the masses. No wonder that Chinese experts write a lot about the negative impact of anti-Chinese sentiments on China’s position in the region.⁹

The BRI: The Context and Motives

Xi Jinping officially presented the initiative during his visit to Kazakhstan in September 2013. Speaking at the Nazarbayev University he called on the Central Asian countries to join forces in building the Silk Road Economic Belt.¹⁰

In October of the same year, during his visit to Indonesia he presented the concept of the 21st Century Maritime Silk Road. The basic notion of both initiatives was to unite China and foreign states in a network of trade and economic corridors.¹¹

In October 2014, the Asian Infrastructure Investment Bank (AIIB) with 21 countries with a founder status was officially established.¹²

In November of the same year Xi Jinping used the forum of Asia-Pacific Economic Cooperation held in Beijing to announce the establishment of the Silk Road Fund for the Belt and Road Initiative was with a \$40 billion-worth potential to be invested in infrastructure projects in Asia.¹³

During the first stage, the revived Silk Road initiative was an abstract concept with no official documents to postulate it. At the same time, the idea of the Silk Road Economic Belt and the Maritime

⁶ See: Hu Zongshan, “On China’s International Discourse Power: Realistic Challenges and Ability’s Enhancement,” *Socialism Studies*, No. 5, 2014 (胡宗山, «中国国际话语权刍议: 现实挑战与能力提升», 社会主义研究, 2014年第5).

⁷ See: Meng Xiangqing, Wang Xiao, “Increasing Discourse Power When Being Involved in Global Governance,” 15 October, 2015 (孟祥青,王啸: 在参与全球治理中提升国际话语权), available at [<http://opinion.people.com.cn/n/2015/1015/c1003-27698965.html>], 9 January, 2019.

⁸ See: Zhao Lei, “The Belt and Road Initiative Demonstrates China’s Increased Discourse Power,” 23 December, 2016 (赵磊: “一带一路”是中国话语权的提升), available at [<http://world.people.com.cn/n1/2016/1223/c1002-28973018.html>], 19 November, 2018; Guan Xueling, “Reform of the System of Global Governance and the Emergence of Belt and Road Discourse,” 1 September, 2018 (关雪凌: 全球治理体系变革与“一带一路”话语权构建), available at [http://ex.cssn.com/zx/201809/t20180901_4553365.shtml], 9 January, 2019.

⁹ See: Sun Zhuangzhi, “Acute Problems in the Sphere of Regional Security in Central Asia and an Analysis of How the Situation Unfolds,” *Herald of the Xinjiang Pedagogical University*, Vol. 32, No. 2, 2011 (孙壮志, 中亚地区安全的热点问题与走势分析, 《新疆师范大学学报》第32卷第2期2011年3月).

¹⁰ See: Xi Jinping’s speech at the Nazarbayev University, 8 September, 2013, available at [http://www.xinhuanet.com/world/2013-09/08/c_117273079_2.htm], 9 January, 2019.

¹¹ See: “Xi in Call for Building of New ‘Maritime Silk Road’,” 4 October, 2013, available at [http://usa.chinadaily.com.cn/china/2013-10/04/content_17008940.htm], 9 January, 2019.

¹² See: The Asian Infrastructure Investment Bank, 16 January, 2016, available at [<http://russian.people.com.cn/n3/2016/0116/c95181-9004994.html>], 9 January, 2019.

¹³ See: Xi Jinping: “China will Allocate \$40 Billion for the Silk Road Fund” (习近平: 中国将出400亿美元成立“丝路基金”), available at [<http://politics.people.com.cn/n/2014/1109/c1001-25998323.html>], 9 January, 2019.

Silk Road promptly became part of China's official foreign policy strategy and stirred up academic discussion both inside and outside the country.

By 2016, the information database (中国知网) included 1,241 articles entitled "The Silk Road Economic Belt" (丝绸之路经济带) and 725 articles on "The Maritime Economic Belt" (海上丝绸之路).

In the absence of clear official statements, the academic community of China interpreted the idea of a revived Silk Route either as an initiative (倡议), a strategy (战略) or a conception (构想).¹⁴

In March 2015, the initiative was finally detailed in the document entitled Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road that formulated the main aims of the BRI, its principles and the mechanisms of its realization.¹⁵

This is, first and foremost, an economic initiative, since the negative repercussions of the financial crisis made the stimulation of global economy an absolute must.

The economic land corridors: China-Central Asia-Russia-the Baltic, China-Central Asia-West Asia-the Persian Gulf and the Mediterranean, China-East Asia-South Asia-the Indian Ocean and maritime corridors South China Sea-the Indian Ocean-Europe and South China Sea-South Pacific serve as the initiative's backbone.

The five already formulated cooperation priorities—political coordination, greater infrastructural interaction, guaranteed free trade and movement of capitals and closer ties between peoples—have been identified as the shortest route towards the final goals. Despite the contradictory assessments (both positive and negative) of the BRI, the discussion concentrated on two "traditional" poles, wherein China was perceived in the context of the potential/threat dichotomy. This explains why outside China the BRI was frequently scrutinized through the prism of "geo-economic" and "geopolitical" factors.¹⁶

Song Ruichen deemed it necessary to point out that in the United States the initiative is interpreted, to a great extent, by the logic of a zero-sum game traditionally applied to China.¹⁷

This explains why from the very beginning China's discursive strategy was unfolding in a very specific context of explanations of what the BRI was not, rather than of what it was. This dynamics reveals what China offers the outside audience, as well as how it defines itself.¹⁸

The Belt and Road Discourse: Prioritizing Economy and Development

Ernesto Laclau and Chantal Mouffe have pointed out that the subjective positions promoted by ideologies or political projects are based on the logic of equivalence and difference, within which

¹⁴ See: Zhao Huirong, "Studies of the Belt and Road Initiative: The Current Situation, Problems and Prospects," *Studies of Russia and Eastern Europe*, No. 2, 2017 (赵会荣, «一带一路» 学术研究的现状、问题与展望», 《俄罗斯东欧中亚研究», 2017年第2期).

¹⁵ [http://www.xinhuanet.com/world/2015-03/28/c_1114793986.htm], 9 January, 2019.

¹⁶ See: Baogang He, "The Domestic Politics of the Belt and Road Initiative and its Implications," *Journal of Contemporary China*, September 2018.

¹⁷ See: Song Ruichen, "Perception of the Belt and Road Initiative in the United States and China's Strategic Initiatives," *International Perspective*, No. 6, 2017 (宋瑞琛, «美国对“一带一路”倡议的认知及中国的策略选择», 《国际展望», 2017年第6期).

¹⁸ See: W. Callahan, "How to Understand China: The Dangers and Opportunities of Being a Rising Power," *Review of International Studies*, Vol. 31, No. 4, 2005.

symbols are arranged along two opposite lines. The dividing line connects the nodal points that add meaning to the system of symbols used in the discourse.¹⁹

China, likewise, is promoting a certain nodal point within the BRI discourse based on the “common development and flourishing” metaphor. It is expected that this “narrative of hope” will create new subjective positions and, therefore, a positive context within which foreign countries will be able to associate their future with China.²⁰

The country proceeds from the primacy of economic development as a task of fundamental importance, the approach smacks of “developer mentality.” It is traditional for the strategic thinking of China’s Communist leaders²¹ that spills over to China’s foreign policy.

This is closely connected with the so-called Chinese development model (中国模式) that relies on the principle of “pragmatism,” which states that the state should proceed from the priorities of economic development and welfare of its people, rather than indulge itself in ideological or political argumentation.²²

These ideas form the part of China’s foreign policy discourse that invariably concentrates on the development and flourishing of all the countries of the world.²³

The BRI central message remains within this tradition: promotion of communal flourishing and economic development.

An accent on pragmatism and economic development creates certain meanings for China’s discursive strategy.

Prioritized economic development presupposes not only a purely pragmatic approach to the external context; it ensures priority of economic over political considerations. The motives behind the BRI belong to the economic sphere dominated by commercial interests and sober-minded approaches, rather than to the geopolitical sphere, which presumes hegemony.

For example, according to Foreign Minister of China Wang Yi, the BRI is a platform of inclusive economic cooperation, rather than China’s geopolitical instrument, which excludes any comparisons with the Marshall Plan.²⁴

The logic of economy requires openness between countries to be translated into the BRI’s open and inclusive nature. The Chinese leaders deem it necessary to point out that economic success is closely connected with the country’s active involvement in international economy and trade and that China is one of the main beneficiaries of globalization. Speaking at the 2015 Boao Forum for Asia, Xi Jinping pointed out that the BRI was not a solo for China, but a symphony played by all countries situated along its route.²⁵

¹⁹ See: E. Laclau, C. Mouffe, *Hegemony and Socialist Strategy: Towards a Radical Democratic Politics*, Verso, London, 1985.

²⁰ See: Ngai-Ling Sum, “The Intertwined Geopolitics and Geo-Economics of Hopes/Fears: China’s Triple Economic Bubbles and the ‘One Belt One Road’ Imaginary,” *Territory, Politics, Governance*, October 2018.

²¹ Bei Cai, “Official Discourse of a ‘Well-off Society’: Constructing an Economic State and Political Legitimacy,” in: *Discourses of Cultural China in the Globalizing Age*, ed. by D. Wu, Hong Kong University Press, 2008; Dingxin Zhao, “The Mandate of Heaven and Performance Legitimation in Historical and Contemporary China,” *American Behavioral Scientist*, Vol. 53, No. 3, 2009.

²² See: S. Breslin, “The ‘China Model’ and the Global Crisis: From Friedrich List to a Chinese Mode of Governance?” *International Affairs*, Vol. 87, No. 6, 2011.

²³ See: “The White Book *China’s Peaceful Development for 2011*” (《中国的和平发展》白皮书2011), available at [<http://politics.people.com.cn/GB/1026/15598619.html>], 9 January, 2019.

²⁴ See: Commentaries to the Speech of the Minister for Foreign Affairs of the PRC at the press conference within the 12th session of The National People’s Congress of the PRC, available at [http://www.xinhuanet.com/world/2015-03/09/c_127561973.htm], 9 January, 2019.

²⁵ See: Xi Jinping’s Speech at the 2015 Boao Forum for Asia, available at [http://www.xinhuanet.com/politics/2015-03/29/c_127632707.htm], 9 January, 2019.

The economic development priority means that the interests of the countries involved are closely intertwined, the idea described in a nutshell by the 我中有你，你中有我 formula, one of the Chinese leaders' favorites, which literary means: You are in me while I am in you.

Very much in line with this logic, the Chinese leaders prefer the terms “universal,” “joint,” “mutually complementary” and “synergy” when talking about the BRI and avoid all terms hinting at “mercantile” interests. China's development is seen as closely connected with the development of other regions, the border zones in the first place.

In fact, the BRI serves as the framework of China's development concept that stems from the successful reforms realized in China, the so-called Chinese solution (中国方案) of global problems, one of the favorite formulas of the Chinese leaders and the Chinese academic community. Infrastructural development is seen as one of the priorities when it comes to global growth.

The road as a symbol is highly important for the Silk Road geopolitical imaginary narrative. From the outset of the Belt and Road Initiative, China has been actively using the symbol of a road as a one of development and flourishing through the reference to the Silk Route of antiquity. On the other hand, the symbol of roads was actively used in the so-called cartographic discourse to create an awareness of closeness between countries. From the very beginning, China has been actively promoting the BRI discourse through the visualization of routes based on maps and other forms of representation. This creation of meanings simplifies reality to create an image equally understandable to politicians, the media, academics, business community and regular people.²⁶

The Silk Road Reborn narrative is of a highly special symbolic importance for the Central Asian countries in the historical context and in the context of the region's transit potential. From the very first days of independence, the leaders of Kazakhstan staked on the country's transit potential as a land bridge between Europe and Asia and a potential driver of the country's economic development.²⁷

This makes the BRI a discursive anchor of sorts that adds very special meanings to the discursive system, within which the logically structured disjointed discursive elements become natural and objective. The BRI relies on this narrative to create its own version of a subjective position for the external world. What is repeatedly said about the unique nature of the BRI is of the key importance when it comes to building up a subjective position.

The BRI Discourse as Symbolic Opposition to the West

The BRI discourse reveals how the above-mentioned “logic of equivalence and difference” is being established, within which all sorts of discursive elements are articulated based on the dominant nodal point that is consistently integrating the gradually growing number of the discursive elements. The gradually stretching meaningful content becomes extremely abstract, which requires a “symbolic Other” in the opposition to which various discursive elements will be articulated.²⁸

In the Chinese discourse, the role of the “symbolic Other” belongs to the United States and the Western liberal order that it represents. This explains why the foreign policy discourse invariably stresses the unique nature of China, its fundamental difference from the West as highly important not

²⁶ See: Ngai-Ling Sum, *op. cit.*

²⁷ See, for example: N. Nazarbayev, *Strategii stanovleniia i razvitiia Kazakhstana kak suverennogo gosudarstva*, RGZhi Daur, Almaty, 1992, p. 45.

²⁸ See: E. Laclau, C. Mouffe, *op. cit.*, p. 125.

only for China's positioning in the world, but also for the never-ending process of production and reproduction of its identity inside the country.²⁹

The fact that at the official level of discourse China never openly opposes any other country and never directly refers to the United States and the West is especially important. References of this sort are concealed in abstract statements, hints or indirect comments.

Indeed, when Xi Jinping says that “the BRI will not develop into a small group that destroys stability” (不会形成破坏稳定的小集团) or deems it necessary to warn against “the growth of populism and isolationism in international relations,” the foreign audience is expected to “fill the meaningful voids.”

This is the process of interpellation of the subjects invited to occupy certain discursive positions through their interpretation on the basis of the existing context.³⁰ It surfaces in other spheres—the media and academic writings in the first place—which creates a certain system of knowledge and symbols that support the dominant nodal point.

This means that within the BRI discourse its elements refer to the nodal point and acquire their meanings from it. Thanks to the BRI, integration becomes “open” and “multisided,” the institutions “inclusive” and “fair” while globalization, “balanced” and “lucrative.” This is opposed to the traditional integration forms and institutions set up in the world dominated by the United States and the West: they are “closed,” “unfair,” “excessively politicized” and “inefficient.”

The BRI in the Chinese Academic Discourse

The above logic is clearly seen in the academic discourse unfolding in China in which various aspects of international relations—cooperation, integration, international institutes, globalization, global governance—acquire their unique meanings.

Integration and Institutions within the BRI

Chinese academics point to the cooperation model, its openness, its theoretical foundation and strategic aims as the unique features of integration within the BRI that determine the very specific “means and methods” of its realization.³¹

Li Xiangyang has noted, for example, that the Trans-Pacific Partnership (TPP) and the BRI are two different and mutually exclusive forms of a regional Free Trade Agreement. While TPP relies on strict standards as a sine qua non of TPP membership, which agrees, to a great extent, with Western philosophy, the BRI as an Eastern open and varied version of economic cooperation oriented towards intertwined development. The author has arrived at a conclusion that the BRI is a social boon that China offers to the world, the developing countries in the first place.³²

²⁹ See: W. Callahan, op. cit.

³⁰ See: N. Fairclough, *Critical Discourse Analysis: The Critical Study of Language*, Longman Group UK Limited, Harlow, 1995, p. 14.

³¹ Huan Xiao, Qin Fangming, “Building the Economic Corridor China-Central Asia-West Asia,” *Reform and Strategy*, No. 2, 2018 (黄晓燕, 秦放鸣, 中国—中亚—西亚经济走廊建设: 基础、挑战与路径, 《改革与战略》, 2018年02期).

³² See: Li Xiangyang, “Comparative Analysis of the Trans-Pacific Partnership and the Belt and Road Initiative,” *World Economics and Politics*, No. 9, 2016 (李向阳, 跨太平洋伙伴关系协定与“一带一路”之比较, 《世界经济与政治》, 2016年第9期).

The World Bank and the Asian Development Bank that function on the basis of the Western liberal order are discussed in the same vein.

This gave Lu Feng reason to conclude that the United States preferred to keep away from the Asian Infrastructure Investment Bank to preserve domination of the Western financial institutions and prevent the restructuring of the global financial system.³³

The Western financial institutions are highly politicized and ideologized: their aid is “rigidly conditioned” by their interference in domestic affairs of the recipient countries. The financial institutions within the BRI, on the other hand, are more egalitarian, fairer and less ideologized.³⁴

Xue Ling and Zhu Mingxia, in their turn, have written that such international institutions as the WTO, WB and the IMF set up in the wake of World War II no longer fit the current realities. They have pointed out, in particular, that the WTO has certain systemic problems, one country-one voice voting system that makes it much harder to reach a consensus being one of them. It concentrates on the traditional form of commodity trade, while ignoring trade in services and the liberalization of the investment regime, labor standards, etc.

The West-dominated integrative structures (such as the Transatlantic Trade and Investment Partnership) are described as “closed, inefficient, outdated models of regional cooperation” that infringe on the interests of the developing countries. As distinct from the approaches practiced in the West, integration within the BRI relies on the principles of openness, inclusiveness and mutually advantageous cooperation through international corridors.³⁵

Zheng Dongchao is of a similar opinion: compared with other financial institutions, the AIIB and the Silk Road Fund are more pragmatic, they rely on innovational forms of governance and standards and are geared towards the requirements of the developing countries.³⁶

Du Debin and Ma Yahua deemed it necessary to point out that the international Bretton Wood institutions were based on the hegemony of the West and power politics, while the BRI relies on peaceful development, openness, tolerance, mutual interest and mutual gains.³⁷

Zhao Lei has paid particular attention to the development of infrastructure; the BRI functions according to the logic of “decentralization” and reproduces the principles of equality, tolerance and “de-polarization” in international relations. This explains why the initiative has been successful and why the global community demonstrates a strong interest, something that has not happened during the preceding attempts to revive the Silk Road made by the U.S., Japan, Russia, Turkey and the EU.³⁸

Globalization, Global Governance and Development

The Chinese academic community is fully aware of the ways in which the Western neo-liberal globalization differs from the more inclusive globalization (包容性全球化) offered by the BRI.

There is an opinion that the neo-liberal form of globalization has done nothing to develop the sizeable group of developing countries, it merely pushed them deeper into poverty and social inequal-

³³ See: Lu Feng, “Harbingers of a Fairer Global Financial System,” 2015, available at [http://usa.chinadaily.com.cn/opinion/2015-04/18/content_20466038.htm], 9 January, 2019.

³⁴ See: Zhao Lei. “Projects Promote Fairness as Supreme Value,” 2015, available at [http://www.chinadaily.com.cn/opinion/2015-04/25/content_20538070.htm], 9 January, 2019.

³⁵ See: Xue Ling, Zhu Mingxia, “Belt and Road Initiative: Possibilities and Challenges,” 2015 (雪凌, 祝明侠: «一带一路»: 机遇与挑战), available at [http://www.qstheory.cn/lqikan/2015-06/27/c_1115741343.htm], 9 January, 2019.

³⁶ See: Zheng Dongchao, “Belt and Road Offers the World Four Social Goods,” 2017 («一带一路»为世界提供四大公共产品), available at [<http://world.people.com.cn/n1/2017/0516/c1002-29279199.html>], 10 January, 2019.

³⁷ See: Du Debin, Ma Yahua, “Belt and Road Offers a New Model of Global Governance,” 2017 (杜德斌, 马亚华: 一带一路——开启全球治理新模式), available at [http://ex.cssn.cn/zxx/201706/t20170601_3535811.shtml], 10 January, 2019.

³⁸ See: Zhao Lei, *op. cit.*

ity. It widened the private sector, expanded market freedom and intensified competition that allowed the global North to develop at the expense of the global South. The resultant imbalance between the North and the South is the main driver of worldwide instability.³⁹

Quan Heng, in turn, has stated that the main problems of contemporary globalization stem from the “structural imbalance and inadequate governance,” which explains why the BRI stimulates the movement of the global economy towards a fairer, more inclusive, mutually advantageous, equal and open development.⁴⁰

Globalization within the BRI does not play down the decisive role of the market; it merely promotes more inclusive development and mutually advantageous cooperation by stressing the importance of infrastructural development that creates new growth points in the developed and developing countries. On the other hand, as an inclusive project, the BRI is open not only to the countries along the Silk Road, but also to all regions of the world. It is founded on respect for all cultures and all political and social systems.⁴¹

This is precisely what Li Yunlong meant when he acknowledged the three main characteristics of globalization promoted by the BRI that distinguish it from the globalization “led by the developed countries of the West.”

- First of all, this is globalization initiated by a non-Western country, which takes into account the interests of all countries along the BRI route.
- Secondly, BRI globalization is geared towards the interests of the developing countries, the interests and requirements of the countries along its route, rather than the interests of outside investors.
- Thirdly, it relies on China’s successful experience of economic reforms that have already demonstrated their efficiency.⁴²

Chi Fulin has written that the BRI offers a new concept of globalization based on the principles of openness, tolerance, reciprocity and equality as opposed to the gradually rising isolationism and protectionism in the West. The author points out that BRI-style integration is highly flexible and relies on differentiated approaches to the countries according to their development level. This means that more advanced countries can be involved in free trade, while less developed are free to liberalize their trade regimes through their involvement in infrastructure projects.⁴³

The subject of globalization is closely connected with two other aspects of international relations, namely, global governance and global development. The BRI is associated with the reforms of the present system of global governance, which has so far been dominated by the developed countries of the West.

Su Ge claims that today the global governance system is confronted by the problems of “three lows” (low growth, low inflation, low demand) and “three highs” (high unemployment, high debts and

³⁹ See: Tian Wenlin, “Belt and Road: The Chinese Concept of Global Development and Several Related Problems,” 2017 (田文林: “一带一路”: 全球发展的中国构想及其难点), available at [http://www.globalview.cn/html/global/info_18348.html], 10 January, 2019.

⁴⁰ See: Quan Heng, “Practical Problems of Economic Globalization and Belt and Road as a New Development Engine,” *Studies of World Economy*, No. 2, 2017 (权衡, 经济全球化的实践困境与“一带一路”建设的新引擎, 《世界经济研究》2017年第12期).

⁴¹ See: Weidong Liu, M. Dunford, “Inclusive Globalization: Unpacking China’s Belt and Road Initiative,” *Area Development and Policy*, Vol. 1, Issue 3, 2017.

⁴² See: Li Yunlong, “Belt and Road: China’s Answer to Globalization,” 2017 (李云龙: “一带一路”: 中国的全球化方案), available at [http://cn.chinagate.cn/news/2017-05/13/content_40805137.htm], 10 January, 2019.

⁴³ See: Chi Fulin, “Belt and Road: Promoting New Economic Globalization,” 2017 (迟福林: “一带一路”: 引领新的经济全球化), available at [<http://theory.people.com.cn/n1/2017/0519/c40531-29286106.html>], 10 January, 2019.

the high level of financial bubbles). In this context, closer attention to infrastructural development within the BRI can push the global governance agenda towards the everyday requirements of the international community.⁴⁴

Gao Qiqi has written that as a bridge between the developed and developing world China tries to reform the global governance system as we know it today through the BRI and the G-20 mechanism. It stimulates free movement of labor, capital, investments and technologies across state borders. This greatly differs from the position of the United States and certain Western countries that promote isolationism and hoists anti-globalist slogans to call on the world to close the borders for migrants and trade.⁴⁵

On the whole, Chinese authors associate the BRI with the movement towards more sustainable global development.⁴⁶ They point out, in particular, that there is a close connection between the BRI priorities and the documents of global development, of which the U.N.-devised Sustainable Development Goals 2030 is one.⁴⁷

In this respect, Ling Jin has pointed out that the greatest amount of economic aid extended by the West and the previous program of global development, namely, The Millennium Development Goals 2000, disregarded the ideas held by the developing and poorer countries development goals and extended their aid according to a donor-recipient scheme. The BRI and the Sustainable Development Goals 2030 are targeted at the interests of the developing countries. As distinct from the previous programs, they concentrate not on “policy prescriptions,” but on the economic infrastructure of the developing countries. They have gone beyond extending economic aid as the main instrument designed to stimulate economic development of the poor countries to rely on sets of development instruments: stimulated trade, financial integration, technological transfer and developed infrastructure.⁴⁸

Conclusion

The BRI discourse has integrated a great amount of discursive elements of secondary importance: international cooperation, integration, global development, etc., which have thus acquired certain additional meanings based on the “nodal point” of the priority of economic development. This integration is rooted in the clearly realized opposition to the symbolic Other, represented by the United States and the West as a whole.

At the same time, while embracing the vast amount of symbolic elements, the nodal point is stretched to lose its initial meaning which makes the discourse highly abstract. On the one hand, it can integrate even more elements and, on the other, gives the external audience what Slavoj Žižek called “a breathing space.” The abstract nature of the discourse allows very different subjects to fill it with their meanings in the process of the never-ending identification.⁴⁹

As a result, other states can correlate themselves with the discourse; the connectivity between the BRI and Kazakhstan’s Nurlı Zhol program being one of the pertinent examples. This process includes both material and purely symbolic components.

⁴⁴ See: Su Ge, “Belt and Road: A Glance from the Globalization Point of View,” *Studies of the Problems of International Relations*, No. 2, 2016 (苏格, 全球视野之“一带一路”, 《国际问题研究》2016年第2期).

⁴⁵ See: See: Gao Qiqi, “Global Governance, Moving People and the Community of Shared Destiny of Mankind,” 2017 (高琦琦, 全球治理、人的流动与人类命运共同体, 《世界经济与政治》2017年01期).

⁴⁶ See: Han Xiao, “Building Belt and Road in the Context of Global Governance,” *International Survey*, No. 3, 2018 (韩笑, 全球发展治理视域下的“一带一路”建设, 《国际观察》2018年03期).

⁴⁷ See: See: Cao Jiahua, “Connectivity of Belt and Road and Sustainable Development Goals 2030,” *International Perspective*, No. 3, 2016 (曹嘉涵, “一带一路”倡议与2030年可持续发展议程的对接, 《国际展望》, 2016年第3期).

⁴⁸ See: Ling Jin, “Synergies between the Belt and Road Initiative and the 2030 SDGs: From the Perspective of Development,” *Economic and Political Studies*, Vol. 6, Issue 3, 2018.

⁴⁹ See: S. Žižek, *The Sublime Object of Ideology*, Verso, London, 1989, p. 122.

In this regard, China has offered the external audience a certain subjective position that concentrates on economic development and, in the final analysis, pragmatic, de-politicized and de-ideologized cooperation. Ultimately, this will improve China's image by shifting the global discussion of its strategic rise away from a discourse of threats and risks towards a discourse of possibilities.

PUBLIC-PRIVATE PARTNERSHIP IN THE COUNTRIES OF THE EURASIAN ECONOMIC UNION

Oleg IVANOV

D.Sc. (Econ.), Professor, Department of Economic Policy and Public-Private Partnership, Moscow State Institute of International Relations (MGIMO University), Ministry of Foreign Affairs of Russia (Moscow, Russian Federation)

Elena ZAVYALOVA

Ph.D. (Econ.), Head of the Department of Economic Policy and Public-Private Partnership, Moscow State Institute of International Relations (MGIMO University), Ministry of Foreign Affairs of Russia (Moscow, Russian Federation)

Sergey RYAZANTSEV

D.Sc. (Econ.), Corresponding Member, Russian Academy of Sciences, Professor, Head of the Department of Demographic and Migration Policy of the Moscow State Institute of International Relations (MGIMO University), Ministry of Foreign Affairs of Russia; Director of the Institute of Socio-Political Research of Russian Academy of Sciences (Moscow, Russian Federation)

ABSTRACT

The paper systematizes and examines the primary elements of the PPP management sphere in the countries of the Eurasian Economic Union (EAEU). These include doctrinal policy execution, long-term planning of infrastructure development, legislative support, establishing management bodies, key directions and state support instruments. Based on relevant experience, recommendations are provided on the via-

bility of raising the efficiency of PPP state management in EAEU countries and establishing cooperation between them in the PPP sphere.

Recommendations are relevant, in particular, to the development of the PPP Institute based on a systemic approach, strate-

gic infrastructure development planning, improvement of legislative regulation, strengthening mutual cooperation in the PPP sphere via the harmonization of regulatory and methodological framework, and integrating the efforts in the implementation of trans-border infrastructure projects.

KEYWORDS: *public-private partnership, state management, PPP policy, long-term infrastructure development planning, legislative framework, PPP management bodies, state support system.*

Introduction

In the last two or three decades, the Institute for Public-Private Partnerships has become ingrained in the fabric of world economy, and has proven its viability in countries with different state structures and socio-economic development levels; it has become a functioning instrument of infrastructure development in various countries. There are tens of thousands of implemented projects in the world, the amounts invested in them are estimated at billions of dollars, the results of the partnership have manifested themselves in transport infrastructure, power industry, utilities sector, communications, state and municipal administration, health care, education and cultural facilities.¹

The peculiarity of the PPP Institute and its dissimilarity from other forms of interaction between authorities and business is in the fact that its framework allows the state to engage the private partner in financing, construction, maintenance, technical servicing, reconstruction and modernization of social infrastructure facilities on conditions of long-term mutually rewarding cooperation, risk and responsibility sharing.²

Public-private partnership is lucrative to both participating sides. The state obtains an opportunity to engage extrabudgetary financing, resolve important socio-economic problems, which it cannot resolve on its own, lower the risks of infrastructure facility construction, increase the efficiency of infrastructure management, ensure a higher quality of the services provided to population, and employ modern, highly efficient technologies. For certain countries and their regions, PPP acts as the driver of economic growth, promotes the rise of their investment attractiveness and the development of local capital, goods and services markets.

The private sector considers it lucrative to participate in PPP with regard to the expansion of business opportunities and acquiring access to new, previously inaccessible market segments. The long-term nature of PPP operations and the opportunity to associate with the state as the anchor cus-

¹ See: APEC (2015). PPP Best Practice; J. Delmon, "Public-Private Partnership Projects in Infrastructure," 2nd edition, Singapore, 2017; *Public-Private Partnership and Investment in Infrastructure*, OECD, 2010; "Institutional Investment in Infrastructure in Emerging Markets and Developing Economies," PPIAF, 2014; *Taking Stock of PPP and PFI around the World*, London, 2012; *How to Engage with the Private Sector in Public-Private Partnerships in Emerging Markets*, World Bank, PPIAF, 2011; *Public-Private Partnership. Reference Guide*, Version 3, World Bank, 2017; E.R. Yescombe, "Public-Private Partnerships: Principles of Policy and Finance," 2nd edition, Elsevier Science, Oxford, 2013 and others.

² See: E.E. Ameyaw *et al.* "A Survey of Critical Success Factors for Attracting Private Sector Participation in Developing Countries," *Journal of Facilities Management*, Vol. 15, Issue 1, 2017.

tomer who provides long-term, large-volume contracts are attractive to the business segment. Direct state support and participation, which lower the risks for the private enterprise, also play a significant role. Lastly, business retains a relative autonomy in operational decisions, since the state adheres to non-interference principles in conducting business in the framework of PPP projects.³

In light of the above-mentioned facts, the public-private partnership format is drawing increasingly great interest in the countries of the Eurasian Economic Union (EAEU), which unites Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Russia. EAEU member countries consider PPP an effective instrument of infrastructure development, resolution of many social and economic tasks, promotion of sustainable economic growth, and raising the population's standard of life. The interest in PPP and the significance of this Institute for infrastructure improvement in EAEU countries are becoming even more clear in light of the authoritative international experts' evaluation of its condition (see Table 1).

Table 1

Quality of Infrastructure in EAEU Member Countries

Country	Place in Infrastructure Quality Rating	Auto Road Quality Index (1-7)	Railroad Quality Index (1-7)	Airport Infrastructure Quality Index (1-7)	Electrical Power Supply Quality Index (1-7)	Mobile Communication Availability (Number Of Devices Per 100,000 People)
Armenia	80	3.7	2.9	4.8	4.8	114.8
Belarus	n/a					
Kazakhstan	68	2.9	4.1	4.0	4.6	150.0
Kyrgyzstan	109	2.7	2.4	3.1	3.6	131.4
Russia	35	2.9	4.5	4.6	5.1	163.3

Source: Compiled according to the data provided in the World Economic Forum (2017). *The Global Competitiveness Report 2017-2018*.

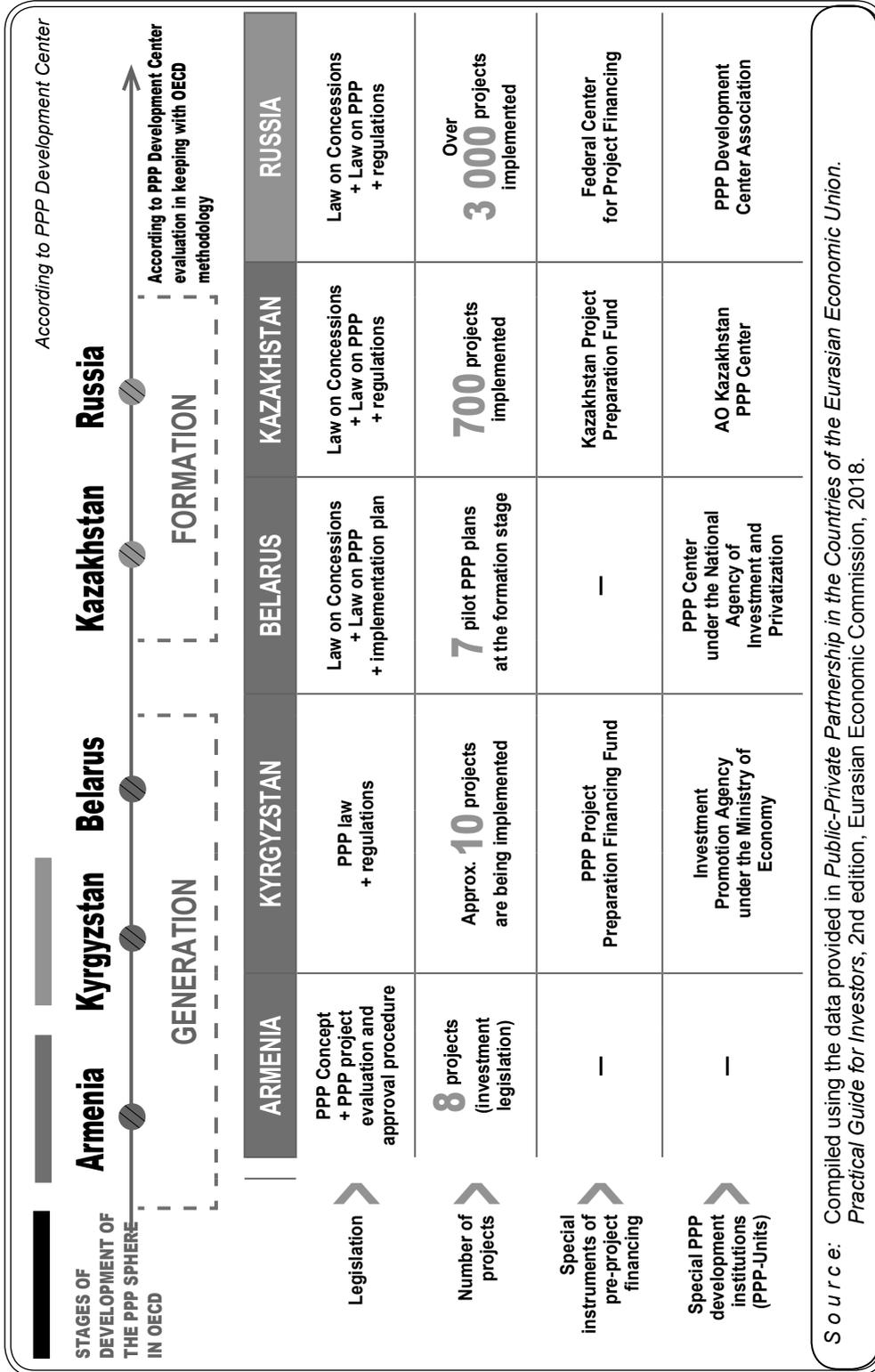
Characteristics of EAEU Countries' Approaches to the Establishment and Development of Public-Private Partnership

Public-private partnership is a complex socio-economic and institutional phenomenon, which cannot emerge momentarily, even if the country's highest authorities decreed it. According to the indicative models of PPP development, proposed by UNECE and OECD, the emergence of the PPP Institute in certain countries has to go through a number of stages before such partnership can function comprehensively.

³ See: O.V. Ivanov, "Teoriia i mirovaia praktika gosudarstvenno-chastnogo partnerstva," MGIMO, Moscow, 2016, pp. 27-35.

Figure 1

Comparative Analysis of the PPP Sphere Development in EAEU Countries



Source: Compiled using the data provided in *Public-Private Partnership in the Countries of the Eurasian Economic Union. Practical Guide for Investors*, 2nd edition, Eurasian Economic Commission, 2018.

- In the course of the first stage, the government evaluates the viability of the idea of a partnership, examines the international and domestic experience of engaging business in projects that encompass the development of state and municipal property, formulates PPP policy, introduces basic concepts into economic and legal matters, prepares the legislative and regulatory framework, begins to form the project market and portfolio, and prepares and implements pilot projects.
- The second stage entails the formation of PPP bodies, adoption of laws and regulatory acts, education of civil servants in partnership theory and practices, active development of the national project market; also spheres of PPP application gradually expand and risk distribution schemes are developed and implemented.
- The third stage includes the completion of establishment of the management system, finalizing the legislative and regulatory framework, refining PPP models, and creating a full-bodied project market. At this stage, a wide range of committed investors also emerges, an arsenal of financing sources is established, and the qualification level of the state and municipal civil servants in the PPP sphere becomes adequate to the goals being set.⁴

EAEU countries have begun to utilize PPP mechanisms at different times, on different scales, and with different regulatory and institutional PPP framework. As a result, the development of PPP in the Union's member countries still remains at different levels (see Fig. 1). Russia and Kazakhstan are significantly ahead of other countries in the ripeness of the PPP institutional environment, which comprises a complex of political, economic, legal and organizational conditions, which stimulate its development, i.e., state political support (policy formulation, elaboration of the conceptual principles of PPP development, strategies and programs), legal field (adoption of relevant legislative and regulatory acts, state management system, which stipulates for the establishment of authorities with coordination, assistance and control functions). Belarus and Kyrgyzstan, which have begun to develop PPP significantly later, strive to accelerate the establishment of its legal base and institutional foundations. Armenia is at the very beginning of the path and is only making the first steps.

Nonetheless, the analysis of the efforts aimed at the establishment and development of PPPs in the EAEU countries allows us to identify the common points in their approaches to PPP.

One of the characteristics of the EAEU member countries' approach to the development of PPP is the aim to have a systemic basis for the establishment of the PPP Institute. A systemic approach stipulates the conceptual and doctrinal foundation of PPP policy, finding a long-term plan-based foundation for the development of infrastructure and PPP, strengthening the legal foundation of PPP, as well as the formation of the PPP governance system.

Conceptual and Doctrinal Foundations of PPP

There is no integrated, unified definition of public-private partnership in EAEU countries (as well as in the world in general). Nonetheless, despite the peculiarities of the national legislation, all the countries share the understanding that PPP has its systemic characteristics that distinguish it from other forms of interaction between government and business. These characteristics include, first and foremost, a long-term nature of partnership, risk and responsibility sharing between the partners, full

⁴ See: *Guidebook on Promoting Good Governance in Public-Private Partnerships*, United Nations Economic Commission for Europe, 2008, pp. 7-9.

or partial financing of a public infrastructure facility construction by the private partner, as well as engaging the private partner both in the construction of the facility and in its subsequent operation or technical maintenance.

In EAEU countries, conceptual foundations of PPP are usually stipulated in founding political documents, as well as a special legislative corpus. The doctrinal foundations of the state PPP policy in EAEU countries are relatively varied, and take the form of concepts, strategies, plans, programs and other documents.

For instance, in Armenia, the PPP Concept has been developed and approved by the Government of the Republic of Armenia with the assistance from the U.N. Development Program (UNDP), which has introduced the concept of PPP, its systemic characteristics, main goals, application spheres and partnership formats. It stipulates that PPP will be implemented at the national, regional and local levels.⁵ In 2017, the PPP Policy of the Republic of Armenia was developed and approved, wherein the goals, legal and institutional principles of PPP implementation and promotion were identified, and the aim of moving public-private partnership to a qualitatively new level has been set.⁶

In May 2018, the Government of the Russian Federation adopted the Roadmap on the Development of the Public-Private Partnership Instruments, which was, in fact, the first systemic strategic document aimed at stimulating the application and development of PPP mechanisms. According to the document, it is planned to implement a set of measures for the development of mechanisms for construction and reconstruction in Russia, improvement of PPP-related legislation to implement long-term infrastructure projects and raising the investment attractiveness for private investors. For instance, the roadmap stipulates for the development of concepts of new infrastructure construction and reconstruction mechanisms and the creation of a governmental commission. The competence of the latter would include the coordination of work of relevant authorities and organizations on the development of PPP-related state policy, realization of state infrastructure development programs, as well as control of implementation of the roadmap measures, as well as implementation of the recommendations of the Ministry of Economic Development of the Russian Federation on the implementation of PPP projects. Other priorities include the development of the order of creation of an “infrastructure map” and an open unified register of infrastructure construction and reconstruction projects in the main sectors, formation of a list of the pilot PPP and MPP (municipal-private partnership) projects and concessions, as well as a complex of measures to ensure competition, stimulate the use of modern technologies and lowering the expenditures during design and construction.

Accredited authorities and organizations should also develop a method and procedure for the evaluation and reporting the socio-economic effects of the PPP project and concession implementation, and form objective criteria for selecting projects that aim to receive state support. One of the sections of the plan stipulates for introducing changes to the legislation with the aim of improvement of PPP mechanisms, which include: assigning the Ministry of Economic Development the status of the key regulator of PPP and concession issues, creating PPP (MPP) project and concession co-financing mechanisms by the beneficiaries (users) of the infrastructure facilities, maintaining the plurality of the public partner (concession granter) in the projects, renewal of approximate concession agreement forms, etc.⁷

In 2017, the National Strategy of Sustainable Development of Kyrgyzstan for 2013-2017 was completed, wherein the tasks of ensuring economic growth, joining the material and financial re-

⁵ See: *Resolution of the Government of the Republic of Armenia of 28 April, 2008 “On the Program of the Government of the Republic of Armenia for 2008-2012”* (in Russian).

⁶ See: *Decree of the Government of the Republic of Armenia of 9 November, 2017 “On the Main Directions of the State Policy of the Republic of Armenia in the Field of Public-Private Partnership”* (in Russian).

⁷ See: *Draft National Report on Attracting Private Investment in Infrastructure Development and the Use of Public-Private Partnership Mechanisms in the Russian Federation, National Center of PPP, Moscow, 2018, p. 53* (in Russian).

sources of the state and business sector, lowering the burden on the state budget and redistribution of budgetary funds were set.⁸

In the conceptual documents, governments of many EAEU countries outline the main goals that they would like to achieve while implementing PPP programs and development plans in the countries. The list of these goals and structuring them according to a certain priority allow to create an understanding of the PPP state policy direction and its alignment with other vectors of state economic policy. In EAEU countries, these goals include:

- Attracting additional investment resources to infrastructure by engaging the private sector;
- Using new approaches to infrastructure development, in particular, full life cycle management of infrastructure facilities;
- Raising the quality of services provided to end users;
- Engaging management, technical and technological opportunities of the private sector;
- Using innovations and greater efficiency of the private sector;
- Achieving the optimal “price-quality” ratio of the provided infrastructure services;
- Increasing the transparency and accountability of provision of infrastructure services;
- Stimulating economic growth and development in the country.

Long-Term Infrastructure Development Planning

In recent years, increasingly more EAEU countries have been switching infrastructure development to a long-term strategic basis, which is generally aligned with leading international practice. This phenomenon is not accidental. It reflects the mounting endeavors of states and governments to form a clearer vision of the infrastructure development vector, calculate qualitative and quantitative parameters of this development, and establish reference points in regard to financing sources. Apparently, the significance of long-term planning increases particularly when the number of infrastructure projects with a planning horizon of twenty years and more is measured in hundreds, they comprise a wide range of infrastructure spheres and the need of their inter-industry harmonization.

Long-term infrastructure development planning, including that which involves using PPP mechanisms, allows to:

- Determine the strategic development vector;
- Develop industry and regional priorities;
- Determine qualitative and quantitative target parameters;
- Form a set of tools for achieving goals;
- Establish reference points in regard to sources of financing.

Interesting in this regard is the experience of Belarus, where the National Infrastructure Strategy for 2017–2030 was developed and approved, reflecting the government’s assessment of the country’s infrastructure needs and the long-term budget financing gap. The National Infrastructure Strat-

⁸ See: *Law of the Kyrgyz Republic “On Public-Private Partnership in the Kyrgyz Republic” of 22 February, 2012* (in Russian).

egy is considered an important document aimed at informing the business community about the state plans for infrastructure development and intended to attract the private sector to the financing, construction and reconstruction of infrastructure facilities on PPP principles. The National Infrastructure Strategy determines priority directions of infrastructure development in 2016-2030 (power industry, transport, social infrastructure, housing and utilities sector) and adopts a list of 100 priority infrastructure projects with guidelines for the amount of funding needed.⁹

In order to create a supportive environment for the development and successful implementation of the PPP mechanism, the Program for the Development of Public-Private Partnership in the Kyrgyz Republic for 2016-2021 was elaborated. This program is a roadmap for the development of public-private partnership in Kyrgyzstan. The document determines the main conditions and tasks for the implementation of PPP mechanisms and will promote the modernization of the existing and creation of new infrastructure facilities and services to ensure country's long-term economic growth and efficiency.¹⁰

Kazakhstan successfully implemented the Program for the Development of PPP for 2011-2015, which included expanding the scope of application of PPP mechanisms, developing state support measures, introducing new types of contracts, changing approaches to planning budget investments, and improving planning and implementation procedures. Subsequently, roadmaps for the development of PPP for 2016-2018 were adopted at the republican and local levels, including, for instance, expanding the use of PPP mechanisms and attracting private investment in such areas as education, health, physical education and sports, housing and communal services, agriculture, environmental protection and transport, optimization of procedures for planning and launching PPP projects, including through the development and implementation of standard documentation, the launch of a single information PPP project base, as well as the expansion of methodological work in the regions.¹¹

In September 2018, the Russian government approved a comprehensive plan for the development of trunk infrastructure until 2024. The plan includes transport and energy infrastructure facilities worth a total of 6.3 trillion rubles, 3 trillion of which will come from the federal budget, the rest—from extrabudgetary sources. The plan includes construction projects for high-speed highways, development of the Murmansk transport hub, ports in the Azov-Black Sea basin, reconstruction of the M5 and M7 roads, detours of major cities—Nizhny Novgorod, Krasnodar, Ivanovo, Ryazan, creation of transport and logistics hubs, reconstruction of over 60 airports, etc.¹²

Reinforcement of the Regulatory Framework

In the context of the development of PPP, which is risky in nature and is associated with the long-term interests of its participants, the EAEU countries attach particular importance to the formation of a solid regulatory framework. In this case, the legal regulation of the PPP sphere in the practice of these countries is carried out on the basis of a model for the development of special legislation.

