

**SECURITY CHALLENGES IN CENTRAL ASIA
RUSSIAN-LANGUAGE PUBLICATIONS CONTENTS DIGEST**

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We hereby present the tenth issue of the Russian and Persian language publication digest on regional security challenges in Central Asia. This issue focusses upon the further development of a wide range of themes and processes, which have shaped the region's political, economic and ideological landscape in 2018.

This relates primarily to the ongoing rapprochement between Russia and Uzbekistan, which has a number of consequences. Namely: it creates a new configuration of power in Central Asia; it strengthens the Russia-Kazakhstan-Uzbekistan strategic triangle; and it generates new potential spurs for the economic growth of the Eurasian Economic Union. There is also the possibility that the new regional landscape may help Russia to turn the launch of an EEU electronic currency from idea into reality. The goal being to accelerate the process of dedollarisation, making Russia's economy and foreign trade more immune against expected U.S. financial sanctions.

Meanwhile, the viability and steadiness of these trends will depend tremendously upon how Uzbekistan and Kazakhstan will deal with the challenges they are currently facing. In particular, Tashkent will have to solve the problem of high-skilled personnel shortage, which slows down the pace of reforms; while Astana, is yet to find a remedy against the numerous external and internal economic challenges looming on the horizon.

This issue of the digest shall also touch upon Afghanistan, where both government and analysts continue to search for the most effective negotiating strategy and type of political discourse, which would allow Kabul to speak to the Taliban from a position of strength.

In the next issues of our digest we will continue reviewing the above-mentioned topics, as well as other regional challenges covered by targeted foreign media. The views and opinions of the authors do not necessarily reflect the position of the Konrad-Adenauer Foundation.

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Russia's course in Central Asia: between Tashkent and Astana

*Alexander Vorobyov,
Research fellow, Institute of Oriental Studies of
the Russian Academy of Science*

Russian expert Alexander Vorobyov considers that the current dynamics of Russian-Uzbek relations are transforming interactions within the Kazakhstan – Russia - Uzbekistan triangle in a positive manner. He opines that the observable rapprochement between

Russia and Uzbekistan generates a large number of opportunities. He notes, however, that it will be very hard for these two actors to establish effective trade and economic relations without Kazakhstan, which acts as a form of bridge between Moscow and Tashkent, Uzbekistan, as well as other countries of the Eurasian Economic Union (EEU). Moreover, a whole range of challenges concerning countering terrorism and border guard issues can be addressed only within the framework of trilateral cooperation. Therefore, as Vorobyov underscores, the meeting of three countries' leaders held in the Turkestan region of Kazakhstan in mid-October 2018 was very apt. A strengthening of trilateral ties may affect the EEU in a positive manner, for instance, creating Uzbek-Kazakh value chains in the territory of Kazakhstan that will enable Uzbek value-added products to get further access to other EEU markets. However, according to Vorobyov, such strengthening doesn't mean Tashkent will be ready to join this Union, since President Mirziyoyev continues to adhere to the previous economic strategy based on the tenets of equidistance from "centres of power", moderate protectionism and a bet on bilateral relations. Nevertheless, Vorobyov doesn't preclude the emergence of an "EEU + Uzbekistan" format, which would provide for more intensive cooperation and coordination between Tashkent and other members of this economic integration union.

<http://russiancouncil.ru/analytics-and-comments/analytics/kurs-rossii-v-tsentralnoy-azii-mezhdu-tashkentom-i-astanoy/>

The Eurasian Economic Union may create its own currency for trade settlements

*Dmitry Grinkevich,
Journalist of "Izvestia" newspaper (Russia)*

The EEU's National Payments Council proposed to create a single electronic currency for mutual trade settlements within the EEU framework. According to Alexey Moiseev, Russian Deputy Finance Minister, creating the new currency is crucial to protect against sanctions. Conceptually, the proposed currency will resemble the European Currency Unit (ECU) that preceded the euro.

The main distinction of the EEU's currency from the euro is that the former is intended to be used solely with regard to clearing operations and will not morph into traditional money. The exchange rate of the single currency will depend on the rates of national currencies of EEU countries and on the contribution of each country to the Union's total trade turnover.

A senior researcher at the Higher School of Economics' Development Centre (Russia), Sergei Pukhov, while registering his scepticism regarding the prospect of the idea's actual materialisation, notes that the possible launch of EEU single electronic currency can be seen as a step towards dedollarisation. The new currency may, in theory, be welcomed by most EEU countries, which fear the strengthening of

Russian ruble positions. For them, the artificial electronic currency can be viewed as a more neutral option.

<https://iz.ru/822709/dmitrii-grinkevich/slilis-v-edinoi-valiute-eaes-sozdast-obshchie-dengi-dlia-raschetov>

Uzbekistan needs skilled personnel to accelerate reforms

"Uzdaily" news agency (Uzbekistan)

The high-skilled personnel shortage is one of the acutest challenges Uzbekistan, in the midst of economic reform, is currently facing. According to President Mirziyoyev, it is obvious that most Uzbek specialists are not ready for the process of structural transformations the country is undergoing, and their knowledge, qualifications and skills don't correspond to contemporary requirements. The President has underscored that Uzbekistan currently needs more than five thousand scientific and pedagogical personnel. Yet, if one considers the needs in industrial spheres, this figure will increase – at least fifty to a hundred times. Thus, the training of competent staff is becoming a strategic task, of paramount significance for the Uzbek reforms.

Given this consideration, the government was tasked with devising an appropriate stepwise blueprint, within the framework of which the Cabinet of Ministers and the El-Yurt Umidi Foundation would have to work out the road map for the preparation and training of personnel abroad for all Uzbek ministries and agencies. At the first stage, over 3.5 thousand talented young specialists are to be sent to foreign universities and educational centres. Increased attention is also to be given to the selection programmes for promising managerial personnel.

