The New Great Game

CHINA AND SOUTH AND CENTRAL ASIA
IN THE ERA OF REFORM

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Most rulers of the great world empires tended to believe that their vast realms would exist eternally, and court poets went out of their way to give artistic support to the rulers' hubris. Virgil once famously contended that Romulus had been granted the "gift of empire without end." But as Michael Mann points out—correctly—that was a delusional idea. All empires actually end, and Rome fell, as did many other great powers before and after it. But an empire's fall does not mean there cannot be a new rise; as William McNeill suggests, "The forces that so persistently restored . . . empire . . . in the past" have retained their "cogency." 2 Historians—from Edward Gibbon to Leopold von Ranke to Paul Kennedy—have long been intrigued by the "rise and fall" dynamic. In his magisterial exploration of the rise and fall of the great powers in the modern era, Kennedy came to three important conclusions. First, in the long run, there appears to be a strong correlation between a great power's strategic emergence and the robustness of its economy. Similarly, economic decline inevitably leads to the strategic demise. Second, in the international system, economic clout and military might are always relative—that is, the key is not to be strong in absolute terms but to be stronger than your main geopolitical competitors. Third, the historical record demonstrates that the great powers' relative strength never stays constant but rather fluctuates, mainly because of the uneven development of different societies that in itself is the result of the workings of multiple factors—not least the organizational and technological breakthroughs that give one state an edge over the others. 3

These reflections have a direct bearing on the topic of this chapter; over the last twenty years, the world's distribution of power has been fundamentally modified because of the unprecedented growth of China's economic wealth and political influence. In the introduction to his magnum opus, Kennedy approvingly cites the seventeenth-century Austrian author Philipp von Hörnigk. "Whether a nation be today mighty and rich or not," this mercantilist thinker asserted, "depends not on the abundance or security of its power and riches, but principally on whether its neighbors possess more or less of it." 4 Remarkably, von Hörnigk was resurrected again very recently by a leading Sinologist who referred to his cogent argument and then noted that the West's "decreasing comparative power generates a perception of decline and an irrational fear of China." 5 One could argue, however, that Russia should have even more grounds for concern: "The reversal of China's and Russia's fortunes at the close of the 20th century could not have been more dramatic. For the first time in their recent history Russians have to deal with a China which is more powerful and more dynamic than their own country." 6

This chapter investigates how China and Russia are adjusting to the new situation that arises from the profound shift in the balance of power caused by the former's rise and the latter's relative decline. The main focus is on Moscow's and Beijing's interaction in Central Asia—the area that for the last three hundred years has been a contested borderland sandwiched between expanding Russian and Chinese imperial states. Over the last several years, the body of literature devoted to the analysis of Russia's and China's policies in the region has grown exponentially. 7 Much of this scholarly work gets the story right, presents uncontroversial facts, and is very informative and insightful. However, most of the studies tend to explore the Russian and Chinese conduct in Central Asia separately, without investigating complex linkages between the two countries' actions. Broader historical context, the differences between the Russian and Chinese perceptions of bilateral relationship, and the imperial dimension have not received sufficient scrutiny.

This chapter seeks to fill these lacunae, and to this end it advances several key arguments. First, I argue that the notions of empire and "postimperium" are crucial for the understanding of Russia's and China's policies in the region. 8 True, all empires end, but they end differently, and here we are dealing with two quite different types of postimperial situations. Russia's case appears to be that of a country that is going through a particularly
tortuous process of postimperial readjustment. To borrow Dean Acheson’s famous characterization of postwar Great Britain, Moscow “has lost an empire, and has yet to find a role.” Post-Soviet Russia’s international identity remains uncertain, its geopolitical orientation on the west-east axis is as contested as ever, and its approach toward the lost borderlands is a mix of pragmatic policies and the moves driven by the longing to restore its great-power status. By contrast, China seems to represent a rather unique case of quite successful transformation of empire into a nation-state. Its principal objective in Central Asia is both strategic and pragmatic: to keep the volatile region stable to help Beijing consolidate the center’s rule in the country’s far-flung northwest province of Xinjiang and finalize its incorporation into the Han-dominated Chinese national state. Second, I argue that the complex interface between Russia and China in Central Asia is best conceptualized as the one that has led—under the Romanovs and the Qing—to the formation of a kind of Sino-Russian condominium as the two imperial states divided the steppes between themselves. In fact, historically, the parallel expansions were mutually reinforcing as the conquests from the west and the east denied regional peoples the room for maneuver. It was the Soviet Union’s collapse that marked the end of the erstwhile condominium: the former Soviet dominion has been suddenly transformed into the five independent states. Yet geopolitically, Central Asia remains primarily Russia and China’s neighborhood. As America’s “Central Asian moment” is drawing to a close as it prepares to exit Afghanistan, Sino-Russian competition in the region is likely going to intensify. Finally, I argue that in this new geopolitical situation China has found itself in a stronger position: although Moscow has lost its Central Asian possessions, Beijing has retained its own (Xinjiang) and is now only happy to expand its influence at the expense of the weakened Russia. Yet under the new conditions, the two historical overlords of Central Asia—the Bear and the Dragon—are mostly preoccupied with security issues and thus are faced with their perennial challenge: how best to manage the (former) imperial peripheries.

Russia’s Postimperium: A Quest for Great Power Status amid Strategic Uncertainty

Russia may have dumped its empire voluntarily (as the official narrative would have it), but what followed this “act of liberation” was quite unusual indeed. Unlike some other former imperial polities, this “rump Russia” did not immediately exit the international arena; nor did it reinvent itself as a “regular” national state with more modest geopolitical ambitions. Instead, since the early 1990s, Moscow has been tenaciously seeking the leadership role in post-Soviet Eurasia—the former empire’s borderlands now composing the “new Eastern Europe” (Belarus, Ukraine, and Moldova), the three nations of the South Caucasus, and the five “stans” of Central Asia. Russia’s craving the dominant position in what the Eurasianist thinkers called its natural mezzanovitie (developmental space) is intimately connected with the country’s self-understanding. Moscow’s geopolitical control over the bulk of Eurasian landmass that is organized as a Russia-led distinct “civilizational space” appears to constitute a key element in Russia’s claim to great-power status.¹⁰

Indeed, Russia’s prized geographical location and its bi-continental (Euro-Asian) dimension have long been perceived as “objective factors” that make the country predestined for geopolitical preeminence. Not a small number of Russian strategists and policy makers took pride in the nineteenth-century Russian thinker Petr Chaadaev’s memorable description of Russia as a vast realm spread “between two great divisions of the world, between the East and the West, resting one elbow on China and the other on Germany.”¹¹ Yet the last two decades saw profound changes—both in Russia and in those “two great worlds” that flank it—that resulted, in the words of Perry Anderson of UCLA, in the “drastic alteration” in Russia’s geopolitical setting:

Russia is now wedged between . . . [the] European Union, with eight times its GDP and three times its population, and a vastly empowered China, with five times its GDP and ten times its population. Historically speaking, this is a sudden and total change in the relative magnitudes flanking it on either side. Few Russians have yet quite registered the scale of the ridimensionamento of their country.¹²

Worse still, Anderson argues, this brutal redistribution of power cannot fail to negatively affect Russia’s traditional sense of itself. In the past, Russia could join a group of European nations as a member of an ad hoc coalition or, following the Congress of Vienna, be a part of the Concert of Europe, enjoying at times—as the largest and most powerful country—a position of primus inter pares. Yet now Russia faces in Europe not a bunch
of individual countries but a continental bloc, which it is not going to join. Russia’s exclusion from the United Europe of 28, however, makes its European identity quite problematic; “Russia—in being what cannot be included in the Union—is now formally defined as what is not Europe, in the new, hardening sense of the term.”13 The Russian elites, of course, are enraged by what they see (arguably, with some justification) as an injustice and a snub, yet the European Union’s position on the matter cannot be altered and will continue to poison the relationship between Moscow and Brussels for years to come. The situation Russia is faced with in the East appears to be no less dramatic and potentially even more damaging for the national self-image. Since the eighteenth century, the Russian governing elites have perceived their country as being charged with a special mission civilisatrice, destined to bring enlightenment and modern civilization to the benighted multitudes in Asia—both within Russia’s “own Orient” and further afield, including China. This Russian version of the “white man’s burden” rested—not unlike similar attitudes of the British and French colonial administrators—on the racist assumption of the Russians’ superiority vis-à-vis the “yellow peoples.” The spectacular reversal of China’s and Russia’s roles has turned upside down the Russians’ long-standing perceptions of what is “civilized” and what is “backward” and acted as a kind of reality check that the Russian public finds particularly difficult to adjust to.

The upshot of the momentous transformation of Russia’s geopolitical environment and of its impact on the very sense of what Russia is appears to be a growing sense of Russia’s strategic isolation. Being cold-shouldered in the West by the arrogant attitude of the European Union, which is reluctant to see Russia as part of the Brussels-centered Europe, and overshadowed in the East by the increasingly assertive giant of China, Moscow appears doomed to a kind of geopolitical loneliness. Russia, as the Princeton historian Stephen Kotkin notes, “doesn’t really belong to very much... It doesn’t belong in the West and it doesn’t belong anywhere in the East. It hasn’t found a place in the international order where it can pursue its own interests and enhance its interests in partnerships with other countries.”14

It would thus appear that the foreign policy course of nonalignment—otherwise known as “strategic independence”—that the Russian leadership is currently pursuing is not so much a carefully designed and forward-looking strategy as a reaction to the fundamentally altered geopolitical landscape around Russia. In a way, it seems to be both a reflection of and an attempt to adapt to the situation of geopolitical loneliness. Russia’s ruling elites believe that in these new unfavorable circumstances the country can reinvent itself as a great power only if it holds a leadership position in post-Soviet Eurasia. As the lands that used to be part of the “historic Russia,” ex-Soviet republics of Central Asia constitute an important element of this geopolitical equation.

Central Asia: Living Dangerously Between the Two Empires

Central Asia is conventionally understood as an area comprising five ex-Soviet republics: Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, and Turkmenistan. Yet from historical and geocultural standpoints the Central Asian region is much larger; it includes also China’s province of Xinjiang as well as Inner and Outer Mongolia (i.e., Inner Mongolian Autonomous Region of China and the Republic of Mongolia).15 This vast area’s historic dynamic (with its “long cycles” of expansion and contraction) is best conceptualized as the protracted process of partition of what effectively became, in the words of Owen Lattimore, the “Inner Asian Frontier” populated largely by nomadic Turkic and Mongolian tribes between the two expanding sedentary empires—Russia and China—throughout the last three centuries.16 The Soviet Union’s breakup has released the western portion of historic Central Asia from its colonial bondage and thus created a geopolitical void that the other, more successful “nationalizing” empire—now called the People’s Republic of China (PRC)—has hastened to fill in. The PRC’s policies in Central Asia and its interaction with Russia in the region can be adequately understood only if China is perceived the way its governing elites perceive it: not as an outside actor but as a power both historically and strategically firmly imbedded in the region—primarily through Xinjiang, a huge chunk of Central Asia lying within the borders of the Chinese state. Xinjiang, as one Western analyst has aptly noted, “has [a] dual identity, being both ‘China in Central Asia’ and ‘Central Asia in China.’”17 It is precisely this historical and geographical reality that is behind Beijing’s strategic interest in the other part of Central Asia that used to be a colonial possession of its imperial competitor—Russia/the USSR.

There are numerous parallels (as well as some significant divergences) between Russia’s and China’s advance and subsequent conduct in their respective zones of Central Asia.18 The two imperial powers started penetrating the region from the opposite sides—one from the west, the other from the
east—almost simultaneously. Although the three Kazakh Hordes accepted Russian protection in the 1730s to 1740s, in 1759 the Qing crushed the Mongol Zunghar state and conquered Xinjiang. This dual expansion set in motion a momentous process of the “closure of the steppe,” to borrow Peter Purdue’s felicitous phrase, that ultimately shaped the present-day borders of Russia, China, and the Central Asian states wedged between those two giants.19

By the end of the nineteenth century, most of the territory of Central Asia was under Russian or Chinese rule, and the frontiers between the two imperial domains were negotiated. Both the Qing and Romanov Russia were pursuing typically colonial policies in their Central Asian possessions, deploying cartographic and ethnographic knowledge to reorder the region and bring it under their administrative control. The two empires were initially seeking to govern the newly conquered peoples at a distance through indirect rule, relying mostly on local chieftains and preserving traditional ways. But as the nineteenth century was drawing to a close, the first attempts were made at more formal integration. In 1884 Xinjiang was given a provincial status and Qing officials were charged with the administration of the empire’s “Western Frontier,” and the Russian government launched in the mid-1890s a massive campaign of agricultural colonization of Turkestan and Southern Siberia. Between 1896 and 1916 more than one million colonists—mostly Russian and Ukrainian peasants—came into possession of one-fifth of the land in the Russian Turkestan.20

The first decades of the twentieth century saw Central Asia in a state of flux, following the nearly simultaneous demise of the Qing and the Romanov dynasties. However, the former imperial overlords managed to restore their control over the breakaway provinces. The Soviets reconquered their part of Central Asia in the early 1920s and soon afterward launched an unprecedented program of social engineering that involved the institutionalization of ethnic federalism, the realization of state-territorial delimitation, and the creation of the new national identities for the Central Asian peoples. For their part, the Chinese Communists reestablished China’s sovereignty over Xinjiang in 1949, following their victory in the civil war with the Nationalists. Remarkably, although the PRC’s “nationality policy” was informed by Marxist-Leninist ideology and influenced by Soviet practices, the Chinese Communist Party significantly modified its Soviet mentor’s template of how to manage multiethnicity. Unlike the Soviets, who territorialized ethnicity by creating federal republics with their “similar na-