⁹ See: *Natsionalnaia infrastruktornaia strategiiia 2017-2030*, Gosudarstvenno-chastnoe partnerstvo, Minsk, 2017.

¹⁰ See: *Decree of the Government of the Kyrgyz Republic of 16 June, 2016, No. 327, "On Approval of the Program for the Development of Public-Private Partnership in the Kyrgyz Republic for 2016-2021"* (in Russian).

¹¹ See: *Decree of the Government of the Republic of Kazakhstan of June 29, 2011, No. 731, "On Approval of the Program for the Development of Public-Private Partnership in the Republic of Kazakhstan for 2011-2015"* (in Russian).

¹² See: *Order of the Government of the Russian Federation of 30 September, 2018, No. 2101-r* (in Russian).

Belarus adopted the Law on Concessions in 2013 and the Law on Public-Private Partnership in 2016, along with a wide range of regulatory legal acts (government decrees, regulations of the Ministry of Economy, etc.) regulating procedural issues and, thus, designed to promote the practical implementation of the above-mentioned legislative acts.

The legislation of the Republic of Kazakhstan in the field of Public-Private Partnership includes the Law on Concessions of 2006, the Law on Public-Private Partnership of 2015 and other regulatory legal acts. The large variety of forms of concession project support by the state, which is formalized in the law, is notable: compensation for part of investment costs, guarantee of state demand, project co-financing, grants-in-kind, loan guarantees, guarantees on infrastructure bonds, and other forms. The Law on PPP regulates the conceptual apparatus, the range of participants and the scope of application of PPP, establishes an open list of the forms of interaction of government and business, including concession agreements, service contracts, trust management contracts. In accordance with the Law on PPP, there are clear eligibility requirements for potential private partners. Depending on the complexity of the facility, two tender scenarios are provided—a simplified version for small projects based on standard tender documentation and a standard PPP contract, as well as a two-stage tender for unique and technically complex projects. The law is focused on the broad development of partnership—PPP projects are allowed in all sectors except strategic ones.¹³

A special PPP regulatory and legal framework has also been established in Kyrgyzstan. It adopted the Law on PPP, which establishes the scope of PPP mechanism application, authorized bodies operating in the PPP sphere, their powers and competencies, types of state support and guarantees for a private partner, identifies the main stages and procedure for implementing a PPP project; regulates the procedure for the selection and implementation of PPP projects. Pursuant to the Law of the Kyrgyz Republic (KR) on Public-Private Partnership in the Kyrgyz Republic, a wide range of secondary legislation (government decrees, orders of the Ministry of Economy, etc.) has been adopted, regulating numerous specific issues related to the activities of the authorized PPP bodies, the tender procedure, content of tender documentation, PPP project registry maintenance, etc.

The special legislation of the Russian Federation on PPP consists of the Law on PPP, the Law on the Concession Agreements, other federal laws and other regulatory legal acts of the Russian Federation, as well as regulatory legal acts of the constituent entities of the Russian Federation. Moreover, all legal norms contained in regulatory legal acts of constituent entities of the Russian Federation and municipal legal acts must comply with the laws on PPP and the Concession Agreements.¹⁴

The key difference between the Law on PPP and the Law on Concessions is the option of private ownership of public infrastructure. Given this option, it is possible for a private partner to only carry out the maintenance of facility in question without carrying out its operation (impossible in concessions), which could potentially be more interesting for private investors.

In the interests of investors, the laws on PPP and on concessions provide a mechanism for guaranteeing the immutability of the basic parameters, which served as the basis of the decision on project implementation. In the event of changes in macroeconomic conditions or legislation directly affecting the project (taxes, benefits, etc.), reasonable changes are made to the agreement aimed at returning the concessionaire's investments (i.e., an extension of the deadlines for the implementation of the Concession Agreement, increased financing from the public side, providing state or municipal guarantees).

¹³ See: *Law of the Republic of Kazakhstan "On Concessions" dated 7 July, 2006, No. 167; Law of the Republic of Kazakhstan "On Public-Private Partnership" dated 31 October, 2015 (both in Russian).*

¹⁴ See: *Federal Law of 21 July, 2005, No. 115-FZ, "On Concession Agreements"; Federal Law of 1 July, 2015, No. 224-FZ, "On Public-Private Partnership, Municipal-Private Partnership in the Russian Federation and Amendments to Certain Legislative Acts of the Russian Federation" (both in Russian).*

Although the special laws on PPP in the EAEU countries differ significantly from each other conceptually and substantively, reflecting political approaches, specifics of national jurisdictions, legal traditions, etc., all these legislative acts are united by the desire of legislators to form a single conceptual apparatus, to consolidate the required terminological basis, and formulate uniform “rules of the game.” As a rule, the special laws on PPP contain the following main blocks: objectives, definitions, concept, guidelines and principles of state policy, the main content (parameters) of projects, project selection procedures, competitive selection of private operators, and government assistance measures. Laws usually comprise a list of infrastructure facilities that fall under their jurisdiction, disclose the concept of state PPP policy, formalize the state’s main approaches to the PPP Institute and the basic principles of PPP. Of particular importance for private partners are the provisions of the law that contain guarantees of their rights, the procedure for settling disputes between the parties, the issues of collecting collateral and the payout of compensation for early termination of the PPP agreement.

Organizational and Institutional Basis of PPP Management

The level and quality of public-private partnership development is largely determined by the availability and effectiveness of the public administration system in the PPP sphere, including the formation of various types of government bodies and empowering them with relevant functions, the creation of PPP development institutions, the development of state support tools for implementing PPP projects, and so on.

In *the Republic of Belarus*, an appropriate institutional base for managing the PPP sphere has been formed with a clear distribution of powers between different governmental institutions. The President determines the general state policy in the PPP field, and the Government of the Republic of Belarus ensures its implementation and determines the procedure for interaction of entities in the PPP sphere (preparation, review and evaluation of proposals for the PPP project implementation, procedure for organizing and holding a competition, concluding a PPP agreement, etc.).

The Ministry of Economy has been identified as the main body for implementing state policy and coordinating the activities of government agencies and organizations subordinate to the government, as well as local executive and administrative bodies in the PPP sphere. It also establishes requirements for the feasibility study of the PPP project and the methodology for evaluating PPP project proposals and provides methodological and consulting support in the preparation and implementation of PPP projects jointly with the National Agency for Investment and Privatization (the Public-Private Partnership Center is a part of the agency).

Other ministries and departments, as well as local executive and administrative bodies implement the state policy in the PPP sphere within their competence. The following state bodies and departments, as a rule, take part in the implementation of specific PPP projects: the Ministry of Economy, the Ministry of Finance and the State Property Committee, and, if necessary, other state bodies within their competence. They evaluate the proposed PPP projects, coordinate the tender documentation, and participate in the work of the commission that conducts the tender for the selection of a private partner.

The Public-Private Partnership Center prepares a comprehensive review on the proposal for the PPP project implementation, evaluates the tender documentation and may participate in the work of the commission.

The Inter-Agency Infrastructure Coordination Council decides on the approval of proposals for PPP project implementation (for subsequent decision-making on the PPP project implementation) and PPP project tender documentation.

Following the decision on project implementation, authorized state bodies or organizations in the PPP sphere (“Public Partner”) organize competitions, create commissions for holding competitions; determine the date of the competition, approve the conditions of the competition and tender documentation, accept applications for participation in the competition; conclude an agreement on public-private partnership on behalf of the Republic of Belarus or its respective administrative-territorial unit.¹⁵

In *Kazakhstan*, the development of the state policy main directions in the PPP sphere and their implementation is the responsibility of the Government of the Republic of Kazakhstan. The Ministry of National Economy, the Ministry of Finance, and the authorized state bodies of the respective sectors implement the state policy in the PPP sphere within their competence. Inter-sectoral coordination and methodological guidance in the field of PPP is provided by the Ministry of National Economy.

At the local level, state PPP policy is implemented by local executive bodies of regions, cities of republican significance and the capital, within the scope of their competence. Local executive bodies also monitor PPP contracts and the implementation of local PPP projects.

In *Kyrgyzstan*, in order to ensure the coordination of PPP development activities, a Public-Private Partnership Council has been established, with the following functions:

- coordination and ensuring the interaction of state executive authorities, local governments, business entities, non-profit and research organizations in regard to the search for PPP projects, their initiation, preparation and implementation;
- approval of action plans for the development of PPP; preparation of proposals for the development of concepts, strategies, programs and other documents related to the development of PPP in the Kyrgyz Republic;
- preparation of recommendations for improvement of regulatory legal acts in the PPP sphere;
- analysis of existing and newly proposed measures to stimulate the development of PPP;
- monitoring the activities of state executive bodies and local self-government bodies on the issues of the search for PPP projects, and their initiation, preparation and implementation;
- identification of priority sectors and directions for initiating PPP projects;
- other functions.¹⁶

In *the Russian Federation*, the institutional basis of the state management of the PPP sphere has not yet become final and comprehensive, but many of its elements have already been formed and are functioning. An important role in this system is played by the Ministry of Economic Development, which is entrusted with the development of state PPP policy, regulatory support, selection of PPP projects, reviewing the effectiveness and presence of the comparative advantages of PPP projects, assessment of the level of development of PPP in the constituent entities of the Russian Federation and compiling a PPP-rating of Russian regions.

Certain federal executive bodies (the Ministry of Health, the Ministry of Construction and Housing and Public Utilities, the Ministry of Transport, the Ministry of Culture, etc.) are engaged in the preparation and implementation of PPP projects within their competence.

¹⁵ See: *Resolution of the Council of Ministers of the Republic of Belarus of 6 July, 2016, No. 532, “On Measures for Implementing the Law of the Republic of Belarus of 30 December, 2015 ‘On Public-Private Partnership’”*; *Resolution of the Ministry of Economy of the Republic of Belarus of 27 July, 2016, No. 49, “On Measures to Implement the Law of the Republic of Belarus of 30 December, 2015 ‘On Public-Private Partnership’”* (both in Russian).

¹⁶ See: *Decree of the Government of the Kyrgyz Republic of 16 June, 2016, No. 328, “On the formation of the Council on Public-Private Partnership in the Kyrgyz Republic”* (in Russian).

An important role in supporting the development of PPP in the country is played by the National PPP Center, which performs a wide range of functions—from examining project initiatives and helping find private partners for them to advising the Federation constituent entities and providing assistance with personnel training.

State Support of PPP Development

One of the most important functions of PPP management bodies in the world is to assist in the development of this Institute. The main directions of state support are financial, advisory, methodical, informational, and educational, and the EAEU countries have already begun to move in this direction.

Kazakhstan's legislation regulates a large variety of forms of state support for concession projects—compensation for a part of investment costs, guarantees of demand from the state, project co-financing, grants-in-kind (in the form of land plots, structures, machinery and equipment, computers, measuring funds, vehicles, production and household equipment, etc.), loan guarantees, guarantees for infrastructure bonds, etc.¹⁷

In order to promote the development and launch of PPP projects, the required institutional system has been created in the Republic of Kazakhstan (see Table 2).

Table 2

PPP Project Support Institutions in the Republic of Kazakhstan and their Functions	
JSC Kazakhstan PPP Center ("Think Tank")	<div style="font-size: 3em; vertical-align: middle;">{</div> <ul style="list-style-type: none"> Expert evaluation of republican PPP projects Personnel training in the PPP sphere Research and recommendations on PPP issues Methodological and informational support, review of PPP project realization
Kazakhstan Project Preparation Fund, LTD	Consulting support for republican PPP projects
Juridical persons, authorized representatives, local executive authorities	<div style="font-size: 3em; vertical-align: middle;">{</div> <ul style="list-style-type: none"> Consulting support for local PPP projects Expert evaluation of local PPP projects

In order to conduct research and develop recommendations on PPP issues, assess and evaluate the implementation of PPP projects, as well as train PPP specialists and maintain a list of PPP projects, the Government has established the PPP Development Center (JSC Kazakhstan Public-Private Partnership Center).

At the national level, advisory support of PPP projects is carried out by Kazakhstan Project Preparation Fund LTD. At the local level, the legal entity for advisory support is determined by the executive authorities of the regions, cities of republican significance and the capital.

Advisory support of PPP projects can be compared with "one window" service, when all the required procedures for executing a PPP project are provided in one place. At the initial stage, advisory support consists of advising government bodies on structuring a project, developing proposals

¹⁷ See: *Law of the Republic of Kazakhstan "On Concessions" dated 7 July, 2006, No. 167* (in Russian).

for a PPP project, etc. Both government bodies and citizens and organizations, including potential private partners (investors), can apply for project support services.

One of the forms of PPP project support in Kazakhstan is preferences in obtaining land and other required property. According to the Law on PPP of the Republic of Kazakhstan, the provision of land plots is one of the forms of participation of state bodies in PPP. Land with the right of temporary free use may be granted to citizens and legal entities of the Republic of Kazakhstan for the duration of the public-private partnership agreement, including the concession agreement. The legislation also stipulates that a private partner for the implementation of PPP projects or a concessionaire for the implementation of concession projects may receive a land plot without bidding (tenders, auctions) for the land plot.

A similar rule applies to concession agreements and PPP agreements in *the Russian Federation*. Such a simplified procedure for granting land plots reduces the time for implementing a PPP project and reduces land risks for investors.

Kyrgyzstan has advanced further than other EAEU member countries in terms of creating special structures to provide financial support for PPP projects. Relying on the best international practices, the country has created a whole range of financial support tools. It includes *an infrastructure financing fund* to provide long-term loans in national currency due to limited opportunities for providing such financing by the domestic banking sector; *a guarantee fund* in order to reduce the risk exposure of private financing sources, including the hedging of foreign exchange risks, risks of increasing the cost of lending, risks of insufficient income and political risks; *a subsidized financing fund* to finance the insufficient viability of PPP projects that are economically feasible and attractive, but not financially viable by means of revenue from user fees.

Tax concessions are an important tool for improving the economy of PPP projects and stimulating the private investors' interest. Although the legislation does not provide for special privileges for public-private partnership projects in any EAEU country, they are subject to the relevant general legislation measures (i.e., investment, tax).

Another interesting tool is the debt financing cost reduction mechanism for the private partner. One option is to provide state guarantees (sureties) to creditors. The second option is to subsidize the interest rate on a private partner loan. In the Russian Federation, for example, interest rate subsidies are used in the field of communal infrastructure via subsidies from the Housing and Utilities Reform Fund.

In addition, country laws may provide separate guarantees for the protection of the rights of investors and other similar measures. For example, in accordance with the Law of the Kyrgyz Republic on Public-Private Partnership, in order to provide guarantees for the protection of private investments in a PPP project, a private partner and project company is guaranteed:

- non-interference by the public partner in the economic activities of the private partner and the project company;
- protection of the property of the private partner and the project company from nationalization or other equivalent measures in the manner prescribed by law;
- the right to free possession, use and disposal of investments provided for the PPP project, and the income and returns received from them for purposes not prohibited by law;
- the right to the free conversion of the national currency to any other foreign currency and to the free export of the currency obtained as a result of the implementation of the PPP project;
- the right to reimbursement of losses incurred as a result of unlawful actions (inaction) of public and/or municipal authorities or their officials who caused damage to the private partner and/or project company, in accordance with the terms of the PPP agreement;
- the right to revise the terms of the PPP agreement or to terminate the PPP agreement early and receive compensation for the damage caused in case of adoption of regulatory legal acts

that worsen the conditions for the implementation of the PPP project by the private partner and/or the project company compared to the conditions stipulated by the PPP agreement.¹⁸

Similar measures are provided for in the Belarusian legislation on PPP.

Conclusion

Results and Recommendations

The analysis of organization and management of the PPP sphere in EAEU countries allows to make the following conclusions and propose certain recommendations.

- The problem of the infrastructure condition is rather poignant in the countries of the Eurasian Economic Union (EAEU). The high degree of weariness of infrastructure facilities determines the need to implement a complex of measures to at least alleviate it, if not eliminate it entirely. EAEU member countries see PPP mechanisms as one of the most efficient ways of resolving this task. Although PPP is considered by EAEU countries as a mechanism of, first and foremost, national infrastructure development, options of collaboration on regional and even global projects, i.e., the infrastructural part of the Silk Road Economic Belt, are under consideration.
- The scale and the degree of utilization of PPP mechanisms in EAEU countries vary widely: Russia and Kazakhstan have already accumulated significant theoretical and practical experience with PPP projects, established the primary legislative framework for PPP, formed the institutional foundation for the partnership, gathered experience in practical implementation of PPP projects in various spheres, and continue multi-dimensional work in the PPP formation stage. Belarus and Kyrgyzstan have significantly advanced in establishing PPP, developed the essential legislative and regulatory legal acts, created governing bodies, and engaged in implementation of PPP projects. Armenia is forming an institutional PPP base, while simultaneously venturing into the realization of pilot projects.
- EAEU countries aim to put PPP development on a systemic footing. For these purposes, they are forming national state management systems in the PPP sphere, developing strategic goal-setting documents, planning long-term infrastructure development and investment projects, establishing governing bodies, and creating PPP-project state support systems.
- Meanwhile, there is an entire range of problems that is restricting the expansion of PPP mechanism utilization. Among the key issues are the absence of correlation between investment projects and socio-economic development plans of corresponding areas, a discrepancy in competence between the public and private sectors, lack of qualified specialists at various levels of the state management system, and the associated low-quality structure of PPP projects, excessive expectations of the public partner regarding the commercial attractiveness of the projects, lack of local political will and real commitment to attracting investors, a regional deficit of specialized organizations engaged in PPP, imperfection of legislative framework of PPP, insufficient state support of PPP, and, as the result, exceedingly high risks for the private partner, etc.
- Despite the generally common understanding of PPP, and even a declared aim to cooperate, no major progress has currently been achieved in the supranational coordination of PPP de-

¹⁸ See: *Law of the Kyrgyz Republic on Public-Private Partnership in the Kyrgyz Republic, dated 22 February, 2012* (in Russian).

velopment within the EAEU. In 2015, plans to create a Supranational PPP Center of Excellence, similar to the Europe's (UNECE) PPP Center of Excellence, were proposed and positively evaluated. Another structure that was proposed and received a positive evaluation was the international center of project financing, similar to the existing structures under international financial institutions (i.e., IFC, EBRD, etc.), however, there are still no such specialized PPP structures in the EAEU.

The main work on supranational coordination of PPP development efforts is currently being carried out by the Business Development Department of the Eurasian Economic Commission (EEC), and the Expert Group on the Development of PPP Mechanisms under the Consultative Committee for Entrepreneurship under the EEC Board. Among the chief reasons that restrict the establishment of productive collaboration of EAEU countries in the PPP sphere are the significant differences in the degree of independent "mastery" of the PPP mechanism by EAEU countries at both practical and legal levels, absence of efficient communication channels, uncoordinated member countries' policies, low level of international investments, non-competitive technologies and competencies.

- It seems that in the current conditions the vector of development in establishing PPP-related cooperation between EAEU countries may be aimed at empowering the Expert PPP group, initiating an international discussion platform in the framework of the annual Russian PPP week, elaboration of an integrated PPP development strategy and supranational standards, determining the priority infrastructure sectors and regions in the interests of investors, formation of a list of priority infrastructure development projects, systematization and coordination of the process of attracting international investments to public infrastructure facilities, formation of supranational instruments of attracting financing to the infrastructure projects in the EAEU countries, and implementation of pilot PPP projects with maximum integrative effect within the EAEU.
- Both international practice and that of EAEU member countries demonstrates that even in the absence of legal standardization there are true opportunities for project implementation. Adoption by the Transport Ministers of the EAEU countries of a list of 39 transportation projects with an integrative component can be considered a symbolic event. The projects are oriented towards establishing end-to-end logistics through China-Eurasian Union-EU and associated routes. Meanwhile, the possibility of implementing PPP mechanisms for some of the projects is being examined. One of such projects is the North-South corridor investment program, aimed at the reconstruction of the 550-km auto road through the entire territory of Armenia, with subsequent access to the Georgian ports of Poti and Batumi (Black Sea), and further on to Russia and the CIS and EU countries.

Despite the fact that the institutional foundations of PPP in the RF have a more mature and developed nature compared to other EAEU member countries, its partners' experience in organizing and managing the PPP sphere contains much important information to learn from. It concerns the conceptual framework of PPP policy (Armenia), elaboration of integrated PPP-based infrastructure development plans (Belarus), legislative framework viability and ensuring the rights and interests of private partners (Kazakhstan, Kyrgyzstan), using a wide range of PPP-project state support instruments (Kazakhstan, Kyrgyzstan), establishing PPP-coordinating authorities (Belarus, Kazakhstan, Kyrgyzstan), etc. It seems that arming oneself with rational elements of this experience and their adjustment to Russian conditions would promote the increased efficiency of Russian public management of the PPP sphere.

ENERGY POLICY AND ENERGY PROJECTS

THE SIGNIFICANCE OF ESTABLISHING COMMON EAEU GAS, OIL AND PETROLEUM PRODUCT MARKETS FOR THE REPUBLIC OF KAZAKHSTAN

Dolores TYULEBEKOVA

*D.Sc. (Political Science), Lecturer,
Department of Political Science, L.N. Gumilev Eurasian National University
(Astana, Republic of Kazakhstan)*

Marina ONUCHKO

*Ph.D. (Political Science), Professor, Department of Political Science,
L.N. Gumilev Eurasian National University
(Astana, Republic of Kazakhstan)*

Taisiya MARMONTOVA

*Ph.D. (Hist.), Deputy Head,
Department of Analytical and Innovative Studies, JUPITER Research Center
(Astana, Republic of Kazakhstan)*

ABSTRACT

As the migration processes gain momentum in the Central Asian region, cooperation within the Eurasian Economic Union (EAEU, established in 2014) is becoming increasingly more poignant. Currently comprising five states (Armenia, Be-

larus, Kazakhstan, Kyrgyzstan, and Russia), this regional organization has become a platform for cooperation in virtually all the economy sectors, including the power sector. Common oil, petroleum product and gas markets are being established in order for the integrative association to ensure the “free movement of goods, services, capital and labor.”

Since the Republic of Kazakhstan is currently one of the world leaders in the hydrocarbon resources, the key issue is for its energy resources to gain access to external markets. Meanwhile, with regard to the country’s geographical location and the historically determined transportation routes, the principal oil pipeline systems traverse the territory of Russian Federation. After the disintegration of the U.S.S.R., the independent countries of Central Asia, in particular, their natural resources, have attracted the attention of world powers, simultaneously becoming a place of conflict of interests. In order to preserve stability in the region, and, as a consequence, to ensure the status of a Eurasian transit traffic channel, the Central Asian republics are not only modernizing the existing communications, but are also implementing alternative infrastructure projects. Despite the foreign political interest in the Central Asian region and the Central Asian countries’ interest in cooperation with lead-

ing powers, Russia considers the independent republics to be within its influence sphere, preserving strong economic and political connections with them.

Numerous attempts at integration of post-Soviet countries have been made since the early 1990s in the framework of establishing the Commonwealth of Independent States, the Eurasian Economic Community, and the Customs Union. However, the EAEU is currently the most efficient organization, furnished with the required regulatory framework and articulated strategic goals.

The paper describes the stages and premises of the establishment of transportation routes in the Central Asian region, including Kazakhstan, their impact on gaining guaranteed access to the operating systems and route diversification, as well as the significance that cooperation in the energy sphere in the EAEU framework holds for Kazakhstan. The legal foundation being created is aimed at ensuring guaranteed access to infrastructure systems, non-discriminatory trade and access to the common energy resource market, and tariff transparency. Time will tell how the concluded agreements will be implemented, but Kazakhstan currently possesses a tangible chance of realizing its energy potential within the EAEU framework.

KEYWORDS: Republic of Kazakhstan, energy resources, Eurasian Economic Union, integrative processes, common oil and gas market, transport communications, gas pipelines, Central Asia.

Introduction

Evidently, Kazakhstan possesses significant hydrocarbon resources. According to the 2017 *Statistical Review of World Energy* conducted by BP, a British company, Kazakhstan holds the 12th and the 22nd place in world oil and gas resources, respectively, and owns 1.8% of world oil and gas resources.¹

¹ The data provided by *BP Statistical Review of World Energy 2018*, available at [www.bp.com].

According to the data provided by the JSC Oil and Gas Informational-Analytical Center, 86.2 million tons (or 1.7 million barrels per day) of oil and gas condensate were mined in Kazakhstan in 2017, which is 10.5% more than in 2016.²

Oil and gas-bearing regions comprise approximately 62% of the country's area. There are 172 oil fields, over 80 of which are being developed. Hypothetical oil resources are estimated at 7.8 billion tons, and natural gas resources—at 7.1 billion cubic meters. Approximately 70% of these resources are located in the western regions of Kazakhstan.

Meanwhile, due to the absence of direct access to the World Ocean in Kazakhstan, 85% of Kazakhstani oil exports are conducted through Russian Federation territory via the following pipelines:

- Caspian Pipeline Consortium, total length—1,510 km, connects the Tengiz oil field in Kazakhstan and the South Ozereevka oil terminal on the Black Sea (near the Novorossiysk seaport with annual projected throughput capacity of 76 million tons of oil);
- Atyrau-Samara oil pipeline, which allows access to European markets through Russian Federation territory via the Druzhba oil pipeline, the Baltic pipeline system to the ports of Primorsk and Ust-Luga, and access to Novorossiysk through the system of JSC Transneft Novorossiysk (with annual throughput capacity for Kazakhstani oil of 15 million tons per year);
- railroad tracks.

In the course of globalization, the Republic of Kazakhstan as a full-fledged member of various organizations, both at regional and international levels, is capable of strengthening economic ties, increasing the trade turnover, and establishing full-scale foreign trade operations. However, Kazakhstan's current infrastructural dependence on the historically determined transport communications partially limits the country's international activity.

Historical Premises for the Creation of Kazakhstan's Transportation Routes

Kazakhstan's infrastructural dependence is determined by historical premises of construction and subsequent development of transport and pipeline projects.

In the Middle Ages, the Silk Road, which connected world trade hubs, traversed Central Asia and modern Kazakhstan in particular. However, in the 19th century, the trade turnover between the Russian Empire and the associated Central Asian region was conducted via caravan routes. For instance, the Orenburg-Tashkent road was the main route connecting the Russian Empire with the region in the 1860s-1870s. Caravans that took this route were on the road for approximately three months. If Moscow was the end point of delivery, the route from Central Asia may have taken up to six months.

Simultaneously, the issue of constructing a railroad to Central Asia was discussed against the backdrop of the Industrial Revolution and development of railroads within Russia. The Trans-Caspian Railroad, built in 1881-1898, was the first railroad that allowed optimal transportation. This railroad allowed to lower the expenditures for supply and delivery of goods exported to Russia (cotton, fruit, vegetables). Immediately after the construction of the Trans-Caspian Railroad was completed, the transportation of cotton increased significantly. The railroad created the conditions for the import

² The data provided by JSC Oil and Gas Information-Analytical Center, available at [<http://www.iacng.kz>].

of industrial cotton processing equipment, modern tools, gear, heavy machinery, steam and electrical engines to Central Asia.

Not only did the construction of this railroad have a huge economic significance for Central Asia, it also accelerated Russia's industrial development and promoted the establishment of Russia's permanent trade relations with Iran and Afghanistan. Russian goods became competitive with European products in these countries, due to which fact Russia's economic contacts with China, India and Egypt have expanded.³

The next step in the development of transportation networks was the Orenburg-Tashkent railroad line, whose construction began in 1900 and ended in 1906. This route went through the towns of Iletsk, Aktyubinsk, Kazalinsk, and Perovsk, as well as Turkestan.

As is well known, the development of the oil resources in the Central Asian region began to be conducted in the 19th century. For instance, the company owned by Nobel brothers drilled the first oil wells in western Turkmenistan in 1876. In the early 20th century, oil mining in Khazar began to be conducted on an industrial scale. There were over 20 Russian oil companies working there.⁴

Another oil mining site was the Uralo-Embinsk district in western Kazakhstan. In 1912-1914, half of the oil fields were developed by the following companies: Western Ural Oil Company, Uralo-Embinsk Oil Company and North Caspian Oil Company, owned by British capital. Cheap workforce, lack of competition and rich oil fields brought in huge revenues for their owners.⁵

Soviet times were particularly distinguished by a breakthrough in the construction of transport communication and oil and gas pipelines.

The Soviet government began to build new and modernize old roads in Central Asia immediately after the end of the Russian Civil War. In 1920-1922, the Petropavlovsk-Kokshetau section was constructed, in 1926-1931 it was extended to Karaganda, and in 1939-1940—to Balkhash.

The Turkestan-Siberia Railroad became the largest project. The concept of this road, which was intended to unite Turkestan, Semirechye (Zhetysu) and Siberia, emerged in 1886. In 1896, the town council of Vernyi (now Almaty) resolved to establish a commission that was to gather all the data on industry, trade and agriculture, aiming to determine the feasibility of road construction. It was presumed that the road would strengthen Russia's military presence in the region that bordered on China and significantly simplify the transportation of cotton out of Turkestan and cheap grain out of Siberia and Semirechye to Turkestan.⁶

In addition, the implementation of this infrastructure project was stipulated by the need to provide the region with cheap bread from Siberia, Kazakhstan, and Kyrgyzstan, as well as increase cotton production for the U.S.S.R.'s consumer goods manufacturing. The multiplicative effect of the increase of domestic production was supposed to lower the import of cotton, which also guaranteed savings to the state budget. In turn, the development of the country's infrastructure ensured the development of geographically remote regions via the expansion of the industrial foundation.

The total span of railroads in the U.S.S.R. in the time of its greatest prosperity (1970s-1980s) comprised 225,000 sq. km.⁷ The development of railroads was associated with the increase of technical parameters—the increase in movement speed, the volume of freight transportation, as well as mechanization, automation and computerization.⁸

³ See: D. Tyulebekova, "Istoria razvitiia transportnykh koridorov Tsentralnoi Azii," *Vestnik Kazakhskogo natsionalnogo pedagogicheskogo universiteta im. Abaia*, No. 2 (41), 2015, pp. 34-40.

⁴ See: O. Gundogdyev, "Chernoe zoloto' Drevnego Khazara," *Turkmenistan*, No. 7-8 (16-17), 2006, available at [http://www.turkmenistaninfo.ru/?page_id=6&type=article&elem_id=page_6/magazine_35/274&lang_id=ru], 8 June, 2005.

⁵ See: D. Tyulebekova, *op. cit.*

⁶ See: D. Zinoviev, "Istoria Turksiba," available at [<http://www.turksib.com/history.php>], 6 April, 2012.

⁷ See: *Upravlenie gruzovoi i kommercheskoi rabotoi na mezhdunarodnom transporte*, ed. by A. Smekhov, Moscow, 1990, p. 13.

⁸ See: I. Mogilevkin, *Transport i kommunikatsiia*, Moscow, 2005, p. 223.

Simultaneously, infrastructure development was accompanied by the implementation of energy projects. The oil pipeline system was developing rigorously. In 1940, the oil pipelines spanned only 1,700 km, while in 1945 they already amounted to 4,400 km. In the subsequent years, the speed of oil route construction began to increase in response to the demand, increasing oil extraction and its export. In the early 1960s, the 5,116-km Druzhba oil pipeline system was launched into operation; in the years that followed, it was extended to 10,000 km. High growth rate is confirmed with numbers: in 1973, the total span of oil pipelines in the U.S.S.R. was 42,900 km, in 1975—56,000 km, and in 1980—69,700 km.⁹

In 1967, the construction of the first 3,000-km section of the Central Asia-Center gas pipeline was completed. The gas pipeline traversed Uzbekistan, Turkmenistan, Kazakhstan and eight Russian regions. The development of this system continued until 1985, as the result of which a gas pipeline network with an 80-bcm throughput capacity was created.

Table 1

Gas Pipelines in the Soviet Republics of Central Asia in Comparison with Russia

	Span, km	% of Total Span
All Soviet republics	215,196.0	100
Russia	138,421.9	64.4
Uzbekistan	10,586.0	4.9
Kazakhstan	10,501.2	4.9
Turkmenistan	7,336.9	3.4
Tajikistan	864	0.4
Kyrgyzstan	581	0.3

Source: A. Włodkowska-Bagan, *Rywalizacja mocarstw na obszarze poradzieckim*, Warsaw, 2013, p. 212.

As the analysis and statistics demonstrate, it was precisely in the Soviet period that communication networks were established, connecting all the regions of the huge empire and ensuring the continuous trade turnover within the country.

Infrastructural Heritage of the Soviet Period for Independent Central Asian Republics

After the disintegration of the Soviet Union, independent republics have inherited powerful infrastructure systems, however, the railroads and auto roads ensured quick transportation primarily towards Russia. In addition, in the heavy economic crisis conditions of the early 1990s, the Central Asian republics did not have sufficient financial resources to maintain, reconstruct, or, particularly, modernize the existing infrastructure systems.

⁹ See: *Sovremennaiia geografiia mirovogo khoziaistva*, ed. by M. Rozin, W. Wolf, and L. Vasilevskiy, Moscow, 1977, pp. 266-267.

However, over time, against the backdrop of the stabilizing situation in Central Asia and the interest of world powers in accessing regional power resources, the independent republics have named the development of transport infrastructure one of the priority vectors of national policy.

Taking into account the growing competition on the world energy market, many of the economically dominant states are seeking guaranteed access to the regions that possess hydrocarbon resources, one of which is Central Asia. Such access can be guaranteed by constructing gas and oil pipelines aimed at the market of a specific state or group of states.

From this point of view, the geopolitical significance of Central Asia's transit development potential acquires new meaning as the chance to connect Europe with the Asia-Pacific region. The countries are facing the task of creating the required infrastructure, as well as the most favorable conditions along all the sections of transportation routes that traverse a given country.

It is, however, necessary to remember the various world powers' political interest vectors in the region, and take geopolitical aspects into account in equal measure with the national interests of Central Asian countries in forming transport strategies.

For instance, the top-priority goal for Russia is the preservation of control in the post-Soviet space, via the use of historically determined economic ties. Military interests linked to border security also play an important role. Cooperation with Central Asian countries strengthens Russia's position in the international arena, which is why interaction across various international platforms, created with specific interests in mind (CSTO, CIS, EAEU), assumes special importance.

In turn, China had initially pursued a rather moderate policy in relations with independent Central Asian republics.

The driver of reinvigoration of bilateral contacts of the PRC with the Central Asian region was the PRC's quickly developing economy, which determined the need to seek new market outlets and new energy sources.

Chinese enterprises are investing in projects located near the Caspian Sea, in Russia and Latin America with the aim of ensuring guaranteed access to energy resources. For instance, one of such projects was the 960-km Kazakhstani-Chinese oil pipeline Atasu-Alashankou, with a throughput of 20 million tons per year, launched into operation in 2006.

Another very important and influential player in the Central Asian region is the U.S., which is pursuing its own aims. Most certainly, besides the issue of limiting the influence of Russia and China, the U.S. aims to also ensure its access to the region's energy resources, including through the diversification of the existing transport communications.

The Central Asian countries themselves understand the need to create new routes and the search for economic partners. With these purposes in mind, a special place in transport and infrastructure strategies of the regional countries is held by the communication infrastructure construction and reconstruction projects, which ensure both modernization of existing routes and the prospects of creating alternative ones. The Western Europe-Western China auto road project and the North South transport corridor were two of such projects for Kazakhstan.

In turn, the issue of diversifying supply routes is even more poignant in the sphere of energy resource transportation. As mentioned above, all pipelines functioning after the disintegration of the Soviet Union ensured delivery exclusively through Russian territory. When Central Asian republics gained sovereignty, this state of affairs caused the dependency on the political mood of the neighbor and its economic situation, which stipulate the tariffs for the transit and transportation of raw materials.

In order to minimize the economic risks, it would be expedient to participate in transport projects that guarantee alternative supply options. One of such projects was the construction of the Baku-Tbilisi-Ceyhan oil pipeline and the Baku-Tbilisi-Erzurum gas pipeline, in which Kazakhstan and Turkmenistan intended to participate directly.

However, due to the complexity of development of the Kashagan oil and gas field, Kazakhstan had paused its participation in the oil project. In the case of participation in the gas transportation project, the difficulty lies in the technical specifics of supplies, since oil can be transported by railway and in tankers, while gas may only be transported via a pipeline (we are not considering the issue of the possibility of LNG production and transport due to the financial and technical difficulties of such projects).

In this situation, the provisions of the Convention of the Legal Status of the Caspian Sea, signed on 12 August, 2018, are of interest. While previously it was specifically the unregulated status of the Caspian Sea that has created obstacles for the comprehensive use of all potential opportunities, now, according to Art 14 of the signed document, “the Parties may lay submarine cables and pipelines on the bed of the Caspian Sea.”¹⁰

Meanwhile, a grey area emerged due to the need for the projects to comply with “environmental standards and requirements embodied in the international agreements to which they are parties, including the Framework Convention for the Protection of the Marine Environment of the Caspian Sea and its relevant protocols.”¹¹

It is, in fact, a voluntary sphere of standardization, which should not create obstacles in international cooperation; however, as experience demonstrates, it is currently one of the most efficient instruments of mutual restriction.

In any case, it is crucial to remember that Russia is one of the major exporters of energy resources to Europe, and is practically a monopolist in the sphere of oil and gas transportation. Thus, attempts to diversify the supplies and to create alternative routes contradict Russia’s crucial geopolitical interests not only in the Central Asian region, but also in the international arena as a whole.

Directions of Cooperation in the Energy Sphere within the Framework of the Eurasian Economic Union

Russia’s geostrategic interests are precisely what establish the Central Asian region as its main sphere of influence, while the historically determined links ensure the political partnership between Moscow and Central Asian countries. Russia is one of their main foreign trade partners in the export-import operations within the regional transit framework.

On the other hand, the Russian Federation is also interested in the economic integration with the countries of the former Soviet Union, and not only the preservation, but also the strengthening of good-neighborly ties.

After the disintegration of the Soviet Union, various integration initiatives were regularly proposed as early as in the beginning of the 1990s. The Commonwealth of Independent States, established in 1993, presumed a gradual creation of free trade areas, a customs union, a common market, including a currency market, similar to the European Union.

In 1995, Belarus, Russia and Kazakhstan signed the first Agreement on the Establishment of the Customs Union. The main purposes declared were as follows: elimination of barriers in mutual trade, development of common rules for conscientious competition, coordination of member countries’ economic policy, including foreign economic policy.

¹⁰ *Convention on the Legal Status of the Caspian Sea* (full text), Art 14, Point 1, 12 August, 2018, available at [<http://kremlin.ru/supplement/5328>].

¹¹ *Ibid.*, Art 14, Point 2.

This experience in establishing a customs union subsequently became the foundation for the signing of another international document, the Treaty on Promoting Integration in the Spheres of Economics and Humanities, by the presidents of Belarus, Russia, Kazakhstan and Kyrgyzstan in 1996. The parties' arrangements provided for a gradual intensification of integration in economy, science, education, culture and social services, while promoting the respect for the participants' sovereignty, equality, reciprocity, inviolability of borders, and non-interference in the other members' internal affairs. In 1999, based on the preceding agreements, the Treaty on the Customs Union and Common Economic Space was signed.

The Treaty on Establishing the Eurasian Economic Community, signed in 2000, became the next stage of regional integration. The establishment of this organization aimed to foster economic integration starting with a free trade area via a customs union to a common market, where the latter presumed a unified policy in relation to third countries.

Documents that would subsequently form a solid foundation for the creation of the most sustainable and efficient union in Eurasia—a full-fledged Customs Union, which was set up on 1 July, 2011—were adopted in 2007.

In accordance with the resolution of the highest Customs Union authority, the EurAsEC Interstate Council had approved a list of agreements that form the Common Economic Space of the Republic of Belarus, Republic of Kazakhstan and the Russian Federation,¹² which were subsequently formalized in the Treaty on the Eurasian Economic Union.

Currently, the integrative processes in the region are closely linked to the spheres of cooperation within the Eurasian Economic Union, created on the basis of the Treaty dated 29 May, 2014. According to Art 4 of the Treaty, one of the main goals of EAEU is the “striving to form a common market of goods, services, capital and labor.”¹³

Cooperation of member states in the energy sphere is delineated in Section XX of the Treaty, according to which “in order to effectively utilize the potential of the fuel and energy complex of the Member States, as well as to provide national economies with the main types of energy resources (electricity, gas, oil, and petroleum products), the Member States shall develop long-term mutually beneficial cooperation in the energy sphere, conduct coordinated energy policy and gradually create common energy markets.”¹⁴

In order to increase the possibility of oil, petroleum product and gas export using the existing infrastructure facilities (oil and gas pipelines), the Concepts of Establishing Common Oil and Petroleum Product Markets and the Common Gas Market within the EAEU were adopted by the EAEU Supreme Eurasian Economic Council on 31 May, 2016 in Astana. The Concepts were developed in accordance with the Treaty on EAEU dated 29 May, 2014.

The Concepts determine the main ideas, goals, and principles of formation of common gas, oil and petroleum product markets within the EAEU, their functional structure, interaction spheres between the entities of common markets of gas, oil and petroleum products.

Concepts' goals are:

—ensuring the sustainable development of the economy, energy and environmental security of member countries, with regard to the need to prioritize satisfying the member countries' needs for oil, petroleum products and gas;

¹² See: Decision of the Eurasian Economic Community's Interstate Council of 9 December, 2010, No. 65, available at [<https://docs.eaeunion.org/ru>], 24 December, 2018.

¹³ *Treaty on the Eurasian Economic Union*, Art 4, available at [https://www.un.org/en/ga/sixth/70/docs/treaty_on_eeu.pdf].

¹⁴ *Ibid.*, Art 79.

- raising the level of economic integration and competitiveness of member states and the Union as a whole on the international market;
- raising the economic efficiency of the member countries' market participants in the sphere of production and transportation of oil, petroleum products and gas.

The aims of establishing a common oil, petroleum product and gas market are:

- establishment of conditions favorable to the economies of member states;
- development and increased efficiency of mutual trade market mechanisms (including the establishment of a market trade Union);
- unification of norms and standards for oil, petroleum products, and gas;
- raising transparency of price formation in regard to oil, petroleum products, and gas;
- increasing economic efficiency of use of oil and gas transportation systems in the common market, etc.

The concept of establishing common oil, petroleum product and gas markets stipulates that mutual trade will be conducted on the common market both in accordance with bilateral agreements, and on the exchange, via access to pipeline systems on a non-discriminatory basis.

For the purpose of implementing the Concept, the Program of Establishing a Common Oil and Petroleum Product Market in the EAEU and the Program of Formation of a Common Gas Market in the EAEU were adopted on 6 December, 2018 in St. Petersburg.

According to the adopted documents, several stages are stipulated in the establishment of a common oil and gas market:

- (1) the first stage entails the creation of a methodological and organizational basis for the formation of a common market (until 2021);
- (2) preparation and adoption of a draft international treaty (2021-2024);
- (3) the international treaty should come into effect no later than January 2025.¹⁵

Common oil and petroleum product market presumes the establishment of conditions for non-discriminatory access of the Union's common market participants to the markets of member states, and the elimination of quantitative restrictions and export customs duties in oil and petroleum product trade between associated states.

Similar goals are also behind the creation of the EAEU common gas market: organization of gas trade in the common market, while providing non-discriminatory access of the Union's common market participants, establishing conditions for investment activities of the market participants, and transparent access to gas transportation systems of the EAEU common gas market participants.

The common market will allow to implement efficient non-discriminatory trade, ensure exchange of information on consumption, production, transportation, supply and processing of oil and petroleum products, raise price formation transparency.

The formation of a common oil and gas market in the EAEU is an integral part of economic integration within the EAEU and is aimed at establishing favorable conditions for the free movement of goods, services, technologies and capital among member countries.

In addition, Kazakhstan, like all the EAEU member states, preserves its priority right to defend its internal oil and gas market.

¹⁵ See: Decisions of the Supreme Eurasian Economic Council of 6 December, 2018, No. 23, web site of the Eurasian Economic Commission [<http://www.eurasiancommission.org>].

Thus, if a common EAEU oil and gas market is established, Kazakhstan will obtain equal access to the existing oil and gas pipelines, and may also supply its oil and gas products to the EAEU market on equal conditions.

Conclusion

Integration in the post-Soviet space is determined by numerous factors. One of them is the relatively low competitiveness of goods produced in the countries of the former Soviet Union compared to foreign goods, while cooperation is based primarily on building and maintaining the connections established in the Soviet era.

In addition, efficient integration requires partners' relative economic equality for the purpose of ensuring mutual economic benefits and excluding the possibilities of influence and domination among Union participants. In the case of EAEU, judging by just the trade turnover indices, it becomes apparent that the Russian Federation is the primary partner for all participants, hence, all countries trade mainly with Russia, rather than with each other.

On the other hand, under conditions of globalization, a lack of access to open sea, and the need to preserve regional security and stability, Kazakhstan, just as other Central Asian countries, requires strategic and long-term contacts with its closest neighbors.

This is why today the Central Asian region is not only the arena for the conflict of geopolitical interests, but also a platform for cooperation in the framework of international organizations. The EAEU, which sets the tasks of ensuring a continuous flow of goods through all the member countries, creates additional opportunities for the access of Kazakhstan's energy resources to external markets, and the efficient utilization of the country's transport potential.

Currently, the key gas pipeline for the transportation of the Central Asian gas is the Central Asia-Center pipeline, launched into operation in 1967. It spans approximately 3,000 km, uniting Turkmen, Uzbek and Kazakhstani gas fields with the industrially developed central regions of Russia. With the main gas pipeline at the core, an expansive gas transport pipeline system was developed in the past. The main transit of Central Asian resources to Europe occurs via this gas pipeline.

Two key aspects play a very important role in the selection of the oil delivery route, namely, transportation expenditures and transportation security. From the viewpoint of both cost and security, the Russian route is the most rewarding for Kazakhstan.

Revenues from oil sales make up one-third of the Republic's budget, and the volume of Kazakhstani oil exports is directly dependent on the functioning capacities of the Russian oil pipelines.

In addition, out of the three functioning Kazakhstani oil transportation routes (Baku-Tbilisi-Ceyhan towards Turkey; via the Caspian Pipeline Consortium; and Atasu-Alashankou to China), over 70% is exported through Russian territory.