For this purpose, 45 billion Uzbek so'ms (5.4 million USD) are planned to be allocated from the 2019 state budget, however, President Mirziyoyev believes that this figure should be further increased, including through channeling part of attracted foreign investment towards the various personnel preparation programmes.

https://www.uzdaily.uz/articles-id-40801.htm?utm_source=yxnews&utm_medium=desktop

The economic crisis in Kazakhstan: national peculiarities

"Central Asia Monitor" newspaper (Kazakhstan)

Olzhas Tuleuov, Deputy Director of the Applied Economics Research Centre (Kazakhstan) believes that Kazakhstan's economy is vulnerable to crises, which can be caused by a whole range of external and internal challenges. He highlights the main underlying external challenges: the fall in commodity prices and, especially, oil prices; a sanction and political standoff between Russia and the West; the risks of EU disintegration due to Brexit; a US-China trade dispute; and the

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increased trade protectionism of developed countries against developing markets.

In the matter of internal challenges, Tuleuov emphasises, primarily, low labour productivity and brain-drain, which narrow the potential for long-term economic growth, and harm the quality of Kazakhstan's economic development. A potentially grave problem is that of the cross-border rivers issue, which threatens the country's water security. The largest Kazakh rivers, Ili and Irtysh, both rise in China, which annually increases its water intake from them, jeopardizing Kazakhstan's food security, environment and economic stability.

<https://camonitor.kz/32172-nacionalnye-osobennosti-ekonomicheskogo-krizisa-v-kazahstane.html>

Changes in the Afghan state's political discourse: from indecisiveness to determination

*Independent newspaper
"Hasht Sobh" (Afghanistan)*

Against the backdrop of hostilities in Afghanistan, one can witness the ongoing delicate manoeuvrings related to both the launch of the peace process, and the grappling of political discourses. According to Hasht Sobh, one of Afghanistan's main problems is that the Taliban keeps ignoring the official government as a legitimate actor within the domestic political process, and recognises only the U.S. as a negotiating party, since the latter has real military, intelligence and financial capabilities, able thus to cause unacceptable damage to the Talibs and to the interests of Pakistan, which stands behind them.

The Taliban is confident that if the U.S. withdraws its troops from Afghanistan, after a short time, President Ashraf Ghani's government will collapse. This opinion is based on a historical analogy. As is widely known, after the cessation of Russian military, technical and financial assistance to President Mohammad Najibullah, in the early 1990s, his government and military forces couldn't withstand the Mujahideen's assault and eventually lost power. In many ways, the Arg itself reinforces the Taliban's confidence with its frequent statements about its helplessness in the face of the adversary.

Ashraf Ghani, in his interview with CBS (an American broadcasting network), acknowledged that in the event of U.S. withdrawal from Afghanistan, and without U.S. assistance, his government would not survive for more than 6 months. Hasht Sobh assesses this statement as a pure strategic mistake, because the Afghan President thereby confirmed the analytical calculations of the Taliban and Pakistani strategists that if they manage to force the U.S. to leave Afghanistan, Ghani's government will collapse by itself.

Hasht Sobh notes that the official power's defeatist discourse emanates from two causes. Firstly, the low level of ability and confidence of the Afghan authorities to make independent decisions due to their excessive dependence on Western civilian and military advisers.

Secondly, after the fall of the Taliban, the Afghan political class failed to lay the foundations for the economic, political and social revival of Afghanistan, on the basis of which it could build an independent, self-reliant state. All of this leads to a situation in which the Taliban doesn't take Kabul serious as a fully-fledged actor, and thus interprets its peace initiatives as a sign of weakness.

<https://8am.af/change-in-the-political-discourse-of-the-state-from-shakiness-to-decisiveness/>

(Translated from Farsi)

Why is Zalmay Khalilzad in a hurry?

Firdavs,

Political analyst and journalist (Afghanistan)

Firdavs parses through the overt and covert goals and strategies of the U.S., Pakistan and the Taliban with regard to the Afghan peace process. In his opinion, the current U.S. policy in Afghanistan can be interpreted as hurried; Zalmay Khalilzad, the U.S. Special Representative for Afghanistan Reconciliation, has made several visits to Pakistan, Afghanistan, and the Middle East, somewhat supporting this thesis. Such a hurry may have been caused by several reasons, for example, by the White House's aspiration to end the Afghan military campaign prior to the 2020 presidential elections, so as to strengthen Donald Trump's positions in the forthcoming battle with the Democrats. Besides, there is reason to believe that the White House may have seen signs of interest both from the Quetta Shura and from Pakistan to end the Afghan war through negotiations, and this fact is likely to have ignited the U.S. diplomatic engine.

At the same time, Firdavs warns that Washington should be more cautious since the Taliban and Pakistan are pursuing their own objectives, which may be far from reaching a real win-win situation in Afghanistan. He believes that the Taliban wants to impose the troop withdrawal plan on U.S. diplomats by means of negotiation, effectively bypassing Afghan authorities. In so doing, the Taliban aims to deprive Kabul and its security forces of U.S. support. One more element of this strategy is the Taliban's readiness to speak directly to Afghan leaders and political parties on the future state and constitutional order of Afghanistan. The official authorities are again excluded from this process; Firdavs sees this as the Taliban's obvious intention to disorder the Afghan political space so as to eventually seize the initiative and serve as a national conciliator and the leading organising force.

Regarding the interests of Pakistan, Firdavs considers that the international troop withdrawal can be seen by this actor as a chance to limit India's clout in Afghanistan, which, to Islamabad's displeasure, has been expanding over the last years due to the NATO security umbrella.

<https://8am.af/why-is-khalilzad-in-a-hurry/>

(Translated from Farsi)