Mutual Perceptions and the Burden of History

“Russia and China don’t possess a ‘difficult historical legacy’ that would fuel mutual hostility,” one Russian analyst argues in a recent article published in
the leading Moscow policy journal. He goes on to say, "Along Russia's borders there isn't a single large state with which [our] country had less military conflicts throughout its history than with China." By contrast, he adds, Russo-Chinese cooperation aimed against the West has much deeper historical roots. This statement reflects a dual misperception characteristic of the Russians' way of viewing their relationship with China. First, it claims that, by and large, the relationship has been of a friendly (if not cordial) nature—a view that once gave rise to the famous myth of the "unbreakable" Russo-Chinese friendship. Second, it seems to suggest that Russia's relations with China had a certain moral character—one that the West's policies toward China definitely lacked.

True, skirmishes along the Russo-Chinese frontier were not nearly as gory as the wars Russia waged in the European theater. But this was largely because throughout the nineteenth century—the period of Russia's aggressive eastward expansion, including into Central Asia—China was a much weaker power, a clear underdog that could easily be pressured into making geopolitical concessions without resorting to raw force. It is worth remembering that the Chinese historiography characterizes a hundred years of the country's history—roughly between 1842 and 1949—as a "century of humiliation" precisely because the Chinese see this period as a time of troubles when their feeble country was unceremoniously pushed around by haughty Western powers, including Russia. In fact, following the Opium Wars, many Qing bureaucrats came to consider Russia as a more dangerous enemy than other major European powers because, unlike Western Europeans, the Russians were interested not in trade but in territorial aggrandizement. The distribution of Chinese foreign policy documents, as S. C. M. Paine's research has demonstrated, confirms Beijing's particular preoccupation with Russia. "Nearly half of all these materials relate to Russia, while less than a third deal with Great Britain, and less than a tenth concern Japan or the United States." Moreover, Paine notes,

In these archival documents, Chinese officials, over and over again, describe Russian designs on Chinese territory, using such terms as "growing away like a silkworm," "gobbling up," "eyeing predatorily like a tiger," "dripping at the mouth," "insatiable," "having evil intentions," "desiring that which belongs to others," and "unfathomable" behavior.27

As Russia pushed deeper and deeper into Central Asia, it never hesitated to encroach on China's interests—or even undermine China's sovereignty over borderland territories—when its own strategic interests so demanded. Under the 1864 Treaty of Tarbagatai the Qing had to transfer to Russia 440,000 square kilometers of territory in the region northwest of Xinjiang—up to and including Lake Balkhash. In 1871 the Russians deployed troops into the Ili Valley in Xinjiang to prevent local rebels from spreading the Muslim Uprising raging in the region in 1862–1877 across the border and joining forces with their religious brethren in the Russian-held part of Central Asia. Russia would withdraw its forces from most occupied territories only after the Chinese agreed—under the 1881 Treaty of St Petersburg—to make considerable trade concessions and pay a substantial indemnity. Following the Qing dynasty's fall in 1911, Russia did not waste much time before expanding its influence into Chinese Outer Mongolia. Although Russia itself was soon shaken by the 1917 Revolution, the Red Army's presence in Mongolia during the Russian civil war was instrumental in the transformation of this Chinese protectorate into a Soviet one—a process that culminated in the establishment of the Mongolian People's Republic in 1924. Now, a quick look at the map shows that "China's northern border wraps around Mongolia, a giant territory that looks like it was once bitten out of China's back." The period of the 1930s–1940s saw further expansion of Soviet influence in Xinjiang as the region was constantly rocked by Turkic-Muslim rebellions and local Han warlords were increasingly compelled to rely on the Soviet Union's support, military and otherwise.31 In 1944, a revolt supported by the Soviets led to the establishment of the East Turkestan Republic (ETR) in the Ili Valley in the far northeast part of Xinjiang and the division of the region into the two parts controlled, respectively, by the Uighur nationalists of the ETR and the Chinese nationalist government of Chiang Kai-shek. It was only in 1949 when the People's Liberation Army marched into the region that Beijing's sovereignty over Xinjiang was fully restored.

China's ruling elites' disdain at the Russian/Soviet heavy-handed treatment of their country's sovereignty and vital security interests can be clearly sensed in the remarkable exchange between Soviet leader Nikita Khrushchev and Mao Zedong. During their conversation in July 1958, Khrushchev asked Mao—apparently half-jokingly—if the Chinese "really consider us as red imperialists." To this the Great Helmsman gave a rather caustic reply: "There was a man by the name of Stalin, who took Port Arthur and turned Xinjiang and Manchuria into semi-colonies, and he also created four
joint-stock companies [under the terms that proved very unfavorable for the Chinese]. There were all his good deeds."33

The gap between Russian and Chinese perceptions of the bilateral relationship is truly remarkable and appears to reflect the extent of mutual misunderstandings—particularly in Russia’s case. Bobo L. Lo seems to be painting a more accurate picture when he writes in his analysis of the Chinese perceptions of Russia that “for much of the last three centuries, Sino-Russian interaction has been tense, awkward, and occasionally confrontational.”34 Lo notes that policy makers on both sides may indeed claim that they “have consigned past antagonisms to the metaphorical dustbin of history.” But this is false: “Historical memory continues to play a crucial role. Its impact is understated but unmistakable. . . . Its presence is all-pervasive, touching on every aspect—political, economic, strategic, and civilizational."

Central Asia (Re)Discovered: Redrawing the Fences in Russia’s Backyard

There is a popular trope one often encounters in analytic literature these days—that of Central Asia’s “discovery” at the turn of the twenty-first century. It looks something like this: following the Soviet empire’s collapse and the subsequent emergence from under its rubble of five independent “states,” the world suddenly became aware of the new Central Asian region and of its growing strategic importance. Although this may well be true for some parts of the world, it is certainly not true as far as Russia and China are concerned. For Moscow or Beijing, the 1991 Soviet meltdown did not produce previously hidden terra incognita; rather, it resulted in the dramatic shift in their respective geopolitical positions in the region where they have been interacting for the last three centuries. In a nutshell, what actually happened is this: The loss of the Soviet empire left Moscow without its Central Asian dominion. This region has now been reconfigured—with five brand-new states claiming Westphalian sovereignty. Russia’s task then was to find new ways to reconnect with its former vassals and reassert its regional leadership. For its part, Beijing stood looking in amazement and bewilderment at what happened to its erstwhile rival. The overwhelming sentiment in China was not one of triumphalism but of anxiety: What did all this mean for the security of China’s own Central Asian domain? How should it respond to new threats and challenges emanating from this huge geopolitical void across the border and affecting the stability of Beijing’s rule in Xinjiang?