Due to the geographic and infrastructural dependence on the Russian oil and gas pipelines, equal non-discriminatory access and transparent mechanisms of energy resource tariff formation, delineated in the Concepts of Establishing Common EAEU Oil and Gas Markets, seem quite attractive to Kazakhstan. Accordingly, the currently existing regulatory framework may become a catalyst in utilizing Kazakhstan's energy potential. However, much will depend on the norms of the international document to be signed in 2025.

CENTRAL ASIA IN INDIA'S ENERGY QUEST

Ramakrushna PRADHAN

*Ph.D. (Political Science), Assistant Professor,
Department of Social Science, Fakir Mohan University
(Balasore, Orissa, India)*

Akbota ZHOLDASBEKOVA

*Ph.D. (Global Politics), Acting Professor,
Faculty of International Relations, L.N. Gumilev Eurasian National University
(Astana, Kazakhstan)*

Seyit Ali AVCU

*Ph.D. (Political Science), Professor,
Faculty of International Relations and
In-Charge of International Collaboration Division,
L.N. Gumilev Eurasian National University
(Astana, Kazakhstan)*

Marina LAPENKO

*Ph.D. (Hist.), Assistant Professor, Department of International Relations and
Foreign Policy of Russia, N.G. Chernyshevsky Saratov State University
(Saratov, Russian Federation)*

ABSTRACT

Central Asia had recently assumed a new and prominent role in global politics due to the enormous untapped base of hydrocarbon resources and massive deposits of uranium.

The emergence of the region as an energy-producing center in the latest geological survey and endowment of massive quantities of oil and gas has undoubtedly invited global competition, which led to a struggle for resources between the U.S., China, Europe, and others. India, a country which, like China, consumes the most en-

ergy, has also been seeking for regional opportunities to meet its energy needs. In addition, Central Asia is a viable option both from the point of view of supply security and cost benefit analysis, as it provides an alternative to the hostile and unstable Middle East and its hydrocarbons are of high quality, with the producing countries consuming minimum amounts.

In light of these circumstances, the article attempts to understand India's important energy quest in the region and examines how Central Asian energy is relevant to

India's energy security concerns. It employs comparative analysis of the energy potential of the Central Asian countries and adheres to the viewpoint that India is actively involved in oil politics of Central Asia. Meanwhile, it suggests that India should seriously consider establishing strong political ties with the countries of the region if it wishes to play the major role in the energy sectors of

the region; India needs strategic thinking in this respect and must prioritize the region in its foreign policy doctrine. In the energy sector India needs concrete strategy in place, particularly in light of the tough competition with China in the long term. It has to make prompt and tough decisions if New Delhi is serious about the resource struggle in Central Asia.

KEYWORDS: *Central Asia, India, geopolitics, energy security, pipeline diplomacy.*

Introduction

The geopolitical salience of Central Asia for India was never in question. New Delhi has always regarded the region as very important ever since Central Asian countries have gained their independence. Apart from strong historical ties, close cultural affinity and the warmest friendship with the CAR (Central Asian Region), the abundant natural resources of Central Asia remain of particular significance for the region's closest energy-lacking South Asian neighbor. Today, India imports close to 80% of its required hydrocarbon resources. For that purpose, the country has to heavily depend on the volatile Middle East and had faced many fuel supply disruptions, price fluctuations and an unprecedented monopoly of the OPEC countries. By the time of this article going to press, India had already imported 213.93 million tonnes (MT) of crude oil (2016-2017) for \$70.196 billion or approximately Rs. 4.7 lakh crore.¹ For 2017-2018, the imports are pegged at 219.15 MT for \$87.715 billion (Rs. 5.65 lakh crore).² In October 2018, India was purchasing oil at \$76.90 per barrel.³ Given the trajectory, India's oil import bill was expected to increase by the end of 2018.⁴ This has seriously impacted India's foreign currency reserves and the exhaustion of those reserves, in turn, has caused the rupee to hit a record low of 74.32 to a dollar in October. On the other hand, the exorbitant rise of prices for petrol, diesel and LPG has increased the dissatisfaction among the people, allowing the opposition to strengthen and direct their massive attack on the government for the first time since 2014. All of the above provides sufficient evidence to testify to the importance of energy to India's growth narrative and everyday functioning. Perhaps, it is the reason why energy is regarded as the crux of all things, therefore, it acts as a universal currency.⁵ Therefore, particularly under Prime Minister Mr. Modi, India has developed a pragmatic approach to the CAR as part of its energy strategy, which aims at securing the sources of supply and diversifying the resource base, an approach that deviates from the preceding historical and cultural tradition.

¹ See: "India's Oil Import Bill to Jump by 25% in FY 2018," *The Economic Times*, 26 March, 2018.

² See: "Rising Crude in Poll Time to Further Erode PE of OMCs," *Petroleum Planning and Analysis Cell*, Ministry of Oil and Natural Gas, Govt. of India, New Delhi, 2018.

³ See: "Crude Oil Price Today, Oil Price (Brent, Crude and WTI)," *Market Insider*, 2018, available at [<https://markets.businessinsider.com/commodities/oil-price>].

⁴ See: "India's Oil Import Bill to Jump by \$26 Billion," *The Hindu*, 16 August, 2018.

⁵ See: R. Pradhan, "Geopolitics of Energy in Central Asia: Where Does India Stand in this Game?" *Contemporary Central Asia*, Vol. XX, No. 2&3, May-December 2016.

To meet India's unprecedented energy requirements and to halt the stupendous import dependence on the Middle East, New Delhi started considering the energy resources of Central Asia, including the Caspian Sea region, as strategic resources in its energy calculations. What leveraged the region further are its high-quality and largely untapped oil and gas resources and the investment-friendly environment. Since energy consumption in the producing countries is limited, a major chunk of these resources is intended for export. In addition, unlike the Middle East and African energy-rich countries, Central Asia is very stable, and there seems to be no popular protest against the presence of outside powers. The Central Asian and Caspian gas has less ash in comparison to gas from other producing regions of the world. These are significant reasons for any country, and India in particular, to choose the Central Asian energy production center. In fact, in the last decade or so, energy diplomacy has become the driving force of India's foreign policy, and New Delhi is rather serious about pursuing nuclear energy and diversifying its energy imports by securing supplies from beyond Middle East. Apart from Russia and Azerbaijan, an important role in this regard may certainly be played by Kazakhstan, Turkmenistan, Uzbekistan, and other Central Asian countries.

Like China, India is also actively involved in Central Asian oil politics. Both China and India are expected to be responsible for 50% of the total world energy demand growth, 60% of world oil demand growth, 20% of natural gas and 85% of coal demand growth.⁶ India was interested in the construction of pipelines. This fact became clear from its support of pipelines that passed through Afghanistan, Pakistan, Bangladesh, Iran, Myanmar, and Turkmenistan, which it provided jointly with six other countries. India's primary energy demand is expected to grow by 6%, with the GDP increasing by 7%-8%. According to the international energy agency (IEA) estimates, a \$10-increase in crude oil prices would reduce India's GDP by 1%, which calls for the diversification of energy sources to ensure availability of energy at affordable rates.⁷

India, which declared its Connect Central Asia policy in June 2012, has been one of the first countries to establish strategic connections with the region. The full membership position granted to India in the Shanghai Cooperation Organization (SCO) has further bolstered New Delhi's position in the region as an alternative to Chinese hegemony.⁸

Geopolitics of Energy in Central Asia

Central Asia today represents one of the world's last great frontiers of geological survey and analysis. It offers opportunities for the discovery, production, transportation and refining of enormous quantities of oil, gas and other energy resources. The region is rich in hydrocarbons, with gas being the predominant energy fuel. While Kazakhstan is especially known for its large reserves of oil and coal and significant amount of uranium deposits, Turkmenistan and Uzbekistan are noted for their gas reserves. Kyrgyzstan produces a significant amount of hydroelectricity power. With proven oil reserves, estimated to range from 9 to 40 billion barrels and natural gas reserves, possibly exceeding 131 trillion cubic feet (tcf),⁹ Central Asia is, in fact, poised to become a major world supplier of energy, particularly in the oil and gas sectors. Since most of its reserves are undeveloped and promising, Central Asian energy arouses international interests.

⁶ See: M. Hart, "Central Asia's Oil and Gas Now Flows to the East," *The Diplomat*, 18 August, 2016.

⁷ See: *Ibidem*.

⁸ See: R. Pradhan, "Mapping India's Look North Policy: Why Central Asia Matters?" *IUP Journal of International Relations*, Vol. IX, No. 4, October 2015.

⁹ See: A. Patnaik, *Central Asia: Geopolitics, Security and Stability*, Routledge, Published 1 April, 2016, 238 pp.

Table 1

Primary Energy Resources in Central Asia

Fossil Fuel Reserves	Unit	Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Uzbekistan	Total
Crude oil	MTOE	1,100	5.5	1.7	75	82	1,264.20
Natural gas	MTOE	1,500	5	5	2,252	1,476	5,238
Coal	MTOE	24,300	580	500	Insignificant	2,851	28,231
Total	MTOE	26,900	591	507	2,327	4,409	34,734
% of the total		77.4	1.7	1.5	6.7	12.7	100
Hydro potential	GWh/Year	27,000	163,000	317,000	2,000	15,000	524,000
	MTOE/Year	2.3	14	27.3	0.2	1.3	45.1
% of the total		5.2	31.1	60.5	0.4	2.9	1000
Source: Central Asia: Regional Electricity Export Potential Study, Asian Development Bank, December 2004, available at [http://www.adb.org/Documents/Reports/CAREC/Energy/CA-REEPS.pdf].							

(a) Oil

Oil is the most valuable traded energy commodity in the world second only to gas among the energy resources of Central Asia. The region's oil reserves in 2017 were pegged at almost 3% (38.284 billion barrels) of the world oil reserves (ENI 2018). As of 2018, Kazakhstan was the main regional oil producer with proven reserves of 31.2 billion barrels with the production capacity of 2,147 thousand barrels per day.¹⁰ Turkmenistan possesses proven oil reserves of roughly 0.6 billion barrels based on British Petroleum estimates.¹¹ It has a production capacity of 258 thousand barrels per day¹² (see Tables 2 and 3 on p. 62).

The *Oil and Gas Journal* estimates that Uzbekistan has 594 million barrels of proven oil reserves, with 171 discovered oil and natural gas fields in the country (*Oil and Gas Journal*, 2008). However, in 2015 Uzbekistan had 0.6 billion barrels of proven oil reserves with the production capacity of 64 thousand barrels per day¹³. Unlike some of their Central Asian neighbors, Kyrgyzstan and Tajikistan produce only undersized quantities of oil.

(b) Gas

Central Asia is predominantly a gas-producing region. In 1997, the region is estimated to have proven gas reserves of 6.6 trillion cubic meters (tcm)—2.9 tcm in Turkmenistan, 1.9 tcm in Uzbekistan and 1.8 tcm in Kazakhstan (BP 1997). At that point, these numbers represented about one-tenth of the known gas reserves in the CIS. In 2007, as per the International Crisis

¹⁰ See: "BP Statistical Review of World Energy," *British Petroleum*, March 2018, available at [www.bp.com].

¹¹ See: *Ibidem*.

¹² See: *Ibidem*.

¹³ See: "BP Statistical Review of World Energy," *British Petroleum*, March 2016, available at [www.bp.com].

Group Report, Central Asia was home to an estimated 4% (270-360 tcf) of the world gas reserves (ICG 2007).

Table 2

Total Oil Proven Reserves, billion barrels

Country Name	1995	2005	2007	2014	2015	2017
Kazakhstan	5.3	9.0	30.0	30.0	30.0	30.0
Turkmenistan	0.5	0.5	0.6	0.6	0.6	0.6
Uzbekistan	0.3	0.6	0.6	0.6	0.6	0.6
Kyrgyzstan*	40.0 ^a		NSR	NSR	NSR	NSR
Tajikistan*	12.0 ^a		NSR	NSR	NSR	NSR

Notes: * BP Statistical Review of World Energy, 2007, 2009; Oil and Gas Journal, 2007, 2009.
^a The data of 1995.
 NSR: Not Separately Reported.
Source: BP Statistical Review of World Energy, 2018.

Table 3

Oil Production in Central Asia, thousand barrels per day

Country Name	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Kazakhstan	1,415	1,485	1,609	1,676	1,684	1,664	1,737	1,710	1,695	655	1,835
Turkmenistan	204	222	218	212	215	225	232	241	261	253	258
Uzbekistan	104	102	95	78	77	68	63	61	59	58	54
Tajikistan*	NSR	NSR	NSR								
Kyrgyzstan*	NSR	NSR	NSR								
Other CIS	135	131	126	117	111	111	105	97	91	89	90

Notes: * BP Statistical Review of World Energy, 2007, 2009; Oil and Gas Journal, 2007, 2009.
 NSR: Not Separately Reported.
Source: BP Statistical Review of World Energy, 2018.

Turkmenistan and Uzbekistan are the two leading gas producers, although Kazakhstan also has significant deposits. As of end of 2015, Turkmenistan had 17.5 tcm of proven reserves with annual production capacity of 72.8 bcm; Uzbekistan was home to 1.1 tcm gas reserves with production potential of 57.7 bcm; and Kazakhstan had 0.9 tcm of gas reserves with production capacity of 12.4 bcm.¹⁴ However, the gas in the region is generally high in sulphur, and has corrosive properties, as is the case of oil from Kazakhstan and other parts of Central Asia. The pipelines have to be adjusted accordingly and insulated.

¹⁴ See: "BP Statistical Review of World Energy," *British Petroleum*, March 2018, available at [www.bp.com].

Tables 4-7 below testify to the fact that natural gas is abundant in Central Asia and even more gas fields may be discovered in the near future, given technological assistance from the outside and logistical help through manpower, money and materials.

Table 4

**Total Proven Reserves of Natural Gas in Central Asia, 2018,
trillion cubic meters**

Country Name	1997	2007	2017
Kazakhstan	1.5	1.5	1.1
Turkmenistan	0.7	0.8	1.1
Uzbekistan	1.2	1.3	1.3
Tajikistan*	0.2	0.2	NSR
Kyrgyzstan*	0.2	0.2	NSR
Other CIS countries	—	—	1.2

Notes: * BP Statistical Review of World Energy, 2007, 2009; Oil and Gas Journal, 2007, 2009.
NSR: Not Separately Reported.
Source: BP Statistical Review of World Energy, 2018.

Table 5

**Total Natural Gas Production in Central Asia, 2018,
billion cubic meters**

Country Name	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Kazakhstan	15.8	18.3	19.0	20.4	20.1	19.8	21.4	21.7	22.0	22.9	27.1
Turkmenistan	68.4	69.1	38.0	44.3	62.3	65.1	65.2	70.2	72.8	66.9	62.0
Uzbekistan	60.9	60.4	58.1	56.9	53.9	53.9	53.9	54.2	54.6	53.1	53.4
Tajikistan*	0.2	0.2	0.2	NSR							
Kyrgyzstan*	0.2	0.2	0.2	NSR							
Other CIS	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2

Notes: * BP Statistical Review of World Energy, 2007, 2009; Oil and Gas Journal, 2007, 2009.
NSR: Not Separately Reported.
Source: BP Statistical Review of World Energy, 2018.

(c) Coal

In spite of the importance held by oil and gas in the region's export economy, coal remains the most common source of energy. It is the primary source of electricity in Kazakhstan and a major source of heat in Kazakhstan and Kyrgyzstan.

Table 6

Natural Gas: Production in Oil Equivalent, million tonnes

Country Name	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Kazakhstan	13.6	15.7	16.3	17.6	17.3	17.1	18.4	18.6	18.9	19.7	23.3
Turkmenistan	59.8	59.4	32.7	38.1	53.5	56.0	56.1	60.3	62.6	57.6	53.3
Uzbekistan	52.3	51.9	50.0	48.9	46.4	46.3	46.3	46.6	47.0	45.7	45.9
Tajikistan*	0.2	0.2	0.2	NSR							
Kyrgyzstan*	0.2	0.2	0.2	NSR							
Other CIS countries	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2

Notes: * BP Statistical Review of World Energy, 2007, 2009; Oil and Gas Journal, 2007, 2009.
 NSR: Not Separately Reported.
 Source: BP Statistical Review of World Energy, 2018.

Table 7

Reserves, Production, Exports and Consumption of Natural Gas in the Central Asian Region

Country Name	Reserves Bcm 2008	Production Bcm 2007	Exports Bcm 2005	Production/Consumption 2006	Reserves in 2015/TCM	Production in 2015/TCM
Kazakhstan	1,900.0	25.7	15.4	1.18	0.9 ^a	12.4 ^a
Kyrgyzstan	10.0	0.0		0.03	n/a	n/a
Tajikistan	10.0	0.0		0.05	n/a	n/a
Turkmenistan	2,860.0	64.8	46.6	3.89	17.5 ^a	72.4 ^a
Uzbekistan	1,870.0	56.2	12.0	1.26	1.1 ^a	57.7 ^a
5 'stans	6,650.0	146.7	74.0		—	
Central Asia*	8,226.0	152.9	74.1		—	
World Total	181,945.5	2,929.1	953.7			
Share of 5 'stans	3.60%	5.00%	8.70%		—	
Share of world's top 5 producing countries	62.50%	52.19%	59.52%		—	
Share of world's top 10 producing countries	76.07%	65.53%	76.41%		—	

Notes: * Including Armenia, Azerbaijan and Georgia.
^a BP Statistical Review of World Energy, 2018.
 Source: ENI (2008), World Oil and Gas Review.

Kazakhstan is the biggest coal producer in Central Asia with an estimated 33,600 million tonnes of coal in Karaganda and other areas; Uzbekistan also has coal reserves of 1,900 million tonnes.¹⁵ Kyrgyzstan is also reported to have substantial coal reserves. But these are located in an inaccessible part of the country with no railroad to transport the coal to the markets. Notwithstanding the limited coal reserves in Uzbekistan and Kyrgyzstan and the low quality of coal in Kazakhstan, coal is the important energy source in Central Asia. Kazakh coal is regularly exchanged for Kyrgyz electricity and the coal industry is a major employer in Kazakhstan.¹⁶

(d) Electricity

The Kyrgyz republic has the largest hydroelectricity potential in the Central Asian region. It generates most of its electricity through hydroelectric power stations.¹⁷ Uzbekistan relies primarily on thermal power stations fueled by natural gas, although cheaper energy from hydroelectric power plants is available. The country also draws significantly on hydropower produced from power stations in Kyrgyzstan and Tajikistan. Kazakhstan depends primarily on coal to generate electricity.

(e) Uranium

Central Asia has fairly considerable uranium deposits. Kazakhstan and Uzbekistan—the two biggest CAR countries—have the largest strategic uranium reserves. Kazakhstan, with its largest uranium reserves in the region, holds impressive quantities of enriched uranium estimated at approximately 10,590 to 10,940 kg (KazAtomprom 2010). Uzbekistan has uranium reserves of 150,000 tonnes. Tajikistan, too, holds a fairly sizeable amount of uranium ore and the potential for its enrichment. To its credit, Kyrgyzstan also has huge amounts of uranium, which it obtained from the former Soviet Union. Thus, the Central Asian region can be tapped by any country as a potential source of direly needed uranium to sustain their civil nuclear programs.

The Caspian Sea Region

The Caspian Sea is the largest inland sea on earth. The primary factor that brought international attention to the Caspian Basin was the prospect of large oil and gas deposits found in this region. Consisting of five coastal states—Russia, Iran, Azerbaijan, Kazakhstan, and Turkmenistan—it accounts for 7% of the total world gas production.¹⁸ This is much higher than its oil share in the total world oil output. Even though the Caspian region has a huge energy resource base, there is hardly a consensus among coastal states and outside powers regarding the exact energy potential of the basin. In the mid-1970s, the Soviet estimates were around 35 billion barrels.¹⁹ However, a decade later other estimates placed it at around 10-11 billion barrels. Nevertheless, in 1994, when the “Contract of the Century” was signed between Azerbaijan and a consortium of eight oil companies in September, the energy resources of the Caspian coastal states were said to be comparable to those of Ku-

¹⁵ See: Ibidem.

¹⁶ See: J. Dorian, “Central Asia: A Major Emerging Energy Player in the 21st Century,” *Energy Policy*, No. 34 (5), 2006, pp. 544-555.

¹⁷ See: Ibid, p. 550.

¹⁸ See: R.H. Dekmejian, H.H. Simonian, *Troubled Waters: The Geopolitics of the Caspian Region*, I.B. Tauris, 2001, 271 pp.; A. Patnaik, op. cit.

¹⁹ See: Ibidem.

wait.²⁰ Other estimates, on the other hand, placed Caspian reserves at par with the massive energy wealth of Persian Gulf.

In 1997, the U.S. government stepped in and announced that the Caspian region possessed around 15.6 billion proven and 163 billion potential barrels of oil.²¹ However, the first credible study on Caspian energy potential has been conducted by Wood Mackenzie, a Scottish consulting company, in 1998. It has revealed that the combined proven oil and gas reserves of Azerbaijan, Kazakhstan, Turkmenistan and Uzbekistan equaled to 68 billion oil barrels. Of this amount, the total for oil was 25.2 billion barrels, 65% of which belonged to Kazakhstan (16.43 bn), and the rest to Azerbaijan (6.5 bn), Turkmenistan (0.91 bn) and Uzbekistan (1.34 bn).²² Two further studies published in April 1998 by Rice University's Baker Institute and the International Institute of Strategic Studies of London confirmed Wood Mackenzie's figures.²³ Even with this energy potential, Caspian seems important for energy-consuming countries. Given India's healthy and cordial relations with all coastal states, it needs to move ahead with massive economic investments backed with political willpower to ensure its energy security.

India's Energy Engagement in Central Asian States

In recent times, the focus on energy security has been the most important moving force behind India's foreign policy. Since domestic resources are insufficient, and excessive dependence on the Middle East in the compensation of this deficit has to a large extent derailed India's growth, New Delhi is currently seeking to diversify supply sources to meet its energy demands. In this regard, Central Asia could play an important role in India's pursuit of energy security. New Delhi already holds a share in the Sakhalin-I project, and a MoU had also been signed for a joint venture in the framework of Sakhalin-II. However, its presence in Central Asia until recently was barely noticeable and the country has earned the tag of a late comer. The journey of India to the Central Asian energy sector had started in late 2005, when New Delhi and Beijing competed to acquire a share in Petro-Kazakhstan, Kazakhstan's third-largest oil producer.²⁴ However, China has successfully sealed the deal by placing a bid of \$4.18 billion and defeating India. Nevertheless, India has made several attempts, even though most of them were unsuccessful. India's consistent efforts to get a foothold in the Kazakh energy sector since 1995 bore fruit in 2005 when ONGC Videsh Limited (OVL) and Kazakh State Energy Company, KazMunaiGas, entered into an agreement for a joint venture in the Kazakh hydrocarbon sector. During the visit of Dr. Manmohan Singh to Kazakhstan in 2011, the agreement was finalized to acquire a 25% stake in the Satpayev oil block. This block, with estimated reserves of 1.8 billion barrels, is the biggest Indian venture in Central Asia. The Satpayev project started to drill in 2015, when Prime Minister Modi visited Kazakhstan. ONGC Videsh (OVL) is investing about \$4 billion in the project, and it is expected to be fully operationalized by 2020.²⁵ In addition, India has also bought a stake of 2.7% in the Azeri-Chirag-Gunashli oil field in Azerbaijan and 2.4% stakes in the Baku-Tbilisi-Ceyhan pipeline project. New Delhi's onward march was once

²⁰ See: R. Pradhan, *Geopolitics of Central Asia: China-U.S. Engagement*, VDM Dr. Muller Publication, 2010.

²¹ See: R.H. Dekmejian, H.H. Simonian, op. cit.

²² Ibidem.

²³ Ibidem.

²⁴ See: G. Sachdeva, "Changing Dynamics of India-Central Asia Ties," Bishkek Project, 5 April, 2017, available at [<https://www.bishkekproject.com/memos/24>].

²⁵ See: Ibidem.

again derailed in 2013, when India suffered a huge setback from the Chinese in Kazakhstan. It had lost its bid to acquire 8.4% stakes in ConocoPhillips to China. Even though the deal was at its final stage, Kazakhstan used its sovereign rights to hand the stake over to China due to the prolonged delay on the Indian side. While India stretched the time, offering to buy the shares for \$5 billion, China bought them at \$5.2 billion. Had this deal been successful, New Delhi would have received a major stake in the vast Kashagan oil field in the Caspian Sea region.

According to Gulshan Sachdeva, “altogether, by some estimates, India has lost at least \$12.5 billion in deals to China in recent years. And when the Kazakh government reportedly offered the ONGC a stake in the mid-sized Abai oil block in 2014, India rejected the deal. With the declining oil prices, the ONGC did not find the offer particularly attractive.”²⁶

Kazakhstan produces around 20,000 tonnes of uranium annually, which makes it the largest producer in the world. Astana is well placed in world uranium map with 12% of the world’s resources. In 2016 alone, it produced around 24,580 tU (WNA 2018). Since 2009, both countries have been actively collaborating with each other on the civil nuclear energy front. In 2009, NPCI and Kazatomprom have signed a MoU during the visit of President Nazarbayev to India, which has enabled the bilateral partnership to move forward in a positive direction. During the visit of the former Indian Prime Minister Dr. Manmohan Singh in 2011 to Astana, “an agreement on peaceful use of atomic energy was signed. This agreement provides the legal framework for cooperation in the spheres of fuel supply, reactor safety mechanism, and exchange of scientific and research information, exploration and joint mining of uranium, design, construction and operation of nuclear power plants. In accordance with the agreement, Kazakhstan supplied 2,000 tonnes of uranium to India in 2014.”²⁷

The Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline is another important hydrocarbon joint venture that India has initiated in Turkmenistan. Although the project was started in 2004 by Turkmenistan, Afghanistan, and Pakistan, India joined the longest pipeline project only in 2006.²⁸ This 1,680 km “peace pipeline” from Turkmenistan to India starts at the Dauletabad gas field in Turkmenistan and ends at Fazilka in Indian Punjab. It traverses the hill terrains of Afghanistan from Herat to Kandahar and Pakistan from Quetta to Multan.²⁹ The project, however, is not moving forward in a positive manner, since India is concerned about the security of supply from Turkmenistan and the security of pipelines running through Afghanistan and Pakistan. Nevertheless, the discussion held in December 2015 in Mary, Turkmenistan, has been able to clear the clouds and all the stake holders have agreed to move ahead with the project. Even Russia has given its consent to support the project, while the Asian Development Bank has willingly agreed to sponsor it. If the project successfully materializes, India will gain more than any other country as not just Central Asian hydrocarbons will come to India but even the Russian energy resources then will be connected to India through TAPI.

The Indian public sector company Gas Authority of India (GAIL) has signed an MOU with Uzbekneftegaz for oil and gas exploration and production. An important step in this process has been the set-up of a Liquefied Petroleum Gas (LPG) plant by GAIL for Uzbek consumption in western Uzbekistan.³⁰ Islam Karimov’s visit to New Delhi in 2011 had enabled India’s ONGC Videsh Ltd (OVL) to participate in oil and gas exploration in partnership with Uzbekneftegaz. “Under their provisional agreement, OVL, the overseas arm of India’s state-owned Oil and Natural Gas Corporation,

²⁶ See: Ibidem.

²⁷ R. Pradhan, “India’s Central Asian Policy,” *Journal of Peace Studies*, Vol. 24, No. 1&2, January-June 2017.

²⁸ See: “Union Cabinet Decision Press Release,” Press Information Bureau, Government of India, 18 May, 2006, available at [<http://pib.nic.in/realease/re120lease.asp?reid=17859&kwd=>].

²⁹ See: G. Sachdeva, “Regional Economic Linkages,” in: *Reconnecting India and Central Asia*, ed. by N. Joshi, New Elegant Printers, New Delhi, 2011.

³⁰ See: Ibidem.

will form working groups with Uzbekneftegaz in a view towards joint activities in third countries, allowing OVL to continue to increase access to Central Asia's vast energy resources."³¹

Kyrgyzstan and Tajikistan have intensified the transmission of their electrical power to South Asia (Afghanistan and Pakistan) through the visionary concept of Central Asia-South Asia Regional Electricity Market.³² Indian companies GAIL and Engineers India Limited (EIL) work in Uzbekistan's gas and oil fields. However, GAIL has taken initiative and identified four blocks for exploration of gas.

Finally, an emerging area of Indian and Central Asian cooperation is purchasing uranium in the region. "Kazakhstan has large reserves of uranium, and India is keen to import it for its growing nuclear industry. In 2011, Kazakhstan agreed to supply 2,100 tonnes of uranium to India's nuclear plants by 2014, and it pledged an additional 5,000 tonnes for 2015-2019 during Modi's visit to Astana in 2015. Similarly, the state-owned Uzbek mining firm NMMC has agreed to supply 2,000 metric tonnes of uranium ore concentrate to India between 2014 and 2018."³³

Conclusion

In recent times, India has shown a keen interest in engaging with the Central Asian countries, particularly in the economic and energy sector, straying from the historical and cultural connections more than ever. While India looks at the hydrocarbon resources of the heartland region to meet its domestic energy demands and to maneuver its economic growth, Central Asia looks up to India as a counterweight to China's rise in the region. If India wishes to play a key role in the energy sector of the region, it has to seriously consider establishing strong political ties with the countries of the region. Although the region is of great strategic significance to New Delhi, its engagement with the region has been very moderate in comparison to China, Russia and the U.S. India needs to engage in strategic thinking in this respect and must prioritize the region in its foreign policy doctrine. In addition, India needs to develop the vision of the long term rate of return without considering the immediate result as its mantra for engagement with the region. Particularly, in the energy sector, India requires concrete strategy under the current conditions of the tough competition with China. New Delhi has to make tough decisions without causing any delay, if it is at all serious about the struggle for the region's resources.

³¹ R.M. Cutler, "India Uzbekistan Relations Deepen Energy Cooperation Prospects," 27 May, 2011, available at [<http://www.eurasiansecurity.com/research-analysis/strategic-overview/india-uzbekistan-relations-deepen-energy-cooperation-prospects/>].

³² See: *Electricity Transmission and Trade Projects—CASA-1000*, Central Asia-South Asia Regional Electricity Market, July 2007, available at [http://centralasia.usaid.gov/datafiles/_upload/CASA-1000_Briefing_Mem_Final.pdf], 10 June, 2010.

³³ G. Sachdeva, "Changing Dynamics of India-Central Asia Ties."

REGIONAL ECONOMY

XINJIANG DEVELOPMENT STRATEGY AND SOCIO-ECONOMIC DEVELOPMENT OF ITS BORDER AREAS

Daniyar MADIYEV

*Ph.D. Student, the Al-Farabi Kazakh National University
(Almaty, Kazakhstan)*

Nabidzhan MUKHAMETKHANULY

*D.Sc. (Hist.), Professor, the Al-Farabi Kazakh National University
(Almaty, Kazakhstan)*

Oshan ZHANYMKHAN

*Ph.D. (Hist.), Assistant Professor, the Al-Farabi Kazakh National University
(Almaty, Kazakhstan)*

Kaliolla ARDAK

*Senior Lecturer, the Al-Farabi Kazakh National University
(Almaty, Kazakhstan)*

ABSTRACT

In 1949, the Communist Party of China formulated and launched the strategy of political, economic and social changes for the Xinjiang Autonomous Region as part

of the People's Republic of China. Since that time the Xinjiang Uyghur Autonomous Region has completely depended on the CPC's policy in China and its strategy in the region.

Throughout the 1950s-1970s, its traditional social structure underwent certain changes to adjust to the planned socialist economy. In the 1980s-1990s, when China moved away from planned to market economy, the social and economic situation in the region improved considerably.

In the first decades of the 21st century, it acquired a new lease on life in the form of the Great Western Development Strategy carried out by the CPC. It embraced 19 cities and provinces across the country and radically changed the situation in Xinjiang for the better, partly owing to financial, technical and human assistance extended by developed cities and provinces on a permanent basis. These concerted efforts improved the region's social and economic

context. Today, infrastructure, communication and transportation systems are developing on a high-tech basis.

The social and economic situation in the region's border areas, especially in those bordering on Kazakhstan, has been considerably improved. Trade and economic ties are developing with the Central Asian countries, Russia and the West. The development of the cities in the border regions (i.e., Khorgos) and creation of free trade hubs play an important role in China's trade and economic communications and the safety of its borders.

In fact, Kazakhstan can learn a lot from China's experience of realizing its strategy of intensified development of Xinjiang's border area to use it in its own border regions.

KEYWORDS: *Xinjiang development, border regions, socio-economic development, infrastructure, transborder trade between China and Kazakhstan.*

Introduction

Xinjiang and the strategy of its intensified development formulated in 2000 and prompted by its slow social and economic progress, geographic location and ethnic composition are an inalienable part of China's long-term socio-economic strategy realized in the rest of the country, which ensures, to a great extent, the region's geopolitical, geo-economic and social stability.

Xinjiang, situated in the north-west of China, occupies one-sixth of its total area and connects China with Central Asian, Middle Eastern countries and Europe, a total of eight states with a 5,600-km span of land border.

Rich in oil, natural gas and coal, it supplies 40% of the coal mined in China.

Its 47 nationalities make it one of the multi-national regions: Twenty-two millions of Uyghurs constitute 46% of the total population; Han-Chinese—40%, other nationalities account for the remaining 14%.

In 1949, socialist changes and social reforms realized by the new state, People's Republic of China, and its Communist Party gave Xinjiang a fresh start.

Xinjiang's geographic location and ethnic distinctions prompted a policy of national regional autonomy, which brought significant positive results: socially oriented economy was developing; the standard of living of the local population was rising; the socio-economic situation improved along with education and health services. This, however, was not enough to improve the ethnic relations, and in-depth studies were necessary.

So far, Xinjiang has gone through three stages of social development. The 1949-1978 period was the time of socialist changes and planned economy; the period between 1978 and 2000 saw social

reforms, the policy of open doors and development of market economy; starting in 2000, the region has been intensively developing under the state Great Western Development Strategy.

The ongoing strategic policy in Xinjiang gave the region a new lease on life; the border regions, transborder trade and economy are developing especially well. We have posed ourselves with the task to present the course of the border regions' social and economic development, which is realized under the state strategy, and assess the results.

It is hardly possible to cover all border regions of Xinjiang (the length of its border being 5,600 km) in one article. Thus, we have chosen the socio-economic and infrastructural development of the regions bordering on Kazakhstan. The policy Beijing is implementing in the border areas is of practical importance to Kazakhstan, since the development of social infrastructure in the border regions promotes interstate relations.

Much has already been written in Kazakhstan, China and other countries on the issues related, first and foremost, to Western China and Xinjiang's intensive development. The following authors and their works deserve special mention.

Kazakhstani scholars K. Syroezhkin,¹ N. Mukhametkhanuly,² Sh.M. Nadyrov,³ R.Iu. Izimov⁴ and K.K. Kenesbekova⁵ paid particular attention to the strategic programs realized in Xinjiang, the state of relationships between Kazakhstan and China and transborder cooperation between them.

In his work *Open Border and Studies of the Development of the Open-Doors Economy of the Border National Regions of Xinjiang* Chinese scholar Si Zhengjia (司正家) offered a profound analysis of Xinjiang's socio-economic development.⁶

Russian researchers A.V. Bondarenko,⁷ E.S. Bazhenova,⁸ Iu.V. Frolova and others study political and economic reforms in Xinjiang that have improved its infrastructure, the demographic situation and the region's relations with the Central Asian countries.

Stanley Toops⁹ and Altay Atli,¹⁰ whose works appeared in English, paid a lot of attention to important problems of the region's development after 1949, such as demographic changes and the impact of the New Silk Road program on its economy. In addition, this subject was covered in the

¹ See: K. Syroezhkin, "Kazakhstan-Kitay: torgovo-ekonomicheskie otnosheniya," *Kazakhstan i mirovye soobshchestvo*, No. 1 (2), 1995, pp. 62-67.

² See: H. Мұқаметханұлы, "Дипломатиялық қатынастар және қытайтану мәселелері," *Тарих тағлымы*, Алматы, 2010, 204 pp. (N. Mukhametkhanuly, *Diplomatic Relationships and Problems of Oriental Studies*, Tarikh taglymu, Almaty, 2010, 204 pp.).

³ See: Sh.M. Nadyrov, "Xinjiang Uigursky avtonomny rayon v dinamike ekonomicheskikh i politicheskikh otnosheniy RK i KNR," *Kazakhstan-Spektr*, No. 1, 2006, available at [<http://www.kisi.kz/ru/categories/geopolitika-i-mezhdunarodnye-otnosheniya/posts/sin-czyan-uygurskiy-avtonomny-rayon-v-dinamike-ekonomi>], March 2006.

⁴ See: R.Iu. Izimov, "Torgovo-ekonomicheskie aspekty sotrudnichestva Kazakhstana i SUAR KNR," available at [http://cc-sauran.kz/rubriki/ekonomika/41-kazakhstan_china.html], 26 March, 2013.

⁵ See: K. Kenesbekova, "Vzaimootnosheniya Respubliki Kazakhstan s Kitaem na primere SUAR," *KazNU Bulletin Oriental Series*, No. 2 (59), 2012.

⁶ See: Si Zhengjia, "Open Border and Studies of the Development of the Open-Doors Economy of the Border National Regions of Xinjiang" (司正家 沿边开放和新疆边境民族地区开放型经济发展研究..中国经济出版社), 2011, 436 pp.

⁷ See: A.V. Bondarenko, *Problemy i perspektivy razvitiya Xinjiang-Uigurskogo avtonomnogo rayona KNR v nachale XXI veka*, PhD thesis, Moscow, 2007, available at [<http://www.ifes-ras.ru/old/aspitant/Bondarenko-avtoref.pdf>], December 2007.

⁸ See: E.S. Bazhenova, "Xinjiang i novye gorizonty Velikogo Shelkovogo puti," *Prostranstvennaia ekonomika*, No. 2, 2011, pp. 137-145.

⁹ See: S. Toops, "Demographics and Development in Xinjiang after 1949," *East-West Center Washington Working Papers*, No. 1, available at [<https://www.eastwestcenter.org/publications/demographics-and-development-xinjiang-after-1949>], May 2004.

¹⁰ See: A. Atli, "Role of Xinjiang Uyghur Autonomous Region in Economic Security of China—Analysis," available at [<http://www.eurasiareview.com/03012016-role-of-xinjiang-uyghur-autonomous-region-in-economic-security-of-china-analysis/>], 3 October, 2016.

joint work by Chinese scholars Shan Wei and Weng Cuifen,¹¹ as well as in Susan W.K. Wong-Tworek's book,¹² both being published in English.

All authors mentioned above paid a lot of attention to the development strategy of Western China in general and Xinjiang in particular without concentrating on the development of social economy of the border areas. We have posed ourselves with the task to study the external ties and development of the border districts Ili, Tacheng and Altay as part of the Ili Kazakh Autonomous Region and the border areas of the Bortala Mongol Autonomous Prefecture within the Xinjiang Uyghur Autonomous Region.

We have relied, among other things, on important documents and information: decisions of the C.C. C.P.C., the government of China, the party committee and the government of Xinjiang, Nianjian¹³ annual statistical publications and reports of local executive structures on the realization of state programs.

New Xinjiang: Development Stages

Development began in the first years of the People's Republic of China. The Communist Party of China was building up a socialist political and economic structure and was gradually realizing the program of the socialist system development in social economy. The first stage ended in 1978.

On 1 October, 1949, the People's Republic of China presented its first political program as part of its Common Program (总纲) adopted by the Chinese People's Political Consultative Conference in September of the same year. The program that was in fact a Constitution of the newly established state stated in Art 9 "All nationalities in the People's Republic of China shall have equal rights and duties" and Art 51 "Regional autonomy shall be exercised in areas where national minorities are concentrated and various kinds of autonomy organizations of the different nationalities shall be set up." This provided the legal foundation of the Communist Party's nationalities policy.

The agrarian socialist reform reached the land-tilling and cattle-breeding regions of Xinjiang in September 1952. The abolition of the ancient system of land ownership in villages allowed the state to distribute landed plots among peasants.

During the second stage, cattle-breeding in the mountainous areas of Xinjiang and steppe pastures was fostered.¹⁴

In 1953, the C.C. C.P.C. published the first five-year plan; Xinjiang got its share of planned economy.

In that period the region's infrastructure received a lot of attention: a railway between Lanzhou and Ürümqi was built, highways, likewise, were not forgotten: in 1957, the total length of highways in the region was 12,039 km. Civil aviation connected the cities inside the region and the neighboring Soviet republics.

In 1958, the C.C. C.P.C. passed the Decision on People's Commune in Villages as part of the Great Leap Forward campaign that immeasurably complicated the economic status of the entire population.

¹¹ See: Shan Wei, Weng Cuifen, "China's New Policy in Xinjiang and its Challenges," *East Asian Policy*, Vol. 2, Issue 3, 2010, p. 61, available at [http://www.eai.nus.edu.sg/Vol2No3_ShanWei&WengCuifen.pdf].

¹² See: Susan W.K. Wong-Tworek, "China's Economic Development Plan in Xinjiang and How it Affects Ethnic Instability," available at [<https://www.smashwords.com/books/view/686217>], 29 November, 2016.

¹³ See: *Collection of Annual Statistical Data of Xinjiang* (新疆统计年鉴).

¹⁴ See: *Xinjiang History of the New Period* (当代新疆简史编撰员委会: 当代新疆简史. --北京: 当代中国出版社), 2003, 406 pp.

In March 1961, the C.C. C.P.C. published the Rules for the Village People's Commune that allowed the commune members to own small landed plots, keep cattle and poultry that saved them from the worst consequences of famine.

In January 1962, the C.C. C.P.C. went even further with the Greater Support of the Agrarian Sector and Development of Agriculture program that somewhat improved the everyday life of the common people by 1963. In 1964-1965, the country was plunged into the Socialist Education Movement and, later, into the Cultural Revolution (1966-1976) and the resultant crisis was felt especially deeply in Xinjiang.¹⁵

The Xinjiang Production and Construction Corps (新疆生产建设兵团) played a special role in the region's security and socio-economic development. This half-military, half-manufacturing structure was set up on 7 October, 1954 on the basis of the Chinese People's Liberation Army and the Armed Forces of the Kuomintang to preserve socio-political stability and ensure security of the border region; develop virgin lands and expand production. They were stationed in the steppe areas along the border. The Corps' General Staff in Ürümqi is independent of the local structures and takes orders from the federal center. Today, the over two-million Corps consists of 14 divisions, 174 economic structures, 4,391 production and construction, transport and commercial units and plays a definite role in the scientific-research structures, in education, culture, health protection, sport, finance, insurance and legal structures.¹⁶

The Production and Construction Corps controls 2109 km of the Xinjiang border; six out of its 14 divisions are stationed in the strategically important points at the Xinjiang northwestern border: the 10th division in the Altai Prefecture, the 7th, 8th and 9th divisions in the Tacheng Prefecture, in Karamay and the Ili Prefecture. Several 5th division units are stationed along the border with the Alakol District of Kazakhstan; the 4th division is stationed in the Ili Prefecture, while its staff operates from the settlement of Kokdala at the border with the Almaty Region of Kazakhstan. The 11th division is entrusted with the infrastructure projects realized in the border area.¹⁷

The second stage of Xinjiang's development lasted from 1979 to 1999. The decisions of the Third Plenary Session of the 11th C.C. C.P.C. held in December 1978 set off a period of reforms and development in China, which raised the development process in the autonomous region at a higher level.

The reforms launched by Deng Xiaoping, which began in the agricultural sector and spread to trade, industry and all spheres of social life, were intended to move the country away from planned to market economy. The highly successful experience of free economic zones of the southeastern seashore regions was repeated in the center and the west.

In September 1982, the 12th Congress of the C.P.C. passed the Regional Development Strategy that served as the basis of the Development Strategy of Xinjiang realized by the region's party and state structures. From that time on, the local leaders have been concentrating at attracting foreign and state investments to industrialization projects and building up regional infrastructure.¹⁸

The first free economic zone was established in Ürümqi in 1994, following the patterns tested in the country's south. Later, the region acquired several free economic zones.

¹⁵ See: Н. Мұқаметханұлы, *XX ғасырдағы Қытайдың тарихи үрдісіндегі қазақтардың әлеуметтік дамуы: Оқу құралы*, Алматы: Қазақ университеті, 2006. 168 с. (N. Mukhametkhanuly, *Social Development of Kazakhs in the 20th Century. History of China*, Textbook, Kazakh University, Almaty, 2006).

¹⁶ See: R.Iu. Izimov, "Voenizirovannyye struktury Kitaia—kto kontroliruet granitsy SUAR: Vostochnoe biuro IA REGNUM," 2014, available at [<https://regnum.ru/news/1807314.html>], 28 May, 2014.

¹⁷ See: *History of the Xinjiang Production and Construction Corps* (新疆生产建设兵团简史/岳廷俊。--乌鲁木齐: 新疆大学出版社), 2007, 327 pp.

¹⁸ See: "Statistical Communiqué of the Xinjiang Uygur Autonomous Region Statistical Bureau on 1995 Economic and Social Development," *Xinjiang Daily*, 27 January, 1996, p. 2.

According to statistical data, between 1955 and 2000 the region received huge financial assistance from the Central Government of China and in the form of foreign and internal investments.¹⁹

By the end of the 20th century, huge internal and foreign investments raised the level of the region's social and economic development.

Further Social and Economic Development

In the 21st century, Xinjiang has been developing within the Open Up the West state development program, adopted to bring the level of socio-economic development of the country's west to the level of the country's southeast. Selected as the program's priority Xinjiang entered the third phase of its development.

Speaking at the Second Session of the 9th National People's Congress held in 1999 in Beijing, Chairman Jiang Zemin said that the C.C. P.C. had outlined the program of accelerated development of the country's central and western areas. It entailed a more active financial policy and a clearer understanding of the country's requirements as the main drivers of economic development, "This is an excellent strategic idea for our development."²⁰ The State Planning Commission of China began elaborating a clear plan of the development of its western part.

In June 1999, Xi'an hosted a large conference attended by the leaders of five prefectures and autonomous regions of Western China. Jiang Zemin, who was also present, talked about the great importance of economic, cultural, political, military and social development of the country's west. He called on the conference to accelerate the process which he described as a task of historic importance and giant dimensions. "For several decades or even over the course of the 21st century we will work hard to turn the western regions into a zone of developed economy, harmonious society and friendly ecology."²¹

In 2000, the government of Xinjiang set up an Intensive Development Commission for Xinjiang that specified long-term aims and perspectives. The highly complex structure consisted of three stages to be realized in the first half of the 21st century. The first stage was completed in 2010 with the Autonomous Region's GDP rising by over 10%.²²

Today, the region, assisted by developed regions, cities and industrial enterprises in all parts of China, is working on the second stage (2011-2030).

