

EUCAM Watch



Towards a new EU Strategy for Central Asia

Tactics or Strategy?

Ten years after the inception of the European Union's (EU) Strategy for Central Asia, in June 2017 the European Council initiated a process to develop a new strategy by 2019. The 'reviewed and renewed' strategy will take into account geopolitical developments, Central Asian preferences as well as the EU's 2016 Global Strategy. This process offers an opportunity for all stakeholders – Central Asian governments, EU member states, human rights defenders and the research community, among others – to play a role in re-shaping the EU's policy towards the region. After a decade of relationship-building and cooperation, it is time to evaluate what worked and what did not, and gather and apply lessons learnt to improve the new strategy amidst a drastically different international environment.

Many things have changed in the past ten years since the adoption of the 2007 EU Strategy. Recently two developments stand out. First, Uzbekistan's inclination to develop good relations with its neighbours provides an opportunity for the EU to revamp its strategy's regional dimension. Second, the EU is finding itself increasingly lonelier as an international promoter of human rights and democracy, especially in largely authoritarian regions like Central Asia. The EU must find ways to continue pursuing this role if it is to remain true to its fundamental values.

The current EU Central Asia Strategy is a lengthy document, which outlines seven general priorities – from security to economic to social issues – but which fails to provide an action plan or set benchmarks. Other key partners of the region's republics have adopted different formats to guide their relations with Central Asia. The United States' (US) US-Central Asia C5+1 is a multilateral platform that is meant to complement bilateral relations and focuses on a few areas of common interest that are addressed in working groups and/ or projects. Russia lacks a holistic policy towards the region, but mixes bilateral ties with Central Asian membership in regional fora such as the Eurasian Economic Union and the Collective Security Treaty Organisation. Meanwhile, China does not have a strategy encapsulated in one policy document either, but boasts a vast investment and development programme (One Belt One Road, OBOR) in almost all landmass and sea around China, including Central Asia. How can the EU be regionally more ambitious than the US, less 'all over the place' than Russia, and more versatile than China's economic focus?

While the EU plans to closer align its new political strategy to the European Commission's 7-year cycle (2014-20) development cooperation planning, a few questions arise. Does the EU need a detailed policy document outlining all priorities ('wish list') or would a shorter document laying down the basics on which extensive indicative spending programmes are based (what the EU will actually do and spend) suffice? Should the new policy document be strategic in 'doing the right things' or tactical in 'doing things right'? If development cooperation documents can be tactical and outline the means to reach the EU's objectives, then the new document could be strategic and focus on setting a few key overarching policy goals where the EU has had and can continue to have meaningful impact. However, a short 'strategic' document will be difficult to achieve. As some policy-makers and observers have noted, member states are likely to press for the inclusion of some 'pet projects', but

without committing to invest in their implementation in Central Asia. In this sense, member states are likely jointly to decorate 'a Christmas tree strategy' to its maximum capacity. If this ends up being the case, EU member states should provide additional funding for those priorities they wish to include.

At EUCAM we lean towards an updated document that is concise, is values- and interest-driven (strategic), and is closely linked to concrete policy formulations, foremost through a sound development budget dedicated to Central Asia (tactics). EUCAM plans to contribute to the new strategy's development process through research and debate. As a modest start, we present here the views of five well-known Central Asia watchers on what elements should be included and emphasised in the new document.

Nargis Kassenova argues that the EU should renew and strengthen its soft-power approach towards Central Asia. It is in the fields of society and culture, youth and education, and normative approaches that the EU can be of added value and distinguish itself. In the same vein, *Marlene Laruelle* proposes that the EU expand its long-term investment in education with a view to complementing Russia and China's activities, as well as countering Central Asian labour migration through education schemes aimed at creating jobs and opportunities for an expanding youth population. *Fabienne Bossuyt* analyses EU-Central Asia development cooperation and argues that the EU should introduce Twinning and the Technical Assistance and Information Exchange instruments as practical assets in an effort to deepen and renew the European-Central Asian partnership. *Luca Anceschi* focuses on the political and security realm of EU-Central Asia cooperation by stressing the need to balance a flexible policy development approach with pragmatism in dealing with Turkmenistan and Uzbekistan, all the while without losing sight of good governance and human rights promotion. Finally, *Jeremy Smith* looks at Europe's modest economic role in Central Asia by comparing it to regional cooperation developments and China's One Belt One Road initiative, concluding that Europe's added value could lie in increasingly supporting regional cross-border cooperation and local entrepreneurial talent.

*Editorial by Jos Boonstra,
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Projecting soft power as an imperative for the EU in Central Asia

Nargis Kassenova, Director, Central Asian Studies Center (CASC), KIMEP University, Kazakhstan

An ideal new EU Strategy for Central Asia would be forward-looking and goal-oriented, and adequately respond to current challenges. The main challenge for the EU is the growing competition for the 'hearts and minds' of Central Asia's people, and the main goal is maintaining and promoting European soft power in the region.