I argue that Russia’s and China’s differing policies in Central Asia have ultimately been shaped by historical legacies, by the two countries’ sense of what they are, as well as by the need to find pragmatic solutions to numerous problems mostly pertaining to the spheres of security and energy. Last but not least, there is an important task of accommodating the two countries’ interests in the region. It is also useful to keep in mind that Central Asia is only one element—and not necessarily the most important one—of Moscow and Beijing’s strategic universes. Russia’s evolving approach to Central Asia reflects a complex interplay of three broad perspectives or “agendas”: the notion of “great power-ness” (derzhatva) coupled with a historical tradition of the centuries-long regional hegemony, the security imperatives stemming from the region’s volatility and potential instability spillover, and the domestic dimension that is embodied in the Russian public’s growing concern about what it sees as the most negative consequence of “Eurasian” integration—namely, the massive influx of labor migrants from Central Asia.

Russia’s most recent programmatic documents—the latest update of the Foreign Policy Concept and Foreign Minister Sergei Lavrov’s article titled “The Philosophy of Russian Foreign Policy”—provide a good snapshot of the governing elite’s strategic thinking.36 The cornerstone of Russia’s geopolitical vision is the notion of multipolarity.37 Russia’s fundamental interest is declared to be the “formation of a stable—ideally, self-regulating—polycentric system of international relations, in which Russia by rights plays the role of one of the key centers.” It is the firm conviction of the Russian leadership that the main essence of the current period of global history lies in the “consistent development of multipolarity.” The main building blocks of what Russian strategists call the “new international architecture” are regional integration associations. It is noteworthy that the “regionalist trend” is given a clear civilizational connotation. It is asserted that under the current conditions the significance of “civilizational identity” is being enhanced—a factor that, in its turn, prompts the world’s leading powers to form “various civilizational blocs.”38

Russia’s top politicians have long argued for closer integration between Russia and several other post-Soviet countries—a process that should ultimately lead to the formation of the “Eurasian Union.” As the analyst
Igor Okuniev of Moscow State Institute of International Relations notes, the "restoration of a single Eurasian space, the former geopolitical niche of the Russian Empire and the Soviet Union," is the "main messianic idea of [Russian president] Vladimir Putin." From Moscow's standpoint, the vision of the emerging Eurasian Union is strategically very important. According to the Kremlin's geopolitical outlook, Russia can successfully compete globally with the United States, China, and the European Union only if it acts as a leader of the regional bloc. By bringing Russia and its ex-Soviet neighbors into a closely integrated community of states, Russian strategists contend, would allow this Eurasian association to become one of the major centers of power that would participate on par with other such centers in global and regional governance. Remarkably, the ambition to build the "Eurasian Union" is also viewed as a remedy to Russia's unresolved problem of its international identity—what Kotkin describes as Russia being neither of the West nor of the East. The "Eurasian vision" appears to be the way out of this painful dilemma: Russia does not need to make a choice between West and East because it is a world unto itself—the center of Moscow-sponsored Eurasian civilization. In this context, Putin's pet project is an attempt to advance an alternative model of sociopolitical and civilizational development. The language of Russian policy papers should not be seen as just the rhetorical flourish. In fact, it reflects the huge importance the Kremlin attaches to the concepts of status, prestige, and privilege. As great power status lies at the heart of Russia's international identity, it is striving to achieve regional primacy in post-Soviet space, particularly in Central Asia, which is believed to be probably the only area left where Moscow can still act as a leader. What matters is not just Russian influence per se but also the recognition of this influence by other major actors—something that is closely related to Russia's image and ranking in the international pecking order. For the country's governing elites, this is a very sensitive issue indeed, given the radical shift in the global balance of power over the last two decades. The thing is that there is a direct link between Russia's international status and the elites' ability to govern. As the former weakens, so does the latter's hold on power. The upshot of all this is that the Kremlin considers the reassertion of its regional dominance as no less important a task than pursuing some concrete and tangible material interests. However, as some Russian and international experts argue, in Central Asia, Moscow is seeking to pursue not a neo-imperial but, rather, a postimperial policy. Its ultimate goal is not to rebuild a Russian empire or resurrect Soviet ties but to achieve indirect control over the regional countries and maximize Russia's interests through deploying a still formidable arsenal of soft power (trade, investment, culture). Furthermore, to enhance international legitimacy and allay the suspicions of its weaker neighbors, Moscow operates in the region via a raft of multilateral organizations—such as the Eurasian Economic Union, the Customs Union, the Single Economic Space, and the Collective Security Treaty Organization (CSTO)—the bulk of which it sponsors itself, and one, the Shanghai Cooperation Organization (SCO), that it cosponsors with Beijing.

It is worthwhile to note at this point that Moscow's approach to Central Asia (including the integration blueprints for post-Soviet Eurasia) is part of Russia's broader strategy toward East Asia—an area that also comprises Russia's vast Far Eastern periphery. This strategy appears to pursue a three-pronged objective: (1) to enhance Moscow's strategic footprint in East Asia, (2) to better integrate into the region's prosperous economic networks and make good use of the economic potential of the dynamic Asia Pacific to revitalize Russia's depressed Far Eastern provinces, and (3) to use East Asia as a hedge against a stagnant Europe as well as to decrease Russia's overdependence on trade with European Union countries. For all the talk of Russia as a Euro-Asian country par excellence, there is a clear imbalance in terms of Russia's European and Asian trade, while the bulk of Russia's landmass lies beyond the Urals, less than a quarter of its trade is with Asia and more than a half with Europe. The Kremlin's goal seems to be to correct the excessive tilt toward Europe and transform Russia into what some commentators call a two-faced "Eurasian Janus that looks both ways"—to the west and to the east. Thus, Putin wants the Eurasian Union to "become one of the poles in [the] contemporary world and at the same time to play the role of the efficient 'link' between Europe and the dynamic Asia Pacific region." China, which Putin has characterized as a "paramount center of global economy," is seen by the Kremlin strategists as a key partner that would facilitate Russia's realizing its ambitious pivot to Asia. "I am convinced that China's economic growth is by no means a threat, but a challenge that carries colossal potential for business cooperation—a chance to catch the Chinese wind in the sails of our economy," in particular by "smartly using Chinese potential for the economic development of Siberia and the Far East," Putin stated.
In his recent programmatic policy paper, the Kremlin leadership, being well aware of the growing power differential, is loath to find itself in the position of Beijing’s junior partner in world affairs. The Eurasian Union that would comprise at least several Central Asian nations is meant to serve as a balance against China’s formidable economic and political clout. In a recent move meant to emphasize Moscow’s status as Beijing’s equal partner, the leaders of Russia and China made an agreement in May 2013 to link their countries’ key integration projects: the Russia-led Eurasian Economic Union and China’s Silk Road Economic Belt. “Essentially, we seek ultimately to reach a new level of partnership that will create a common economic space across the entire Eurasian continent,” Putin said of the landmark accord.