Until 2010, the Central Government helped Xinjiang with money and qualified specialists; today it extends financial, technological and labor resources. All provinces and cities involved in the process realize pilot projects in health protection, education, housing, agriculture, and information technologies. Over the last three years they have invested 24.8 billion CNY; realized 2,378 projects, 75% of them designed to raise the standards of living.²³

Everything that the 12th five-year plan (2011-2015) defined as the targets, namely, raising the per capita GDP to China's average, bringing the development levels of Xinjiang's south and north closer together, increasing the incomes of the urban and countryside population and improving infrastructure, have been fulfilled. A prospering society is supposed to be built by the year 2020.

¹⁹ See: "Vsemernaia pomoshch gosudarstva v razvitii Xingjiang," 22 September, 2003, available at [<http://uz.chineseembassy.org/rus/sgxx/sgsd/t130478.htm>].

²⁰ Quoted from: N. Mukhametkhanuly, *Diplomatic Relationships...*

²¹ Ibidem.

²² See: *Istoria i razvitie Xinjiang (White Book)*, Ch. X, Pomoshch gosudarstva v razvitii Xingjiang, 22 September, 2003.

²³ See: Iu.V. Frolova, "Ekonomicheskaiia politika KNR v Xinjiang-Uigurskom Avtonomnom Rayone v kontekste Interesov Stran Tsentralnoy Azii," *Problemy natsionalnoy strategii*, No. 4 (25), 2014, pp. 65-85.

Thanks to the vast investments, the region's economy demonstrated fast growth in some respects: in 2012, its GDP was \$120 billion, or 12% higher than in 2011. Its foreign trade turnover rose by 11% to \$25 billion.²⁴

In 2013, the official site of the government of Xinjiang published the results achieved in the previous year in economy, social sphere and its plans for the near future.

By 2030, the Chinese government plans to bring the level of Xinjiang's economic development to that of the country's southeast. On the other hand, it intends to turn the region into a transport hub that will connect China with Central Asia, Europe and the Persian Gulf.

Xinjiang maintains trade and economic ties with 167 countries and regions. In 2009, the total volume of its foreign trade was \$13.8 billion, 6.8 times more than in 1999; an average annual growth of 22.8% (transborder international trade reached 54.5% of the total volume of foreign trade).²⁵ The living standards improved; the level of social security of the people living in the countryside rose as high as 99.7%.

The transport infrastructure, an instrument of the region's economic development, receives a lot of attention. Air communications have been improved, highways and railways have been built to turn the region into a Central Asian transportation and logistics hub.

Highways are especially important: 12 express roads will be built and 8 regional roads reconstructed. In September 2012, an express road between Guazhou County (Gansu Province) and the city of Xingxingxia was commissioned. It is part of the national highway that connected Lianyungang, a port in the Jiangsu Province in the east with Khorgos, the town on the northwestern border of Xinjiang. The road runs from the east to the west across the Jiangsu, Anhui, Henan, Gansu and Shaanxi provinces. This is the only road that connects Xinjiang with the rest of the country.

In 2011-2015, the state poured 120-140 billion CNY (\$19-22 billion) into road construction and reconstruction in Xinjiang. The total length of highways in the region will be increased by one-third to reach 175,000 km by the end of the 12th five-year plan. By 2020, the western region will acquire a network of highways.²⁶

According to Shokhrat Zakir, who heads the region's government, in 2017 the GDP of the Autonomous Region was 1.09 trillion CNY (\$171 billion); the net per capita profit was growing at the same rate; average per capita income of the urban and village population was 30,775 CNY and 11,045 CNY (an increase by 10.1% and 9.9%), respectively; per capita GDP in the region's capital was 77,958 CNY (\$11,549).²⁷

Today, the Chinese government is working hard to make Xinjiang the trade, economic, transit and logistics hub of the country's West, to raise the region's economic development level to that of China's southwest by 2030. According to Chinese experts, the state has enough money and can attract foreign investments to achieve this aim.

Intensive Development of Xinjiang and Socio-Economic Development of the Border Region

Xinjiang is developing under the strategic Open Up the West Program. Direct trade and economic contacts with foreign countries will improve the state of its social economy. The relationships

²⁴ See: S. Toops, op. cit.

²⁵ See: N. Mukhametkhanuly, *Diplomatic Relationships...*

²⁶ See: Iu.V. Frolova, op. cit.

²⁷ See: "Za 10 let po chasti ekonomiki Xinjiang dognal i peregnal Kazakhstan," available at [<https://zonakz.net/2018/11/01/za-10-let-po-chasti-ekonomiki-sinczyan-dognal-i-peregnal-kazaxstan/>], 1 November, 2018.

with the Central Asian countries, Kazakhstan, Russia and the European Union across the northwestern border will increase Xinjiang's international weight and accelerate its economic growth, an important factor of political and social stability in the border region. High-tech infrastructure will positively affect the economies of region's border area and the rest of its territory.

The northwestern border region of the PRC includes the territories of the Ili Kazakh and Bortala Mongol Autonomous Prefectures that border on Kazakhstan, Russia and Mongolia and serve as transit territories for highways of international importance that connect China and the West.

Today, the PRC is realizing the second stage of the Open Up the West Program (2011-2030): new industrial capacities, social facilities and infrastructural transit networks are being commissioned. For example, the Karamay oil field in the Tacheng Prefecture supplies half of crude oil extracted in Xinjiang; petrochemical products are sold in China and in the neighboring countries' markets. The aluminum plant in the Ili Prefecture produces 10,000 tons of aluminum every year. Several big industrial projects are under construction: coal mines, food and textile industry. In 2016, the industrial enterprises of the Ili Kazakh Autonomous Prefecture produced 156,230 million CNY worth of products, 11.4% more than in the previous five years.

Tourism, likewise, is highly beneficial for the region's social climate and economy; in the last few years the quality of services has improved, while the free economic zones along the border—the Silk Route of antiquity, mountaineering, visiting ancient cities, hunting, acquaintance with traditions of the local peoples, and ecotourism—became tourist attractions.

The number of self-employed among the local population has increased; tourism stirred up domestic and foreign trade, catering and transport services improved, an interest in folk art stimulated the production of consumer goods and traditional arts and crafts, which added vigor to local economy.

Encouraged by infrastructure projects, social economy is moving ahead. Since the 2000s, China has been investing about 8-10% of its GDP in infrastructure. Billions of yuans have been poured into highways and railways, airports, hydro-technical and energy facilities functioning in the autonomous region. Under the 12th five-year plan China has been developing the region's transportation system to improve its transit potential. In 2006-2010, the basic assets of the region's transport and communication received 67.2 billion CNY, which is 12.0 billion more than planned. In 2010, the total volume of investments in the communication and transport sector was 24.8 billion CNY, 9.8 billion CNY more than planned. This money was used to build 1,965 km of express roads, 3,223 km of highways and 8,000 km of roads in the countryside. In the same period, 47.6 billion CNY (or 11.2 times more than in the previous five-year period) were invested in railway construction. The region acquired the Jinghe-Yining-Khorgos and Kuytun-Beitun railways in the northwestern border area, as well as several strategically important railways in other parts of Xinjiang. In 2010, the already functioning railway was extended by 1,068 km to the total span of 4,093 km.²⁸ This will contribute to the consolidation of international contacts and the rise of region's economic indices to a higher level.

The Ürümqi-Jinghe stretch, commissioned in 2009 as part of the 381.5-km Dostyk-Alashankou route, increased the volume of freight transportation to and from Central Asia. Since 2010, the volume of freight railway transportation from XUAR has increased by 7%.

In 2018, the high-speed Ürümqi-Khorgos railway, known in China as the Basis of the New Silk Road revived by China and the “the railway that is strategically important for each of the neighboring countries,” was commissioned.²⁹

The government of China considers the border zones of economic cooperation an instrument of their accelerated social development and economic growth. Today, 3 out of 14 zones are situated

²⁸ See: Iu.V. Frolova, op. cit.

²⁹ *Statistical Communiqué of the Xinjiang Uygur Autonomous Region Statistical Bureau...* p. 2.

along the northern border of Xinjiang: Yining (Ghulja), Tacheng (Chuguchak) and Bole (Bortala Mongol Autonomous Prefecture) set up in 1992. In 2010, the Central Economic Work Conference of the Chinese government, which discussed the future of the border cities Kashgar and Khorgos, confirmed their status as special economic development zones.

The 2011 document entitled Plans the State Council of the PRC on Setting up Economic Development Zones in Kashgar and Khorgos pointed out that the logistic potential of Xinjiang could be used to tune up transborder trade with Central, South and West Asian countries as well as to upgrade the region's economic potential.³⁰

The state invested over 5 billion CNY into the construction of infrastructure and basic assets of the economic cooperation zones; 330 enterprises of different types were registered, three of them boasted the production capacity of over 100 million CNY and 15—the production capacity of over 10 million CNY. All of them intend to sell their products inside and outside the country.³¹ This means that social infrastructure and the economic production system are developing according to contemporary demands. Kazakhstan should follow the same pattern when developing its border regions.

Trade and Economic Relations at the Border

The dynamically developing trade and economic relations with the West and stronger security of Xinjiang's border areas rest on their upgraded social infrastructure.

Xinjiang's geographic location perfectly suits trade and economic cooperation with foreign countries. This means that foreign trade is closely connected with transborder trade; in recent years half of XUAR foreign trade has been ensured by transborder trade.

On the whole, the trade and economic relations between China and Kazakhstan and the Central Asian countries across the Xinjiang's border began in the 1980s. On 23 November, 1990, the governments of the Kazakh S.S.R. and China signed an agreement on economic, scientific, technical and cultural cooperation. The Parties agreed to promote cooperation in trade, transportation, communication, power production, agriculture and tourism.³²

In 1991, when Kazakhstan became an independent state, trade between the two countries rose to a new level; since that time the volume of trade has been steadily increasing.

In 1992, it reached the figure of \$432 million; the share of Chinese exports to Kazakhstan equal to \$205 million, or 43.7% of Kazakhstan's total imports. China imported from Kazakhstan products for a total amount of \$227 million, or about 16.3% of Kazakhstan's total exports.³³

In February 1992, the then Prime Minister of Kazakhstan Sergei Tereshchenko visited China to promote bilateral trade and economic relations. He signed several documents, including an agreement on border crossings Khorgos (Kazakhstan)-Khorgos (China), Dostyk (Kazakhstan)-Alashankou (China), Bakhty (Kazakhstan)-Bakhty (Politu, China), which acquired an international status.

³⁰ See: "Mezhdunarodny tsentr Khorgos prizvan rasshirit torgovye svyazi mezhdu stranami ShOS, 8 November, 2011, available at [<http://www.infoshos.ru/ru/?idn=9036>].

³¹ See: "Zona gosudarstvennogo prigranichnogo ekonomicheskogo sotrudnichestva Inin," available at [<http://russian.cri.cn/881/2010/01/06/1s320771.htm>], 6 January, 2010.

³² See: K. Syroezhkin, op. cit.

³³ See: Hou Tongdi, Ji Xueyan, "Studies of Transborder Trade of Xinjiang," *Economics and Culture of the Border Region* (侯同娣、李雪艳. 新疆边境贸易研究. 边疆经济与文化), No. 9, 2005.

The Agreement between the Government of the Republic of Kazakhstan and the Government of the People's Republic of China on Border Crossings signed on 10 August, 1992 invigorated trans-border trade between the two countries.

In the first half of 1993, their trade turnover reached \$116 million; Kazakhstan's exports to China comprised \$84 million of the total amount, or 12.1% of Kazakhstan's exports.³⁴

In October of the same year, the then president Nursultan Nazarbayev visited the People's Republic of China. The sides signed the Joint Declaration on the Principles of Friendly Relations between the Republic of Kazakhstan and the People's Republic of China that stated in particular that the Parties would develop comprehensive relationships and cooperation between enterprises and encourage all forms of economic cooperation.³⁵

In 1994, the volume of trade between Kazakhstan and China reached \$218.7 million: China's import amounted to \$148.9 million and export to \$69.8 million. In 1995, the trade volume increased to \$328 million.³⁶

In 1998, the trade turnover between the two countries was \$560 million; in 2001, \$1,570,000 million. The trade between Kazakhstan and Xinjiang accounted for half of this amount.

In 1991-2000, the volume of trade between Xinjiang and five Central Asian countries amounted to \$6,892,500 million; 70% of the total amount covered by transborder trade between Xinjiang and Kazakhstan, Kyrgyzstan and Tajikistan.³⁷

According to statistics, transborder trade between Kazakhstan and China was dynamically developing between 2000 and 2006; at that time the volume of transborder trade between Kazakhstan and Xinjiang accounted for over 50% of Xinjiang's total volume of foreign trade.³⁸

Between 2000 and 2008, the figures were even higher: in 2007 the trade turnover between Kazakhstan and Xinjiang was \$9.2 billion; in 2008—\$12.24 billion.³⁹

The financial crisis of 2008 had considerably reduced the volume of trade between the two countries; however, two years later it achieved positive values. In 2011, the trade volume topped \$10 billion for the first time in the history of bilateral trade; the total value of import-export was \$10,597,000. This made China an important trade and export partner of Kazakhstan.

Several newly opened border crossings invigorated the transborder trade. Today Xinjiang's border is dotted with 15 border crossings, five of them at the border with Kazakhstan. They are Dostyk-Alashankou, Khorgos, Bakhty, Maikapchagai-Jeminay, Qaljat (Kalzhat)-Dulata Port in the Almaty Region. Khorgos, the biggest and most important of the border crossings is in the Huocheng district of the Ili Kazakh Autonomous Prefecture.

It was reopened on 16 November, 1983 with the permission of the State Council of China. In 1992, it acquired the status of an international transit point with an annual capacity of 3 million passengers and 2 million tons of freight. This is a window that opens into Central Asia and Europe.

The Bakhty border crossing in the Tacheng (Chuguchak) district of the Ili Kazakh Prefecture is one of the most important check points that connect Xinjiang with the Central Asian countries and Europe. It was officially opened as a border crossing for third countries in November 1992 with the annual capacity of 200,000 tons of freight and 100,000 passengers.⁴⁰

³⁴ See: Hou Tongdi, Ji Xueyan, op. cit.

³⁵ See: K.K. Tokaev, *Preodolenie. Diplomaticheskie ocherki*, OAO "SAK"—NP PIK «CAUHAR», Almaty, 2003, 656 pp.

³⁶ See: Hou Tongdi, Ji Xueyan, op. cit.

³⁷ See: "O razvitií prigranichnoy torgovli v Xinjiange," available at [<http://russian.china.org.cn/russian/153393.htm>].

³⁸ See: "Interview of Ambassador Extraordinary and Plenipotentiary of the Republic of Kazakhstan Zh. Karibzhanov to correspondent of the *Rinmin Ribao* newspaper," available at [<http://internetwebsystem.com/program/kzembassy>], 24 October, 2003 (in Russian).

³⁹ See: E.S. Bazhenova, op. cit.

⁴⁰ See: "Sukhoputny (avtodorozhny) KPP 'Bakhty,'" available at [<http://russian.china.org.cn/russian/153475.htm>].

The Jeminay (Zaysan) border crossing in the Altay Prefecture of Xinjiang is opposite to the Maikapchagai border crossing in the East Kazakhstan Region. Its annual capacity is 100,000 tons of freight and 50,000 passengers.⁴¹

In 1999, the Dostyk-Alashankou international border crossing handled 3.68 million tons of freight; in 2000, 4.7 million; in 2011, over 16 million. During the first 8 months of 2017, it handled 6,700,000 tons of freight.⁴²

On the whole the international check point Dostyk-Alashankou handles over 110 million tons of freight.⁴³

Border crossings play an important role in Xinjiang's international trade and economic relations. The Khorgos International Center for Transborder Cooperation was set up according to the Agreement on Regulating Activities of the ICTC Khorgos signed by Chairman Hu Jintao during his visit to Kazakhstan on 4-5 June, 2005. According to this agreement, the Kazakh part of the border crossing is 120 hectares; the Chinese—343 hectares. Its main functions are:

- Promotion of industrial innovations in both countries;
- Activating the region's economy by attracting investments and improving the investment sector;
- Economic integration and development of the export-oriented branches of Kazakhstan;
- Introduction of the system of international standards for foreign trade operations;
- Development of transport-logistic, import, export and terminal services of transit freight turnover;
- Development of international tourism, including tourism infrastructure, transport and communication along the Great Silk Road;
- Creation of new jobs for local specialists and upgrading their qualification.

ICTC Khorgos began functioning in 2012; today it houses branches of the Industrial and Commercial Bank of China, Agricultural Bank of China, China Construction Bank, Bank of Communication, etc.

According to information supplied by the Khorgos border crossing, in the first 10 months of 2017, 4,654,000 passed through customs to visit ICTC Khorgos; the number of tourists rose by 10% against the similar period of the previous year. Its daily trade turnover is over 5 million CNY; the main customers arrive from China and Central Asian countries.

On the whole, trade between China and Kazakhstan and their economic relations are steadily developing: in 2016, their trade turnover amounted to \$7.9 billion, in 2017 it rose by 32.6% to reach the figure of \$10.5 billion.⁴⁴

Development of ICTC, social infrastructure in the border regions and border crossings play a great role in developing trade with China.

⁴¹ See: "Sukhoputny (avtodorozhny) KPP 'Zimunay,'" available at [<http://russian.china.org.cn/russian/153467.htm>].

⁴² See: "Ob'em gruzoperevozok cherez perekhody Dostyk i Altynkol," available at [<https://ru.sputniknews.kz/economy/20170926/3340677/obem-gruzoperevozok-cherez-perekhody-dostyk-i-altynkol-prevysit-10-mln-tonn.html>], 26 September, 2017.

⁴³ See: A.D. Mustapaeva, N.D. Rsymbetova, "Optimizatsia logisticheskikh aspektov transportno-logisticheskogo tsentra Dostyk kak transportno-logisticheskoy sistemy v tsepi postavok gruzov v napravlenii Almaty-Dostyk," available at [<https://www.kazatk.kz/material/nauka/practica/337-340.pdf>], 2017.

⁴⁴ See: "Otnosheniya Kazakhstana i Kitaya vykhodiat na novy uroven," available at [<https://kapital.kz/economic/69671/otnosheniya-kazakhstan-i-kitaya-vyhodyat-na-novyj-uroven.html>], 5 June, 2018.

Conclusion

In 1949, when the Chinese People's Republic was established, Xinjiang's social development moved into a new historical epoch. Since that time, it lived through three major stages of social and economic development.

- In the first stage (1949-1978), the region lived through socialist changes and planned economy; the region's traditional social structure was changed beyond recognition. Developing agriculture, cattle breeding and industries changed the social status of the border regions.
- In the second stage (1978-2000), China entered the stage of comprehensive reforms that added dynamics to Xinjiang's social economy; its social infrastructure was improved, market economy was generally improved along with foreign trade.
- The third stage, which began in 2000, is still going on; Xinjiang's intensive development relied on the Open Up the West Program, where 19 cities and prefectures of China are actively engaged with their money, know-how, human resources and machines. The border zone acquired its latest infrastructure with all the required international features.

Xinjiang's political, economic and strategic status was thus upgraded since China relied on it to widen its foreign economic ties and foreign trade.

Dynamic development improved the standards of living in the borderline areas and made the borders safer. Transborder trade, economic and cultural exchanges with Kazakhstan are underway.

On the whole, Xinjiang's development, social and economic development of its border areas in the first place, its high-tech infrastructure is of huge political and economic importance for the entire country and for the region's strategic security. China's strategy and practical experience tested in its border regions can be emulated in the border regions of Kazakhstan.

TAJIKISTAN'S FOREIGN TRADE WITH NEIGHBORING COUNTRIES: NEW TRENDS AND SOCIAL AND POLITICAL IMPACTS

Sergey RYAZANTSEV

D.Sc. (Econ.), Corresponding Member of the Russian Academy of Sciences, Professor, Director of the Institute of Socio-Political Research, Russian Academy of Sciences, Head of the Department of Demographic and Migration Policy, MGIMO University, Russian Ministry of Foreign Affairs (Moscow, Russian Federation)

Elena PISMENAYA

D.Sc. (Sociol.), Assistant Professor, Professor at the Department of Sociology, History and Philosophy, Financial University under the Government of the Russian Federation, Leading Research Fellow of the Institute of Socio-Political Research, Russian Academy of Sciences (Moscow, Russian Federation)

Oleg PICHKOV

Ph.D. (Econ.), Dean of the International Economic Relations Faculty, MGIMO University, Russian Ministry of Foreign Affairs (Moscow, Russian Federation)

Farzona GARIBOVA

Master's Degree Student, Peoples' Friendship University of Russia (Moscow, Russian Federation)

ABSTRACT

Tajikistan is a very isolated country with the most difficult access and limited transport connections with other countries in the region and beyond. Under such restricted conditions, international relations that allow to develop the economy and promote social progress play a crucial role for Tajikistan. Considering the country's geographic location, Tajikistan's interaction

with neighboring countries plays a major role in the sphere of international relations. The paper analyzes the foreign trade relations between Tajikistan and neighboring countries—Afghanistan, China, Kyrgyzstan, and Uzbekistan. The relevance of examining Tajikistan's border trade with neighboring countries reflects the importance held by the analysis of this aspect's influence on the

country's socio-economic development. Border trade, defined as the flow of goods and services over international land borders in the up to 30-kilometer range, plays an important role in supporting the livelihood of the population of the border area, and is

thus a pillar of the republic's welfare. Moreover, by strengthening the trade connections and promoting mutual understanding between different communities, border trade stimulates the maintenance of friendly relations between neighbors.

KEYWORDS: *Tajikistan, external trade, border trade, socio-economic development.*

Introduction

After the disintegration of the U.S.S.R., civil war broke out in Tajikistan, which brought on destructive consequences for the country's socio-economic situation. Mass emigration from the country in the 1990s had catastrophic results in terms of the washing out of human and labor resources, as the majority of highly qualified Russian-speaking population left Tajikistan, moving predominantly to Russia.

The socio-economic situation was largely complicated by the country's landlocked position at the foot of the Pamir Mountains without an outlet to the sea—a certain territorial confinement. Considering the country's geographic location, Tajikistan's relations with neighboring countries plays a vast role in the international relations sphere. It is the smallest state in Central Asia, which borders Uzbekistan in the west and northwest, Kyrgyzstan in the north, China in the east, and Afghanistan in the south. In this geopolitical situation, any exacerbation of the relations with its neighbors is fraught with significant negative consequences for Tajikistan's economy.

For instance, Tajikistan and Uzbekistan were in a state of cold war for a prolonged period of time because of the conflict related to the water energy resources. The issue of using water arteries is an extremely sensitive one in Central Asia. The conflict has begun in the 2000s, when Tajikistan had stated its intention to revive the construction of the Rogun Hydropower Plant on the Vakhsh River, a tributary of Amu Darya. Uzbekistan was sharply against it. In late 2012, Uzbekistan completely cut off the supply of natural gas to Tajikistan on the pretext of increasing export to Russia and China. Meanwhile, Uzbekistan's natural gas constituted 95% of all fuel utilized in Tajikistan at that time. As a result, Tajikistan's industrial sector was forced to switch to coal. International air and bus transportation was cut off, a part of railroad lines were dismantled, and a visa regime was implemented. This conflict had an extremely negative impact on Tajikistan's economic development. The relations between the two countries began to improve when Sh. Mirziyoyev had come to power in Uzbekistan.

Tajikistan's external economic ties began to recover along with the implementation of economic reforms, formation of a new economic structure, a search for the ways to integrate the country into the world economy and international relations. Thus far, a significant gap is in place between the dynamics and product structure of Tajikistan's exports and the main tendencies of the international trade development and international labor division; the country's imports do not aim to renew the production cycle. The degree of wear of the key technological equipment is over 75%.

Tajikistan's main competitive advantages are the mining of minerals, hydropower resources, certain industrial manufacturing, abundant and cheap low- and semi-skilled labor.¹ It is extremely

¹ See: M.B. Olcott, *Tajikistan's Difficult Development Path*, Carnegie Endowment for International Press, Washington, 2012.

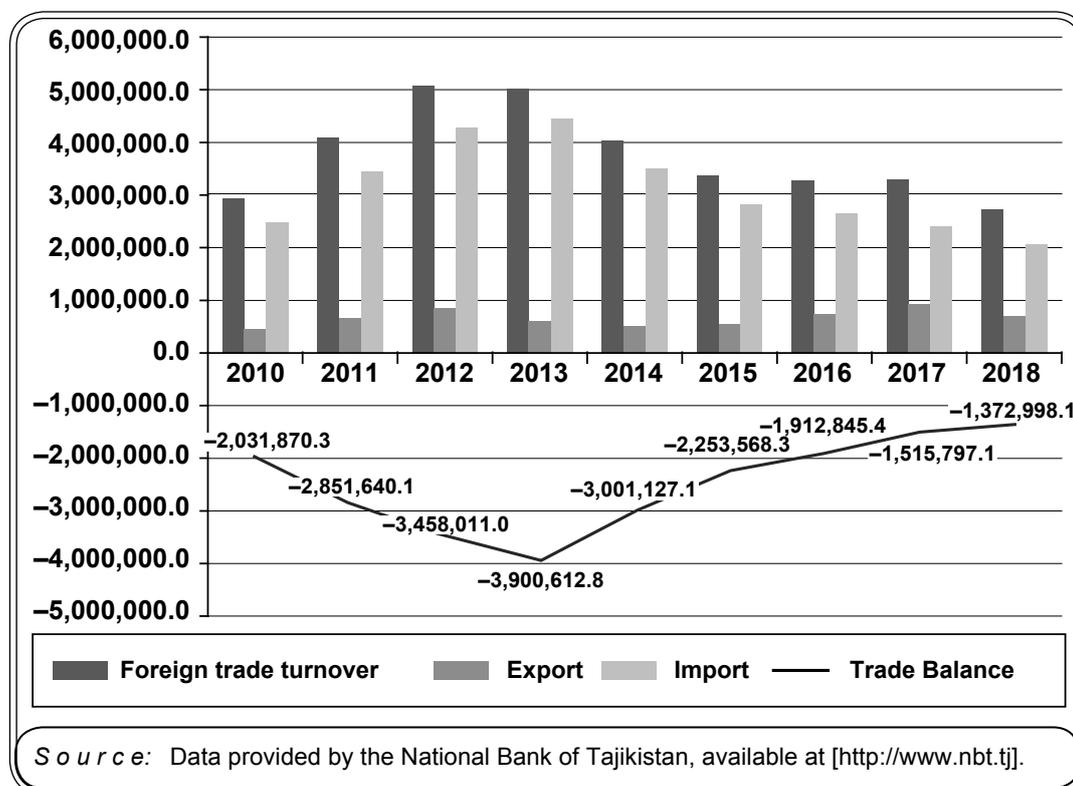
important to choose the right long-term strategy for the development of foreign economic relations, allowing the best use of these advantages. In conjunction with the above, the analysis of the directions of Tajikistan's foreign trade development, including long-term prospects, is certainly relevant.

Tajikistan's Foreign Trade Turnover: Volumes, Dynamics and Structure

Tajikistan's foreign trade turnover amounted to \$2.6 billion in 2018. The volume of import exceeded the export volume threefold, while the trade deficit constituted \$1.3 billion. The import had an upward trend, increasing by 13.5%, while export decreased by 10% compared to 2017.

Figure 1

Tajikistan's Foreign Trade Turnover (\$, thous)



Minerals and cotton fiber, exported as raw materials, are Tajikistan's leading export products. In 2018, Tajikistan exported \$65.4 million worth of cement to Uzbekistan, Afghanistan and Kyrgyzstan. Tajik-Chinese joint enterprises manufacture cement in Tajikistan: *Chzhungtsai Mohir Cement* produced 31%, *Huaxin Gayur Cement*—29%, *Huaxin Gayur Sughd*—26%, Dushanbe-based *Tajikcement*—6.4%. These enterprises inflict significant harm on the environment since they use coal as fuel. However, considering the fact that this is one of the few developing sectors of the economy, and the enterprises are quite profitable, the question of their ecological modernization, which increases the

cost of production, is not raised. The second export item is electric power. In 2018, its export increased by 44% and amounted to \$77 million. Afghanistan and Uzbekistan were the main buyers of Tajik electric power.²

Tajikistan's foreign policy in the economic sphere is based on good neighborliness principles and the desire to develop the principal spheres of economic cooperation with neighboring countries. Tajikistan is currently actively cooperating with all the bordering partner countries on all general economic issues, as well as in trade, socio-economic development, strengthening security and economic integration.

Trade Relations with China

In recent years, China had seriously strengthened its positions in Central Asia, promoting the geopolitical and geo-economic Belt and Road initiative. First and foremost, the PRC is actively investing in the raw material sphere, the development of transportation and pipelines, providing financial and political backing for the economic activity. We can assume that in this manner the PRC is laying the foundation for maximal utilization of Central Asia's raw material sector for its own economic development in the future. Apparently, the transport and communication routes whose construction is being funded by Chinese investments will become the new links in the New Silk Road.

Among the many advantages, we can note certain geo-economic risks for Tajikistan and regional stability.

- First of all, the national economy is slanted towards the provision of raw materials, while the consumer goods and heavy industries cannot withstand the competition with Chinese goods and are on the decline.
- Secondly, Tajikistan is subject to risk of debt to China, since the amount of funds borrowed from China is growing, and the risk of their non-return is increasing along with it.
- Thirdly, PRC's active role is weakening Russia's position in Tajikistan and Central Asia, slowing down the process of Tajikistan's integration into the EAEU.

In 2013, in the course of one of the official visits of the President of Tajikistan to the PRC a joint Declaration of Cooperation was signed, heralding the two countries' relations moving up to the level of a strategic partnership. The Declaration states that it is "necessary to use the advantages of geographic proximity and economic complementarity to promote sustainable and intensive development of the economic cooperation between two countries by active promotion and implementation of relevant projects."

Up to the mid-2000s, Chinese presence was not strongly felt in the republic, and not least because of the absence of transport communications. After the auto road between Tajikistan and PRC was launched into operation, the trade volume began to increase. And although China's quick and massive penetration of Tajik economy is a relatively new phenomenon, the PRC today is Tajikistan's largest investor and trade partner. Another economic activity growth factor was the presence of available financial resources and PRC's readiness to invest them in the segments of the market that were not of interest to other investors. For instance, none of the regional or global powers were ready to invest funds in Tajikistan's infrastructure, while China not only provided the loans, but also ac-

² See: "Tajikistan uvelichil eksport elektroenergii bolee chem na 50%," available at [<https://tj.sputniknews.ru/country/20180918/1026815877/tajikistan-uvlichil-eksport-elektroenergii.html>].

tively involved its national companies in these projects.³ PRC had allocated a total of \$720 million to the upgrading of Tajikistan's transport communications. As a result, three tunnels, Shakhristan, Chormagzak and Istiklol, were built, connecting different parts of the country. The PRC is also participating in the construction of auto roads, which Tajikistan will be able to use to raise its transport communication capabilities and decrease its dependence on Uzbekistan.

Tajikistan and China are fully legitimate members of regional and international organizations and are actively cooperating in the framework of these organizations, in particular, the Shanghai Cooperation Organization. By the beginning of 2014, approximately 100 companies with Chinese participation were working in Tajikistan in the energy, communications, transport infrastructure, and mining industries. In 2015, the construction of the first industrial zone between China and the PRC was underway. Minerals, specifically, zinc, lead, copper, will be mined here. The volume of Chinese investments constituted approximately \$500 million. With support of Chinese companies, Tajikistan intends to raise the level of gold production to 5-7 tons per year by 2020. Chinese investors are also involved in mining coal, phosphorus, stannum, iron, stibium, rare-earth metals. According to Tajikistan's Agency for Statistics, in 2017 the volume of trade with China reached \$591.6 million, including \$35.4 million in exports and \$556.2 million in imports from the PRC.

Trade Relations with Uzbekistan

Despite political controversy in the past, Uzbekistan is the number two trade partner for Tajikistan. The reason lies in the geographical proximity, common cultural roots, historical ties between the two nations. In 2010, the trade turnover constituted approximately \$72 million, while in 2017 it increased to \$126.4 million. Tajikistan's main import product is natural gas. In 2019, the *Tajiktransgas* gas distribution company intends to purchase 200 million cubic meters of natural gas in Uzbekistan. In 2018, Tajikistan purchased almost 54 million cubic meters of Uzbek gas. About 20 major enterprises in Tajikistan receive natural gas from Uzbekistan, and the number of consumers is growing.

In early 2018, the President of Uzbekistan Shavkat Mirziyoyev came to Dushanbe with an official visit. Prospects of relations were discussed in the course of the meeting, and 27 agreements were concluded between the two countries. In particular, an inter-state Agreement on Specific Sections of the State Border between Tajikistan and Uzbekistan, agreements on international auto and air transportation, cooperation in maintenance of operation of the Farkhad Dam, mutual visa-free travel.

Trade with Afghanistan

Tajikistan and Afghanistan are connected by good-neighborly relations and historical and cultural commonality. The relations between Tajikistan and Afghanistan began actively developing after the disintegration of the U.S.S.R. According to the Agency for Statistics, in 2017 the volume of trade with Afghanistan amounted to \$100.2 million, including \$99.6 in goods exported to Afghanistan, and only \$0.6 million in imports from Afghanistan. The main exported items were: electrical power (51%), cement (33%), fruits and vegetables (tomatoes, onions, grapes), fruit and other juices,

³ See: L.V. Skvarya, V.I. Rusakovich, D.V. Lebedeva, "Vneshneekonomicheskie svyazi Respubliki Tadjikistan s gosudarstvami Azii: sovremennye tendentsii," *Upravlenie ekonomicheskimi sistemami*, Scientific Journal, 5 June, 2015, pp. 10-23.

walnuts, wheat products, steel and iron. Among the goods exported from Afghanistan to Tajikistan are mineral water and gas, equipment, and plastic construction materials.

Border trade is an important factor in strengthening economic ties. In order to invigorate trade connections, bridges were built at the border between Tajikistan and Afghanistan in the Ishkashim, Darvaz, Pandj and Vandj districts and the city of Khorog. The construction of bridges over the Pandj River had opened access to transport corridors that now connect the landlocked Tajikistan to the commercial seaports in Karachi and Bandar Abbas. The greatest positive effect on the socio-economic development was achieved by establishing markets in the border regions of Tajikistan, such as Ishkashim in the Ishkashim district, Tem in the city of Khorog, Ruzwai in the Darvaz district, Dusti in the city of Isfara.

The Ruzwai market in the Darvaz district is open every Saturday from 9 am to 2 pm. Our observations demonstrate that it is usually a busy bustling marketplace. Many buyers from the neighboring Afghanistan are anticipating the market day to make all their purchases in this border bazaar, since a market in their own territory is located at a great distance. However, if the situation on the Afghan side is volatile, the market does not open. The conditions are monitored by the border police of both countries. Citizens of Afghanistan who live in the border areas do not need a visa to Tajikistan. They are issued a pass that allows to enter Tajikistan and trade on the market.

Afghani citizens undergo strict border and customs control, as well as a check-up by the employees of the Drug Control Agency. After passing through all the points of inspection, people can buy or sell goods. For citizens of Tajikistan, access to the market is simplified. However, the trade process in general is under the control of the law and order structures of both countries.

Various goods are sold at the market. Afghanis buy vegetables and fruit here, and then proceed to resell them in their territory. Besides the locally produced goods, Tajik merchants also sell clothes, shoes and Chinese-made electronic goods to Afghani buyers. Afghanis sell domestically manufactured folk arts and crafts items, textiles, jewelry, surma (kohl), dishes (cauldrons), as well as imported medical goods. There is a foreign exchange office where Afghani currency can be exchanged for Tajik somoni. The Afghani people's spoken language is practically identical to that of the Tajiks from the Darvaz district. Tajiks only rarely use Russian words, while Afghanis use English, however, they do understand each other.

For instance, an interview with an Afghani entrepreneur demonstrates that he buys goods on the Tajik market and then resells them on the Afghani bazaars. He most frequently buys Tajik fruit and vegetables that are not grown in Afghanistan. And Afghanis buy them, despite the fact that the prices are relatively high. For now, food is not subject to customs duties—entrepreneurs undergo check-ups, but they do not pay any money.

The markets' size and trade turnover is not officially taken into account, trade is not subject to tax, and customs duties are not levied. Our observations and calculations demonstrate that the approximate daily trade turnover at the border markets may constitute: Ishkashim—over 150,000 somoni (1 million rubles); Tem (in the summer)—up to 100,000 somoni (600,000 rubles); Dusti—50,000 somoni (350,000 rubles); Ruzwai—approximately 30,000 somoni (200,000 rubles). The number of border trade participants is quite significant by the local standards—600-800 people from both sides of the border visit the Tem market, 800-1,000 visit Ishkashim, over 500 people come to Ruzwai and as many to Dusti.

Border trade resolves several community and socio-economic tasks—involving local regional goods and small batches of goods that are not used in “big” trade, promoting the socio-economic development of the country's remote regions by extending them the right to independently use the foreign currency revenue obtained from border trade, securing household incomes, creating workplaces, and strengthening the amicable ties with the residents of the nearby areas of the neighboring countries.

The markets in Khorog and Ishkashim are currently closed because of the Taliban. The Taliban movement became widespread in Afghanistan since 1996 as people's corps. Its ideology is based on the arbitrary and a rather crude interpretation of Islam; in particular, the Taliban aims to restrict various aspects of people's lives in Afghanistan. There are practically no Taliban at the borders. However, residents of Afghanistan's border regions may clash with them on their way to the markets in Khorog and Ishkashim. It interferes with people's participation in border trade and their attempts to improve their welfare.

It seems that border trade needs to be invigorated, and exhibition-fairs in the border regions were proposed to provide an opportunity for the entrepreneurs of the two countries not only to trade, but also to conduct negotiations and find trade partners.

Trade with Kyrgyzstan

Diplomatic relations between the Republic of Tajikistan and the Kyrgyz Republic were established on 14 January, 1993.⁴ Issues that are common to Central Asian countries, such as the bolstering regional security and stability and promotion of subsequent development of integrative processes are usually considered priorities in the political contacts between the two countries. Under conditions of independent development, Tajik-Kyrgyz relations are apparently aiming to establish mutually beneficial ties in different aspects of cooperation; there is a spirit of mutual trust, good-neighborliness and positive attitude to each other.

Both countries' declarations of independence in the early 1990s did not disrupt the traditional way of life or the trade and economic interactions between the population of the border regions and communities in Kyrgyzstan and Tajikistan. A border between two countries is traditionally a zone of intensive socio-economic contacts. Residential communities along half of the span of the border between Tajikistan and Kyrgyzstan use the same roads, water sources, grazing grounds. A border often divides residential communities that are located in two countries simultaneously. Border markets were likewise used by the residents of the two countries.

However, a series of conflicts in 2013-2014 on the border of Isfara and Batken districts had disrupted the everyday life in certain border clusters for a period of time. Many communities were forced to wrap up their trade relations, which led to a drop in incomes, living standards and quality of life of the communities located along the border.

In 2015-2016, the governments of both countries went to considerable lengths to salvage trust and cooperation. International organizations were also actively involved in the process of stabilizing the situation. Projects aimed at developing border trade have confirmed that economic interests are a priority for the people. The focus on the development of trade between communities had played a decisive role in restoring the trust. However, the existing trade potential that allows to attain a higher living standard is not used to a full extent by the rural residents.⁵

In connection with Kyrgyzstan's entrance to the EAEU, Tajikistan's trade turnover with the former began to decrease. Tajik entrepreneurs who have been purchasing goods at the Dordoï and Kara-Suu markets, can no longer import them into Tajikistan at the same prices. Tajikistan had currently begun to import goods directly from the PRC, while Kyrgyzstan began to function as a transit state. This led to lowered customs revenues. Despite Tajikistan's lowered interest in trading with

⁴ See: "Otnosheniya Tadjikistana s Kyrgyzstanom," // Foreign Ministry of the Republic of Tadjikistan, available at [<http://mfa.tj/?l=ru&cat=90&art=157>].

⁵ See: Y. Mirsaidov, "Prigranichnaya trgovlia: menshe barierov, bolshe dokhodov," available at [<https://www.news.tj/ru/news/tajikistan/economic/20171215/prigranichnaya-torgovlya-menshe-barerov-bolshe-dohodov>].

Kyrgyzstan, the Tajik side is expressing its commitment to cooperating with Kyrgyzstan in certain spheres, such as electrical power industry, mining industry and tourism, which is a new way of reinvigorating joint economic potential. The volume of Tajikistan's export to Kyrgyzstan in 2017 amounted to \$11 million, and Tajikistan's import from Kyrgyzstan was equal to \$38 million. Tajikistan's main export items are energy resources and consumer goods.

Socio-Political Role of Border Trade

Border trade is the flow of goods and services over international land borders in the up to 30-kilometer range. It plays an important role in the life sustenance of the population residing along the border, ensuring social stability of the local communities in the border areas. Moreover, by strengthening commercial ties, cultural understanding and deepening community relationships, cross-border trade nurtures amicable relations between neighboring countries.⁶

A characteristic feature of border trade is the fact that the geographic proximity of border regions makes transportation expenditures negligible, which allows merchants to make use of the difference in supply, demand and prices for various goods and services available on both sides of the border. Border trade has a positive effect on the merchants' life and revenue; it also supports local manufacturing enterprises and promotes the development of the service industry (warehouse services, goods transportation, supplementary services at local bazaars).

Border trade promotes the growth of income for people working directly at the markets, as well as those connected with the bazaars and trading by the nature of their business. Border trade significantly stimulates employment, increases household incomes, and contributes to decreasing local poverty. Border trade, if the conditions for it are simplified, will create a source of income for all households, and is more lucrative than most of other potential types of economic activity in the remote areas that are characterized by a deficit of workplaces and low wages. Finally, border trade lowers the prices of imported goods for consumers in the border areas (in the absence of border flows, the difference in prices would be even greater) and allows the exporters to obtain profits from the higher added value.

First and foremost, the construction of a market costs significantly less than the construction of a large shopping mall; meanwhile, bazaars provide similar opportunities for the encounter of large groups of buyers and sellers. Owing to the concentration of merchants and the mediation of market administration, the relations with state authorities have become more predictable. Traditions also play an important role, since bazaars have existed in both regions for centuries.

The markets contribute to decreasing poverty by offering goods at lower prices and creating opportunities to earn not only on the markets themselves, but also far beyond them. The impact on employment affects a wide range of services required to transport goods and passengers to the markets and from them.

Local manufacturers have an opportunity to present their goods to potential local and foreign clients with no travel expenditures. The role of markets is especially important in creating market opportunities for manufacturers who are willing to expand their markets due to high marketing costs abroad. Potential buyers come to the manufacturers themselves, but not the opposite.

⁶ See: B. Kaminski, S. Mitra, *Skeins of Silk: Borderless Bazaars and Border Trade in Central Asia*, World Bank, Washington, D.C., 2010, p. 8.

Conclusion

Foreign trade allows to significantly develop Tajikistan's economy, whereby even despite the imbalance between export and import, the country is starting to develop its economy via its trade with neighboring countries, realizing the need for their support. PRC is Tajikistan's most active foreign trade partner.

The role of foreign trade in the country's socio-economic development is hard to overestimate, since it allows to obtain the lacking resources and sell the excessive ones, and, when used properly, it raises the level of the country's socio-economic development, and has a positive effect on the country's investment attractiveness.

Tajikistan's foreign trade with neighboring countries has been developing quickly in recent years, with the trade relations with the PRC and Afghanistan receiving a particularly strong thrust. There is also a negative point, namely, the fact that imports significantly exceed exports; however, this tendency may mean that Tajikistan buys the resources required to develop its economy from its neighbors, while the increase in the share of imported goods from neighboring countries reveals their significance for Tajikistan compared to other countries, since this allows to reduce transportation expenditures significantly. Considering the fact that Tajikistan's foreign trade is generally characterized by a substantial excess of imports over exports, this tendency is not a critical one.

RELIGION IN SOCIETY

LIBERAL ISLAM IN THE CONTEMPORARY WORLD: NEW LANDMARKS OF TRUMP'S ADMINISTRATION

Feruz BAFOEV

*Ph.D. (Political Science),
Assistant Professor, Department of Social Sciences,
Bukhara Engineering and Technology Institute
(Bukhara, Uzbekistan)*

ABSTRACT

The article discusses the opposition between the antagonists and pragmatics in the highest political and military circles of the United States, who disagree on the ideology and practice of contemporary Islam.

It demonstrates that Muslim communities, new diasporas, pro-Islamic public organizations, human rights organizations, influential media and think-tanks of the United States are gradually gaining influence. It seems necessary to draw attention to the increasingly apparent bias of Donald

Trump's administration towards relevant trade and financial gains. The developing American model of liberal Islam is fairly specific, systemic and consistent. The study reveals what the U.S. Administration thinks about the post-conflict construction in Afghanistan, Syria, Iraq, Libya and other countries; points out the new aspects of its cooperation with the Central Asian and Caucasian countries, as well as response to the problems of realization of the rights to religious freedom and opposition to religious extremism.

KEYWORDS: *liberal Islam, ISIS, The Potomac Plan of Action, the S5 + 1 format, religious freedom in the CIS countries, secular development, constitutional construction, post-conflict building in Afghanistan, Sufism, Shi'a, neo-Orientalism, women's rights, the Muslim space, Muslim consolidation, summit of the Arab Muslim states and the U.S., tolerance, diaspora, the Muslim communities of the U.S., pragmatism of the superpower.*

Introduction

The policy realized by the White House across the international Muslim space, including Central Asia and the Caucasus, is far removed from the election rhetoric. Today, it is implemented as the struggle between the antagonists and pragmatics in the political and military corridors of power, between the majority and the minority in the Congress. The Muslim communities that are gradually gaining political weight, new diasporas, pro-Islamic public organizations, human rights organizations, influential media and think-tanks of the United States are gradually building up muscle. The present American administration treats the expert community with a great deal of skepticism. The Donald Trump's roadmap for the region in question is less ideologized than that of his predecessor. Even if it appeals, to a much greater extent, to trade and finances, a certain model of liberal Islam has taken a more or less clear shape, which is associated with the traditional American values of freedom and civil society. It is a highly specific model because

- (1) it relies on the Muslim thinkers of Oriental Renaissance;
- (2) it promotes tolerance typical of the Muslims;
- (3) it respects women and their rights;
- (4) it is maximally close to humanistic European values and standards accepted all over the world.

