

India and China new players in Central Asia's 'Great Game'

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A great game is unfolding in resources-rich, but landlocked, Central Asia, where China through its one-belt-one-road (OBOR) initiative is attempting to harness maximum mineral and hydrocarbon wealth as well as grow the market for its goods. India, not to be left behind, has also embarked on a Connect Central Asia policy, trying to overcome a disadvantage it has: lack of direct connectivity to the region.

While oil and uranium rich Kazakhstan is an old partner, Uzbekistan, which has historical links with India, is emerging as the next big partner for New Delhi in the region. It has offered to provide special incentives and zones for Indian businesses, expand defence and counter-terror partnership with India and extend an opportunity to expand presence in the region and Afghanistan through mega connectivity initiatives.



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President Shavkat Mirziyoyev has also invited Prime Minister Narendra Modi to enhance India's presence in five ex-Soviet Republics and Eurasia through Uzbekistan amid China's growing presence in the region.

While Beijing has made inroads across Central Asia, India views itself as a stabiliser and security provider in the region and, with its growing economic clout, is an attractive economic power for the countries in the region, government officials here said.

India's interest in securing reliable energy supplies and trade through Central Asia remains substantial. Besides oil and gas, energy-hungry India is eyeing imports of uranium from both Kazakhstan and Uzbekistan. The requirements of energy security also postulate a continuing positive relationship with Moscow, the oldest player in the region.



India plans to create firm ties among the energy-exporting states of Central Asia, particularly Kazakhstan and Uzbekistan besides Turkmenistan. New Delhi is considering exploration and production of hydrocarbons in Kazakhstan and participation of its companies in the oil and gas sector. Kazakhstan has expressed interest in supplying gas to India.

Delhi is also exploring with Uzbekistan the possibility of extending the Friendship Railway Bridge to Herat in Western Afghanistan amid a push to the government's Afghan strategy, according to the one of the officials. With Uzbekistan being the region's biggest military power, Tashkent is also keen to expand its defence partnership with India, officials said. India is also eyeing effective counter-terror partnership through the Shanghai Cooperation Organisation (SCO) Counter-terror centre based in Tashkent, after it became a member of the bloc in June.

China has made significant headway in the region, with \$10 billion in grants and aid to SCO members in Central Asia and developing regional linkages between Central Asia and its western regions.

Central Asia is central to China's OBOR policy. India's lack of direct overland access to the region due to Pakistan's reluctance in allowing Indian goods to pass through its territory has hurt New Delhi's trade interests in the region.

However, countries in the Central Asian region, led by Kazakhstan and Uzbekistan, are keen to have India as one of their major partners to unleash their potential, said an official. "India has been slowly coming up with its own Eurasian agenda. It has taken some significant steps with enormous implications for realising a strong potential connectivity link between India and Eurasia. In the recent past, amid China's push for BRI (Belt and Road Initiative) projects, the MEA (Ministry of External Affairs) held a multi-stakeholder meet to highlight some latest surveys undertaken by Indian institutions such as the Federation of Freight Forwarders' Associations in India, the Ladakh International Centre and the Institute for Defence Studies and Analyses. The meeting discussed how the implementation of the International North-South Transport Corridor (INSTC) has moved to a fast-track stage after India decided to join the international customs convention, TIR, following

the Union Cabinet approval,” said P Stoban, India’s former envoy to Kyrgyzstan and an expert on Central Asia.

INSTC is a 7,200-km-long, multi-modal (ship, rail and road) transportation system for connecting the Indian Ocean and Persian Gulf to the Caspian Sea via Iran and thereafter to Russia and North Europe. Delhi hopes to put INSTC in place by the end of this decade. That will be major connectivity initiative for Central Asian outreach as well.

India’s current trade volume with the Eurasian region is minimal. The Chabahar route (which will see operationalisation of sorts this month following wheat supply to Afghanistan from India via this port) plus INSTC could boost trade worth up to \$170 billion from India alone.

“While New Delhi enters the Eurasian integration path, it also needs to factor in the changing political dynamics within Central Asia. Following the recent change of leadership in Tashkent, the nature of the regional outlook is changing in favour of intra-regional cooperation. If this trend gathers force, it would not be always easy for China to overcome the broader set of issues that could come in the way of realising its BRI vision,” Stobdan said. “In any event, to counter such a strategic move, the Indian policy response should cater for the interplay of trade, investment, connectivity and culture.”