It would appear, though, that in its attempts to realize what one Western analyst calls “Putin’s grand plan for Asia”—including Moscow’s objective to reassess its regional primacy in Central Asia—Russia is being increasingly challenged by three formidable factors. First is Moscow’s own chronic inability to properly articulate its interests in Central Asia. Second is the profound shift in Russian public attitudes—namely, the growing prominence of what some analysts call a “Russia First” stance. Its adherents strongly support the policies focused directly on “homeland security” and are clamoring for the country’s disengagement from culturally “alien” lands. Finally, the factor whose impact on Russia’s regional role is likely going to be the strongest in the long term is the steady expansion of China’s influence in the region.

Russia’s problems with elaborating a coherent policy toward the Central Asian countries flow out of Moscow’s ambiguous approach to all its ex-Soviet dominions. The portrayal of post-Soviet space in civilizational terms—as a “natural geopolitical niche” of the “historic Russia,” or as a “community of fate” striving to achieve its “historical destiny”—prompts Russian strategists to work out various integration schemes whereby Central Asia (or at least some regional countries such as Kazakhstan, Kyrgyzstan, and Tajikistan) would be locked into the Russia-led regional organizations, and their political and economic interactions with the outside world would be limited to the minimum. Such an arrangement, however, is impractical, and this appears to be recognized by the Russian leadership. As a Moscow top diplomat declared recently, “Russia does not claim an exclusive role in Central Asia and it is open for cooperation.” Yet the Kremlin cannot

forgo its claim to the “privileged position” in the region because only this, it is assumed, would afford Moscow its coveted great-power status, which, in its turn, would help it play a significant role in global governance and strike bargains with the world’s other great powers on matters unrelated to Central Asia. The outcome of such strategic ambivalence is a policy that is inconsistent, contradictory, and largely reactive, rather than proactive.

In the course of the recent discussion of Russia’s Central Asia policy at the Moscow-based Institute of World Economy and International Relations (IMEMO), most participants agreed that “to put it simply, we don’t have any clearly articulated policy toward Central Asia whatsoever.” Analysts note that the country’s leaders neither formulated what Russia’s overall interests in the region were nor spelled out what the “zone of privileged interests” really meant. Aleksei Arbatov, one of Russia’s most prominent security experts, puts it best:

What are our economic interests in Uzbekistan or Tajikistan in concrete terms? What are our security interests? What do we want from them [Central Asians]? Finally, what are our military interests? Do we want our bases to be stationed there? What for? Which destinations to fly from those bases? Do we fly anywhere—[we] just sit there for the sake of state prestige. We do have our base in Kant [Kyrgyzstan]. Where do our airmen fly from this base? By contrast, the Americans do fly from Manas [US air base in Kyrgyzstan; American troops vacated the base in 2014]—they carry out certain operations connected with [their military effort in] Afghanistan. But our [airmen] simply sit on the ground. This is what our policy actually boils down to.

Notably, while Russia is striving for the leadership role within the CSTO, its leaders seem reluctant to take up political and moral obligation to maintain peace and security, conduct peacekeeping operations, prevent the outbreaks of mass violence and suppress pogroms no matter which ethnic group is targeted. The 2010 interethnic riots in southern Kyrgyzstan laid bare the weakness of the CSTO as an institution that is incapable of either preventing such conflicts from happening or quickly resolving them when they erupt. It is also true, however, that when the CSTO was founded in 2002, its charter did not envision the possibility of the organization’s interference into the member-states’ domestic affairs in case of internal crises. It was only at the end of 2011 that the decision was taken to allow the CSTO’s Collective Rapid Reaction Force to be involved when there is a domestic crisis situation that a member-state is unable to deal with on its own.
Similarly, a deficit of clarity and coherence is characteristic of Russia's approach to Afghanistan. Most Russian experts agree that the potential deterioration of the Afghan situation following the 2016 planned withdrawal of US armed forces from the country would pose a serious threat to some particularly fragile Central Asian regimes and as a result endanger Russia's security as well. However, they seem to disagree in their assessments of the concrete parameters of this potential threat and, consequently, of the scale of Russia's possible involvement. Although some analysts (e.g., Arbatov) are convinced that "in case of the Taliban's revanche we'll have to fight" to defend Central Asia and ultimately Russia's 7000 kilometers-long porous border with Kazakhstan, other specialists (e.g., Aleksei Malashenko) argue that the direct "Islamist threat" to Russia proper does not exist and that "the Taliban march on Kazan" is a figment of sickly imagination. At the same time, these experts say, a persistent threat to the Central Asian nations "from the South" is a leverage that Moscow tries to make good use of to press regional strongmen preoccupied with their own political survival to exclusively align themselves with Russia on security matters. Likewise, the Russian leadership appears to be of two minds regarding the US military presence in Central Asia. For sure, Moscow's main worry is that, following the drawdown of Western military involvement in Afghanistan, the situation in this fractious country might become even more chaotic with the turmoil spilling over into the volatile Central Asian region. There seems to be an understanding in the Kremlin that such development would seriously jeopardize the realization of Moscow's pet geopolitical project—the formation of the Eurasian Union. "We have a strong interest in our southern borders being calm," Putin said recently. "We need to help them [US and coalition forces]. Let them fight. . . . This is in Russia's national interests." Yet the Russian leaders remain deeply suspicious of American designs. "Having announced their exit from Afghanistan in 2014, Americans are busy setting up there and in the neighboring [Central Asian] states their military bases without any clear-cut mandate, aims, and terms of their operation," Putin noted in his detailed analysis of the Russian foreign policy strategy. "To be sure, we don't like this." Some of Russia's senior officials express their opinion on the matter in a much blunter manner. "If the price for security in Central Asia is a continued US presence there," one senior Russian diplomat recently said, "that price is unacceptable for us." In spring 2013, Russian top brass announced the formation of a Special Operations Command. The move, which apparently reflects the sense of Central Asia's potential vulnerability, involves the creation of a special force that will be used exclusively outside Russian territory. The jury is still out, however, on how efficient this new command might be.