The fact that Donald Trump as the newly elected President of the United States has moved away from Cairo and Istanbul (on which Barack Obama relied in his policies in this part of Eurasia) towards Riyadh speaks volumes. The position of the new U.S. Administration on post-conflict rehabilitation in Afghanistan, Syria, Iraq, Libya and other countries can be qualified as deliberate non-interference in state construction unfolding there. Cooperation between Washington and a great number of countries looks more like relationships between the pragmatism of the superpower and the pragmatism of its satellites than anything else. In the context of the model of liberal Islam the relationships between Washington and the Central Asian and South Caucasian countries look different. The United States criticizes Turkmenistan and Tajikistan for violations of the freedom of religion; closely follows the reforms in Uzbekistan and remains on the side of Erevan in the Karabakh conflict. The White House calls on Tashkent to improve its laws related to the human rights and freedoms and move away from its former policies related to the prisoners of conscience.

The relationships between the United States and the Muslim world are put to the durability test in the context of Ankara's foreign policy turns and twists, the events in Saudi Arabia and Yemen, Trump's diplomatic moves in the Arab-Israeli conflict, etc. Maximum support of Washington's actions is required from Astana, Tashkent, Bishkek, Dushanbe, Ashgabat, and Baku. The White House

largely links its activities in the south of the CIS territory to the policies pursued by Russia and China and their attitudes to their own Muslim communities. It should be said that the gradually exacerbating information war waged by Washington against Iran and the White House's policy in Yemen are fraught with huge ideological risks for the world-wide Shi'a space.

The national traditions of respect for Islam were laid by the Founding Fathers of the United States. It is commonly believed that Bill Clinton¹ did a lot to consolidate these traditions in the recent history of the United States (mainly because of his firm position on Kosovo, respect for the Muslim communities of the United States and certain other factors). This system of assessments and conclusions, considerably shattered by the wars launched by the George W. Bush Administration, was stabilized by the American policy of self-reliance in Afghanistan, Iraq and Libya. The Trump Administration, likewise, might open an entirely new page in the same book of interaction between the U.S. and the Muslim world, including certain countries of Central Asia and the Caucasus. In any case, the American leaders have already stated: "For nearly 200 years the United States has been a force for good in the Middle East."²

The Synergy of New Approaches

As a presidential candidate, Donald Trump was hardly consistent in his attitude to Islam: "Muslims are great people" (September 2015) vs. "Islam hates us" (March 2016).³ The recent events suggest that this is part of American political practice and election campaigns.

The closest circle of President Trump demonstrated very different or even eclectic assessments of and approaches to Islam that divide them into antagonists and pragmatics.

Michael Flynn, Steve Bannon, Jefferson Sessions, Sebastian Gorka and others who called Islam a toxic ideology, the most radical of all religions, the "fifth column" in the United States, etc., constitute the camp of antagonists. The attitude to Islam was liberalized when they left the Administration. Western authors, however, revived what John Bolton, Michael Pompeo and Stephen Miller had said about Islam as evidence of a potentially uncompromising position of White House representatives to the Muslim World.

Michael Pence, James Mattis and Reinhold Priebus among other pragmatics did not hesitate to point to certain, including positive, aspects of Islam; to false religious garbs of the Jihadists and the image and moral costs of banned Muslim immigration, etc.⁴

American politics cannot, and does not, rely only on personal preferences of Administration members, on quotes of the country's current leaders. In the Muslim space, the White House is guided by many factors, including the American business operating in the Arab Muslim world and the American civil society. President Trump's policy is strongly affected by the Congress, CIA, Pentagon, the president's family, the Muslim communities of the United States (including its Shi'a part, the Iranian diaspora).⁵ The same can be said about all sorts of influential public structures: Council on American-Islamic Relations, Amnesty International, Human Rights Watch, analytical centers, columnists of the most influential Western media, etc.

¹ See: J. Nichols, "Our Founders Showed Greater Respect for Islam than Trump and the Supreme Court," 4 July, 2018, thenation.com.

² "Remarks by Vice President Pence at the Warsaw Ministerial Working Luncheon," Warsaw, Poland, 14 February, 2019, whitehouse.gov.

³ A. Zurcher, "What Trump Team has Said about Islam," 7 February, 2017, bbc.com.

⁴ See: Ibidem; N. Toosi, "Bolton and Pompeo Might Unleash Trump on 'Radical Islam'," 27 March, 2018, politico.eu.

⁵ See: C. Edmondson, "On Islam, Trump Takes a Different Approach at Home and Abroad," 13 June, 2018, nytimes.com.

The summit of over 50 Arab-Muslim states and the United States (attended by Uzbekistan, Tajikistan, Kazakhstan, and Afghanistan), convened on Washington's initiative and held on 20-21 May, 2017 in Riyadh, played an important role in creating a new system of assessments and values. The speech delivered by President Trump can be described as a program of action of his administration for years to come. The place, time, the audience, the speech of the American President, bilateral meetings with state leaders, the speeches and the way they echoed in the world will remain in the field of interest of the analytical community for a long time.

It is highly interesting to compare this speech of President Trump with the first trips abroad and first speeches of President Obama in the Turkish Parliament on 6 April, 2009 and the Al Azhar University of Egypt on 4 June, 2009.

Which are the main differences?

- First. Obama preferred members of the parliament of the most developed secular country of the Islamic world and the professorate and lecturers of the most prestigious spiritual university of the Muslim world. Trump addressed the leaders of practically all Islamic countries in the heart of the Islamic world, the capital city of the religious monarchy to prevent one-sided Muslim consolidation.
- Second. In his Turkish-Egyptian program Obama formulated several aims, one after another:
 - (1) democracy;
 - (2) freedom of religion;
 - (3) rights of women;
 - (4) economic development.

When talking about democracy, Obama called to master "the ability to speak your mind and have a say in how you are governed; confidence in the rule of law and the equal administration of justice; government that is transparent and does not steal from the people; the freedom to live as you choose."⁶ Trump, on the other hand, offered a less ideologized agenda, very much in line with fundamental realism that he had earlier proclaimed.

- Third, Obama had not pushed aside the politics of his Republican predecessor, together with his failures and blunders. Trump has chosen a different tactic: his predecessors were responsible for their failures.

Michael Pompeo's speech "A Force for Good: America Reinvigorated in the Middle East" delivered at the American University in Cairo in January 2019⁷ should not be dramatized and should be assessed from the point of view of a small educated audience and with regard to the tasks of specifying and clarifying the stances reinvigorated by Trump.

The Standard of Contemporary Islam for Central Asia and the Caucasus

From the very beginning, the present U.S. Administration had to formulate a clearer and a more or less homogenous position in relation to one of the world religions. In Riyadh, the American

⁶ "Remarks by the President at Cairo University," 4 June, 2019, obamawhitehouse.archives.gov.

⁷ See: M.R. Pompeo, "A Force for Good: America Reinvigorated in the Middle East," The American University in Cairo, Egypt, 10 January, 2019, state.gov.

president clarified his foreign policy priorities in the Arab Muslim World and his ideological sympathies.⁸

When talking about the model of contemporary Islam, Trump referred to medieval Muslim authorities on a much wider scale than his predecessor (and, probably, using his texts as the starting point). Some analysts seized the chance to start talking about the neo-Orientalism of the incumbent. President Trump said that numerous Arab and Islamic scholars have formulated highly convincing arguments that protection of equality consolidates Arab and Muslim society.⁹

For many centuries, the Islamic World has been home to Christians, Muslims and Jews living side by side: “We must practice tolerance and respect for each other once again—and make this region a place where every man and woman, no matter their faith or ethnicity, can enjoy a life of dignity and hope.”¹⁰

The Islamic countries, said President Trump, should offer and ensure freedom of conscience to all religious trends of Islam, including Sunnis, Shi‘a and Sufis. Christians, Jews, Buddhists, Roma, Zoroastrians and followers of other religions and faiths should enjoy equal rights. The generally recognized rights and freedoms, i.e., those related to the position of women, should be observed.

The United States and the main Western human rights structures criticize, on the one hand, Muslim countries that persecute apostasy, blasphemy and insulting the state’s interpretation of Islam and, on the other, the countries that infringe on the rights of the Muslims. In this context Turkmenistan is criticized for banning unregistered religious services; Tajikistan—for banning minors from participating in any religious activities. Both are “Countries of Particular Concern, or CPC countries.”¹¹ Chinese are criticized because “they have moved Chinese officials into Uighur homes to monitor families and prevent the observance of Islamic practices”; to “‘sinicize’ and otherwise exert greater party control over Islam and other religions.”¹²

Today, President Trump formulated the main goal of the Muslim countries as embracing “our sacred gift of freedom”¹³; moving to a new era of flourishing, freedom and possibilities of the 21st century. The American President declared that “young Muslim boys and girls should be able to grow up free from fear, safe from violence, and innocent of hatred.”¹⁴

He also applies this to the future of Iran. Today, Washington is actively criticizing Tehran for the suppression of the fraternal countries with their Muslim majorities; for its uncompromising confrontation with Israel and the United States and unyielding social control that limits the rights of women and rejects all alternative ideas. The place of Israel in America’s “standard attitudes” to the Arab Muslim world rests on “the Abrahamic tradition.”¹⁵

The White House believes that the Muslim World should move “toward greater political expression” “to allow marginalized voices opportunities for political expression.”¹⁶

The American leaders are convinced that excessive limitations imposed on the civil societies in the Muslim countries might stir up social discontent; limit the so much needed civil dialog, feed radicalization that develops into violence and brings even more instability.

⁸ See: “President Trump’s Speech to the Arab Islamic American Summit,” 21 May, 2017, whitehouse.gov

⁹ See: *Ibidem*.

¹⁰ *Ibidem*.

¹¹ “Briefing on the Release of the 2017 Annual Report on International Religious Freedom,” 29 May, 2018, state.gov.

¹² “Remarks of Ambassador Kelley E. Currie on Protecting Fundamental Freedoms in Xinjiang,” Geneva, 13 March, 2019, geneva.usmission.gov.

¹³ “Remarks by the Vice President to Enhanced Forward Presence and Estonian Troops,” 31 July, 2017, whitehouse.gov.

¹⁴ “President Trump’s Speech to the Arab Islamic American Summit.”

¹⁵ “Remarks by Vice President Pence at the Warsaw Ministerial Working Luncheon.”

¹⁶ R.W. Tillerson, “Remarks on the Middle East,” 9 June, 2017, state.gov.

This means that the incumbent and his predecessor were united in preaching tolerance and insisting on the rights of women with only one difference. President Trump is much more resolved when it comes

- (1) to the defense of equality traditional for Islam;
- (2) to promoting freedom from fear, violence and hatred;
- (3) to defending the freedom of speech, self-expression and expression of political views.

All in all, this does not contradict the two-centuries-long American practice.

New Attitude to Iran, the Fate of Shi'a in Central Asia and the Caucasus, the Houthi Movement and New Twists and Turns of Muslim Consolidation

Overall, Donald Trump's administration's consistent and all-inclusive obstruction of Hezbollah, Hamas, the Islamic Jihad Movement in Palestine (which, according to the American president, threatens Israel and stability in the Middle East), the Islamic Revolutionary Guard Corps (involved in scientific studies and test launching of ballistic missiles) and the Houthi movement perfectly fits the American practices of antiterrorist consolidation with a long history behind it. In his attitude to the regime in Tehran, Trump is much more consistent than Obama.

On the eve of the 40th anniversary of the Iranian revolution, Trump did not merely pull out of the nuclear deal with Iran. He launched another round of information war with Teheran. Criticism of Hassan Rouhani can be described as a new trend that relies on the Iran leader's critical comments on the domestic situation in Iran. Criticism of the state of human rights and freedoms in this country (based on the reports and statements of international organizations, among other things), violations of the rights of the Sunni minority, ban on music lessons at schools, persecution of the LGBT community, etc. is another, traditional trend. In Washington, the history of this theocratic regime is described as "40 years of corruption, 40 years of repression, 40 years of terror, and 40 years of failure."¹⁷ Western analysts speak of Trump's open anti-Shi'a sentiments.

Trump's criticism of Iran creates an impression that his administration is an architect of a new round of Saudi-Iranian rivalry; a supporter of an inter-Arab alliance and an opponent of Muslim consolidation, as well as an opponent of Shi'a, regardless of the fact that they constitute about 20% of the Muslims in the world and are scattered throughout the Eurasian continent. Certain ideological factors may improve this impression.

- First of all, the Trump administration never opposed Shi'a in general and never incited, at least openly, Sunnis against Shi'a. The fairly balanced tactics of the American military in Mosul and other regions testifies to this. Washington accepts "Islam's great Sunni and Shi'a streams."¹⁸
- Secondly, there are certain historical factors, America's involvement in the Iran-Iraqi war on the side of Iran being one of them. Americans liberated Kuwait, delivered missile strikes at

¹⁷ "Remarks by Vice President Pence at the Warsaw Ministerial Working Luncheon."

¹⁸ Ibidem.

the military forces of Saddam Hussein. The Trump administration initiated in the U.N. SC the discussion of ISIS presence in Iraq, massive burials, and violations of the rights of Shi'a women. The U.S. supports of its mini satellites in the region, etc.

- Thirdly, the White House, on the whole, is positively disposed to Shi'a and relies in its foreign policy decisions on Rex Tillerson's "Iraqis are Arab. Iraqis are not Persian. So whether it's Iraqi-Sunni or it's Iraqi-Shi'a, it's Iraqi-Shi'a Arabs. They're not—they're not Persians"¹⁹ and Mike Pompeo's "Iran must respect the sovereignty of the Iraqi Government"²⁰ and demands that all Iranian units (not Shi'a fighters) should be removed from Iraq. This helps consolidate the Muslim world.

Post-Conflict Construction

The U.S. Administration has slightly different ideas about the process of liberating Afghanistan, Iraq, Syria, Libya, and Yemen from terrorists. The White House has already stated that America will invest "to restore basic services" among other things. This is what the plan looks like. Washington deems it necessary to specify that "it's not the sort of the nation building that the U.S. Government previously engaged in in other countries."²¹

Trump has already betrayed an interest in certain large-scale construction projects in Syria, Afghanistan, and Iraq; the White House has stated: "So we're certainly welcoming other countries' participation in that."²²

According to its own statements, the U.S. Administration is looking for new ways of opposition to those who uses new spheres—cyberspace and social media—to attack the United States or create threats for American society.

The White House is permanently engaged in liquidating the threats created by Al-Shabaab and Al-Qa'eda in the Islamic Maghreb and other regions, as well as opposing the Houthi movement and liquidating groups of fighters in Africa "to protect the territory of the United States."

Donald Trump's administration has coined a formula "our alliance is taking the fight to radical Islamic terrorism on our terms, on their soil."²³ Radical Islamism is defined as "a debauched strain of the faith."²⁴ The alliance of Muslim and non-Muslim countries stands opposed to threats and helps liquidate the Islamic State of Iraq and the Levant on American conditions.

Donald Trump and his administration are convinced that the Muslim countries should recognize security as part of common interests, assume the leading role and shoulder the heavier burden in the struggle against terrorism and radicalism all over the world, so as to achieve a joint victory over extremism and terrorist forces and stand together "against the murder of innocent Muslims."²⁵ Trump has called on people of Bahrain, Oman, Qatar, the UAE, as well as Egyptians, Jordanians and Saudis to side with the United States in its efforts against the Islamic Republic of Iran.

As could be expected, the United States has defined a special role of Central Asia, one of the focuses of attention of the global actors. The Trump administration is convinced that the United States

¹⁹ R.W. Tillerson, "Press Availability in Geneva, Switzerland," 26 October, 2017, state.gov.

²⁰ M. Pompeo, "A New Iran Strategy. Remarks Secretary of State," The Heritage Foundation, Washington, D.C., 21 May, 2018, state.gov.

²¹ "Department Press Briefing," 17 October, 2017, state.gov.

²² Ibidem.

²³ "Remarks by the Vice President to Enhanced Forward Presence and Estonian Troops."

²⁴ M.R. Pompeo, "A Force for Good: America Reinvigorated in the Middle East.,"

²⁵ "Remarks with Saudi Foreign Minister Adel al-Jubeir," 29 April, 2018, state.gov.

should be present in the C5 + 1 format, which stipulates for countering violent extremism and radicalization, and counter-messaging.

According to Trump, who has revived the dichotomy of George W. Bush,²⁶ the struggle against extremism is “not a battle between different faiths,” but the struggle “between good and evil.”²⁷

Pragmatism of a Superpower vs. Pragmatism of Muslim Satellites. Disagreeing Strategic Partners

One of the close associates of the American president has pointed out: “Our foreign policy, too, it’s got to be pragmatic while still remaining principled—and agile enough to respond to changing circumstances yet anchored in the fundamental ideals and values that ground—ground our nation’s history.”²⁸

What are the main features of this foreign policy pragmatism?

- First, President Trump, a practically minded man, prefers to rely on economists and seeks advantageous results for his country. This can be achieved through high import duties and subsidies to national producers.
- Second, his pragmatism is clearly confirmed by the fact that he is not interested in the political regimes of the American satellites and never tries to change their domestic policy (the situation created by the murder of journalist Jamal Khashoggi is a pertinent example). Judging by the record of the previous masters of the White House, this administration, too, can work with the Islamists. The president’s closest circle generally prefers temporal consensuses or ad hoc alliances.
- Third, the American president often speaks about “foreign policy spongers” on all continents, which changes the balance of power in the Muslim world. Any country’s “sponger” status depends on the degree to which it supports the White House and its policy course. The Administration’s position in relation to extradition of Fethullah Gülen is one of the examples of how Washington treats Islamists and the extent to which the countries are independent.
- Fourth. Judging by his acts and statements, the American president takes into account what China and Russia are doing in this respect and their attitude to their own Muslim communities when molding its policies in the Arab Muslim world, in Central Asia and the Caucasus.
- Fifth. To a much greater extent than Obama or even Republican presidents, Trump will demonstrate a lot of pragmatism when contemplating the use of force.

How does the Muslim World respond to Trump’s pragmatism? The Saudi upper crust fully appreciates what Trump thinks about Islam.²⁹ The Global Center for Combating Extremist Ideology (GCCEI) opened in Riyadh was an important event: “This groundbreaking new center represents a clear declaration that Muslim-majority countries must take the lead in combatting radicalization.”³⁰

²⁶ See: J. Malsin, “In Speech on Islam, Trump Strikes a More Moderate Tone,” 5 May, 2017, time.com.

²⁷ “Donald Trump’s Reset on Islam,” 21 May, 2017, economist.com.

²⁸ M. Pompeo, “Remarks at the Department of State’s Foreign Affairs Day,” 4 May, 2018, state.gov.

²⁹ See: “Saudi Prince Approves of Trump’s Views on Islam, Travel Ban,” *Arab American News*, Vol. 33, Issue 1623, 2017, pp. 19-20.

³⁰ “President Trump’s Speech to the Arab Islamic American Summit,” 21 May, 2017.

The Center is working on restoring the right ideas about Islam and strengthening the foundations of the traditional and moderate religious teaching distorted by radicals.

It should be said that the foreign policies of the Muslim theocratic monarchies was invariably highly pragmatic (suffice it to mention the Umayyads and the Abbasids). It seems that these traditions have survived until our days.

Formally, the positive attitude of Trump's administration to the religious issues in the Muslim space is confirmed by the Potomac Plan of Action at the Ministerial Level to Advance Religious Freedom (24-26 July, 2018).

This large-scale plan presupposes Defending the Human Right of Freedom of Religion or Belief; Confronting Legal Limitations; Advocating for Equal Rights and Protections for All, Including Members of Religious Minorities; Responding to Genocide and other Mass Atrocities; and Preserving Cultural Heritage. The adoption and implementation of the plan means widening and consolidating the zone of Washington's interests and actions in the Muslim World.

Conclusions

It seems that new ideological attitudes of the White House, which are much better adjusted to the challenges and threats of our times in relation to the countries of the Muslim space, will be corrected in view of

- (1) the hardly predictable change of elites in these countries;
- (2) rotation of the so-called Islamists and liberals in domestic politics;
- (3) a great number of peculiarities of democratization and models of state and public construction, in particular, in Central Asia and the Caucasus;
- (4) the set of the relationships with the U.K., the EU, China, and Russia;
- (5) world fuel prices;
- (6) relations between Riyadh, Ankara, Cairo, Jakarta, Islamabad and other capitals;
- (7) the Republican/Democratic rivalry in the Congress and many other factors.

ISLAMIC IDENTITY IN THE CONTEXT OF HISTORY AND ITS PROSPECTS: RELIGIOUS AND POLITICAL ASPECTS

Zhanara TURGANBAYEVA

*Ph.D. Candidate, Al-Farabi Kazakh National University
(Almaty, Kazakhstan)*

Nataliya SEITAKHMETOVA

*D.Sc. (Philos.), Professor, Corresponding Member,
NAS RK, Leading Researcher, Institute of Philosophy,
Political Science and Religious Studies, Committee for Science,
Ministry of Education and Science of the Republic of Kazakhstan
(Almaty, Kazakhstan)*

Madina BEKTENOVA

*Ph.D., Chief Academic Secretary,
Institute of Philosophy, Political Science and Religious Studies,
Committee for Science, Ministry of Education and
Science of the Republic of Kazakhstan
(Almaty, Kazakhstan)*

Sholpan ZHANDOSSOVA

*Ph.D., Associated Professor, Head of the Department of Religious Studies,
Institute of Philosophy, Political Science and Religious Studies,
Committee for Science, Ministry of Education and
Science of the Republic of Kazakhstan
(Almaty, Kazakhstan)*

ABSTRACT

The article reveals the fundamental aspects of the emergence and development of discourse on Islamic identity as part of the national identity model in Kazakhstan in the historic retrospective, the role and place of Islam and related identity typical of the historical-political realities of the Soviet Union. It identifies the conditions

under which the importance of Islam and the identity it has determined may change in Kazakhstan. The article emphasizes the importance of the global shift in the discussions of Islamic identity from the Orientalist perception of the Islamic World to its perception as an equal actor and entity in constructing human identity.

KEYWORDS: *Islamic identity, national identity, adab, Islam in Kazakhstan, Soviet discourse of Islamic studies, Kazakh culture, modernization of religious consciousness.*

Introduction

Islamic discourse in its historical perspective is actualized within objective reconstruction of Islam and its spiritual and moral importance for the social and cultural realities of Kazakhstan. Having begun in the year 2000 across Central Asia, Islamic revival has acquired a more or less consistent status despite turbulence in the Islamic East and Western Europe caused by migrations and deconstruction of the religious paradigms that formed the religious (Islamic) landscapes.

For a better understanding of the events related to Islam by individuals and society as a whole, contemporary society defined by Ziauddin Sardar as “post-normality” (a world dominated by complexity, chaos, and confusion) should reassess social, cultural and political realities of the past.

Methodology

In view of the multitude of components and complexity of the object of our studies we relied on interdisciplinary methods of humanities: historiographical, content-analysis, comparative and hermeneutical, endorsed by the Islamic studies tradition. This set of methods, whose elements have been repeatedly tested by practical studies, is used here to reconstruct the discourse of Islamic identity.

Discourse of the Soviet Islam and Soviet Islamic Studies

It is difficult to comprehend the historical, cultural and political importance of Islam in Soviet society as we face confrontational and conflicting hermeneutics of archival documents, legal acts and strategic programs published and adopted in the Soviet Union. While addressing Islam in Soviet Kazakhstan we should identify two concepts: Soviet and Sovietological, the first being at the core of the latter. Prominent Sovietologists who worked at the universities of Cologne, Munich, Texas and in Harvard—Barrington Moore, Raymond Aron, Zbigniew Brzezinski, Józef Bocheński, Héléne Carrère, Alain Besançon, Nicolas Werth and others—studied the Islamic issue in the context of historical reconstruction of Islam in the Soviet period. As could be expected, the Soviet Union’s disintegration strongly affected the future of Sovietology: the Soviet axiological system and the Soviet paradigm of Islam (de-Islamization and shaping an atheist idea of the world) collapsed. The subject of “Soviet” Islam raised by Sovietologists is absolutely unique in the context of the tragic fate of Islam in the Soviet period. The Soviet history of Islam and the history of Islam as presented by Sovietologists are two different scholarly paradigms:

- the first was based on the totalitarian discourse methodology—Islam as an ethnic and cultural element of the Soviet cultural mosaic;
- the latter—on the historical, cultural and phenomenological approach to Islam as a profound ethical and spiritual tradition and practice of the dogmatic cult.

Religious policies of Soviet times reflected the implicit phenomenology of everything Soviet as the cornerstone of the spiritual and material spheres of life in the Soviet Union in which Islam was interpreted within Soviet ideology, which divorced religion from church; it was expected to die and be forgotten. Soviet people were expected to accept Nietzsche's famous "God is dead" as an ideal version of a new paradigm in which God was pushed aside and forgotten, while association with the world realized as His reasonable rejection. Atheism as a philosophical paradigm and a Soviet project failed in the countries of Central Asia and Kazakhstan. Islam was not only a religious cult, but the "historical memory of the tradition" that tied together many generations and their spiritual mentalities.

In the Soviet Union religious practice was a dual phenomenon—either uncompromisingly repressive or partly amenable, but never indifferent. The media did a lot to deconstruct the religious consciousness: Soviet newspapers, magazines and popular literature as a sort of a Soviet-style adab slighted religious consciousness as a product of narrow-mindedness. In 1922, for example, the *Bezbozhnik* (Non-Believer) newspaper played a certain role in the appearance of the Union of Militant Atheists that waged an ideological struggle against religion. In the 1940s-1950s, criticism of religion was somewhat subdued. During the Khrushchev Thaw atheism triumphed against the background of the unrivalled Soviet scientific achievements that helped destroy everything related to religion as an archaic and conservative hindrance of the scientific and civilizational progress. During what is called stagnation—the epoch of Leonid Brezhnev (1960-1984)—religion was revived and, by the same token, destroyed. Axiological paradigms were changing; the wave that destroyed the Soviet consciousness at the individual and collective levels swept away the historical myth of a "Soviet man," for whom the Soviet ideology (which had no place either for God or for man) had been created in the first place. The Soviet state religious policy was a policy of "stick and carrot." Russian Orthodox Church was politically important in czarist Russia. In the Soviet Union, on the other hand, it was destroyed; starting in 1918, Catholicism was persecuted as well; Protestant churches were closed; Judaism shared the fate of all other religions. In 1920, repressions moved on to Islam. It should be said, however, that at that time the First All-Russia Congress of Muslims held in Ufa set up the Central Spiritual Administration of the Muslims. Three years later, the Second All-Russia Congress of Muslim Activists in Ufa outlined the functions and powers of the Central Administration as the main center of all Muslims of the U.S.S.R.

Soviet power began its offensive against Islam with the de-institutionalization of Islamic education.¹ No matter how hard they tried, Islamic clerics lost the battle. In the 1990s, local Islamic education of the Soviet period lost the battle to radical trends. Four regional spiritual administrations were set up to promote regional Islamic models: there were spiritual administrations of the Muslims of Central Asia and Kazakhstan with the center in Tashkent, of Transcaucasia with the center in Baku, of the European part of the Soviet Union and Siberia with the center in Ufa and of the Northern Caucasus with the center in Makhachkala. *Musulmane Sovetskogo Soiuz*a (The Muslims of the Soviet Union) journal that appeared at the same time was the only official publication that published historiographical essays about Islam and its traditions.

Its history is a long and tragic one: it was banned and resumed several times mainly to inform other countries that the Soviet Union was a country of religious freedom. It was published in Arabic, Uzbek, English, Farsi, Dari and French. The Russian-language edition was launched in 1990. In the post-Soviet period it is published as *Musulmane Maveranakhra* (Muslims of Transoxiana); it is free from Soviet dictate and ideological Soviet banalities that have in any case lost their meaning in the de-ideologized post-Soviet space. Soviet Islam did not become a phenomenon of Soviet society, since

¹ See: N. Seitakhmetova, M. Smagulov, A. Dosmaganbetova, R. Sartayeva, A. Sagikyzy, "Institutionalization of Islamic Education in the Kazakhstani Secular Society," *European Journal of Science and Theology*, No. 2, 2018, pp. 68-69.

atheism and Islamic ontology were worlds apart. In an effort to build up antireligious consciousness, the “Soviet adab” created a genre of anti-Islamic literature, where the main characters “persecuted” by religious figures sacrificed their freedom and even lives to the cause of atheism.

Within the scholarly discourse, the Islamic tradition was studied professionally and fundamentally even if the academic community had to accept the priority of ideology that infringed on creative freedom. Those who failed or refused to follow the general ideological line of atheism never saw their works published; at best they appeared distorted by cruel censorship. The methods of Islamic studies that emerged at that time can be described as the best examples to be followed in the post-Soviet period. Ignatyi Krachkovsky, Stanislav Prozorov, Oleg Bolshakov and many others relied on historiographical methodology to open the vistas of an objective historical reconstruction of Islam and the Islamic identifiers of culture.

The historiographical method allows us to shed light on one of the most tragic pages in the history of Soviet peoples—de-sacralization of their national cultures, “demarcation” with God, and the culture in which the world was “stamped” with the paradigm of godlessness.

In his work *Musulmane v SSSR* (Muslims in the U.S.S.R.) published in Paris in 1983, Alexandre Bennigsen offered an interesting observation: national Muslim communism with its own program had been developing within the Soviet borders.²

The wave of repressions gave rise to the Islamic dissident movement. Anti-Soviet in its essence, it was determined to revive the Islamic tradition as spiritual, ethnic and aesthetic; religious freedom as an inalienable human right; the system of Islamic education as a spiritual and moral element of a secular society. This became possible in the independent post-secular Kazakhstan.³

Today, Islam and its role in cultural formation in Central Asia is a highly peculiar issue: the impact of Islamic culture on the region has not yet been properly studied, hence the continued desire to belittle the role of the Islamic tradition in the region’s multi-cultural landscape. In the Soviet period this was caused by the fear of a flood of pan-Turkism, on the one hand, and of pan-Arabism, on the other. While Sovietologists examined “Soviet Islam,” the object of their studies, as a problem of ethnic, social and political development, the studies of Soviet scholars were purely academic. Today, they are represented by classical Islamic studies by Ignatyi Krachkovsky, Stanislav Prozorov, Vassili Bartold, Evgeni Bertels, Teodor Shumovsky and others. Works of applied nature were very different: ideologically they “removed” the Islamic element from the civilizational past, present, and, as could be expected, future of Central Asian ethnicities. The cultural split defined as “Islamic tradition” in history created a void in the spiritual continuity of the generational paradigm of Islam.

De-Islamization of Kazakhstan in the Soviet period was caused by the change of paradigms, that is, destruction of traditions, religion and tongues. In the 1980s-1990s, national self-awareness was gradually revived and the national Soviet doctrine revised. The relatively liberal nature of the Soviet nationalities policy, on the one hand, and the rigid pro-Russian discourse, on the other, created zones of inter-ethnic turbulence and barely concealed intolerance of certain ethnicities in the Soviet Union. The Soviet policies of bringing people, cultures and religions closer together finally led to an open contraposition of traditional and Soviet cultures. The discourse of an opposition to cultural unification was connected, among other things, with Islamic identity. Soviet modeling of Kazakh culture and general lifestyle replaced the tradition, upon which everything Kazakh had rested, with “a Soviet zombie,” an individual unaware of his origins. It was in the late 1980s that the binary opposition—tradition vs. Soviet-style modernity—became absolutely dichotomous: destruction of cultural and religious sovereignty fanned national self-awareness and the quest for the future of national culture and its prospects as part of Soviet history.

² See: A. Bennigsen, *Musulmane v SSSR*, Series: *Chto nuzhno znat o...?*, Issue 1, Ymca-Press, Paris, 1983, p. 23.

³ See: M. Bektenova, N. Seitakhmetova, G. Kurmangaliyeva, B. Satershinov, R. Sartayeva, “Problematization of the Issue of Islamic Education in the Post-Secular World,” *European Journal of Science and Theology*, Vol. 13, No. 1, February 2017, pp. 136-137.

The Alash movement of Kazakh intellectuals was the first to formulate the problems of preservation of the identity, religious and cultural sovereignty of Kazakhs; their ethnicity, language and Islam as the traditional religion of the Great Steppe. Its media played a huge role in emphasizing the humanitarian dimension of Islam, which should be saved from destruction as the spiritual and cultural tradition. The Alash program strategies related to Islam seem to be modernizing today: its members were convinced that Islam was potentially able to absorb the ideas of innovational, scientific and technological progress and intellectualization of society. The Alash media were a social, political and cultural institution that strongly affected Kazakh society and, first and foremost, the minds of its youth. As a public opinion institution, the periodicals shaped public consciousness, and stirred up critical reflections on cultural and religious identity.

This means that the Soviet discourse of Islam was highly varied, the fact which went against the stream of Soviet ideological modeling.

The post-Soviet period (or the post-colonial period, according to certain authors, since it liberated the Islamic discourse) is shaping a new logic of Islamic identity through interdisciplinary methodologies and different objectives, both in academic and applied studies of Islam. Reconstruction of Islamic identity and its history contrary to the “Soviet adabs” represents its development in the Central Asian space. Alisher Ilkhamov in his “Archeology of Uzbek Identity”⁴ has written that the national identity project was never completed. As applied to the problem of Islamic identity, its nature is hardly complete, while its further development depends on the social, political, economic and cultural factors of current realities in which national doctrines play a big or even gigantic role.

Destruction of spirituality and lack of spirituality in Soviet society were seen as a problem created by dedication to Marxism-Leninism. Today, however, we are talking about a crisis of spirituality once more: “We can for decades explain the predatory nature of today by the predatory nature of yesterday. This will not help us improve the real situation.”⁵ What can and should be done?

The strategy of modernization of social and historical consciousness launched in Kazakhstan is something more than a mere re-elucidation of historical contexts. This is a critical reassessment that creates a context in which unity of mankind is realized, and in which spiritual forms (religion being one of them) determine one’s personality, while identity is perceived as a culture of communication of representatives of different confessions.

The set of descriptions of contemporary humanities that determines the subjects of scholarly studies of Islam and Islamic identity is especially interesting. Clifford Geertz,⁶ for example, has turned to the subject of the relationships between the religious and the national in the countries with Muslim populations, the factors of Islam’s viability in different cultures in postnormal times (Ziauddin Sardar⁷)—the epoch of differently determined modernities, territorially stipulated religious cults and lifestyles in the context of Muslim population, as well as the degree of politicization of Islam as pan-Islamism. In other words, contemporary Islamic scholarly discourse demonstrates its bias towards the political paradigm of the Islamic way of life. We can easily detect a trend towards comparative methods in the essays of Western scholars of Islam, who tend to compare the above-mentioned aspects in Islam and Christianity.

In the politically determined discourse of Islam of the 20th century, the categories of nation/national and ethnicity/ethnic are pushed aside. Starting with Benedict Anderson,⁸ who interpreted

⁴ A. Ilkhamov, “Archeology of Uzbek Identity,” *Central Asian Survey*, Issue 3-4, Vol. 23, 2004.

⁵ N.K. Seitakhmetov, *Nravstvenny smysl germanskogo idealizma*, Almaty, 2007, p. 301.

⁶ See: *Islam. Modernity. Nationalism*, Interview with anthropologist C. Geertz, Interviewer S. Glebov, *Ab Imperio*, No. 3, 2004, pp. 91-111.

⁷ See: Z. Sardar, “Welcome to Postnormal Times,” *Futures*, No. 42 (5), 2010, pp. 435-444.

⁸ See: B. Anderson, *Imagined Communities: Reflections on the Origin and Spread of Nationalism* (Revised and enlarged edition), Verso, London, 1991.

these categories as artificial and imaginary constructs, and Samuel Huntington,⁹ who pointed to the advantages of civilizational over national community, these traditions have been developing in contemporary Islamic studies.

In this context, identity rests not on the national-ethnic, but on the axiological-civilizational basis. In other words, Western scholars continue the discourse of civilizational Islamic identity in the developing countries. In the 20th century, in the postcolonial countries of South and Southeast Asia and North Africa Islam helped replace the secular identity imperatives with those of a religious (Islamic) nature as the determining factor.

Political interpretation of Islam as a problem field points to the need to deprive Islam of its territoriality and the extent to which this process can be controlled. In this context, Clifford Geertz concentrates on the problem of administration, the autonomous nature of the Muslim population and the state's interference in the process.

The scholarly discourse that is unfolding around Islam demonstrates, among other things, the trend towards overcoming the alignment with the world of Western Orientalists when studying the problems associated with Islam and related subjects. This explains why the vocabulary of Islamic studies brims with the terms connected, according to Geertz' pertinent remark, with the concepts of identity, collective memory and the ideology of traditionalism. "Passivity" of the Orient is perceived as the initial background. According to contemporary Orientalists, Muslim intellectual activity had reached its apogee in the Middle Ages. Since that time, the highly introvert Islamic World, which is seen from the West as a monolith of sorts, has not produced academic works and publicist writings. New generations of Islamic scholars are raised on the works of Bernard Lewis, Eli Keduri, Ernest Gellner, Roman Yakobson and Yuri Lotman.¹⁰ In other words, the scholarly discourse of our days is shaped in the West and in accordance with its ideas about the course of world history.

Contemporary Studies of Islamic Identity: Variety of Subjects

Identity is rapidly developing into the main issue of the day: it crops up in media headlines, fiction and academic papers—in short, in all written forms of human thought. It should be said that having appeared in the Orientalist discourse in the West, the subject of identity changed its nature several times.

- At the height of the studies of the Orient in the 18th-19th centuries, the subject of identity was more theorized than in the 20th and the beginning of the 21st century when scholars were especially interested in the specific features and domination of ethnic and religious identity of post-colonial peoples. Works included those by Eli Keduri and Ernest Gellner, who discussed the problems of nationalism; Clifford Geertz, who wrote about national specifics of Islam in North Africa, South and Southeast Asia; Samuel Huntington, who paid special attention to civilizational characteristics that determined the behavior codes; and Bernard Anderson, who revealed the artificial nature of the concept of identity as a system-forming element of the image of the world in individual minds and in society.

⁹ See: S. Huntington, *The Clash of Civilizations and the Remaking of World Order*, Simon&Schuster, London, 1997.

¹⁰ See: B. Lewis, *Faith and Power: Religion and Politics in the Middle East*, 1st ed., Oxford University Press, 2010. 240 pp.; E. Keduri, *Natsionalizm*, Ale-gale, St. Petersburg, 2010, 136 pp.; E. Gellner, *Nations and Nationalism*, Cornell University Press, Ithaca, 1983; R. Yakobson, *Raboty po poetike*, Progress Publishers, Moscow, 1987. 464 pp.; Iu.M. Lotman, *Vnutri mysl'ishchikh mirov*, Azbuka, Moscow, 2014, 416 pp.

- Today, the understanding of the term “identity” in Western/European science is somewhat modified. The works of Western intellectuals are filled with the fear that the wave of immigrants will wash away European identity. This discourse serves as the communicative space that reflects and, at the same time, forms what people think/should think about the (mainly Muslim) migration. In his *The Strange Death of Europe: Immigration, Identity, Islam*¹¹ Douglas Murray concentrates on destructive activities of Muslim migrants who have refused for many generations to come to integrate into local European contexts. The passive position of Europe as the host continent is explained by Murray as the “exhaustion by history” and “colonial guilt,” as well as domination of political correctness and multiculturalism.¹² The author offers no ways out of the trap; he has nothing to say about possible Donald Trump-style ban on migration; he has no opinions about possible training of migrants to assimilate them in the host culture. He is incapable of saying anything about the host culture except its connection with the church and Christian attributes.
- Contemporary Muslim intellectuals—Ziauddin Sardar, Tariq Ramadan, Talal Asad, and Meryll Wyn Davies—demonstrate a different tonality. They focus on integrity, staunchness and authenticity of the Muslim lifestyle and thinking, perception of the world and the relationships with the world, in short, everything that determines the identity of Muslims in all corners of the world. This is opposed to modernization/Westernization, the result of globalization of mass non-Western consciousness.

One of the interesting areas of thought in this regard is the theme of historical milestones, the perception and spread of Islam, as well as an explanation of the resilience of this religion. This is what Ernest Gellner tells us about looking at Islam as perceived by the people living in the Middle East as an ethnic, social and civilizational patchwork.¹³

Islamic Identity in the Cultural and Communicative Space of Kazakhstan: The Role of Adab in Cultural Tradition

In Kazakhstan, the discourse related to Islamic studies testifies that the society had reached the stage of spiritual revival, religious and civilizational re-identification in the post-secular cultural and communicative space. The problems discussed in Kazakhstan—history of Islam in Kazakhstan, prevention of religious extremism, continuity of Kazakh-style Islamic traditions, cultural and axiological alignments, orientation towards the Hanafi madhab and Yassawi tariqa traditional for Kazakhstan—are suggested by the pragmatic desire to maintain inter-confessional stability in the multi-cultural and polyethnic society with the help of religion that ensured a safe performance of all social rites.

Current dynamics of Islamic studies in Kazakhstan is the echo of the period in the history of the people that have survived enforced spiritual deprivation, namely alienation from their traditional religion and values. The seventy-year long history of the country as part of the biggest political and ideological organism of the 20th century left a deep wound in the minds of those who had created it

¹¹ See: D. Murray, *The Strange Death of Europe: Immigration, Identity, Islam*, Bloomsbury, London, 2018. 384 pp.

¹² Ibidem.

¹³ See: E. Gellner, “Post-Traditional Forms in Islam: The Turf and Trade, and Votes and Peanuts,” *Dædalus*, Vol. 102, No. 1, Post-Traditional Societies, 1973, pp. 191-206.

in the first place, and in the minds of those who came after them. The ambitious plans to build a superpower with a huge population demanded an equally great effort: a new ideology of equality and friendship, a new philosophy and a new identity.

The transformation of economic processes into social ones was initiated by the far-reaching plans nurtured by the leaders of the country, one of the most important actors on the world political stage. Nationalization of private property (landed property and cattle in the context of the nomadic lifestyle) depersonalized individual interests at the economic level. Individual religious consciousness of people who found themselves at the “turning point of history” was shattered by interference of Bolshevik ideology/Communist rhetoric in social life. Traditional life became impossible in all spheres of personal, social, cultural and communicative space; the spiritual and religious sphere was affected to a greatest extent. Atheism as part of Communist ideology was absolutely alien to those who lived in what is now Kazakh territory at all stages of their history. We should admit, however, that Communist ideology attached special importance to its spiritual and moral component. Values common to mankind, norms of morals and honor typical of religious consciousness were moved to the center of civic spirituality, yet not as a tribute to religious world perception. They were elements of indispensable social regulations, essential, in their turn, to the achievement of the highest political aims proclaimed by the country’s leaders.

The end of history of one country (the U.S.S.R.) launched the histories of independent states that proclaimed freedom of speech and freedom of conscience. The period of total control was replaced with a period of total euphoria ignited by the right to spiritual self-determination. Destructive religious teachings and transborder extremism that threatened international security were the other side of the gained independence and democratic freedoms.

This concise historical essay stirs up the need to ponder on the determined nature of the Islamic discourse unfolding in the academic community, which is extremely responsive to the vacillations and transformations of public consciousness. This fully applies to the realities of Kazakhstan of the Third Modernization Period of the Fourth Industrial Revolution Era, which requires the spiritual mobilization of all individuals capable of responding to the challenges of the day. Today, the Kazakhstani society, deprived in the past of its religious identity, demonstrates a surge in spiritual seeking. It reanimates and reassesses its religious traditions.

The sociological studies of religious identity in the independent Kazakhstan, carried by the Institute of Philosophy, Political Science and Religious Studies of the Committee for Science of the Ministry of Education and Science of the Republic of Kazakhstan in 2018 deserve special mention.¹⁴ They have demonstrated that after the Soviet Union’s disintegration, which made Kazakhstan an independent state, most of the respondents (54.6%) associated religious revival with the restored traditions (see Fig. 1).

The sociological survey also reveals that the Islamic content was spreading in people’s minds (see Fig. 2).

According to the poll, 80.1% of the respondents associated themselves with the confessions traditional for Kazakhstan: 51.0% with Islam and 29.1% with Russian Orthodox Christianity, with the choice obviously determined by ethnicities: 82.0% Kazakhs spoke of themselves as Muslims while 75.0% of Russians—as Orthodox Christians. This was confirmed by the respondents: 79% of them insisted that they professed the religion of their ethnicity.

¹⁴ See: Sociological studies of *The Role and Meaning of Religious Identity in the Spiritual and Cultural Resurrection of Kazakhstani Society* was carried out in 2018 by the Center for Business Information, Sociological and Marketing Studies BISAM-Central Asia on order of the Institute of Philosophy, Political Science and Religious Studies at the Committee for Science under the RK Ministry of Economy and Science for the program Formation of Kazakhstani Identity in the Context of Modernization of Public Consciousness within program funding (2018-2020).