Thus a key strategic issue—how far Moscow is prepared to go to maintain security in Central Asia—remains unresolved. Russia appears to be facing a difficult dilemma: whether to take up a mission of providing comprehensive stability and security to the volatile region, or to voluntarily disengage from the region's security field and focus solely on what might threaten Russia directly. Some scholars suggest that at the end of the day Moscow is likely going to make a choice in favor of the second option and characterize this shift as the emergence of a "Russia First" strategy. The trend toward disengagement seems to be further strengthened by the profound shift in Russian public attitudes. In the minds of the growing numbers of Russians, millions of Central Asian labor migrants working in the large Russian cities came to be increasingly associated with drug smuggling, other types of criminal offense, and violence. Migration is a complex phenomenon across the board, and it plays a particularly controversial role in the relations between Russia and the Central Asian nations. On the one hand, migration provides one of the strongest links connecting the Russian and Central Asian societies. But on the other hand, it acts as a major irritant, fostering alienation and enmity between different ethnic communities and giving a boost to Russian nationalist sentiment and xenophobia. It is noteworthy, however, that the social forces engaged in the critique of migration are much broader than the pockets of Russian skinheads. In fact, the discussion of migration's impact on Russian society is increasingly becoming an important element of the discourse on Russian foreign policy and of Russian identity. As they analyze this sensitive aspect of Russia—Central Asia relations, Russian political thinkers ranging from moderate nationalists to Westernizing liberals challenge the economic, political, and ideational premises of the Kremlin strategy.

Here is the thrust of their argument. Because of Central Asia's relative poverty and low purchasing power of its population, the region cannot be considered as an important export market for Russian businesses. The volume of Russian exports to the Central Asian countries is lower than the amount of money transferred to those countries from Russia by migrant workers. Closer integration will compel Russia to support the countries
whose living standards are six to fifteen times lower than Russia’s. That’s why Russia’s joining any integration associations with the Central Asian nations is counterproductive and fraught with huge financial losses. Instead of integrating with Central Asia, Moscow’s priority should be to limit the inflows of migrants through the introduction of visa regime with regional countries. Furthermore, the system of “geopolitical subsidizing”—whereby the Central Asian states earn more through exploiting the visa-free regime with Russia than Russia makes through doing trade with those countries—has negative political consequences. This system effectively provides the backing for the region’s authoritarian, corrupt, and parasitical regimes. With Russia readily absorbing the next contingent of the region’s surplus labor, the local rulers are given a bonanza short-potential rebels get out, and additional money gets in. Finally, domestic critics of the Kremlin strategy point out its compensatory, “quasi-imperial” function. Instead of resolutely rethinking Russia as a nation-state and sorting out the country’s “true” national interest, Moscow continues to be mired in the ambiguous phase of “postimperium”—still desperate to assert its regional privilege and attain great power status. Yet the “Eurasian integration” that results in “swamping” Russia with millions of Central Asian laborers is precisely what prevents Russia from transcending the postimperial stage and reasserting its European identity. While radical demographic changes that the massive migration is bringing in its wake make the task of building the Russian nation ever more difficult, the “Eurasian” geopolitical orientation distracts Russia from what some critics consider to be the country’s “historical choice”—the European civilization. Thus, one Russian analyst notes, “domestic considerations dictate the need to control, contain, erect protective barriers, and detach from the region, with which Russian society no longer feels a cultural continuity.”

But the factor that arguably will have the strongest impact on the geopolitical landscape of Central Asia in the long run is China. The reversal of China’s and Russia’s roles in the region as a result of the steady growth of Beijing’s influence and the decrease of Moscow’s is nicely captured in a pithy Western comment: “Central Asia once may have been Russia’s backyard, but China has redrawn the fences.” Indeed, the difference between the outcomes of Russia’s and China’s policies in the region cannot be more glaring. Russia has famously declared that its key objective is to restore its regional primacy and become one of the main centers of power in a multipolar system. But how exactly are we to measure a country’s success in attaining primacy or privileged role? International relations specialists note that these are relative notions; a sense of a state’s own status is ultimately a function of its relations with the other states.

By contrast, China has never said that it seeks a leadership role and always deferred to Russia as a principal power in Central Asia. What Beijing did say is that its intent was to pursue a policy of “engaging the periphery” as an important element of its overarching strategy of “peaceful rise.” Remarkably, China’s success in implementing this policy is relatively easy to measure. Over the last several years, the PRC has become Central Asia’s main trading partner (having pushed Russia out of this position); deeply penetrated the region’s commodities sector as dozens of Chinese businesses cut lucrative deals with local companies; made regional states dependent on China by providing large-scale credits to local governments; played a key role in the major overhaul of the region’s infrastructure, seeking to enhance interdependency between ex-Soviet Central Asia and Chinese Central Asia; and, last but not least, tapped into the region’s rich hydrocarbon resources by constructing two major energy pipelines—the ones that for the first time in many decades do not traverse Russian territory. This development that effectively broke Moscow’s stranglehold on the region’s energy market deserves special mention as it has reshaped a Sino-Russian energy relationship in a way that greatly benefits Beijing (and the energy-rich Central Asian nations). Previously, as a monopolist controlling fuel transportation networks, Russia had much stronger bargaining position vis-à-vis both China (as an energy consumer) and the Central Asian countries (as energy producers forced to export the fuel exclusively in westerly direction through the pipes they did not control). Now, the opening of the new Beijing-sponsored export routes for oil and gas leading eastwards to China makes it possible for the Chinese and Central Asians to haggle Moscow down.

Being in no position to prevent China’s expansion into its former backyard, the Kremlin had to quietly acquiesce to the move. Recent Sino-Russian energy mega deals—on the supply of oil with Rosneft and of gas with Gazprom—have amply demonstrated Beijing’s subtle modus operandi. The strategic partnership with China appears to help Moscow realize its two strategic goals—to reorient its energy export flows away from Europe and toward East Asia while receiving multibillion-dollar loans from Beijing and to secure long-term supply contracts with China accompanied by lavish
Chinese prepayments. Yet there is a downside: China is keen to obtain Russian oil and gas at below world market prices.\(^6\) The true outcome of Sino-Russian energy cooperation, according to Stephen Kotkin, is that it "confirm[s] Moscow's real status as largely a supplier of raw materials."\(^7\)

Why did Russia and China perform so differently in Central Asia? The main reason is that following the Soviet Union’s disintegration, Russia’s and China’s positions relative to Central Asia were drastically altered. After 1991, Russia and the five Central Asian nations emerged as the new states that never existed as sovereign polities within their new borders at any time in history. Russia ceased to be an empire, but it did not become a regular nation-state. Instead, it has found itself in an ambivalent postimperial situation and has been faced with a difficult task of postimperial readjustment, which is a very complicated and essentially an open-ended process. That is why Moscow keeps looking at Central Asia with a proprietary eye and its policies toward the region are informed by the strong sense of historical entitlement. As the control (if only a symbolic one) over former imperial periphery is seen as a marker of great power status and the latter is deemed inseparable from Russia’s identity, there is no wonder that in Moscow’s approach to Central Asia the issues of prestige and privilege often took precedence over concrete economic and political matters.