Figure 1

What in Your Opinion Contributed to the Spiritual Revival in Post-Soviet Kazakhstan?
(% of the total number of polled)

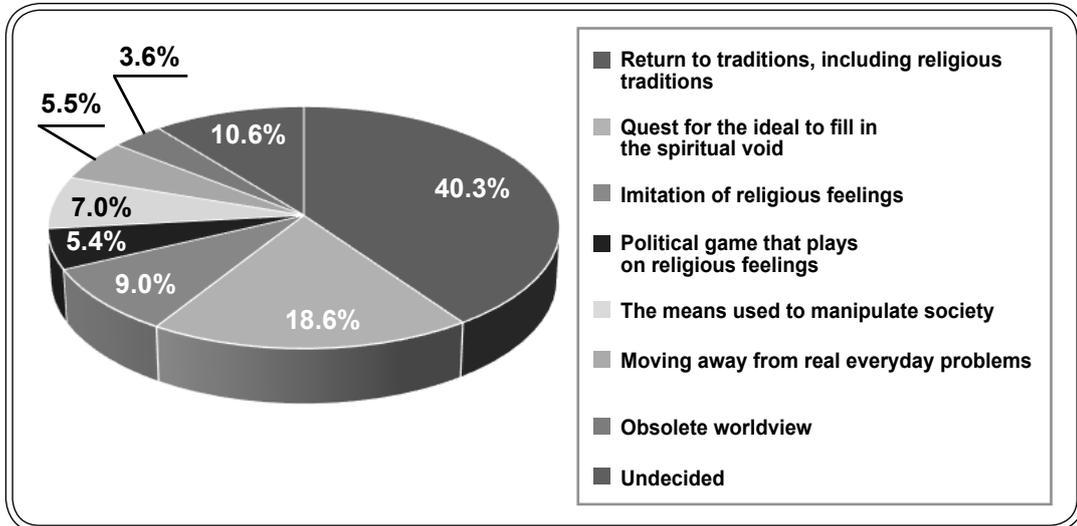
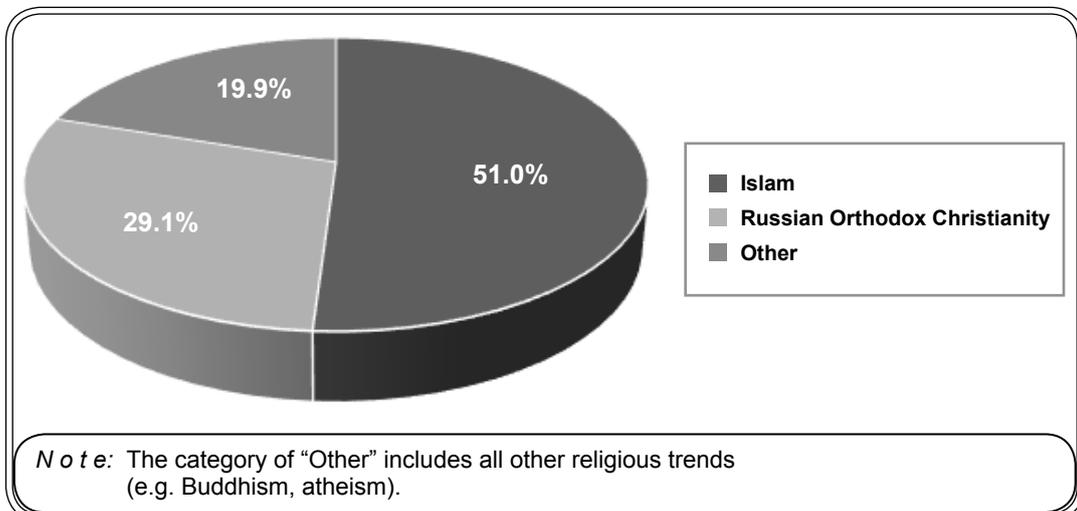


Figure 2

With Which Religion Do You Identify Yourself?
(% of the number of polled)



The polled Muslims saw no deep contradictions between the secular and religious paradigms. In Kazakhstan, Islamic identity is consistent with and is modeled as Sunni identity that relies on the Hanafi madhab and is predominantly ethnic. It should be said that its viability is under attack by the radical trends that are infiltrating Kazakhstan and Central Asia. This means that preventive measures are needed.

First of all, we are talking about a new academic paradigm of hermeneutics and studies of Islam that should rely on objective historical sources and adequate methodology. In Kazakhstan, the genesis of Islamic identity was concentrated around the spiritual traditions of the Kazakhs, and identity itself relied on an organic unity of cultural paradigms. In fact, the sociology of Islam as a method of the 21st century is gaining consequence and opens up extensive possibilities of studying the modernization processes in Islam.

The Islamic factor plays the key role in the countries of the Islamic World and speaks volumes about the importance of Islamic identity. In the Islamic World, Islamic identity is equated with national identity: institutionalization of “citizenship” is correlated with the Islamic tradition. Sociological studies of national identities of the Islamic World, which have become especially active in the 21st century, revealed the turbulent and destructive trends fraught with fragmentation of national identities.

This means that the sociological dimension of the Islamic identity studies is vitally important to our understanding of the religious situation as a whole and interpretation of its possible configurations.

In this context, the continued reinterpretation of text and discourse seems absolutely logical, and should include both its sacral content and the traditional opinions about the sacral. This re-actualizes the traditional values and their adaptation to the contemporary world.¹⁵ Ziauddin Sardar is convinced that the Muslims should reinterpret the norms of the Shari‘a, the product of the specific requirements called to life by medieval society and later elevated to the status of the divine and, therefore, unassailable. This explains what he articulates about the very much needed critical approaches.¹⁶ Adibs (intellectuals known as past masters of the written word and critical thought) put a lot of effort into reinterpreting the religious heritage in line with contemporary times.

Adab plays an immense role in this context, because it comprises the best humanistic qualities of Islam and national traditions/civilizations. From the time when it first appeared in the Golden Age of Muslim culture, adab was perceived as a critical discourse within which traditions, culture of conduct and sacral texts were revised and reinterpreted. The classical narrative of adab born by the great minds of classical Islam is continuing; it is superimposed on national specifics, enriched through them and has been revealing its vitality for many centuries. This continuity presupposed the emergence of what is known as contemporary adab shaped in the age of postmodernity. While preserving its loyalty to the humanism of the past, adab is transformed into a scholarly and social narrative. It is modernized and gains weight in the social, political, cultural and communicative space. This type of adab is unfolding around the idea of re-actualization of the traditional Islamic values as a potential foundation of a new perception of Islamic identity which is undergoing transformations, which creates new meanings and which, on the whole, is progressive.

When revealing the meaning of religious identity from the positions of religious studies, one-sidedness should be avoided by all means: today, studies in humanities are possible only if they rely on interdisciplinary methodologies. Religious identity is formed in national history through national culture. Traditional culture is a product of spiritual and material practices of an ethnicity or a people; religion is one of its important components. Islamic tradition, which had accumulated spiritual and moral experience, served as a pivot in the national culture of Kazakhs. We can even say that their cultural traditions and the universal Islamic tradition served one and the same aim of spiritual and moral ethnic consolidation.

In the 8th-10th centuries, the unique and very specific nature of Kazakh culture received a new lease on life from Islam, which predetermined the social and cultural development of Kazakhstan.

¹⁵ See: Z. Sardar, *Islam, Postmodernism and Other Futures: A Ziauddin Sardar Reader*, ed. by S. Inayatullah and Gail Boxwell, Pluto Press, London, 2003, p. 28.

¹⁶ See: *Ibid.*, p. 29.

The modernizing processes realized in Kazakhstan are closely connected with the rediscovery of the role of the religious (spiritual and moral) factor in the history of the Kazakh culture. This adds relevance to the problem of correlation between national, civic and religious identities. Indeed, it is impossible to construct a civic identity outside its religious component. In poly-cultural societies, the social identity of a person requires an inevitable interpretation of the phenomenon of “religious identity” as part of a single homogenous configuration of civic identity.

National identity and its studies constitute the subject-matter of humanitarian studies realized by constructivists and primordialists. For the former national identity is a process constructed in the course of social and cultural practices of man, in which the ethnic factor is not the basic one. Primordialists, on the other hand, insist on the ethnic factor as the cornerstone of national identity, because, they argue, it forms national self-identity and uniqueness.

Unfolding globalist processes have already formulated new tasks: a search for the mechanisms of preservation of the national cultural sovereignty, balancing out universalism and individualism, preservation of the religious factor, etc. The national identity of Kazakhstan took shape through the development of historical awareness of the Kazakh ethnicity, daily routine and spiritual practice. It has acquired historically determined markers: priority of moral principles in everyday life; openness to other religions and cults; tolerance; traditionalism and philosophical freedom. Despite globalization, which unifies cultures and traditions, the continued functioning of national cultures and traditions that reveal the very essence of national identity remains the most prominent trend of our days. National identity shaped in the process of interaction between man, society and culture is interiorized by the codes of civil society to become civic identity. National identity cannot be defined without a clearer understanding of the term “nation.” The discourse of studies of “nation” as a concept, which is ongoing in Kazakhstan and abroad, defines it as a debatable category; as “ethnicity,” “citizenship,” etc. In this context, the quest for national identity is closely connected with the quest for the national idea.

The theoretical and methodological approaches to the studies of the relationships between the national, civic and religious identities are needed to identify the specifics of each and the place they occupy in the blanket term “civic identity.”

The highly complicated and dynamic nature of the process of nationalization of identity is responsible for the highly debatable nature of its studies. In poly-cultural communities, national identity is a product of the inter-cultural and inter-confessional communication strategy designed to avoid a conflict of cultures and, what is even more important, a conflict of cultural-religious identities.

Prominent scholars discuss the identity-related problems in an effort to find alternative answers to the question of priorities of national-civic identity. Norbert Elias,¹⁷ Pierre Bourdieu,¹⁸ Erik Erikson,¹⁹ Eric Hobsbawm²⁰ and others have revealed new horizons in the identity studies as a complex and dynamic phenomenon with polyvalent meanings.

The states need a national identity model to preserve their national culture, language and ethnicity, not to mention to consolidate the society and integrate into the international community.

One of the central roles in the process belongs to the national educational system.

In the first two decades of the 21st century, pluralistic ideology and introduction of religious education in secular societies made the religious component part of national identities. For example, a prominent scholar Jenny B. White in her *Islamist Mobilization of Turkey* has concluded that Turkey is shaping a new identity based on glorification of the Ottoman past and a gradual retreat from Ke-

¹⁷ See: N. Elias, *La Société des individus*, Fayart, Paris, 1991, 301 pp.

¹⁸ See: P. Bourdieu, *Distinction: A Social Critique of the Judgement of Taste*, Routledge, 1984.

¹⁹ See: E. Erikson, *Identity: Youth and Crisis*, W.W. Norton Company, New York, 1968.

²⁰ See: E. Hobsbawm, *Fractured Times: Culture and Society in the 20th Century*, Little, Brown, 2013.

malism.²¹ Today, practically all post-cultural societies have made religious identity an inevitable part of their national identities. National and civic identities in poly-cultural states differ in their correlations: civic identity is correlated with society, while national identity—with ethnicity. National identity is molded as civic identity, while religious identity becomes one of its main components.

Conclusion

Studies and analyses of identity problems are just as important as all other aspects of self-awareness of a person in society and in the world. Identity understood as a process is based on the meaningful reckoning points of human life and a collective perception of the world by the nation viewed as a community united in its diversity. This process is strongly affected by internal and external factors. Internal phenomena that affect development trends and the intensity of the identity-forming process are determined by the system-forming humanistic ideas established by the cultural tradition. This is even more relevant when applied to religious identity, since its spiritual content is supported by its social, political and historical content, hence the impact of external factors. The latter presupposes an active involvement of the Kazakhstani society in inter-cultural dialog, integration and education on an international scale. Islamic identity should be realized by the entities that rely on the entire scope of rights and that are, therefore, “actors” of global creative communication.

Kazakh society understands that it needs an identity that is fully integrated into the cultural and communicative space of the contemporary world, hence its support of the religious ideas proclaimed by the traditional Hanafi madhab, which are loyal to the image of the ontological Other and acceptable for the secular society of Kazakhstan. It is the Hanafi madhab that mitigates the stress of the process of constructing Islamic identity and prevents the radicalization of Islam. National identity is never static, it exists in the process of never-ending changes, there is no final model, since poly-cultural and communicative societies incessantly create new types of social contacts and relationships.

Understanding of the Islamic world as a community with unified identity revives the problem of reinterpretation of the religious tradition, whose peacekeeping and intercultural-dialogical potential must fit into contemporary realities to prevent marginalization of the Muslim ummah. Reinterpretation of the Islamic tradition should take into account the historical-cultural specifics of each particular region, in which the ontological introduction of Islam should be tuned up to the spiritual system of values.

²¹ See: J. White, *Islamist Mobilization in Turkey. A Study in Vernacular Politics*, University of Washington Press, 2002, 304 pp.

FEMALE RADICALISM: METHODS OF PREVENTION

Dinara AITZHANOVA

*Ph.D. Student,
State Administration Academy at the President of the RK
(Astana, Kazakhstan)*

ABSTRACT

Global migrations of the final years of the 20th century have made large countries multi-cultural and multi-confessional. In the past, one confession dominated in the absolute majority of states; today this is a gradually disappearing phenomenon. In multi-cultural and multi-confessional societies, the number of religious trends and their popularity have acquired a special importance. Today, tolerant and peace-loving religious trends compete with radical trends for followers. Under the guise of the constitutional principle of freedom of conscience, radical and extremist ideas are spreading across states and among both genders.

The article discusses the problem of feminization of extremism in Central Asia and in the countries of the far and near

abroad. It also examines a variety of conditions and factors that lead to a considerable increase in the number of radicalized women; assesses the role of society and its traditional values, of sham religious organizations, as well as all sorts of NGOs in the spread of radical extremist ideas and discusses the experience of prevention of religious extremism and radical ideologies in different countries and de-radicalization of women.

Particular attention is paid to the problem of female extremism in Kazakhstan, the factors conducive to its rise under the conditions of the traditional lifestyle in the republic, and to prevention and rehabilitation efforts and the role of the state, NGOs and other public organizations in the process.

KEYWORDS: *female radicalism, extremism, terrorism, destructive religious trends, rehabilitation efforts, prevention of radicalism.*

Introduction

In the last decade, religious radicalism and extremism became a global problem: we are no longer shocked by information about terrorist acts perpetrated by religious radicals. Terrorism is a result of perverted understanding of spiritual and religious ideas by a huge number of people; it knows no national borders and has already become a threat to the international community.

Feminization of extremism, which is unfolding on the global scale, and the considerable number of radicalized women stir up concerns. Indeed, while in the past the word “extremist” suggested a male extremist, today it might mean a female extremist as well.

Methods of Studies

The research involved field studies, text analysis; study of recent publications as well as monographs, articles and books; interviews of officials of the Spiritual Administration of the Muslims of Kazakhstan, members of some non-traditional Islamic trends, heads of the Committee of Public Consent and of regional spiritual administrations; interviews (with the assistance of the local spiritual administration in Atyrau) of radical-minded women, wives of men who were serving prison terms for terrorism and a widow of the terrorist who had blown himself up in the course of a special forces operation in 2012 and was serving a prison term as a terrorist.

Statistics of the Committee of Public Consent of the RK Ministry of Social Development and the materials of relevant sociological polls were used.

The article is founded on the author's three-year long experience as an official of the Committee for Religious Affairs of the Ministry of Religious Affairs and Civil Society of the Republic of Kazakhstan (today the RK Ministry of Social Development).

Results of Studies

Radical religious trends are turning women into instruments of extremist crimes, the process that had been unfolding without much ado and protests from the public. Women left their homes to fight in Iraq or Syria of their own free will; this has also been happening in most of the post-Soviet republics, where the ranks of believers swelled with newcomers who pushed aside secular values before acquiring a religious culture, which made them especially susceptible to radical ideology.

Women from Russia, Ukraine, Georgia, Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan and neighboring states, as well as citizens of West European countries contribute to the steadily growing numbers (according to NGOs and public organizations in these countries) of extremist activists. According to Zhamal Frontbekkyzy, who heads the Mutakalim public movement in Kyrgyzstan, "in the last ten years, the number of women drawn into all sorts of religious extremist organizations has increased 20-fold. In 2015, the Ministry of the Interior of Kyrgyzstan halted the operations of a religious female extremist network in the republic's south. There were religious leaders—mushrifis; recruiters and accomplices, whose task was to seek out those who wanted to fight in Syria and to dispatch them there. The conscripted girls were offered a special training course. When interrogated, many of them confirmed that they were ready to sacrifice their lives to the 'cause of extremism.'" "Extremist structures were supported by 'certain associations, foundations and NGOs.' Some of them were officially engaged in religious education."¹

According to the Ministry of the Interior of the Russian Federation, up to 80% of members of extremist organizations in 2016 were young men and women between 14 and 20 and under 25-30.

According to the International Center for the Studies of Radicalization and Political Violence, about 500 citizens of Uzbekistan joined the fighters in Syria and Iraq; they are followed by Uzbek women despite the fact that they still face frustration and even tragedy.

More than 550 Muslim women from the West joined the terrorist ISIS group (banned in the Republic of Kazakhstan) and moved to Syria and Iraq. It has attracted more women than any other extremist group. The flow of information supplied by official structures of European countries, the United States, Australia and Canada about women detained in airports goes on unabated. On the

¹ I. Larin, "Ekstremizm v Kirgizii vse bolshe priobretaet zhenskoe litso," 8 February, 2018, available at [<https://www.ritmearasia.org/news--2018-02-08--34846>], 4 June, 2018.

strength of their posts in social networks, they are suspected of going to Syria or performing a hijra (*resettlement with an intention to freely profess their religion and perform religious rites*).

According to RBK Daily, EU special services have been instructed to closely follow the women suspected of any contacts with clandestine Islamist structures. The same publication has claimed that European security services have recently registered an unexpectedly big increase in the number of women involved in clandestine activities in Europe.²

The geography of female extremism is fairly wide; so far it is hard to say how many girls are involved; it is equally impossible to predict the future of those who are ready to follow the recruiters. What is behind this outburst and behind the girls' willingness to act in this manner?

There is a view in the West that these women merely want to demonstrate that they can do whatever men can. This cannot be accepted as an explanation, since none of the women even mention gender equality and their rights. As members of radical communities, they lose everything and are burdened with strict duties.³

According to experts, female extremism in Central Asia, Russia and some of the post-Soviet states is nurtured by social and economic problems and the low level of religious education. It should be said, however, that these are not more or less recent phenomena; they have been part of everyday life for a long time. The Communist regime, which existed in the region for over half a century, contributed to the process. It insisted on atheism as one of its informal cornerstones and, therefore, paid little, if any, attention to religious education.

The process of de-radicalization of women is a complex one; it is practically impossible to establish trusting relations with them. According to Askar Sabdin, a Kazakh expert in de-radicalization, he failed to return any of the victims of destructive ideologies (women in the first place) to traditional Islam. Not infrequently, their radicalization is rooted in purely female emotions; this means that de-radicalization requires the involvement of their partners.⁴

Ideologically rooted religious extremism differs from other crimes. This should be taken into account: founders and leaders of extremist trends are well-educated. The same can be said about those who write and edit their materials. The education level of target groups is irrelevant: these people should be susceptible to external influences.

Women are drawn to extremist activities through their personal contacts and on the strength of their dissatisfaction with their social status. Indeed, women are mostly involved in education and other professions that require intensive personal communication and that are poorly paid. This explains why they feel alienated from what they do; their material requirements add to the conflict between the internal and the external. Certain organizations or their members capitalize on this conflict: they accuse the state, national groups and other factors, and point to the way out of the trap. The victims do not realize that they are being pushed into another trap. They are convinced that they are free in their decision to quit their social milieu and the habitual lifestyle and embrace a different religion. Inspired by extremist ideology, female extremists are determined to avenge the injustices and degradation of their human dignity. Recruiters are experts in psychological manipulations, and rely on highly efficient methods: they know that their victims, who have no faith in the future and no personal strategies, are easily tempted by promises of bright future, adventures, salvation from the sinful world and paradise. Regrettably, many women choose extremism because of religious ignorance and psychological weaknesses.

² See: "Spetssluzhby ES obratili vnimanie na zhenshchin-islamistok," Pravoslavnoe informatsionnoe agentstvo "Russkaia linia", available at [<https://rusk.ru/newsdata.php?idar=177845>], 4 June, 2018.

³ See: D. Sabirova, "Tayny zhenskogo terrorizma. Interview with T. Dronzina, author of *Terrorizma zhenskiy lik*," available at [<http://islam.ru/content/analitics/48271>], 4 June, 2018.

⁴ From an interview with Askar Sabdin, Director of the Mysl Center for Applied Studies of Religion.

Today, social networks serve as the main recruiting base: disoriented and romantically minded young women cannot counter thousands of well-paid and well-trained provocateurs.

Many women embrace extremist ideology and even go to conflict zones to protest against the lack of rights in their families: nobody listens to them and they have no influence on their husbands. They were selected to look after their husbands and children and take orders from the male half of the family.⁵

Several fatwas issued to lure Muslim women to ISIS to support the fighting spirit of their brothers played an important role in the process. They promised them husbands, families and the chance to realize their Muslim identity as they understood it. Thirteen women from Tunisia were the first to respond to the call; they were followed by girls from Western and Arab countries. Gradually, the movement became an exodus. It should be said that sexual jihad is based on the fairly ambiguous Islamic concept of “mut’ah,” which is translated as temporary marriage. In fact, it has nothing in common with true Islam; it is practiced by followers of radical religious trends to justify their crimes. In any case, women become involved in this ambiguous phenomenon for different reasons and in different roles. We learn about the repercussions from the world media that describe violence, murders, trade in women and the fact that women were used as awards for the best fighters. In short, women were treated as cheap and easily replenished resource.

We should curtail the spread of extremist views that strongly affect the women left unprotected by society. To prevent female extremism, we should spread legal information among the younger generation of women so as to suppress their romantic ideas about extremism and create a strong immunity against radical ideologies.

Today, the countries that suffered more than others from these phenomena have rolled out wide-scale media, TV and Internet campaigns to prevent extremist recruiting. Clerics, officials, political scientists, journalists and social activists discuss the threat of religious extremism and terrorism in various TV programs. There are TV films and talk shows that tell the stories of women who left their homes for Iraq and Syria.

Prevention of Female Radicalism in Kazakhstan

Like many other countries, Kazakhstan is concerned with radicalization of women, traces of which could be detected despite the fairly stable religious situation. It should be said that the process of radicalization began in 2005 and was much more apparent in the country’s west than elsewhere. The terrorist acts in 2011 and 2012 in Atyrau, in 2011 and 2016 in Aktobe and in 2016 in Almaty can be described as the extreme outcrops of a destructive interpretation of religion. Since 2011, several hundreds of radicalized citizens of Kazakhstan, including women and children, have gone to Syria to join the fighters’ ranks.⁶

The gradually growing number of female victims of destructive ideology and radicalization is explained by several social and psychological factors, such as inadequate knowledge of laws and religion, low educational level and inadequate socialization. Many of those who practice destructive radical trends cannot read the Koran and other traditional religious literature without outside help; they know nothing about their civil rights and duties and refuse to find employment. They are closed to the world,

⁵ See: D. Sabirova, op. cit.

⁶ See: A. Bogatik, “‘Karavansarai’: V Kazakhstane obsuzhdaiut radikalizatsiu zhenshchin, available at [http://central.asia-news.com/ru/articles/cnmi_ca/features/2016/11/11/feature-01], 25 April, 2018.

their behavior can be described as asocial, they take orders from other people and demonstrate escapism; they stay away from social life, know next to nothing about the political situation in their countries. On the whole, practically all of them are strongly influenced by their closest circle. In fact, young girls have proven to be the most vulnerable part of the population, which succumbs to active online propaganda efforts of followers of pseudo-religious trends; it turned out that they knew next to nothing about religion, while their social status was highly unstable. The same can be said about their emotions; they were disorientated and psychologically dependent because of the strong pressure in their families.

Some of the women acquired radical religious views because of a keen awareness of social injustice, a lack of a better social future, no chance to realize their constitutional rights through secular institutions (*state structures, NGOs that focus on women's rights and employment assistance*). There were women who radicalized under the pressure of their radicalized husbands. Indeed, a husband who supports radical ideas strongly influences his wife. Under the Shari'a, the wife acquires religious knowledge from her husband, father or brother. As a rule, a married Muslim woman cannot contact male Muslim preachers, theologians or imams; she has no chance of receiving a good religious education. This is confirmed by the fact that the majority of wives of the detained and imprisoned extremists is, likewise, very radicalized and is convinced that their husbands fought for purity of religion.

For example, one of the interviewed women, who had lost husband and brother in the course of a special operation in 2012, while in a state of extreme psychological and emotional agitation, asked her teenager stepson to blast one of the law enforcement buildings and was convicted on a terrorism charge. Another woman, thanks to the efforts of her husband and brother, had fallen into the trap of the so-called sisters patronized by the "pseudo-Salafi brothers." After a while, her husband changed his religious convictions and left his radicalized wife with five children without means of subsistence. The woman adored the "brothers" who did not abandon her and, at the same time, was ready to abandon her radical convictions if her husband returned to the family.⁷

Kazakhstan is building up a system of preventive measures designed to improve the situation. With this aim in view, all faithful women are conventionally divided into several target groups according to the levels of their religiosity and radicalism, their range of interests, communication circle, employment and social status. This means that different approaches, different forms and methods of ideological work are used to work with each of the groups and to identify the higher-risk groups.

Out of three main target groups (*the "free" female jamaats, women in prisons and female jamaats in other countries*) the free female jamaats were the biggest.

Women related to one of the target groups are divided into three subgroups.

- The first of them consists of wives, widows, mothers, sisters and daughters of those who were convicted for religious extremism and terrorism. Much is done to study the conditions and causes that led the convicted to radicalization and to arrive at specific preventive measures.
- The second consists of women who suffered because of illegal "neke" marriages. This is the biggest group; some of its members were deprived of state protection because of the absence of necessary documents. Women with many children suffer even more. Having obtained a divorce from their husbands, these women are left alone to cope with their problems and conclude a neke marriage. The majority of young girls quit their educational establishments; this means that they have no qualifications and no chance to find good jobs.
- The third group consists of students of higher educational establishments, colleges and schools. They are mostly very young and highly religious girls who go to mosques and are sincerely interested in religion. They do not know enough about religion, they are making their first steps along this road and may fall into the nets of destructive religious trends. To

⁷ From an interview with women (Atyrau), victims of destructive ideology.

avoid this disastrous course, they are informed about the state religious policy, the real political situation in the country and provided with adequate religious literature.

The faithful women who serve their prison terms (there are 13 female prisons in the country⁸) can be divided into two subgroups.

- The first consists of women convicted for religious extremism and terrorism. Much is done to rehabilitate them through individual talks, adaptation and explanations of the true nature of Islam.
- The second subgroup includes women convicted for criminal offences; they only require general explanations.

The female jamaats abroad consist of wives, sisters and other close female relatives of Kazakhstani fighters, as well as young girls who study at theological institutes abroad. The former subgroup is under constant pressure of radical ideology and, therefore, can be used for different purposes including recruiting or even suicide bombers. This means that they should be approached under scrutiny of the law-and-order structures. There is no information about how many young girls from Kazakhstan study theology abroad, but the number is not large—hardly more than ten.

The above suggests that the younger part of the republic's population, under 29 years of age, is more or less responsive to the influences of destructive religious teachings. According to information supplied by the departments for religious affairs of the akimates of the regions and the cities of Astana and Almaty, in January 2018 there were 4,352 women members of destructive religious teachings, 2,450 of them belonged to 64 jamaats; there were also 108 leaders and activists among them.

In 2017, there were over 4,000 events that involved female audiences; 2,669 of them were individual and 834, group events. Over 400 women were rehabilitated.⁹

Preventive events and rehabilitation efforts are a difficult task, since these women have no permanent domicile address and no permanent employment, they are closed to the outside world for ideological reasons, they are suspicious and are afraid of their husbands.

Today, there are one republican and 249 regional information and education groups staffed with 3,000 people. They pay particular attention to different categories of the younger generation. In 2017, they organized over 23,000 events attended by 1,800,000 people.¹⁰ Much is being done in educational establishments. Informational and explanatory efforts are designed to prevent radicalization of women and achieve de-radicalization of those who fell victim to extremist propaganda.

State and private structures, industrial enterprises, and educational establishments of all levels are involved in the common effort of prevention of female radicalization.

- First, Kyz Zhibek clubs are functioning in top 10 higher educational establishments of Kazakhstan; they promote moral principles based on national traditions and adjusted to new realities. They inform young people, girls in the first place, about the fundamentals of Islam to shape religious consciousness in line with the traditions and cultural norms of secular societies.
- Second, scientific and practical conferences *The Role of Female Organizations in the Spiritual and Moral Education of the Younger Generation and Achieving Immunity to the Radical Religious Ideology* are held every year.

Since 2015, state structures that work in the sphere of religion have been organizing annual seminars for the heads and active members of female organizations, lecturers at the courses of ad-

⁸ According to information supplied by the Committee for Religions MDRGO RK in the first quarter 2018.

⁹ Ibidem.

¹⁰ Ibidem.

vancing religious knowledge at the Spiritual Administration of the Muslims of Kazakhstan and spiritual educational establishments and heads of the Kyz Zhibek clubs.

In most cases, social aid and other assistance are implemented in view of specific problems, such as employment, documents, places in kindergartens and schools, grants and benefits, etc.

Four hundred and fifty women received social and material assistance totaling approximately 8 million tenge: their lost documents were restored; they received enough money to supply their children with everything needed for the new school year, to buy foodstuffs, find employment, learn new skills, etc.

Here is a specific example: in one month, between 29 September, 2016 and 29 October, 2016, the Prosecutor General's Office of the Republic of Kazakhstan efficiently responded to the series of terrorist acts in Aktobe in June 2016; it targeted its efforts individually at 341 women.

About 25% of the supporters of "pseudo-Salafism" were ready to change their views; about 16% of the women wanted to return to traditional Islam, yet could not do that because of their husbands' pressure. The rest of the women (about 59%) remained convinced that they were following the right religion and were prepared to return to traditional Islam if their husbands changed their religious ideas.

The Spiritual Administration of the Muslims of Kazakhstan is no less efficient in its efforts: in the first half of 2018, it organized about 1,500 different events that involved about 40,000 women.¹¹

Local mosques are involved in advancing the religious awareness of the population, including women, who are learning about the Islamic canons and about traditional and spiritual values.¹²

The Akniet Rehabilitation Center is involved in social projects targeted at mothers, wives and other female relatives of male religious radicals.

Much is done to draw women and children into cultural and educational events, which are highly popular among the targeted audience. It is highly important to remove children from their everyday reality to enrich them with new and positive impressions.

In 2017, the women negatively affected by destructive religious trends could attend over 40 lectures; each of them was attended on average by 14 women who sided with Salafism of the taqfir type (a total of over 450 women were interested). Ten women who returned from Syria and Iraq were involved in rehabilitation programs in Astana. It should be said that their husbands, members of ISIS (an organization banned in Kazakhstan) were liquidated in so-called conflict zones.

The center does not limit its activities to propaganda and education—it helps women find jobs; it offers support to faithful women with material problems because their close relatives are either fighting in Syria or serve prison terms for their extremist and terrorist activities.¹³

The state should put greater efforts into consolidation of the institute of the family and teach women and, through them, the younger generation, to respect the traditional and contemporary spiritual and moral values.¹⁴

Conclusion

Female organizations can do a lot to prevent different forms of extremism. It is not enough to explain that extremism is dangerous and that extremists should be de-radicalized. Prevention begins

¹¹ Ibidem.

¹² Information supplied by councilor of the Supreme Mufti of Kazakhstan E. Ongarov in an interview.

¹³ From the interview with Director of the Akniet Rehabilitation Center A. Shaumetov.

¹⁴ See: A. Bogatik, op. cit.

with shaping the spiritual foundations of society, consistent ideas and critical thinking in the younger generation.¹⁵

Female extremism is a specific phenomenon that requires specialized consultative services to help those women who fall victims of extremist ideas. The state should do more to overcome theological illiteracy in women. So far, high-quality religious education is limited to men. The regions with grave social and economic problems should receive more attention. Education and employment, economic potential and social activity are the best preventive measures. The family, society and the state should unite their efforts in opposition to extremism.

¹⁵ See: A. Abdirasilkyzy, How important is the role which female organizations can play in extremism prevention? Portal of the Central Mosque of Pavlodar, available in Russian at [<http://mazhab.kz/ru/statii/raznoe/naskolko-vajnyuyu-rol-mogut-sygrat-jenskie-organizatsii-v-voprosah-profilaktiki-ekstremizma-774/>], 4 June, 2018.

DEMOGRAPHY AND MIGRATION

DEMOGRAPHIC SITUATION IN THE NORTHERN CAUCASUS: CURRENT STATE AND FUTURE PROSPECTS

Evgeniya SIGAREVA

*D. Sc. (Econ.), Head of the Department of
Population Reproduction and Demographic Policy, Center of Social Demography,
Institute of Socio-Political Research, Russian Academy of Sciences
(Moscow, Russian Federation)*

Svetlana SIVOPLYASOVA

*Ph.D. (Econ.), Assistant Professor, Lead Researcher,
Center of Social Demography, Institute of Socio-Political Research,
Russian Academy of Sciences; Assistant Professor,
Department of Information Technologies in Economy and Management,
Moscow Aviation Institute (National Research University) (MAI)
(Moscow, Russian Federation)*

Sergey RYAZANTSEV

*D.Sc. (Econ), Corresponding Member of
the Russian Academy of Sciences, Professor,
Director of the Institute of Socio-Political Research of
the Russian Academy of Sciences, Head of the Department of
Demographic and Migration Policy, MGIMO University,
Russian Ministry of Foreign Affairs
(Moscow, Russian Federation)*

ABSTRACT

The paper examines the current state and future prospects of the demographic sphere of the North Caucasian regions. Probable trends of the region's demographic development are determined on the basis of statistical analysis. The sociological aspect of the study allows to evaluate the ways in which the younger generation's paradigms of matrimonial, reproductive and migration-related behavior are formed.

Research demonstrates that the regions of the Northern Caucasus currently manifest and will continue to preserve relatively high demographic indicator values compared to other Russian Federation con-

stituents. However, positive dynamics is slated to slow down in this region as well. Meanwhile, the results of the sociological poll demonstrate that a complete multi-child family remains the prevailing paradigm among Northern Caucasus youth. However, the transformation of young people's concepts of establishing a family and bearing children is becoming ever more apparent, especially in the region's major cities. All of this should create a certain degree of concern in the scientific and political environment and should be taken into consideration in the formation and implementation of demographic policy measures.

KEYWORDS: *demographic situation, Northern Caucasus, birth rate, migration, forecasts, sociological polls, youth.*

Introduction

Over the course of many years, the demographic image of the North Caucasian regions has been based on two concepts: first of all, on the fact that the birth rate has always been very high here, and, secondly, on the fact that this is the land of long-living people. Meanwhile, the constituents integrated in the North Caucasian Federal District are highly heterogeneous in regard to their demographic tendencies and parameters due to the differences in the population size, peoples' ethno-cultural specifics, characteristics of demographic behavior and other circumstances. This is why, while the distinction of Northern Caucasus as a region characterized by a relatively high lifespan coincides with modern realities, it is slowly ceding its leadership positions in regard to birth rate indicators.

North Caucasian regions have always been characterized by positive demographic tendencies—a younger population, longer lifespans, a large number of childbirths, and a younger age of entering into marriage, which largely pre-determined the latter. Meanwhile, according to statistical data, the positive dynamics is slowing down in the region. This is why, in order to elucidate the demographic development tendencies, as well as the newest characteristics of marital and reproductive behaviors of the North Caucasian youth, which are capable of influencing the demographic situation in the near future, a poll was held among students in the form of a questionnaire.

Methods and Materials

In a dynamic modern society, traditional socio-cultural values often undergo transformation. Such transformations concern, among other things, the deeply personal spheres of people's lives,

namely, family and marriage. The fact that the population of the administrative and cultural centers is particularly sensitive to everything new is rather predictable. The periphery, on the other hand, remains loyal to traditional values for a prolonged period of time.

The differences between the center and the periphery are particularly noticeable in this country, with North Caucasian regions being a pillar of conservatism. The young generation is especially susceptible to the influence of innovation. This is why in order to confirm or refute the hypothesis regarding the North Caucasian youth being devoted to traditional family values, as well as to reveal the prospects of demographic development of this southern region, in 2016, the employees of the Department of Population Reproduction and Demographic Policy of the Center of Social Demography of the Institute of Socio-Political Research of the Russian Academy of Sciences polled students via a questionnaire, aiming to study the attitude of the young people towards new phenomena in family life. The poll was conducted in five cities of the North Caucasian Federal District (Stavropol, Budennovsk, Makhachkala, Kizlyar, Karachaevsk) and was a part of a more large-scale study that encompassed eighteen Russian cities (Belgorod, Ioshkar-Ola, Khanty-Mansyisk, Kursk, Maikop, Moscow, Murom, Serpukhov, Sevastopol, Ulan-Ude, Ufa, Vladivostok, Vologda, Budennovsk, Karachaevsk, Kizlyar, Makhachkala, Stavropol). The total number of respondents was 1,874. 517 people were polled in the cities of the North Caucasian Federal District. 75% of the polled were female, 25%—male. A certain discrepancy towards a greater share of women is largely explained by the specifics of the specialization of the universities where the polls were conducted. However, the conclusions made on the basis of the research conducted may be considered reliable, since the reproductive behavior of a family largely depends specifically on women.

Selecting students as respondents was determined by several reasons. First of all, students are the young generation which will in the very near future establish their own families and give birth to children. That's why the intentions they declare today are likely to be realized. This simplifies the determination of the vectors of demographic development of the regions and the country as a whole. Secondly, university students are a component of the country's intellectual potential, which imposes higher demands on quality of life and extrapolates these demands on the choice of a marriage partner and the resolution of the issue of childbirth. And, thirdly, modern students are the young generation, for whom career expectations and the desire for professional self-realization contend with family, marital and reproductive intentions, which influences their matrimonial and reproductive behavior.

The choice of cities of the North Caucasian region where the poll was conducted is not random either. The city of Makhachkala is the administrative center of the Republic of Dagestan (the most populated region of the North Caucasian Federal District) and the largest city in the North Caucasian Federal District (593,000 people in 2016).¹ The city of Stavropol is the administrative center of Stavropol Territory, the only region in the North Caucasian Federal District that is not a national republic. Kizlyar and Budennovsk in the Republic of Dagestan and Stavropol Territory, respectively, belong to the category of small towns. They are sister cities with populations of a comparable size (48,200 and 63,000 in 2016). Karachaevsk is located in the Karachaevo-Cherkess Republic, the least populated region of the North Caucasian Federal District (467,800 people in 2017), and is one of the least populated of the republic's towns (21,000 people, second to last after the town of Teberda with a population of 8,700).² Thus, the choice of towns allows to draw parallels along the federal district's "large city-small town" lines.

¹ See: *Regiony Rossii. Osnovnye kharakteristiki sub'ektov Rossiiskoi Federatsii*, Statistical collection, Rosstat, Moscow, 2017, 751 pp.; *Regiony Rossii. Osnovnye sotsialno-ekonomicheskie pokazateli gorodov*, Statistical collection, Rosstat, Moscow, 2016, 442 pp.

² See: *Regiony Rossii. Sotsialno-ekonomicheskie pokazateli*, Statistical collection, Rosstat, Moscow, 2017, 1402 pp.

Discussion

The demographic phenomenon of the Northern Caucasus is the subject of research of many specialists in the context of studying its various aspects. The demographic situation in the region is the subject of many dissertations,³ scientific monographs,⁴ articles⁵ and reference books.⁶ It is always in the focus of media⁷ and blog⁸ attention as well.

The particularities of modern demographic parameters of Northern Caucasus led to the need for research that examines the historic prerequisites of the formation of population and their transformation at various stages of development. For instance, the work by Viktoria Cherkashina and Maria Makarenko *History of Demographic Modernization of the Northern Caucasus (Late 19th-First Quarter of the 20th Century)*⁹ states that high demographic indicators are a consequence of this region's lagging behind in the process of demographic transformation. We should agree with the fact that this process "is characterized by an accelerated and intermittent nature [in the Northern Caucasus]. In the first third of the 20th century, only the Slavic population of the region had entered the demographic modernization process. Most of titular ethnic groups of the Northern Caucasus preserve the characteristics of an expanded reproduction."¹⁰

The article by Vitali Belozerov "The Transformation of Ethno-Demographic and Migration Process in the Northern Caucasus"¹¹ is devoted to the specifics of the formation of population of the Northern Caucasus, settlement stages, reproduction and migration of the population, as well as its ethnic characteristics.

Konstantin Kazenin, a well-known expert on socio-demographic problems of the Northern Caucasus, remarks that modern demographic processes in the region are undergoing major transformations that lead to deep shifts in the demographic, family and reproductive behavior of the population. He writes: "Departure from mass multi-children families changes many things, and not merely in the population statistics. It is usually parallel to very serious shifts in the private life of a regular person... The analysis of our polls in Daghestan demonstrates that early motherhood is to a large extent a conscious choice of a certain part of the young generation, first and foremost, its religious segment. It is not at all a blind reproduction of norms received from the elders."¹²

³ See: V.F. Popov, "Demograficheskaia situatsiia na Severnom Kavkaze: etno-regionalnye osobennosti," available at [<http://www.dissercat.com/content/demograficheskaya-situatsiia-na-severnom-kavkaze-etno-region-osobennosti>], 14 January, 2019.

⁴ See: "Demograficheskie i etnicheskie problemy Severnogo Kavkaza i puti ikh resheniia," available at [http://www.bastion.ru/files/sprav/dem_kavkaz.doc], 14 January, 2019.

⁵ See: S.V. Ryazantsev, "Demograficheskaia situatsiia na Severnom Kavkaze," available at [<http://pdf.knigi-x.ru/21ekonomika/4639-1-2002-ryazantsev-demograficheskaya-situatsiia-severnom-kavkaze-ryazantsev-sergey-vasilev.php>], 14 September, 2018; P.G. Abdulmanapov, "Tendentsii demograficheskogo razvitiia regionov Severo-Kavkazskogo federalnogo okruga," available at [<https://cyberleninka.ru/article/n/tendentsii-demograficheskogo-razvitiia-regionov-severo-kavkazskogo-federalnogo-okruga>], 7 January, 2019.

⁶ See: "Demograficheskaia obstanovka na Severnom Kavkaze," available at [<https://www.kavkaz-uzel.eu/articles/13689/>], 21 November, 2018.

⁷ See: "Na Severnom Kavkaze osobaia demograficheskaia situatsiia," available at [<http://st-vedomosti.ru/articles/2010/11/03/>], 12 August, 2018.

⁸ See: "Demografiia Severnogo Kavkaza 1795-2002," available at [<https://timag82.livejournal.com/11445.html>], 8 January, 2019.

⁹ See: V.N. Cherkashina, M.Iu. Makarenko, "Istoriia demograficheskoi modernizatsii Severnogo Kavkaza (konets XIX-pervaia chetvert XX v.)," available at [<https://elibrary.ru/item.asp?id=26348296>], 17 January, 2019.

¹⁰ Ibidem.

¹¹ See: V.S. Belozerov, "Tranformatsiia etnodemograficheskikh i migratsionnykh protsessov na Severnom Kavkaze," available at [<http://www.demoscope.ru/weekly/2015/0663/nauka07.php>], 21 January, 2019.

¹² K. Kazenin, "Demografiia na Severnom Kavkaze b'et po traditsionalizmu," available at [<http://caucasustimes.com/ru/demografiia-na-severnom-kavkaze-bet-po-traditsionalizmu-konstantin-kazenin/170>], 3 January, 2019.

The conclusions drawn by Igor Beloborodov, who had touched upon the problems of the demographic dynamics' forecast for the North Caucasian Federal District, also coincide with the results of our project. According to him, the upcoming development of reproductive trends in the Northern Caucasus "nullifies the myth of the 'demographic well-being' of the Caucasian peoples."¹³ Clearly, the demographic characteristics of the North Caucasian peoples will long remain the subject of a scientific discussion, which our study aims to sustain.

Results

The total fertility rate is the most informative in the evaluation of the situation in the birth rate sphere. And, if we evaluate the last several years, significant negative changes will become apparent. As the Russian Federation is entering a new phase of depopulation, a negative trend is clear in the constituents of the North Caucasian Federal District (see Table 1). This is apparent in both urban and rural areas of the district. Moreover, in a number of regions the total fertility rate in 2016 dropped lower than the average value for the Russian Federation. These include the Republic of Daghestan (urban population), Republic of Ingushetia (both urban and rural population), Kabardino-Balkar Republic (both urban and rural population), Karachaevo-Cherkess Republic (both urban and rural population), Republic of North Ossetia-Alania (rural population), Stavropol Territory (both urban and rural population). Thus, all the constituents of the North Caucasian Federal District, except the Chechen Republic, began to be characterized by a total fertility rate below the country average. Meanwhile, in 2016, the total fertility rate in the Chechen Republic also decreased in both urban and rural areas.

Table 1

Total Fertility Rate, 2015-2017

	Total Population	Urban	Rural
RUSSIAN FEDERATION			
2015	1.777	1.678	2.111
2016	1.762	1.672	2.056
2017	1.621		
North Caucasian Federal District			
2015	1.979	1.738	2.233
2016	1.936	1.720	2.156
2017	1.872		
Republic of Daghestan			
2015	2.022	1.512	2.546
2016	1.978	1.464	2.498
2017	1.908		

¹³ I. Beloborodov, "Kavkazskii demograficheskii dreif," available at [http://ruskline.ru/analitika/2013/12/30/kavkazskij_demograficheskij_dreif/], 19 January, 2019.

Table 1 (continued)

	Total Population	Urban	Rural
Republic of Ingushetia			
2015	1.971	1901	2.023
2016	1.752	1.643	1.834
2017	1.772		
Kabardino-Balkar Republic			
2015	1.753	1.706	1.791
2016	1.724	1.665	1.774
2017	1.612		
Karachaevo-Cherkess Republic			
2015	1.541	1.484	1.583
2016	1.518	1.536	1.502
2017	1.429		
Republic of North Ossetia-Alania			
2015	1.930	2.000	1.796
2016	1.891	1.971	1.744
2017	1.751		
Chechen Republic			
2015	2.799	2.957	2.709
2016	2.622	2.865	2.489
2017	2.730		
Stavropol Territory			
2015	1.644	1.550	1.809
2016	1.678	1.604	1.800
2017	1.538		
<p><i>S o u r c e:</i> Russia's Demographic Annual Report, available at [http://www.gks.ru/wps/wcm/connect/rosstat_main/rosstat/ru/statistics/publications/catalog/doc_1137674209312], 13 December, 2018.</p>			

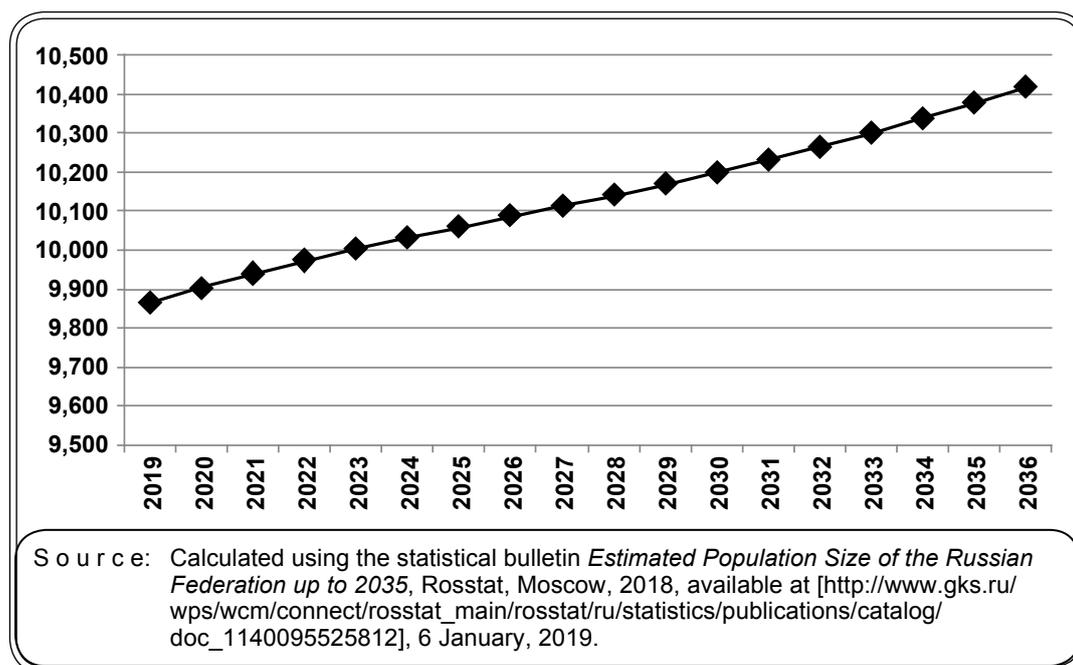
In 2017, an even greater decrease in the total fertility rate occurred throughout the North Caucasian Federal District. Only two entities in the Northern Caucasus (Republic of Ingushetia and Chechen Republic) have seen a growth in the total fertility rate in 2017 in comparison with 2016. In all the other constituents, the total fertility rate was characterized by a downward dynamic. A particularly sharp drop of this indicator occurred in one of the most populated constituents of the region—Stavropol Territory, where its rate of decrease had surpassed the country's average decline. Unfortunately, due to the specifics of access to statistical information, we are unable to produce the

total fertility rate data for 2017 in the urban/rural perspective. However, it is already possible to claim that in all of North Caucasian constituents, with the exception of the Chechen Republic, the level of this indicator does not allow to speak of expanded or even simple population reproduction. A model of decreased population reproduction is in place here, which will lead to a serious demographic crisis in the future due to the population getting older because of long lifespans and migration of primarily young people of reproductive age.

We based our study of the demographic prospects of the Northern Caucasus on estimated statistical data, as well as on the results of the sociological polls of the young people of the Russian Federation, including North Caucasian youth. This approach allowed to evaluate various aspects of the region's demographic future. Based on the data on the estimated population of Russian regions in 2018-2036, it was concluded that among all federal districts, only in the North Caucasian Federal District will natural growth be the main source of population growth. The number of inhabitants of the Northern Caucasus is estimated to surpass the 10-million mark in 2023-2024, and, according to the average prognosis, by 2036 will likely constitute almost 10.5 million people. In other words, the population of the North Caucasian Federal District will increase by 5% (see Fig. 1).

Figure 1

**Estimated Population of the North Caucasian Federal District,
thous. people**



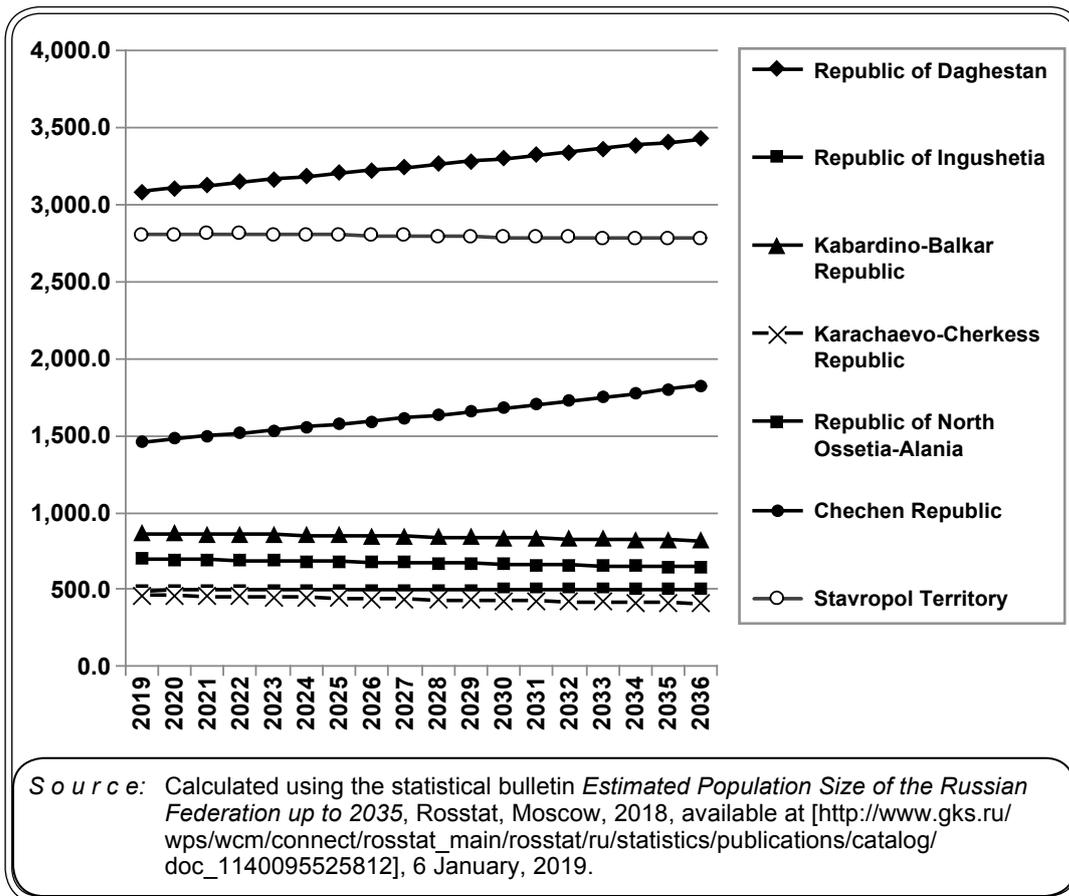
Meanwhile, a population increase in the district will occur owing to only three of its constituents—Republic of Dagestan (by 11%), Republic of Ingushetia (by 2%) and Chechen Republic (by 25%) (see Fig. 2).

The population of Chechen Republic, slated to grow the fastest, will reach up to 1,827,000 people in the next two decades. The republic's share in the population of the district will increase from 14.8% in 2018 to 17.5% in 2036. The size of the population in the Republic of Dagestan, the most populated district constituent, will grow by 11%, increasing its share from 31.3% to 33.0%. The

population of the Republic of Ingushetia will increase insignificantly, and the republic's share in the district's population will remain practically the same. It will continue to amount to no more than 5% in 2036. In aggregate, these three constituents, which are characterized by a positive dynamic of population growth, will increase their share in the population of the North Caucasian Federal District to 55%.

Figure 2

Estimated Population of the Constituents of the North Caucasian Federal District, *thous. people*



Other constituents of the North Caucasian Federal District will be characterized by a negative dynamic of population size. It will be particularly pronounced in the Karachaevo-Cherkess Republic, where the decrease in population will constitute almost 12% by 2036.

Such variously directed trends in demographic dynamics in the constituents of the North Caucasian Federal District are linked to the processes of population reproduction and migration, which will likely be characterized by significant variability. For instance, if we were to judge by the indicators of natural, migration and total population growth up to 2036 (see Table 2), it would become apparent that

- Firstly, almost all of the North Caucasian Federal District constituents (except the Stavropol Territory) will be characterized by a positive natural growth.

- Secondly, almost all of the North Caucasian Federal District constituents (except the Stavropol Territory) will be migration donors.
- Thirdly, as a result of interaction between the natural population reproduction and migration processes, the total population growth in the North Caucasian Federal District will amount to almost 600,000 people in 2018-2035.

The largest absolute increase in population will be achieved in the Chechen Republic—390,000 people. The population will increase slightly less over the same period in the Republic of Daghestan (approximately by 366,000). The Republic of Ingushetia will see an approximately 15,000-people increase. Other constituents of the North Caucasian Federal District will post a negative dynamic of total population growth. In the Kabardino-Balkar and Karachaevo-Cherkess Republics, and the Republic of North Ossetia-Alania a decrease in population will be due to migration. Meanwhile, in the Stavropol Territory such a decrease is linked to a natural population decline, which will not be compensated by an insignificant growth due to migration.

Table 2

**Total Figures of Demographic Dynamics
in the North Caucasian Federal District in 2018-2035,
people (average forecast)**

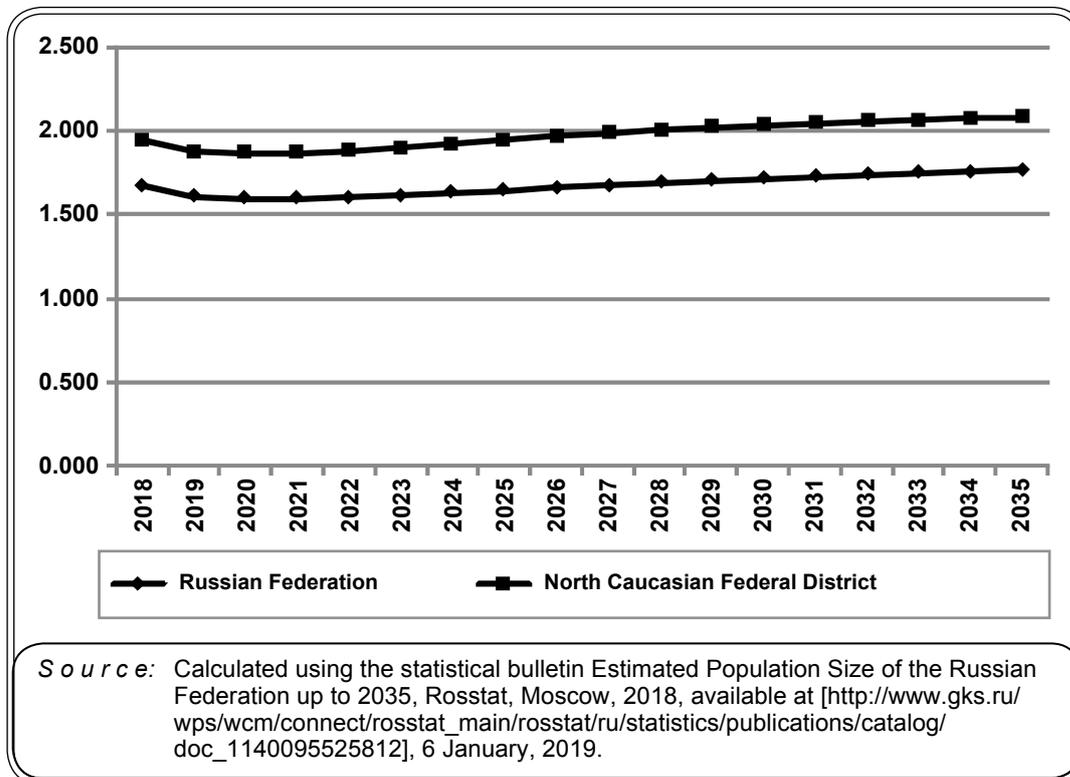
	Natural Growth	Migration Growth	Total Growth
North Caucasian Federal District	1,142,292	-543,657	598,635
Republic of Daghestan	549,556	-183,700	365,856
Republic of Ingushetia	91,480	-76,515	14,965
Kabardino-Balkar Republic	38,717	-83,929	-45,212
Karachaevo-Cherkess Republic	2,897	-57,383	-54,486
Republic of North Ossetia-Alania	19,198	-72,146	-52,948
Chechen Republic	464,513	-74,471	390,042
Stavropol Territory	-24,069	4,487	-19,582

Source: Calculated using the statistical bulletin *Estimated Population Size of the Russian Federation up to 2035*, Rosstat, Moscow, 2018, available at [http://www.gks.ru/wps/wcm/connect/rosstat_main/rosstat/ru/statistics/publications/catalog/doc_1140095525812], 6 January, 2019.

Estimated average forecasts are based on the scenario that entails an increase in total fertility rate in the Russian Federation, including the North Caucasian regions, after an initial decline. The forecasted growth of the above-mentioned indicator will start in 2022 in all of the Russian Federation, and a year before in the Northern Caucasus. It is possible that the overly optimistic scenario will not be realized, however, it is apparent that in the near future the total fertility rate for the Northern Caucasus will significantly exceed that for all of Russian Federation. Presumably, it will vary between 1,600 (in 2020 and 2021) and 1,768 (in 2035). In the Northern Caucasus, the range will be between 1,869 (in 2020) and 2,083 (in 2035) (see Fig. 3).

Figure 3

Dynamics of the Total Fertility Rate in the Russian Federation and the North Caucasian Federal District, people (average forecast)



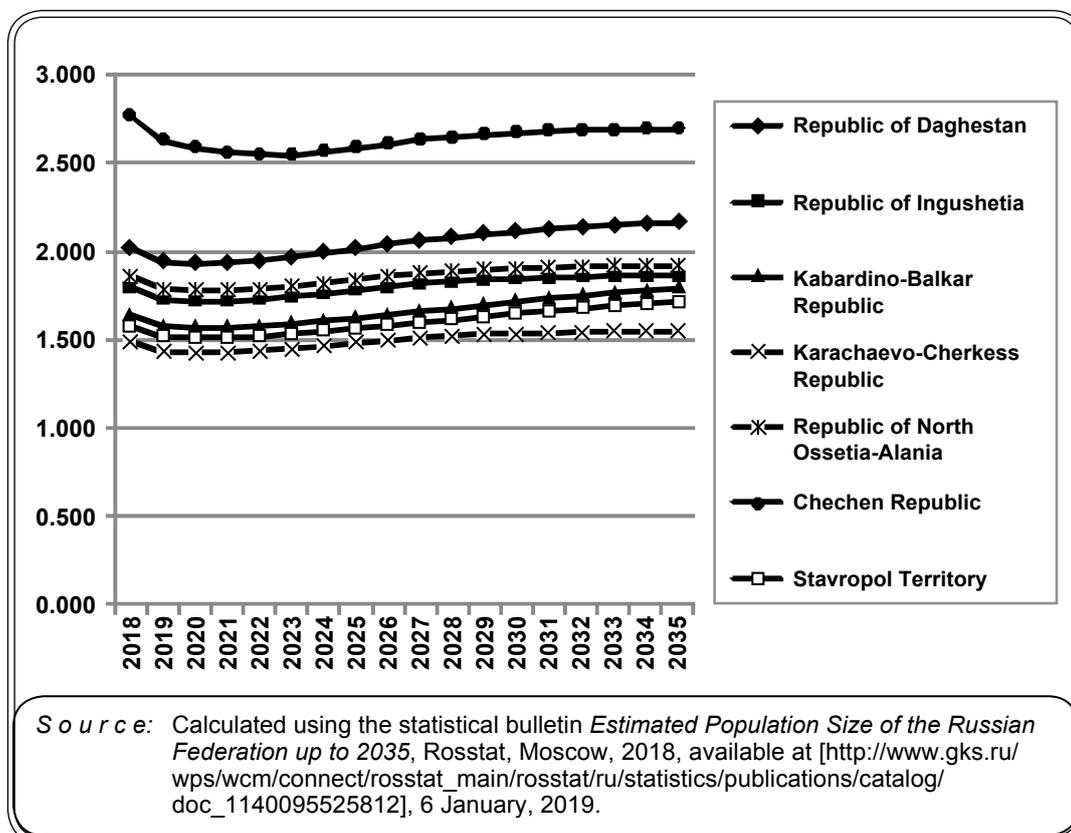
In accordance with the average forecast scenario, the total fertility rate in the Northern Caucasus in the period of study (2018-2035) will grow by almost 7%. However, in different constituents the birth rate dynamics will vary in a wide range (see Fig. 4).

In the time of a drop in the total fertility rate (in 2020) the indicators differentiated by constituent will equal to approximately 2.588 children per one woman of reproductive age (in the Chechen Republic) to 1.427 children per one woman of reproductive age (Karachaevo-Cherkess Republic). By the end of the forecast period (2035), the variation range will decrease somewhat—2.695 children per one woman of reproductive age (in the Chechen Republic) to 1.548 children per one woman of reproductive age (Karachaevo-Cherkess Republic). Meanwhile, the forecast stipulates that by 2036 the total fertility rate will increase by 3% to 9% in almost all the constituents of the North Caucasian Federal District in comparison with 2018. Only in the Chechen Republic will this indicator decrease somewhat (by 3%), which is likely linked to the stabilization of the already high birth rate.

As a result, we can state that, judging by the total fertility rate, we are expecting only the Chechen Republic to possess the capability of expanded population reproduction in the years to come. The Republic of Daghestan is expected to demonstrate simple population reproduction. Other constituents of the Northern Caucasus will be characterized by a decreased population reproduction, which holds a risk of depopulation trends.

Figure 4

Dynamics of the Total Fertility Rate in Constituents of the North Caucasian Federal District (average forecast)



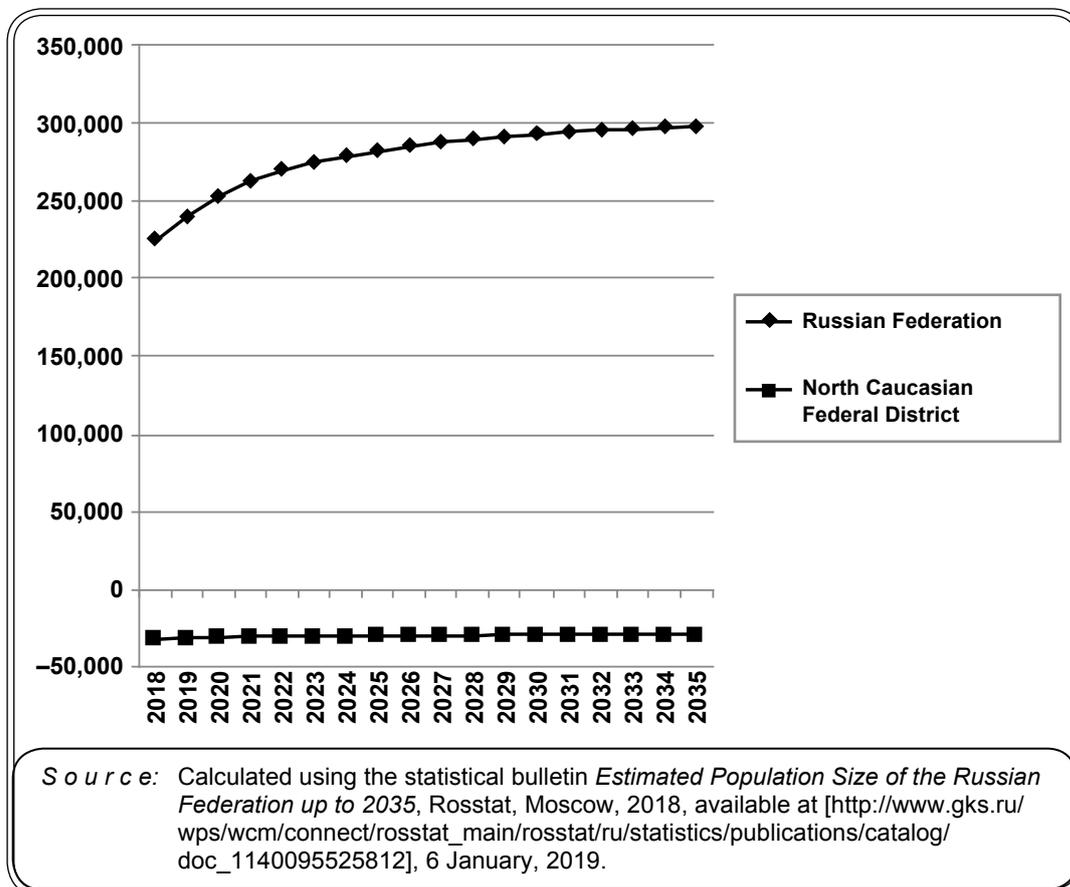
Depopulation processes in the Northern Caucasus will be exacerbated by the migration outflow in the analyzed period, due to which the district is bound to lose a total of up to 543,000 people by 2036. Unlike the expected positive migration balance in all of Russia, the migration dynamics in the Northern Caucasus in the upcoming period will be characterized by a negative trend (see Fig. 5).

The greatest migration outflow in absolute terms will be characteristic of the Republic of Dagestan, where a total negative balance in 2018-2035 is projected at up to 183,700 people (see Fig. 6). Migration dynamics in the Stavropol Territory are different and will continue to be different from the migration dynamics of the other constituents of the North Caucasian Federal District. In the forecast period, this entity will be characterized by a positive trend in migration processes. Additionally, unlike other entities, the Stavropol Territory will be a recipient of migrants. Its population will insignificantly increase due to migration, by a total of approximately 4,500 people. Other constituents will lose a total of 57,000-84,000 people each in the forecast period.

Against the background of presumed negative demographic tendencies in the Northern Caucasus, its population still preserves many traditional features that are conducive to the conservation of demographic potential. This idea is often supported by the results of sociological polls, which testify to certain psychological peculiarities, which, in comparison to other Russian regions, are more concerned with the tasks of strengthening family relations, the development of more effective reproductive behavior and spreading the multi-children family model.

Figure 5

Migration Growth in the Russian Federation and the North Caucasian Federal District in 2018-2035, people (average forecast)



One of such sociological studies was conducted by the authors on the basis of a sociological poll carried out in 19 Russian regions, in the Stavropol Territory, Republic of Daghestan and Karachaevo-Cherkess Republic, in particular. Polling the youth allowed to hold a comparative analysis of the peculiarities of the emerging attitudes of young people towards family, childbirth, demographic problems and demographic policy in the Northern Caucasus in comparison to the attitudes of the youth throughout Russia. Part of the results of this large-scale project had been used in this article.

It has been noted long ago that the values of demographic indicators depend on the size of a settlement. This is linked to the fact that the population of large cities adopts new attitudes, including marital and reproductive behavior, that are not characteristic of the local tradition more easily, while the population of smaller towns and villages adheres more often to traditional norms. That is why it is important to conduct an analysis of youth's reproductive and marital intentions in the Northern Caucasus in the small town-large city perspective.

For instance, the results of the study confirm that the young generation of the Northern Caucasus continues to be set on marrying at an earlier age than Russian youth in general (see Fig. 7). Almost 85% of North Caucasian respondents believe that the best age for marriage is under 25, while only 75% of Russian youth believe the same.

Figure 6

Migration Growth
in North Caucasian Constituents in 2018-2035,
people (average forecast)

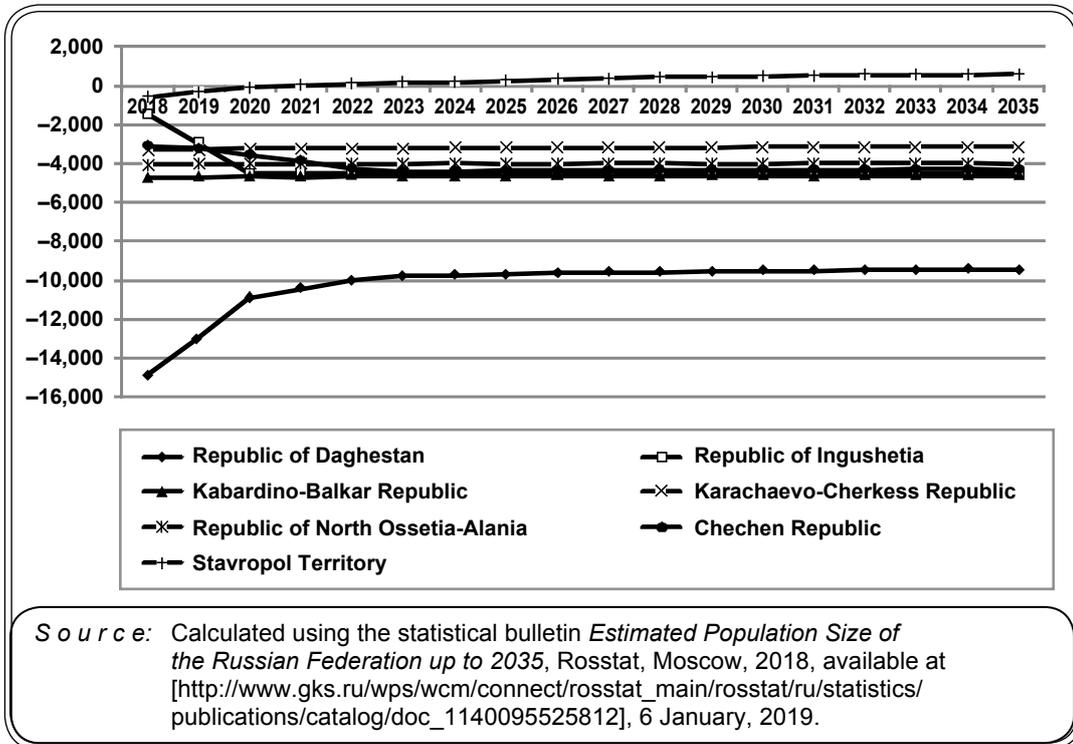
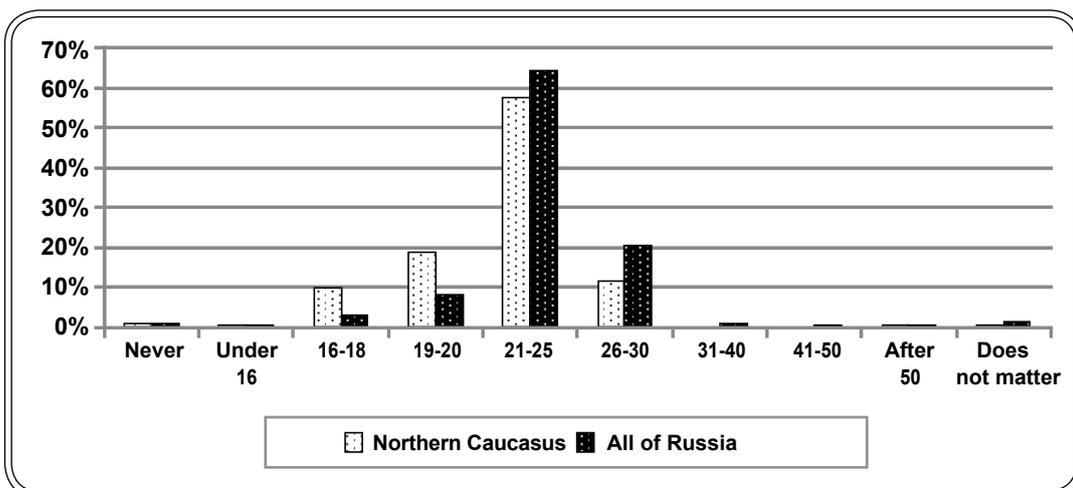


Figure 7

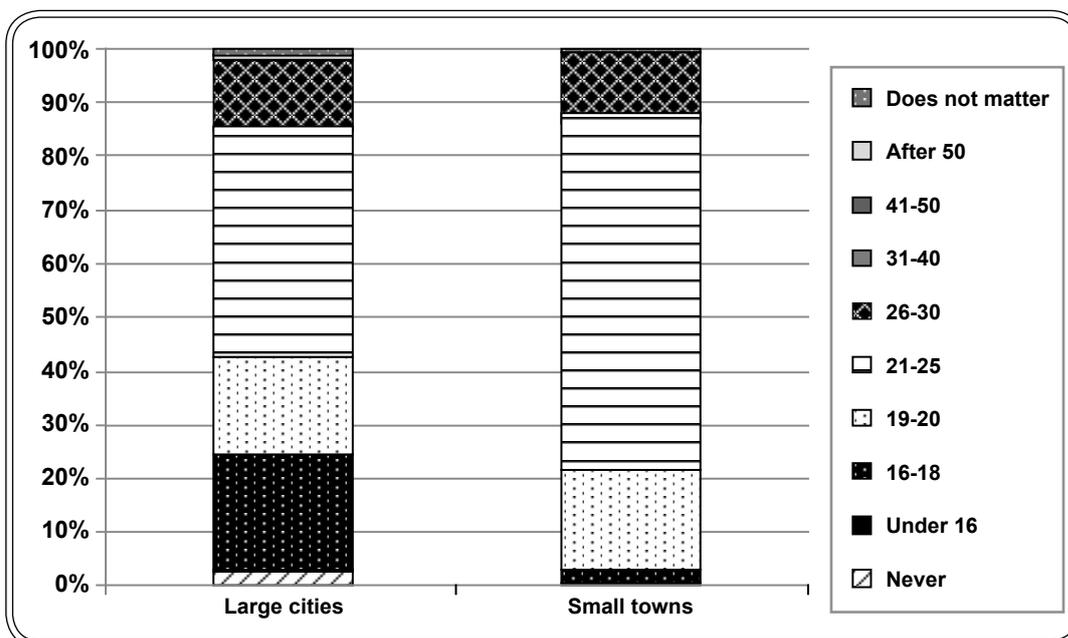
Distribution of Respondents' Answers to the Question of
"What is the Best Age for Marriage?"



Meanwhile, the “small towns-large cities” perspective demonstrates significant differences in the answers to this question. For instance, a relatively large group of young people in large cities (over 40%) selected a younger age as a response. This group is far smaller among the respondents from small towns (just over 20%). The respondents from various categories were aligned in regard to older age. Approximately 12% of the respondents in both groups thought that the age of over 25 is optimal for marriage (see Fig. 8).

Figure 8

Responses to the Question of “What Age Do You Think is Optimal for Marriage?” among the Respondents from Small Towns and Large Cities of the North Caucasian Federal District



It thus has to be duly noted that in their choice of marital age, respondents from small towns manifest a greater similarity in attitudes than respondents from large cities. This fact may testify to the existence of an established view on this issue among the population of small North Caucasian towns, unlike large cities. Therefore, this fact needs to be taken into consideration while forming and implementing socio-psychological measures of demographic policy.

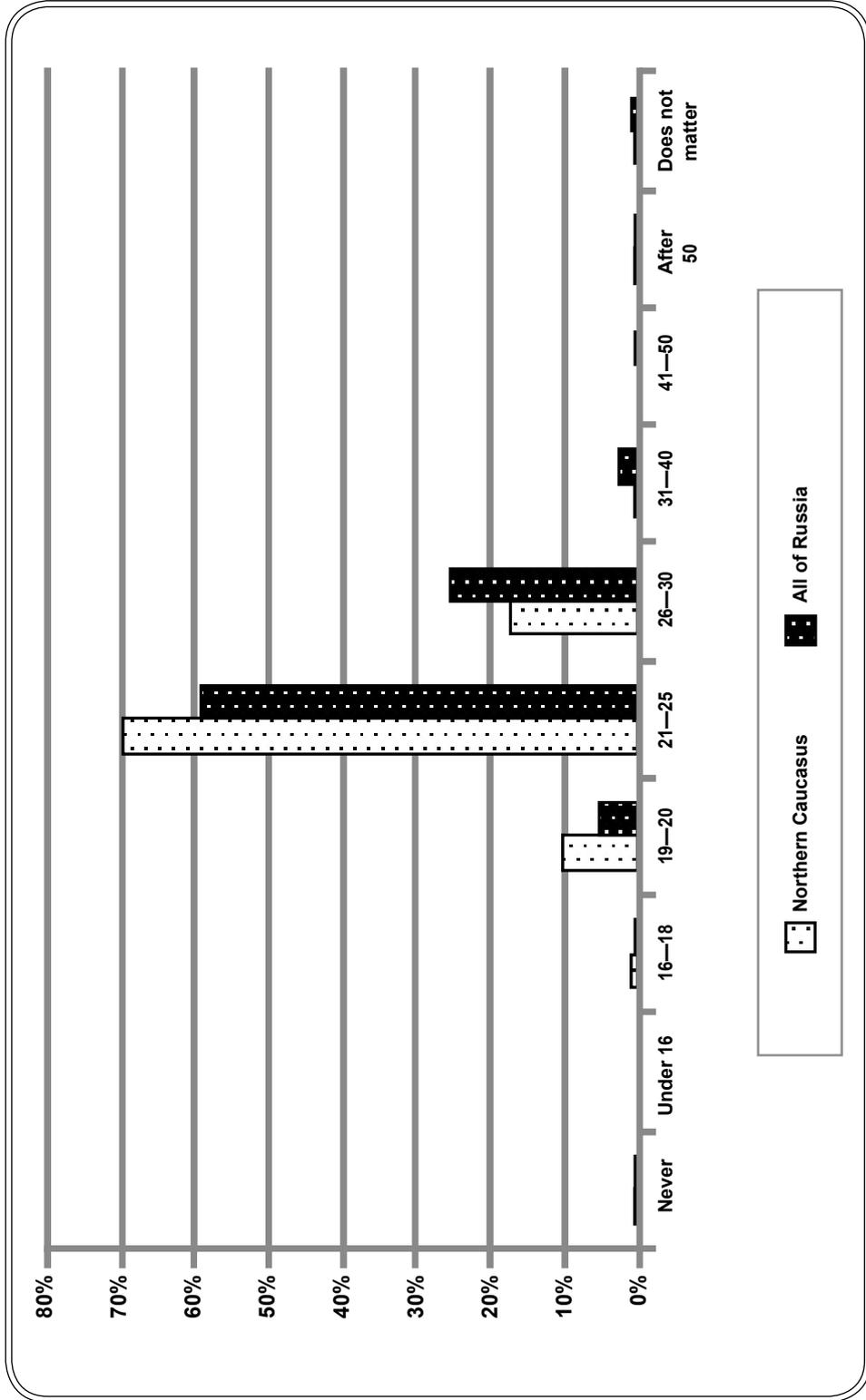
Issues of childbirth are the most important in the research. An analysis of answers to these questions allows to forecast the trends in demographic development of the regions and the country as a whole. For instance, one of the questions entailed selecting the optimal age for the birth of a first child.¹⁴

According to the young North Caucasians, an early age for the birth of the first child is a more opportune timeframe for the first childbirth (see Fig. 9). 80% among them believe that “early childbirth” (before 25) is preferable to “later childbirth.” The age of 25 and under was selected as optimal for the first childbirth by only 65% of respondents throughout Russia.

¹⁴ See: E.P. Sigareva, S.Iu. Sivopliasova, “Osobennosti formirovaniia brachnogo i reproduktivnogo povedeniia studentcheskoi molodezhi v iuzhnykh regionakh Rossii (na primere g. Stavropolia i g. Budennovska),” *Vestnik SKFU*, No. 2 (47), 2015, pp. 289-295.

Figure 9

Distribution of Respondents' Answers to the Question of "What Age is Optimal for Giving Birth to the First Child?"



Meanwhile, a shift in attitudes is notable in the answers of large-city university students, with the answers trending towards older age, and in the answers of the students from small towns—on the contrary, towards younger age. It is curious to note that over 2% of respondents from large cities would be willing to delay the birth of their first child to the fourth or even fifth decade of their lives. There was no similar pattern discovered among small-town respondents. On the contrary, a group of a significant size (approximately 16%) of those who would prefer to start having children at the age of 16-20 is emerging.

The results of the conducted analysis determine the conclusion that the young population of the Northern Caucasus continues to remain on more conservative positions than young people of other Russian regions in regard to issues of marriage and childbirth.

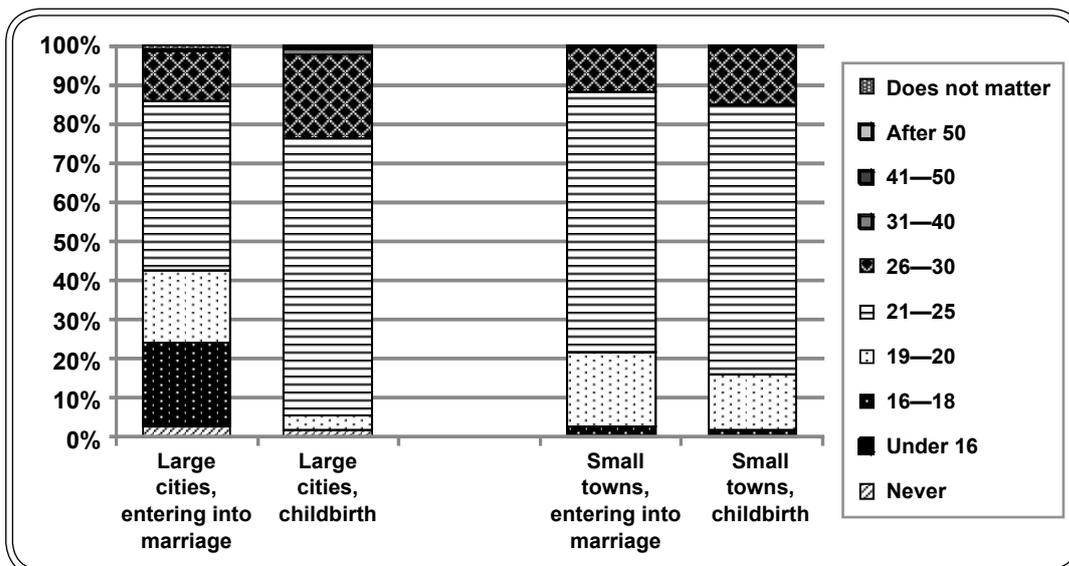
Simultaneously, the stipulated differences in the responses regarding the timeframe for marriage and the birth of the first child provided by the North Caucasian youth and youth from other regions are not critical (10%-15%). Judging from this fact, it seems logical to assume that the process of gradual convergence between the positions of North Caucasian youth and the youth of the country as a whole is currently underway.

Meanwhile, there is a certain divergence in the opinions of the respondents within the North Caucasian region in regard to the temporal lag between marriage and the birth of the first child (see Fig. 10).

For instance, small-town youth practically always selects the same age as the preferable age for both entering into marriage and giving the birth of the first child. The shares of respondents who have selected a certain response option are approximately equal. Simultaneously, large-city youth in the Northern Caucasus expresses more differentiated opinions. They prefer to enter into marriage at a younger age, and give birth to children at an older age. Apparently, the young people living in large cities allocate several years to “live for themselves” between entering into marriage and giving birth

Figure 10

Responses to the Questions “What Age Do You Think is Optimal for Marriage?” and “What Age Do You Think is Optimal for the Birth of the First Child?” among the Respondents from Small Towns and Large Cities in the North Caucasian Federal District



to children. Perhaps, this behavior is a certain way to “prolong” the time of youth and carelessness, enjoying all forms of human relations on a legal, socially acceptable basis.

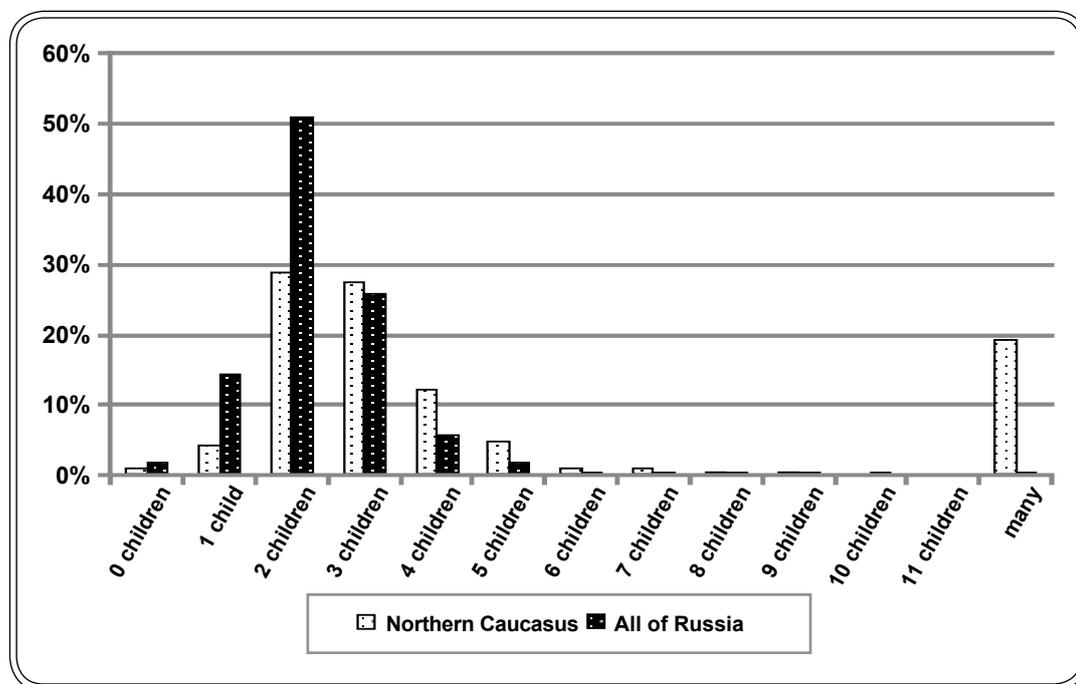
The problem of increasing the number of multi-children families, of which there are currently unjustifiably few, is important for Russia’s (including the Northern Caucasus) demographic future. However, the results of the sociological study demonstrate that the focus on the multi-children family is still characteristic for the North Caucasian youth. However, the real trends in the demographic development of this region allow to note the emerging contradiction between the reproductive intentions of the North Caucasian youths and their realization. Polling results demonstrate that young North Caucasians choose the “many children” option as a response to the question of “How many children do you want to have?” than young people from other regions of the country (see Fig. 11). Almost 20% of respondents from the Northern Caucasus selected this option, while in the general results for the country as a whole this answer is characteristic of a minimal number of respondents.

In addition, while only 33% of responses throughout all of Russia reflected an orientation towards multiple childbirths, 66% of North Caucasian responders plan to parent many children. In other words, having many children as a reproductive choice is twice as preferable in the North Caucasian constituents than in other Russian regions. This fact allows to conclude that demographic prospects are significantly better for Northern Caucasus than for other Russian regions.

However, respondents’ answers differ significantly depending on the place of residence. For instance, the analysis of results demonstrated that the majority of young people who are studying in the large cities plan to have two children (40.8% of respondents). Meanwhile, small-town youths are geared at a two- or three-children family model (up to one-third of respondents selected each option)

Figure 11

Distribution of Responses to the Question of “How Many Children are You Planning to Have?”



(see Fig. 12). At the same time, the greater share of respondents from large cities who want to limit themselves to one child or remain childless (7.9% and 2.6%, respectively) draws attention. Small-town youth, on the other hand, is characterized by more positive reproductive intentions—over one-quarter of the respondents would like to have four and more children (vs. only 16% in the large cities).

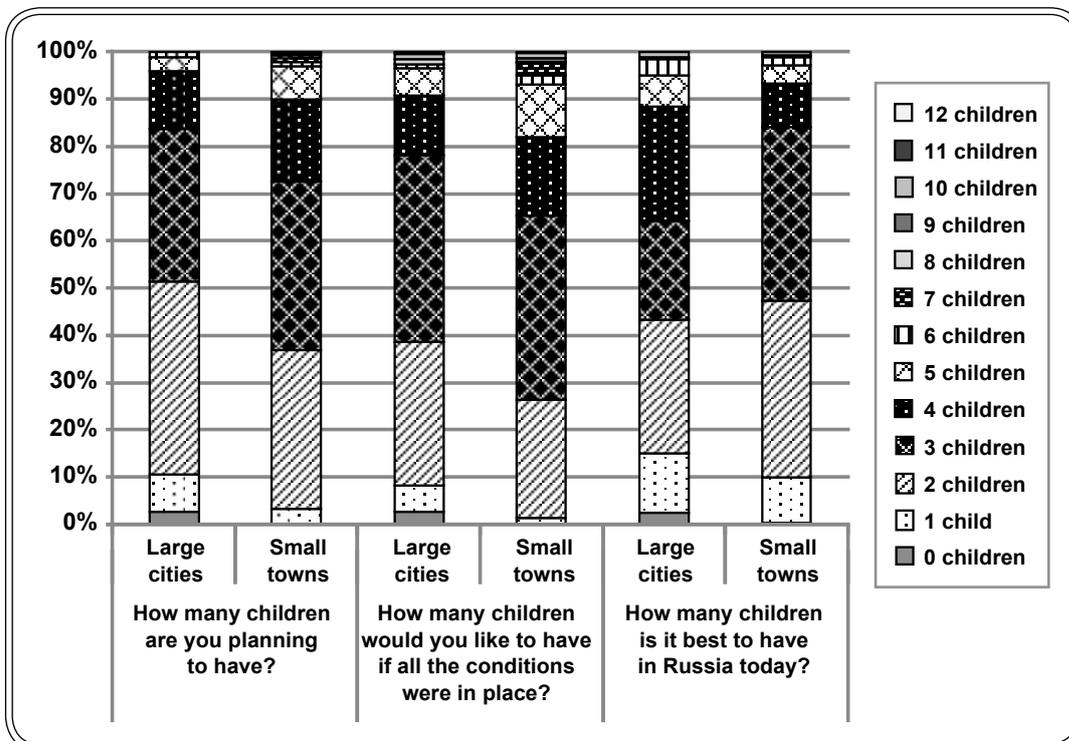
The preferred number of children is a hypothetical reproductive intention of the respondents, which would be realized if all the conditions were met. It is the maximum that could be attained while realizing a complex of demographic policy measures. It is apparent that there are always barriers to giving birth to a greater number of children. That is why this number is traditionally higher than the number of children planned.

If all the required conditions are fulfilled, the reproductive plans of student youth look more positive. Respondents from both small towns and large cities may have become parents of two or three children (with a slight predominance of the latter). Meanwhile, the share of those who would like to have four and more children is greater in small towns. It is important to note that a significant increase in the number of multi-children families, if all the conditions are in place, will occur in large cities due to a sharp rise in the number of three-child families, and in small towns—due to an increase in the number of families with five and more children.

Responses to the question of the ideal number of children are largely determined by the socio-economic conditions in the country as a whole and in the specific regions in particular. An analysis of

Figure 12

Responses to the Questions of “How Many Children are You Planning to Have?” “How Many Children Would You Like to Have if All the Conditions were in Place?” and “How Many Children is It Best to Have in Russia Today?” among the Respondents from Small Towns and Large Cities of the North Caucasian Federal District



the responders' answers demonstrated that, according to the North Caucasian youths from small towns, it is best to have two or three children in modern Russia (37.5% and 36.7%, respectively), and according to young people from large cities—two, three or four. This distribution of responses may be linked with a greater familiarity of large-city population with the state measures of support of families with children.

It is possible to determine how many children the respondents are planning to have by calculating the average planned number of children (see Fig. 13).

Under the current conditions, small-town young people are planning to have an average of 2.63 children, which is 0.06 more than large-city youths. With all conditions in place, the average number of children would increase significantly—to 2.72 in large cities and 2.81 in small towns. Thus, an expansion of demographic policy measures aimed at supporting families with children will allow to increase the average number of children in young families of large cities and small towns of the Northern Caucasus by 0.15 and 0.18 children, respectively, in the best case scenario.

The comparison of average and ideal number of children seems interesting. The results demonstrate that under current conditions, small-town youths intend to have as many children as currently possible, while the large-city youths reject the prospect of having more children, even though the required conditions seem to be in place.

The following circumstances may act as barriers over time to implementation of marital and reproductive paradigms of the North Caucasian youths.