China, however, is a very different geopolitical animal. Unlike Moscow, Beijing did not lose its own Central Asian periphery. In fact, the PRC has managed to keep most of the Qing dynasty’s imperial domains. It could be argued that, in a certain sense, today’s China is still an imperial polity—but one of a very special kind. Unlike a classical empire whose system of government and legitimacy rest on diversity, the PRC’s ruling elites consistently used the institutions of modern states to attain societal cohesion and forge the Chinese nation. They unapologetically consider nationalism as a cornerstone of their legitimacy.\(^7\) Thus, in the words of Dominic Lieven, China “is an empire that has been more successful than others in making a transition toward national state.”\(^8\)

Beijing’s approach to ex-Soviet Central Asia after 1991 has been essentially a “comprehensive security project.”\(^9\) Given the fact that China’s Central Asian dominion—Xinjiang Uighur Autonomous Region (XUAR)—is not an ordinary far-flung border region but a former imperial periphery with its special ethno-religious characteristics and a long tradition of political unrest, the central government’s primary task was to secure its rule in XUAR.

Here we have a good example of the irony of history: the collapse of one empire (and the rise of new security threats that accompany such collapse) served as a powerful incentive for the other imperial polity to consolidate its rule in its own peripheries and to tie them up ever closer with all other territories that in their totality constitute China’s national “geobody.”\(^\) Thus Beijing’s Central Asia policy should be understood as an extension of its “Go West” policy that has primarily been driven by domestic considerations. But there is a high degree of interconnectedness between the two. The PRC’s elites hold that the best way to keep XUAR stable is to deliver economic growth, and the opening up to Central Asia is seen as key to sustain steady economic development of Xinjiang.\(^5\) Fundamentally, Beijing is pursuing a two-pronged strategy seeking to increase economic interdependency between Central Asia and XUAR and to make the Central Asian rulers dependent on China to such an extent that they would never ever risk playing the Uighur card.

The PRC is implementing this strategy by cultivating bilateral relations with the Central Asian nations and also through its multilateral instrument of choice—the so-called China’s “new regionalism” embodied in the SCO. The difference between the Chinese and Russian practices is remarkable. Although the Russian-sponsored regionalism in its form emulates the Western templates (such as the European Union and North Atlantic Treaty Organization), the way it actually works diverges from that of the Western organizations as its main goal is to serve as an instrument of Russia’s regional hegemony or at least as a marker of its primacy. China’s “new regionalism” appears to be a more subtle operation. It is defined by “open, functional, interest-based cooperation among contiguous states” that rests on a solid foundation of a mutual respect for the member-states’ sovereignty.\(^6\) In this definition, the principle of sovereignty is key; and it refers above all to China’s own sovereignty and control of XUAR. Yet the “new regionalism” helps Beijing reach some other goals as well: it makes the expansion of Chinese businesses into Central Asia much smoother, and it is often deployed to counter what the Chinese elites call US unilateralism. Interestingly, however, some Chinese and Central Asian scholars suggest that it would be a mistake to believe that China interprets international relations concepts—such as multilateralism—in the same way the Western nations do. They argue that China’s “new regionalism” is in fact a result of the modernization, transformation, and adaptation of the model of interstate
relations that was formed during the imperial epoch as an element of the Chinese overall concept of the world order. China's practice of multilateralism, then, is an attempt to deploy the transformed and modified tributary system/vasalization to project its power and influence into the region and ultimately have the Central Asian nations recognize Beijing's primacy—in a way similar to the way the Middle Kingdom dealt with "barbarians" on its western frontier.

Conclusion

So are we witnessing the emergence of the new regional hegemon in Central Asia? The tentative answer is, well, not yet. First, most observers agree that Beijing is not interested in playing such a role. "China has little interest in becoming the regional hegemon, but it aspires to recognition as a strategic principal in Central Asia." Second, even if the Chinese governing elites were more ambitious, the realization of their hegemonic plans would encounter serious obstacles. For starters, hegemony is usually not well liked. Although Beijing is not yet a hegemon and vigorously denies having the aspirations of becoming one, China's phenomenal rise, tremendous wealth, and formidable military muscle have already bred a lot of suspicions, resentment, and fear in Central Asia. As they say, success breeds its own challenges. It also does not help when the Chinese—ranging from big time politicians to petty traders—behave in the region in an overbearing and arrogant manner. In summer 2006, a Western scholar doing a field research on the Chinese-Kyrgyz border met a Chinese businessman from Kashgar who bluntly told him, "The people here know who makes the decisions these days and ever since the Russians left, it's us." But history is never short of ironies, and this dramatic reversal of roles (the Russians are out; the Chinese are in) has definitely produced another one. As Nildas Swansstrom has nicely put it, "China has now taken many of the roles that Russia once played, including that of being feared and distrusted." It is precisely because China is feared today in Central Asia, probably more than Russia, that the local rulers would not want to see Russia exit completely. Instead of being left one-on-one with the giant of China, they want their weakened former overlord to stay so that they can continue happily playing Beijing and Moscow off against one another and thus maximizing their strategic room for maneuver. For the short to medium term, Russia, vacillating between the desire to reassess itself and the pressure to disengage, will be nervously watching what used to be its Central Asian backyard, where China will continue to methodically redraw the fences. The crucial question, of course, is how far the fences will be moved. "The frontiers of China are moving even if its boundaries are not," one Indian analyst has said recently. But this is not exactly true. As a result of border negotiations between the PRC and the four post-Soviet states—Russia, Kazakhstan, Kyrgyzstan, and Tajikistan—China's boundaries did move. Remarkably, Beijing's weakest neighbor, Tajikistan, had to surrender almost one percent of its territory to China. This brings us back to von Hentig's astute comment that postulated the decisive role of power differential in relations between states. What will happen if the asymmetry of the relationship deepens? Will the existing border regime survive? This is a moot question: "No border, after all, is immutable and the logic of history is that over time, borders drift with local and national self-interest."84

Notes

4. Ibid., xxii.

8. I borrow the term from Dmitri Trenin; it refers to a relatively long period of imperial era and post-imperial condition. See Dmitri Trenin, Post-imperial: Eurasia’s Identity [Post-imperial: A Eurasian story] (Moscow: ROSSPEN, 2012).


13. Ibid. (emphasis added).


17. David Kerr, “Central Asian and Russian Perspectives on China’s Strategic Emergence,” International Affairs 86, no. 1 (2010): 140. For a more detailed

18. For the discussion of some of these parallels during the early modern period, see Victor Lieberman, “The Qing Dynasty and Its Neighbors,” *Social Science History* 32, no. 2 (2008): 281–304.


26. As one line from the Soviet song of the 1930s “Moscow-Beijing” had it, “A Russian and a Chinaman are brothers forever.”


28. This and the other two “unequal treaties”—of Aigin (1838) and of Peking (1860)—saw the Qing emperor surrendering to Russia a staggering 1.5 million square kilometers of territory. See Pain, *Imperial Rivals*.

29. However, the Chiang Kai-shek government would recognize Outer Mongolia’s independence from China only in 1945, following Stalin’s promises to provide Soviet support to the Nationalists.