- First of all, it is the socio-economic situation in the North Caucasian constituents, characterized by a low level of material well-being, which creates additional difficulties for the successful implementation of the young generation's plans to have multi-children families.
- Secondly, it is the clear vector of the North Caucasian youths' migration behavior, aimed at leaving their regions.

As for the former fact, it may be explained by the results of the conducted poll. For instance, one of the questions for youths of reproductive age was related to the projected intentions about the

Figure 13

Average Planned Number of Children among Respondents from Small Towns and Large Cities of the North Caucasian Federal District

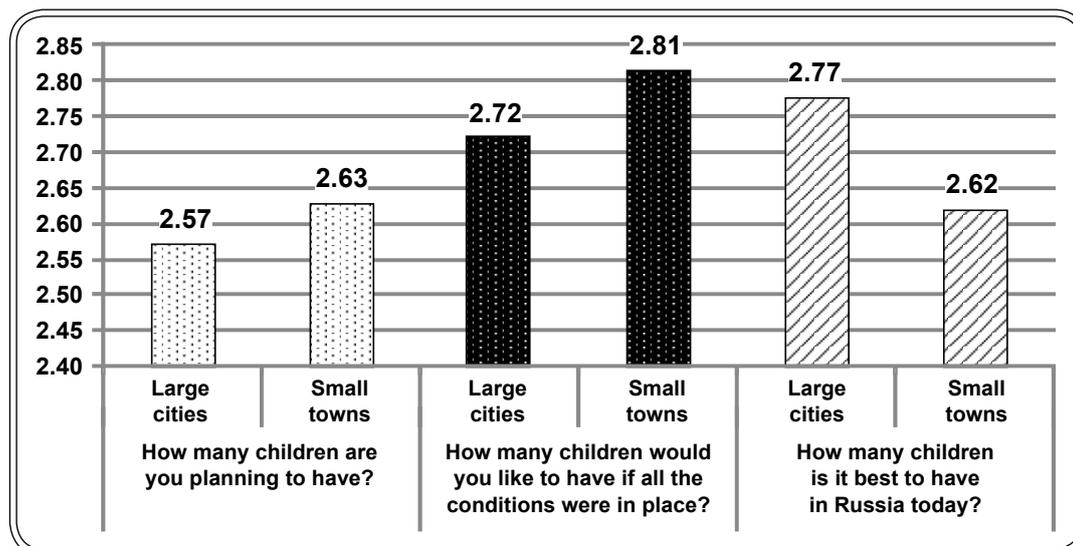
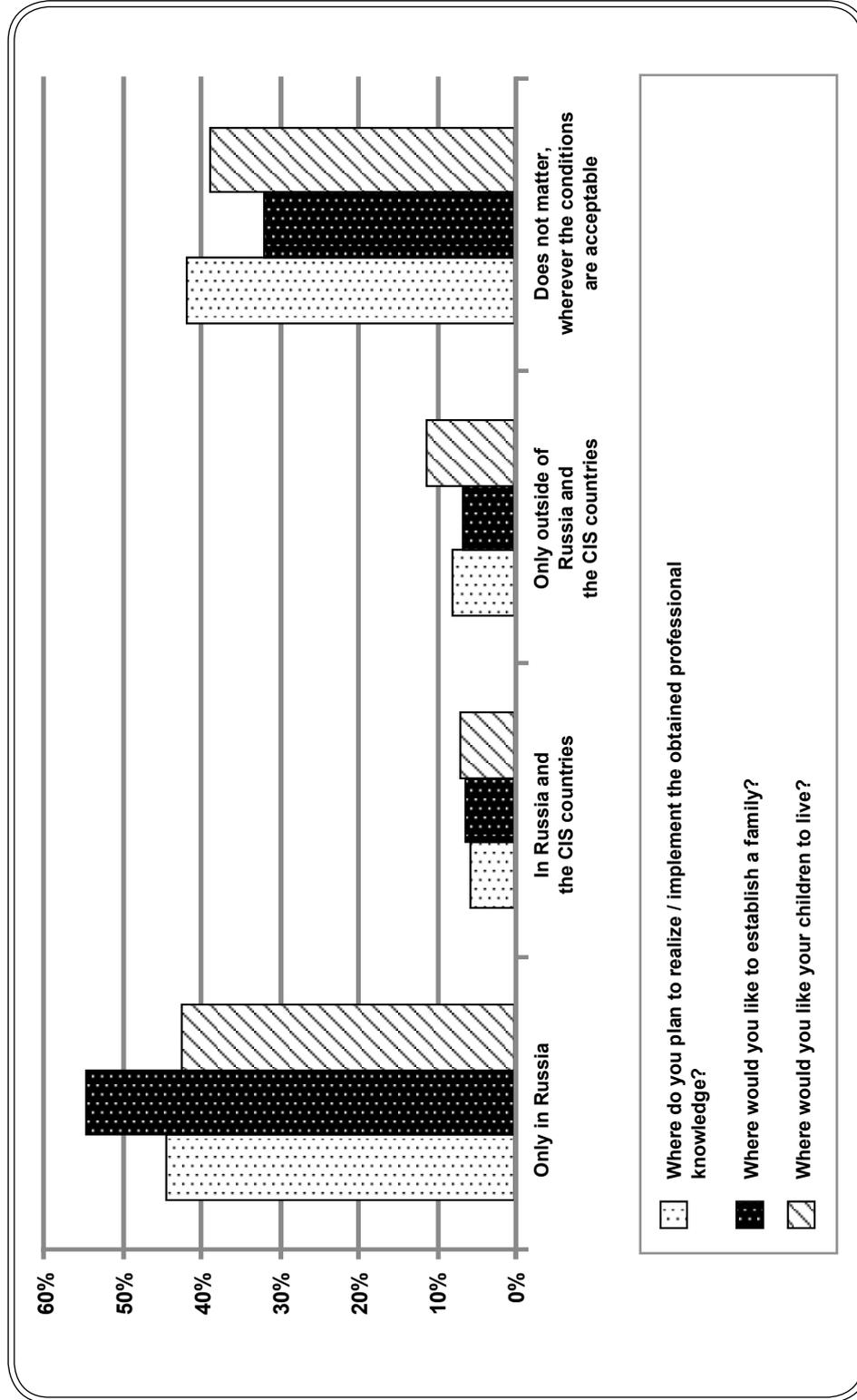


Figure 14

Distribution of North Caucasian Respondents' Answers to Questions of Presumed Locations of Work, Establishing a Family and Children's Residence



location of their future job, establishing a family and place of residence of the respondents' children. Fig. 14 illustrates the presumed choices of the North Caucasian youths. It follows that a relatively large group of young people is currently basing its decisions on practical considerations of the location for establishing a family. The "patriotic" choice ("I want to establish a family only in Russia") was selected by 56% of the respondents in the Northern Caucasus; the answer characterized by pragmatism ("Does not matter, wherever the conditions are acceptable") was selected by 32% of the polled. An even greater share of North Caucasian respondents was pragmatic about the presumed place of residence of their children. Approximately 43% of respondents wanted their children to only live in Russia, while 39% pointed out that the place of their children's residence will likely be determined by the suitability of conditions. All of this speaks of the development of a practical expediency ideology in the mentality of a significant part of North Caucasian youths, which is set against the ideology of patriotism.

Moreover, if the answers of respondents from the Northern Caucasus and throughout Russia are compared, it will become apparent that the North Caucasian youth is set on a location beyond the post-Soviet territory in applying their professional knowledge, establishing a family and residence of children to a relatively greater extent. The response proportions are as follows: applying professional knowledge only outside of Russia and CIS countries 8% (North Caucasian youth) vs. 2% (youth in all of Russia); establishing a family—7% vs. 5%; children's residence 11% vs. 9%. Thus, the development of family relations is a multi-sided process for North Caucasian youths, which is influenced by both ideological concepts and socio-economic conditions.

Considering the fact that families in a number of North Caucasian regions are experiencing particular economic difficulties,¹⁵ the transformation of family and reproductive behavior of the young generation under new conditions may have a negative impact on the demographic development of the Northern Caucasus and Russia as a whole.

Conclusion

In the *Strategy of Socio-Economic Development of the North Caucasian Federal District Up To 2025*,¹⁶ which has been implemented for almost a decade, the region's demographic potential is rather optimistic. The "excess labor" resources of the Northern Caucasus intend to migrate from the region. "In order to resolve the issue of excess labor resources of the North Caucasian Federal District, the annual size of labor migration must amount to 30,000-40,000 of people. Dozens of Russian regions must be engaged as migration recipients."¹⁷ However, it is already becoming apparent that migration of young people of reproductive age from the North Caucasian region destroys the demographic potential of this region. In addition, as modern research demonstrates, no significant improvement in birth rate parameters is expected due to the arrival of North Caucasian residents in other regions. Thus, an analysis of the results of the study by Konstantin Kazenin "speaks of the fact that from the point of view of forecasting the natural migration of North Caucasian population, no increase in the birth rate is expected in these population groups in the future."¹⁸ However, representatives of

¹⁵ "Samye bednye sem'i Rossii zhivut v Dagestane i Kabardino-Balkarii," available at [http://obzor.io/2018/06/10/samye-bednye-semi-rossii-zhivut-v-Dagestane-i-kabardino-balkarii-51383/?utm_referrer=https%3A%2F%2Fzen.yandex.com], 14 June, 2018.

¹⁶ "Strategiia sotsialno-ekonomicheskogo razvitiia Severo-Kavkazskogo federalnogo okruga do 2025 goda," available at [<http://government.ru/docs/19061/>], 14 June, 2018.

¹⁷ Ibidem.

¹⁸ K.I. Kazenin, "Vliianie migratsii na rozhdanost: sopostavlenie imeiushchikhsia gipotez na materiale Severnogo Kavkaza," *Narodonaselenie*, Vol. 21, No. 1, 2018, pp. 48-59, available at [DOI: 10.26653/1561-7785-2018-21-1-04].

governmental bodies continue to perceive the demographic situation in the Northern Caucasus with hardly justifiable optimism. The head of the government of the Russian Federation Dmitry Medvedev remarked at the meeting of the commission of the socio-economic development of the Northern Caucasus: “Good indicators, especially those that concern the demographic situation: the Northern Caucasus remains an established leader in the length of the lifespan, with the average lifespan longer than in other places.”¹⁹

The following theses are the results of our research based on the current and forecasted statistical data up to 2036, as well as on the results of a sociological study of family, reproductive and migration behavior:

1. Modern reality in its new manifestations sharply transforms and polarizes the life strategies of the North Caucasian youth.
2. Although traditional family values and demographic development potential are still strong, there already are serious negative trends in place.
3. Without significant federal and regional support of the young generation and its family and reproductive behavior, the Northern Caucasus risks losing a significant part of the young generation through migration or will lose the status of the most promising from the point of view of demographic indicators.

¹⁹ “Medvedev dovolen demograficheskoj situatsiei na Severnom Kavkaze,” available at [<https://tass.ru/obschestvo/2433360>], 19 January, 2019.

**COMPARATIVE ANALYSIS OF
THE ORGANIZATIONAL AND
LEGAL SUPPORT OF LOCAL SELF-GOVERNMENT
IN PLACES OF COMPACT RESIDENCE OF
INDIGENOUS SMALL-NUMBERED PEOPLES
IN THE NORTHERN CAUCASUS AND
THE NORTHERN SPECIAL-STATUS TERRITORIES
OF THE KRASNOYARSK KRAI**

Andrey NIKIFOROV

*Ph.D. Candidate, Department of Municipal Law,
Law Institute of the Peoples' Friendship University of Russia
(Moscow, Russian Federation)*

Levan CHIKHLADZE

*D.Sc. (Law), Professor, Head of the Department of Municipal Law,
Law Institute of the Peoples' Friendship University of Russia;
Professor, Department of Constitutional and Municipal Law,
Faculty of Law, Moscow State Regional University
(Moscow, Russian Federation)*

ABSTRACT

The paper is devoted to the issues of the modern state of the organizational and legal support of local self-government in places of compact residence of indigenous small-numbered peoples in Russia. The emphasis is placed on comparative legal study of the practical implementation of local self-government in the Northern Caucasus and the Northern special-status territories of the Krasnoyarsk Krai (administrative territory). An analysis of the constitutional provisions of the Russian Federation, which regulate the right to local self-government and determine the list of state guarantees of their preservation, has been conducted. The peculiarities of legal regulation

of the right to local self-government in accordance with the Federal Law on General Principles of the Organization of Local Self-Government in the Russian Federation have been identified. This regulatory act establishes the general provisions, principles and methods of implementation of the right to local self-government in the subjects (constituent entities) of the Russian Federation. Meanwhile, the federal legislation does not restrict the policy-making of the governing bodies of the federation subjects in the sphere of regulation of local self-government with regard to ethnic, cultural and historical peculiarities of regional development. The analysis of the regulatory and legal support

of the local self-government in the Northern Caucasus and the Northern special-status territories of the Krasnoyarsk Krai holds a special place in the work. Furthermore, the issues and peculiarities of such regulation at the federal level and the level of the federation subjects are analyzed separately. The authors propose a comparative characteristic of the regulatory and legal support of local self-government in certain Russian Federation subjects. The conclusions made on the basis of such analysis demonstrate the need to accept the fact that the nature of legal regulation of local self-government in federation subjects is directly dependent and founded on, in particular (but not exclusively), its administrative and territorial structure. A conclusion is drawn in regard to the legal regulation of the implementation of the right to local self-government reflects the peculiarities of the authorities' territorial organization in the specific subject of the federation. Special attention is heeded to the

issues of implementation of local self-government in the Krasnoyarsk Krai. For instance, it has been determined that in the Krasnoyarsk Krai, the legislation of the federation subject creates far more extensive opportunities for the development of the local self-government, which simultaneously do not contradict the Constitution of the Russian Federation or the federal laws. Meanwhile, it has been determined that the method of exercising the right to local self-government by specific ethnic groups has found its practical manifestation in the form of corresponding constitutive acts of the subjects of local self-government (the local self-government entities). An analysis of implementation of local self-government in the federation subjects with administrative-territorial units with a special status has been conducted, which has made it possible to formulate the corresponding proposals on the elucidation and improvement of the Russian legislation.

KEYWORDS: *local self-government, subject of the federation, federal legislation, administrative-territorial units with a special status, legal regulation, organizational and legal support, self-government bodies.*

Introduction

The right to exercise local self-government is one of the fundamental ones in the system of democratic rights guaranteed and realized by the state in regard to the population, especially poly-ethnic population. The development of local self-government is a crucial component of state policy for the Russian Federation, although it is nominally implemented in the interests of the city district and municipal population. On the scale of the entire state, with regard to the heterogeneity of the ethnic makeup and places of compact residence of national minorities and small peoples, the implementation of the right to self-government is considered one of the ways to ensure the unity of the all-Russian vector of socio-economic development in all the state's territories. Considering the ethnic, mental, national and other peculiarities of the populations of certain territories, the state establishes the required premises for the stable development of all the territories via creating the joint organizational and legal foundations for local self-government. Such development is conducted with regard to the maximum realization of each federation subject's and municipal district's potential. The realization of such a potential is possible only via raising the level of involvement of local communities in the processes of resolving socio-economic and public policy issues of territorial development. It is

precisely through the local self-government mechanism that the required level of inclusion of the local community in the political and legal continuum of self-government issues is attained. In order to raise the efficiency of local self-government in the Russian Federation, it is necessary to take a selective approach with regard to the peculiarities to the national and ethnic makeup of the regions in question. It seems that the stimulation of the national identity components of certain, first and foremost, small peoples, may provide new momentum to the efficiency of local self-government. The actualization of this research direction with regard to the development of the small peoples of the Northern Caucasus and peoples in other regions of the Russian Federation is determined by the discrepancy in the level of economic development of different areas. In other words, a serious hypothesis is proposed regarding the fact that the level of national self-identification of small peoples and their ethnic distinctiveness directly affect the level and nature of the practical realization of the right to local self-government. The level of national self-consciousness in a poly-ethnic state, with the proper construction of state government architecture and the development of effective mechanisms of state regional policy, affects not only the quality of territorial development, but also resolves a far more global issue—the de-actualization of ethnic conflicts and lowering the risks of growing separatism. This is precisely why the goal of this paper is the search for effective determinants of the organizational and legal development of local self-government in the Russian Federation with regard to national, mental and cultural distinctions characteristic of Russia's small peoples.

Regulatory and Legal Support of the Local Self-Government in the Northern Caucasus and Special-Status Northern Territories of the Krasnoyarsk Krai: Federal Level

The exercise of the right to local self-government is enshrined in the Constitution of the Russian Federation, where Chapter 8 “Local Self-Government” is devoted to it. A systemic analysis of Arts 130-133 of this chapter demonstrates the following peculiarities of the constitutional legal status of the local self-government bodies and the mode of implementing the right to it:

- First of all, the general nature of the constitutional norms is of interest, in particular, the delineation of the essence and the forms of local self-government. For instance, in accordance with Art 130 of the Constitution of the Russian Federation, “Local self-government in the Russian Federation shall ensure the independent solution by the population of the issues of local importance, of possession, use and disposal of municipal property. Local self-government shall be exercised by citizens through a referendum, election, and other forms of direct expression of the will of the people, through elected and other bodies of local self-government.”¹ Meanwhile, the Constitution of the Russian Federation does not contain an exhaustive list of potential self-government bodies, but does determine the method of its implementation—the citizens’ direct expression of will.

¹ *The Constitution of the Russian Federation*, 12 December, 1993, available at [<http://www.constitution.ru/en/10003000-09.htm>], 6 March, 2019.

- Secondly, Art 131 of the Constitution of the Russian Federation stipulates the right to exercise self-government “with the consideration of the historical and other local traditions. The structure of local self-government bodies shall be determined by the population independently.”² Thus, the peculiarities of the population’s self-organizations determine the differences in forms and methods of local self-government depending on the mental and national peculiarities of the peoples of the Russian Federation, meanwhile the territorial or regional ties are conducted accordingly to an exclusively ethnic principle.
- Thirdly, the independence of local self-government bodies in the issues of municipal property management and municipal law and order is directly consolidated on the constitutional level (Art 132 of the Constitution of the Russian Federation), while the possibility of delegating certain powers from federal authorities to local self-government bodies is present.

Meanwhile, Levan Chikhladze remarks that “in actuality, constitutional norms that have stipulated the foundations of local self-government still require legislative specification, although they are directly applicable norms.”³ This subject sphere is regulated by the special regulatory act, the Federal Law on General Principles of the Organization of Local Self-Government in the Russian Federation dated 6 October, 2003 #131-FZ (hereinafter Federal Law #131-FZ), which determines, among other things, the principles of organization of the local self-government; powers of the federal state authorities and state authorities of the Russian Federation subjects in the sphere of local self-government; legal premises of municipal legislative acts; issues within the competence of local self-government bodies; legal premises of the activities of these bodies and their legal status; forms of direct implementation of local self-government by the population; economic foundations of its implementation, as well as the issues of inter-municipal cooperation.⁴

In accordance with this law, local self-government in the Russian Federation is a “form of the people exercising their power, which allows an independent and responsible resolution by the population directly and (or) through the self-government bodies of the issues of local significance with regard to the interests of the population and historical or other local traditions in the scope set by the Constitution of the Russian Federation, federal laws, and in cases stipulated by federal laws—by the laws of the subjects of the Russian Federation.”⁵ Thus, the dualism of the regulatory and legal support of the local self-government in the Russian Federation is maintained: on the federal level (principles and foundations of the local self-government, its limits and bounds of realizing the rights to it are determined); at the level of federation subjects (peculiarities and typical differences in realization of the local self-government in a specific subject of the Russian Federation or in the area of compact residence of a specific ethnic group). According to Andrey Klishas,⁶ such dualism primarily contributes to the efficiency of state guarantees and the very process of state regulation of exercising the right to self-government by the people of the Russian Federation, as an integral component of democratization of social processes and one of the most important constitutional rights.

For the purposes of this paper, the following provisions of the Federal Law #131-FZ are of interest:

² *The Constitution of the Russian Federation*, 12 December, 1993.

³ L.T. Chikhladze, “Konstitutsionnye osnovy mestnogo samoupravleniia v Rossiyskoy Federatsii,” *Vestnik Moskovskogo universiteta MVD Rossii*, No. 5, 2015, pp. 45-49.

⁴ See: *On the General Principles of the Organization of Local Self-Government in the Russian Federation: Federal Law of 6 October, 2003 #131-FZ*, available in Russian at [http://www.consultant.ru/document/cons_doc_LAW_44571/], 6 March, 2019.

⁵ *Ibidem*.

⁶ See: G.K. Artamonova, V.V. Gorbachev, A.A. Klishas, “Prava cheloveka, politicheskaia stabilnost i konstitutsionnyi kontrol: nekotorye voprosy vzaimoobuslovennosti,” *Yuridicheskaya nauka: istoria i sovremennost*, No. 8, 2012, pp. 27-30.

Art 10, which stipulates the subjects of local self-government, including: cities, villages, municipal districts, city districts and intra-city areas of federally governed cities.⁷

Chapter 5, which stipulates the forms of direct realization of local self-government by the population: local referendum (Art 22); municipal elections (Art 23); people's gathering as a form of a specific municipal authority, endowed with law-making initiative, but barred from direct law-making (Art 25); citizens' direct law-making initiatives (Art 26); election of village chief (Art 27); public hearings and discussions (Art 28); citizen meetings (Art 29); citizen conferences (Art 30); citizen polling (Art 31); other forms of implementing local self-government (Art 33), which do not contradict the Constitution of the Russian Federation, federal laws, or laws and legal acts of the federation subjects, but take into account their territorial, cultural, ethnic and socio-economic specifics;

Chapter 3, which stipulates the powers of local self-government bodies in accordance with the status of subject of local self-government.

Regulatory and Legal Support of the Local Self-Government in the Northern Caucasus and Special-Status Northern Territories of the Krasnoyarsk Krai: Federation Subject Level

A systemic analysis of the regulatory legal acts that determine the nature of implementation of local self-government in various subjects of the Russian Federation in the Northern Caucasus (Chechen Republic, Republic of Dagestan, Stavropol Krai), as well as in the Krasnoyarsk Krai displays an example of a significantly broader implementation of this right [to local self-government] in modern conditions of Russian state-building. It should be noted that in the above-mentioned Russian Federation subjects, local self-government is carried out on the basis of the corresponding republican constitutional laws and regional charters. They describe the general parameters of exercising the right to local self-government, but the detailed elaboration of this right in a specific federation subject is contained in a special legislative act, which regulates the functioning of local self-government bodies (see Table 1). It should be noted that the features of almost all constitutional acts, with the exception of the Charter of the Krasnoyarsk Krai, replicate the provisions of the Constitution of the Russian Federation and Federal Law #131-FZ. Table 1 demonstrates that there are a number of distinctions between the organizational and territorial structure of local governments in the respective subjects of the federation. At the same time, the regulatory acts of the Krasnoyarsk Krai do not contradict the provisions of the Constitution of the Russian Federation, but rather develop the immanence of the provisions that concern the practical implementation of the organizational form of local self-government. This thesis is confirmed by the results of fundamental research conducted by A.A. Akmalova. The scientist notes that "the issues common to legal regulation and organization of local self-government possess the immanently inherent properties of any system (integrity, structure and functionality) and are characterized by attributive qualities, which are jointly represented by the concept of 'local self-government.' They embody the theoretical ideas about local self-government and reflect the

⁷ See: *On the General Principles of the Organization of Local Self-Government in the Russian Federation...*

Table 1

Comparative Characteristic of the Regulatory and Legal Support of Self-Government in Certain Subjects of the Russian Federation

The Subject of the Federation	Number of Subjects of Local Self-Government	Legislative Framework of Local Self-Government within the Federation Subject*	Nature of Legal Regulation of Exercising the Right to Local Self-Government
Republic of Dagestan	42 municipal districts; 10 city boroughs	<ul style="list-style-type: none"> — Constitution of the Republic of Dagestan dated 10 July, 2003; — Law of the Republic of Dagestan on Some Issues of Organization of Local Self-Government in the Republic of Dagestan #117, dated 8 December, 2015 	Provisions of regulatory legal acts of the federation subjects duplicate or reproduce the provisions of the Constitution of the Russian Federation and Federal Law #131-FZ. They differ only in the comprehensiveness of the transfer of powers from federation subjects' state authorities to the level of local self-government bodies, towards a decrease in the list of such delegated powers in comparison with the Constitution of the Russian Federation and the norms of the Federal Law #131-FZ
Stavropol Krai	26 municipal districts; 10 city boroughs	<ul style="list-style-type: none"> — Charter of the Stavropol Krai #6-kz, dated 12 October, 1994; — Law of the Stavropol Krai on Local Self-Government in the Stavropol Krai #12-kz, dated 2 March, 2005 	
Chechen Republic	15 municipal districts; 2 city boroughs	<ul style="list-style-type: none"> — Constitution of the Chechen Republic dated 23 March, 2003 (as amended on 20 July, 2018); — Law of the Chechen Republic on Local Self-Government in the Chechen Republic #11-RZ, dated 24 May, 2010 	
Krasnoyarsk Krai	42 municipal districts; 2 administrative-territorial units with a special status; 13 city boroughs; 3 closed administrative-territorial units	<ul style="list-style-type: none"> — Charter of the Krasnoyarsk Krai #5-1777, dated 5 June, 2008; — Law of the Krasnoyarsk Krai on Some Issues of Organization of Local Self-Government Bodies in the Krasnoyarsk Krai #7-2884, dated 1 December, 2014 	Has a number of special characteristics that are implemented through corresponding regulatory legal acts, the possibility of adoption and realization of which do not contradict the Constitution of the Russian Federation and the Federal Law #131FZ, and is directly stipulated in the region's legal acts

* Aside from the Constitution of the Russian Federation and the Federal Law #131-FZ.

fundamental generally accepted principles of its organization, systematized in the European Charter of Local Self-Government, the Declaration of the Rights of the City and other acts of international law.⁸ Thus, the legislation of the Russian Federation and its subjects reflects the general trends and aspects of the realization of the right to local self-government in its doctrinal sense. However, taking into account the nature and the diversity of the ethnic and national composition of the Russian Federation, the general trends should have the practical utility tools under the conditions of a particular region or specific territory. This is feasible only with regard to the peculiarities of legal consciousness, law enforcement and legal culture of those who exercise the right to local self-government.

First of all, it should be noted that the Constitution of the Republic of Dagestan dated 10 July, 2003 (as amended on 26 December, 2017);⁹ The Constitution of the Chechen Republic dated 23 March, 2003 (as amended on 20 July, 2018);¹⁰ The Charter (Fundamental Law) of the Stavropol Krai #6-kz, dated 12 October, 1994,¹¹ almost completely repeat the provisions of Arts 130-133 of the Constitution of the Russian Federation as far as regulation of the implementation of local self-government is concerned.

Regulatory legal acts of the aforementioned federation subjects, which regulate the implementation of local self-government in such subjects, are also identical to the federal legislation. For example, the Law of the Stavropol Krai on Local Self-Government in the Stavropol Krai #12-kz, dated 2 March, 2005¹² and the Law of the Chechen Republic on Local Self-Government in the Chechen Republic #11-RZ, dated 24 May, 2010¹³ are an exact reflection of the norms of the Federal Law #131-FZ.

Some distinctions are present in the Law of the Republic of Dagestan on Some Issues of the Organization of Local Self-Government in the Republic of Dagestan #117, dated 8 December, 2015.¹⁴ It is significantly shorter than the above-described regulatory acts, including Federal Law #131-FZ, and in terms of its structure and presentation logic, it is, in fact, a constitutive document of the organizational and administrative nature which describes the architecture of local governments and the nature of their relations with state authorities in the Republic.

The nature of the legal regulation of local self-government in a certain subject of the federation directly depends on its administrative and territorial structure. This conclusion suggests that the legal consolidation of the procedure for exercising the right to local self-government plays an auxiliary role and primarily reflects the features of the administrative component of the territorial authority in a particular federation subject. At the same time, the ethnic, mental, and cultural components, or, in other words, the population, which is the carrier of the right to local self-government, plays a secondary role and acts mostly as an object for which the legal and regulatory framework for implementing this right is being created.

As far as the legal framework for implementing the right to local self-government in the Krasnoyarsk Krai is concerned, a number of specific features inherent in this federation subject are to be noted:

⁸ A.A. Akmalova, *Osobennosti pravovogo regulirovaniia i organizatsii mestnogo samoupravleniia v Rossiyskoy Federatsii: teoretiko-metodologicheskii aspekt*: Doctoral Thesis (Law); specialty—12.00.02 constitutional law; municipal law, Moscow, 2003, pp. 12-14.

⁹ See: *The Constitution of the Republic of Dagestan*, 10 July, 2003 (as amended on 26 December, 2017), available in Russian at [<http://docs.cntd.ru/document/802018919>], 6 March, 2019.

¹⁰ See: *The Constitution of the Chechen Republic*, 23 March, 2003 (as amended on 20 July, 2018), available in Russian at [<http://docs.cntd.ru/document/819051373>], 6 March, 2019.

¹¹ See: *The Charter (Fundamental Law) of the Stavropol Krai: Law of the Stavropol Krai of 12 October, 1994 #6-kz*, available in Russian at [<http://docs.cntd.ru/document/461505117>], 6 March, 2019.

¹² See: *On Local Self-Government in the Stavropol Krai: Law of the Stavropol Krai of 2 March, 2005 #12-kz*, available in Russian at [<http://docs.cntd.ru/document/461500681>], 6 March, 2019.

¹³ See: *On Local Self-Government in the Chechen Republic: Law of the Chechen Republic of 24 May, 2010 #11-RZ*, available in Russian at [<http://docs.cntd.ru/document/906800156>], 6 March 2019.

¹⁴ See: *On Some Issues of the Organization of Local Self-Government in the Republic of Dagestan: Law of the Republic of Dagestan of 8 December, 2015 #117*, available in Russian at [<http://docs.cntd.ru/document/430599396> 2019-03-06], 6 March, 2019.

- First of all, in order to regulate the local self-government issues in the Krasnoyarsk Krai, significantly more legal acts have been adopted and are in effect than in the above-mentioned federation subjects analyzed above. These regulatory acts include the following, and are structured in a specific hierarchical order:
 - at the first level of this hierarchy is the Charter of Krasnoyarsk Krai #5-1777, dated 5 June, 2008,¹⁵ where a separate section is devoted to issues of local self-government, the semantic and functional content of which is broader than the Constitution of the Russian Federation and Federal Law #131-FZ. However, at the same time, the provisions of the Charter of the Krasnoyarsk Krai do not contradict the specified legal acts. For example, in accordance with Art 157 and Art 160 of this Charter, “local self-government is organized in accordance with the general principles established by federal law. Territorial public self-government may be exercised in accordance with federal and regional laws within separate parts of municipal formations.”¹⁶ Such rules contain the most important remark—the legal regulation of the procedure for exercising the right to local self-government in the Russian Federation is not limited to the provisions of the Constitution of the Russian Federation or Federal Law #131-FZ, but may be carried out through separate independent legal acts;
 - the second level of the hierarchy consists of the Law of the Krasnoyarsk Krai on Some Issues on Organizing Local Self-Government in the Krasnoyarsk Krai¹⁷ #7-2884, dated 1 December, 2014, and the Law of the Krasnoyarsk Krai on Elections to Local Self-Government Bodies in the Krasnoyarsk Krai¹⁸ #5-1611, dated 17 May, 2018. They determine the special operational regime of local self-government bodies, which is identical to that established by Federal Law #131-FZ. This is due to the fact that Art 162 of the Charter of the Krasnoyarsk Krai contains an imperative norm, which states that “regional authorities cannot make decisions that infringe upon the rights of municipalities and local self-government bodies, which are secured by federal laws and local laws, or restrict the guarantees provided to them.”¹⁹ However, in accordance with Part 1 of Art 163 of the Charter of the Krasnoyarsk Krai, “federal laws and laws of the region can endow local self-government bodies in the region with certain state powers.”²⁰ This approach is implemented from the practice of federal law-making, when the legislator allocates a special status of a local self-government subject to administrative-territorial units that are places of compact residence of small peoples, or in a number of other cases. Exactly the same logic is used in the regional legislation;
 - the third level of the hierarchy consists specifically of municipal legal acts, which determine the procedure for the practical implementation of local self-government in certain territories. In particular, these include the Charter of the Evenk Municipal District, adopted by the decision of the District Council of Deputies of the Evenk Municipal District on 22 December, 2005 #27-3,²¹ and the Charter of the Taimyr Dolgano-Nenets Municipal

¹⁵ See: *The Charter of the Krasnoyarsk Krai: Law of the Krasnoyarsk Krai of 5 June, 2008 #5-1777*, available in Russian at [<http://www.krskstate.ru/docs/0/doc/483>], 6 March, 2019.

¹⁶ Ibidem.

¹⁷ See: *On Some Issues of the Organization of Local Governments in the Krasnoyarsk Krai: Law of the Krasnoyarsk Krai of 1 December, 2014 #7-2884*, available in Russian at [<http://zakon.krskstate.ru/doc/21734>], 6 March, 2019.

¹⁸ See: *On Elections to Local Self-Government Bodies in the Krasnoyarsk Krai: Law of the Krasnoyarsk Krai of 17 May, 2018 #5-1611*, available in Russian at [<http://www.krskstate.ru/docs/0/doc/49001>], 6 March, 2019.

¹⁹ *The Charter of the Krasnoyarsk Krai...*

²⁰ Ibidem.

²¹ See: *The Charter of the Evenk Municipal District: Decision of the District Council of Deputies of the Evenk Municipal District of 22 December, 2005 #27-3*, available in Russian at [http://www.evenkya.ru/power/ustav_emr/], 6 March, 2019.

District, adopted by the decision of the Taimyr Dolgano-Nenets Municipal District meeting on 22 December, 2005 #02-0063.²² The possibility of adoption and the significance of these regulatory legal acts for regulating local self-government in certain areas of the Krasnoyarsk Krai are defined in Art 33 of the Charter of the Krasnoyarsk Krai. Thus, in accordance with Part 1 and Part 2 of this article, the “Taimyr Dolgano-Nenets and Evenk Districts are administrative-territorial units with a special status, which guarantees that the interests of these territories are taken into account by the federal authorities in accordance with federal legislation, this Charter and the laws of the region. The interests of the above-mentioned administrative-territorial units are ensured by taking into account their special status in the regulatory legal acts adopted by the state authorities.”²³

- Secondly, a systemic analysis of the above-mentioned legal acts allows us to conclude that the Krasnoyarsk Krai offers extended opportunities for the population to realize its right to local self-government, which do not contradict the Constitution of the Russian Federation. At the same time, such a right is not merely stipulated at the legislative level in the legal field of the Krasnoyarsk Krai, but also manifests in the form of relevant legal acts of local self-government subjects.
- Thirdly, the regulatory support of local self-government in the Krasnoyarsk Krai is subject to the provisions of the Federal Constitutional Law on the Formation of a New Constituent Entity of the Russian Federation in the Russian Federation as a Result of the Unification of the Krasnoyarsk Krai, the Taimyr (Dolgano-Nenets) Autonomous District and the Evenk Autonomous District, dated 14 October, 2005, #6-FKZ²⁴. This federal constitutional law establishes new subjects of the federation in the Krasnoyarsk Krai—Taimyr (Dolgano-Nenets) and Evenk Autonomous Districts, in order to improve the management of territorial development, create better conditions for the region’s socio-economic development, with regard to ethnic composition and the needs of small peoples. Formally, the above-mentioned law has a constitutive character, since it creates the prerequisites for the functioning of a separate independent entity of state relations. The status of this subject is not stipulated at the constitutional level, but the fact that the local government authorities have the greatest effect on the development of both districts, given the content of the provisions of the Federal Constitutional Law #6-FKZ, is quite obvious. Therefore, the Charter of the Krasnoyarsk Krai establishes a special procedure for the implementation of local self-government in these autonomous districts.

Thus, the legislative framework for the implementation of local self-government in the analyzed federation subjects provides for the possibility of a significant expansion of the forms and options of implementation of this right by the legal acts adopted in the subjects of the federation. Given the heterogeneity of composition, a significant number of federation subjects and the differences in their status, the Russian legislator chooses the correct legislative strategy to ensure the exercise of the right to local self-government, creating general principles and frameworks for its implementation, without burdening it with imperative provisions that can lead to excessive and erroneous algorithmization of its implementation.

²² See: *The Charter of the Taimyr Dolgano-Nenets Municipal District: Decision of the Taimyr Dolgano-Nenets Municipal District Meeting of 22 December, 2005 #02-0063*, available in Russian at [<http://www.taimyr24.ru/Documents/Ustav/>], 6 March, 2019.

²³ *The Charter of the Krasnoyarsk Krai...*

²⁴ See: *On the Formation within the Russian Federation of a New Subject of The Russian Federation as a Result of the Unification of the Krasnoyarsk Krai, the Taimyr (Dolgano-Nenets) Autonomous Region and the Evenk Autonomous Region: Federal Constitutional Law of 14 October, 2005 #6-FKZ*, available in Russian at [http://www.consultant.ru/document/cons_doc_LAW_56027/], 6 March, 2019.

Organizational and Institutional Support of the Local Self-Government in the Northern Caucasus and Special-Status Northern Territories of the Krasnoyarsk Krai

The peculiarity of the implementation of local self-government in the federation subjects where administrative-territorial units with a special status (hereinafter—ATUSS) are located is that the legal regime of ATUSS operation is not stipulated in the Constitution of the Russian Federation, and not regulated by the provisions of Federal Law #131-FZ. At the same time, the creation of an ATUSS is carried out exclusively in accordance with the federal constitutional law, since it predetermines the alteration of the Constitution of the Russian Federation itself in connection with the emergence of a new subject of the Russian Federation. Meanwhile, there is no emphasis on how the right to local self-government is exercised by citizens inhabiting the territory of such an ATUSS.

Pavel Romashov therefore concludes that an ATUSS “is formed as a part of new subjects of the Russian Federation as a result of the dissolution of autonomous districts as subjects of the Russian Federation as a result of merging with the ‘parent’ region. The nature and content of the unification process regulated by federal and regional legislation is predetermined by the constitutional and legal nature of the special status of administrative-territorial units. In the units where ethnic groups constitute the majority of the population or its significant part, a special status may be granted in the form of administrative ethnic group autonomy in the places of compact residence in the respective district.”²⁵ A feasible viewpoint holds that ATUSS is a transitional form of the government’s territorial organization and administrative division, which takes into account the interests of small nations to the maximum. We see the special utilitarian nature of ATUSS under conditions of limited economic resources for the implementation of local self-government, where the issue of administrative-territorial unit enlargement does not infringe upon the rights of indigenous peoples and does not lead to changes in the ethnic composition of the newly formed federation subjects.

In this regard, we can cite the thesis previously proposed by Maksim Zhurov regarding the fact that “the most important task of local self-governments is to promote the development of statehood under condition of the harmonization of ethnic relations, tolerance, and prevention of extremism.”²⁶ This important remark simultaneously proves the necessity and expediency of the existence of the ATUSS, and the importance of the administrative and legal determination of its status. In the same vein, we can propose the thesis that ATUSS not only preserves the cultural and mental identity of small peoples, but promotes the development of the tradition of their self-government and self-organization, especially in the conditions of the North.

We can partially find confirmation of this thesis in the works of Vladimir Fadeev,²⁷ Natalia Yaltonskaya and Irina Eliseenko,²⁸ as well as comparative legal research conducted by Alexander

²⁵ P.A. Romashov, *Administrativno-territorialnaia yedinita s osobym statusom (konstitutsionno-pravovoe issledovanie)*: Abstract of Ph.D. Thesis (Law); specialty—12.00.02—constitutional law; municipal law, Tyumen, 2008, pp. 7-8.

²⁶ M.A. Zhurov, *Rol etnicheskikh soobshchestv v konstitutsionno-pravovom formirovanii organov mestnogo samoupravleniia v Rossiyskoy Federatsii*: Ph.D. Thesis (Law); specialty—12.00.02—constitutional law; municipal law, Moscow, 2006, pp. 8-10.

²⁷ See: V.I. Fadeev, “Mestnoe samoupravlenie v Rossii: istoricheskiy opyt i sovremennaiia praktika pravovogo regulirovaniia,” *Lex russica*, No. 4, 2014, pp. 396-412.

²⁸ See: N.S. Yaltonskaia, I.V. Yeliseenko, “Institut praktikov ili kompleksnoe razvitie mestnogo samoupravleniia v Krasnoyarskom kraie,” *Munitsipalnoe imushchestvo: ekonomika, pravo, upravlenie*, No. 2, 2017, pp. 46-47.

Larichev.²⁹ Levan Chikhladze also draws attention to the fact that local self-government in certain territories with a special status can be an element of the state's national unity policy.³⁰ However, Vitaliy Yeremian concludes that the state considers the right to local self-government for certain ethnic groups to be a way of more stable organization of the administration system in the region where such a group lives.³¹

According to Denis Kozlov, the Krasnoyarsk Krai is the most striking example of the effective ATUSS operation in the Russian Federation. This became possible due to a balanced and consistent policy of the Krasnoyarsk Krai authorities aimed at ensuring inter-ethnic tolerance and developing a multi-cultural basis for social interaction within the region. Thus, the researcher notes that “with the 2007 merger of the Krasnoyarsk Krai, the Taimyr (Dolgano-Nenets) and the Evenk Autonomous Districts into a single subject of the Russian Federation, significant structural changes took place in the regional authorities and bodies: The Legislative Assembly Committee of the Far North and Small Indigenous Peoples has been set up; the Ministry of the Affairs of the North and the Support of Small Indigenous Peoples has been created in the regional government structure.”³²

Returning to the practice of organizing local self-government in the ATUSS territories on the example of the Krasnoyarsk Krai, one should pay attention to the provisions of Art 164 and Art 165 of the Charter of the Krasnoyarsk Krai. Thus, in accordance with Part 1 of Art 164, “in order to organize the interaction of local governments, the expression and protection of common interests of municipalities, the Council of Municipalities of the Krasnoyarsk Krai and the Association for the Interaction of Government Representative Bodies and Local Self-Government Bodies of the Krasnoyarsk Krai are formed.”³³ And in accordance with Part 2 of Art 165, “the governor of the region determines the executive authority of the region and (or) the regional official responsible for the interaction with municipalities located in the Taimyr Dolgano-Nenets and Evenk districts, and taking into account the interests of these municipalities when dealing with issues of relations with state authorities.”³⁴ The above-mentioned institutional entities establish the required level of coordination of state authorities' activities in the field of development and guarantees of local self-government in ATUSS. But the Council, the Association, and, even more so the officials of state bodies act as the components of an authoritative and managerial system determined by the state. As for the institutional basis of local self-government, which has a clearly defined public character, one should heed attention to the existence of the Nenets parliament as a special form of self-organization of the population of not merely such an ATUSS as the Taimyr (Dolgano-Nenets) autonomous district, but rather of the entire Nenets ethnicity, living in other territories of the Krasnoyarsk Krai, among other places.

According to Yuri Lukin, the main goal of the Nenets parliament's activity is the practical realization of the right to self-organization, political, cultural, mental and historical identity by the Nenets people, which is manifested in the coordination and organizational functions of the parliament.³⁵ In addition, it is important to understand that the representative capacity of the parliament

²⁹ See: A.A. Larichev, *Pravovoe regulirovanie i organizatsiia mestnogo samoupravleniia: opyt Kanady i ego primenimost v rossiyskikh usloviakh: monografiia*, OOO Prospekt, Moscow, 2017, pp. 12-14.

³⁰ See: L.T. Chikhladze, “Nekotorye osobennosti modeli mestnogo samoupravleniia i mestnogo upravleniia v stranakh Latinskoy Ameriki,” *Vestnik Moskovskogo gosudarstvennogo oblastnogo universiteta*, Series: *Yurisprudentsiya*, No. 4, 2014, pp. 29-34.

³¹ See: V.V. Yeremian, *Mestnoe upravlenie i mestnoe samoupravlenie v Latinskoy Amerike*: Abstract of Doctoral Thesis (Law); specialty—12.00.02—constitutional law; municipal law, Moscow, 2001, 44 pp.

³² D.V. Kozlov, “Organizatsionno-pravovye osnovy garantirovaniia prav korennykh malochislennykh narodov kraynogo Severa Rossiyskoy Federatsii (na primere Krasnoyarskogo kraia),” *Vestnik ekonomiki, prava i sotsiologii*, No. 3, 2014, pp. 140-144.

³³ *The Charter of the Krasnoyarsk Krai...*

³⁴ *Ibidem*.

³⁵ See: Yu.F. Lukin, “Stanovlenie novoy modeli mestnogo samoupravleniia v severnykh territoriakh,” *Vestnik natsionalnogo komiteta “Intellektualnye resursy Rossii”*, No. 4, 2006, pp. 112-126.

allows the Nenets people to have legitimate representation in the dialog with government authorities. Under such conditions, the development of local self-government reaches its peak level, and its effectiveness—its maximum potential organizational and legal limits.

Conclusion

Summing up the analysis of the organizational and legal support of local self-government in the places of compact residence of small-numbered peoples on the example of the Northern Caucasus and the special-status Northern territories of the Krasnoyarsk Krai, we come to the following important conclusions:

- Firstly, the current Russian legislation related to local self-government is characterized by two major features of its development. The immanence of federal-level legal acts allows federation subjects and specific subjects of local self-government to acquire forms of practical implementation and methods of activity that maximally reflect the national, socio-economic, historical, cultural, and regional characteristics of the implementation of local self-government. Introducing general principles and frameworks for the exercise of this right, the state encourages the authorities of federation subjects and their population to create their own unique models and connections in the functioning of the local self-government bodies and their interaction with the state authorities within the framework of existing legislation. In this way, the maximum effect is achieved in the development of the small peoples' self-organization system.
- Secondly, the modern practice of local self-government by small peoples of the Russian Federation demonstrates the existence of special subjects—administrative-territorial units with a special status. Taking into account the state of the legislation of the Russian Federation and the lack of a clear definition of the legal status of ATUSS, we propose to supplement the Federal Law #131-FZ with Art 82.6 as follows:

“Art 82.6. Features of the organization of local self-government in administrative and territorial units with a special status

1. Features of the organization of local self-government in administrative-territorial units with a special status are determined by the relevant Federal constitutional law, which determines the establishment of such a unit.
2. The direct implementation by the population of local self-government in administrative-territorial units with a special status and the legal framework of local self-government bodies should be determined with regard to the national, cultural and historical features of the development of small peoples that constitute the ethnic majority of an administrative-territorial unit with a special status.”

Thus, we propose to eliminate one of the most significant problems of the modern legal framework for the realization of the right to local self-government by the small peoples of the Russian Federation residing in the ATUSS.