37. For more on the interpretation of the notion of multipolarity in Russia and China, see V. Ya. Portyalov, “Vidienie mnogopolarnosti v Rossi i Kine i mezhdunarodnye vzsyry” [Perspectives on multipolarity in Russia and China and international challenges], *Sramitel’naia Politika* [Comparative Politics], no. 1 (2013): 86–97.


40. Ibid.

42. Trenin, Post-imperions Lo, Axis of Convenience, Cooley, Great Games.


47. Putin, “Rossiia i menialiaushchiia mir.”


52. Cooley, Great Games, 72.


54. Ibid., 12.

55. For a more detailed discussion of Russia’s Afghanistan policy, see Ekaterina Stepanova, “Afghanistan After 2014: The Way Forward for Russia,” RussiaNet Vi-
national'nym gostudarstvom" [Between the empire and the national state], 
ideas/2013-06-24/5_democracy.html. For a more detailed discussion of the attitudes toward migration in Russia, see A. Gorodezkiy, A. Glikman, and 
D. Maskiyevskiy, "The Nature of Anti-immigrant Sentiment in Post-Soviet 
Russia," Post-Soviet Affairs 31, no. 2 (2015): 115–135; Vladimir Malakhov, "Russia as 
Studies 66, no. 7 (2014): 1062–1073; and Mikhail Alexseev, "Societal Security, the 
Security Dilemma, and Extreme Anti-Migrant Hostility in Russia," Journal of 
67. Cooley, Great Games, 56.
68. See Michael Clarke, "Making the Crooked Straight: China's Grand 
Strategy of 'Peaceful Rise' and Its Central Asian Dimension," Asian Security, 4, 
69. Assessing the Sino-Russian oil deal, Aleksei Maslov, head of the School of 
Asian Studies at the Higher School of Economics in Moscow, noted that "maybe 
the most striking point is not just [that there was] a new agreement with Rosneft, 
but first of all, it is the price of this oil, which is much lower than average world 
prices." See Richard Solash, "Despite Wariness, China-Russia Relations Warming, 
content/russia-china-relations-warming/25070393.html. See also Erica S. Downs, 
"Money Talks: China-Russia Energy Relations After Xi Jinping’s Visit to Moscow, 
posts/2013/04/01-china-russia-energy-relations-downs; and Nina Poussenkov, "
Visions, no. 70 (2013), http://www.ifri.org/sites/default/files/atoms/files/ifrirv70poussen 
70. Stephen Kotkin, "Mr. Xi Goes to Moscow," New York Times, March 27, 
.html.
71. Magnus Fiskesjo, "Rescuing the Empire: Chinese Nation-Building in the 
Zheng Yongnian, Discovering Nationalism in China: Modernisation, Identity and 
International Relations (Hong Kong: Cambridge University Press, 1999).
72. Dominic Lieven, "Imperii, istorii i sovremenney mirowoi poriadak" 
[Empire, history and contemporary world order], in Mif i sobshchennosti v izuchenii 
imperi i nacionalizma [Myths and misconceptions in the study of empire and 
nationalism], ed. Ilija Gerasimov, Marina Mogil’ner, and Aleksandr Semyonov 
(Moscow: Novoe Izdatel’stvo [New Publishing House], 2010), 312. Some scholars, 
however, would argue that China’s transition to nation-state has not been com-
pletely and that it will yet have to deal with its own “imperial exit.” Thus, McNeill 
notes that “China . . . continue[s] to preside over an old-fashioned polycentric 
empire, though stirrings of discontent in Tibet and along China’s inner Asian 
borderlands are not far to seek.” McNeill, “Introductory Historical Commentary,” 
7. See also Paul C. Giadney, Dislocating China: Muslims, Minorities and Other 
Subaltern Subjects (London: Hurst, 2004); and Thomas Helleber, China and Its 
National Minorities: Assimilation or Assimilation? (Albany, NY: State University of 
73. Steven Blank, "Kazakhstani’s Border Relations with China," in Beijing’s 
Power and China’s Borders: Twenty Neighbors in Asia, ed. Bruce A. Elleman, 
Russel Ong, "China’s Security Interests in Central Asia," Central Asia Survey 24, 
74. For more on the concept of “geoboby,” see William A. Callahan, "The 
Cartography of National Humiliation and the Emergence of China’s Geoboby, 
75. Zhao Yueyao, "Pivots or Peripheries? Xinjiang’s Regional Developments, 
76. Chien-peng Chung, "The Shanghai Cooperation Organization: China’s 
77. For a discussion of Central Asia in the context of traditional China’s world 
order, see Joseph F. Fletcher, "China and Central Asia," in The Chinese World 
Order: Traditional China’s Foreign Relations, ed. John K. Fairbank (Cambridge, 
78. Kushnebek Shamshidov, "Podkhod Kitaia k multilateralizmu v kontekste 
ego otnosheni s otrazhenii so stranami "Tsentral’noi Azii" [China’s approach toward multilateral 
imperialism in the context of its relations with Central Asian countries], Tsentral’noi 
Yongnian, ed., China and International Relations: The Chinese View and the 
Contribution of Wang Guangyu (New York: Routledge, 2012); Chien-peng, 
China’s Multilateral Cooperation in Asia and Pacific: Institutionalizing Beijing’s 
"Good Neighbor Policy" (New York: Routledge, 2010); Chien-peng, "The 
Shanghai Cooperation Organization: China’s Changing Influence in Central 
agree with this interpretation of China’s "new regionalism." Thus, Michael Clarke 
has advanced a " nuanced view of the ‘vassalization’ of Central Asia, whereby 
China provides Central Asia with certain economic or political/security goods, 
for example through SCO, in return for guarantees regarding the issue of Uighur
TWO

China and South Asia

The Economic Dimension

Vivek Arora, Hui Tong, and Cristina Constantinescu

China and South Asia are home to three billion people and account for a substantial and growing portion of the global economy. The magnitude and character of their economic linkages and interactions are changing in ways that could have a profound impact on the region and the world. This chapter examines two such linkages: the extent of trade and financial integration and the extent of competition and complementarities in China's economic interaction with the countries of South Asia. South Asia, as used in this chapter, refers to Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka.

The chapter is organized as follows. The first section discusses the rapidly growing roles of China and South Asia in the global economy and, in this context, the trade and financial linkages between China and South Asia. These linkages have increased significantly since 2000, but there is still substantial scope for mutual benefit from closer economic integration. The second section discusses the benefits of closer economic integration between China and South Asia for the countries involved. The third section examines issues related to competition and complementarities in their labor-abundant economies in order to illustrate the extent to which they are competitors in global export markets for labor-intensive goods and their ability to complement each other by performing different functions in transnational supply chains or because they specialize in different niches. A brief final section identifies some of the challenges that China and South Asia will face in the decades ahead. These challenges include harnessing the