The cultural milieu in Central Asia is changing as the role of Russian language and culture is receding. Traditionally, it was Russian influence that set the basis for Europe's entry into the region. In the nineteenth century, Kazakh poet and philosopher Abai called on his compatriots to learn Russian, claiming that it would open their eyes to the world and global culture, indirectly making reference to Europe (Abai Kunanbaev, 'Book of Words'). The Soviet period and its costly modernisation implied familiarity with European cultural codes. To be an educated citizen meant to know about Greek mythology, famous Roman quotes, and European history and geography; to read European literature; and to watch European movies. Since independence,



Soviet culture and its European foundations have been slowly disappearing. Over the past years, Russia as a channel of 'Europeanness' was cluttered due to politically-driven anti-Western sentiment (Europe as Gayropa, among other things), fuelled by the Russian media.

Thus, the challenge for Europe and Central Asia is to maintain civilisational proximity. Europeans and Central Asians need to foster new connections and ways of relating to each other, bypassing the weakening Russian connection. In this sense, more should be done in the current EU strategy's 'building bridges: inter-cultural dialogue' priority area, which focuses on the promotion of tolerance and respect for religious freedom. This is the least developed section of the 2007 document. The high competitiveness of European cultural products gives the EU an advantage to promote dialogue. The EU also embodies a rich set of values and practices, such as the social welfare state and an environmentally-conscious citizenship, which are highly relevant for the region's development. Simply encouraging Central Asian governments to adopt policies is not enough; real change can only be achieved through a change in attitudes and a reshaping of identities. More Europe-related information and European cultural products should be available in local languages.

Closely related to this is the area of youth and education, which were rightly classified as a priority by the EU. A lot has been done, for example through the Erasmus programme, but there is still much potential. There is a need to establish more effective platforms for bringing Europe, European ideas and discourses to Central Asia, such as dual degrees between European and Central Asian universities, European Studies programmes and institutes, and possibly even a College of Europe or a European University in the region.

Last but not least, to promote its soft power the EU needs to deal with the region's current political circumstances. Central Asia's authoritarian regimes have been consolidating, while space for civil society has been shrinking. The rise of the 'Rest' (particularly China) and the weakening of the West, aggravated by the new United States presidency under Donald Trump, have contributed to worsen the human rights environment. The EU, with its normative foreign policy, feels lonelier. However, it is of crucial importance that it continues to prioritise and

monitor the human rights situation in Central Asia, and that it keeps governments accountable to their international obligations.

Focusing on higher education and professional training

Marlene Laruelle, Director, Central Asia Program, Institute for European, Russian and Eurasian Studies (IERES), Elliott School of International Affairs, George Washington University, United States; and EUCAM Associate Researcher

Much has changed since the adoption of the EU's first Central Asia strategy in 2007. Central Asian societies have become younger and more dynamic, but the youth faces many challenges, particularly unemployment, and struggles to find new ideas and opportunities. Taking these structural changes into account, the new EU strategy should focus on:

1. *EU soft power attraction, especially in the education sphere, to compete smartly but also complement Russia and China's influence*

EU institutions and member states alike have been investing in higher education in Central Asia through inter-state or inter-university partnerships. Several Western-oriented higher education institutes have also emerged in Central Asia. Kazakhstan has subscribed to the Bologna standards, and Nazarbayev University cooperates with US and UK institutions. Yet, Almaty-based KIMEP remains the only Central Asian university to be a full partner in an Erasmus+ joint programme.

Young Central Asians' thirst for higher education cannot be quenched by the possibilities currently made available by the EU (chiefly through the Erasmus+ programme). Unable to engage with European universities, many Central Asian students go to Russia or China. One way for the EU to respond to Central Asia's demand for European education would be to develop a specific EU-Central Asia initiative on technical education, particularly in the field



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of engineering, but also in the oil and gas, water and irrigation, agriculture and agribusiness, and IT sectors. Many foreign firms tend to hire expatriates due to the absence of a local qualified workforce. This new approach would broaden the spectrum of opportunities for Central Asians, as most existing 'humanities'-oriented initiatives are often 'reserved' for the children of the elites.

Given the low level of teaching experience in this domain in Central Asia, it would be necessary to finance a full BA or MA course in Europe. In exchange, graduates would have the obligation to return home to work in the national or regional market for a certain number of years.

2. An EU-Central Asia partnership in the field of labour migration to transform migration into a process of upward mobility and skills acquisition

Given the growing number of young Central Asians joining the labour market in the next twenty to thirty years, labour migration is set to remain a critical issue for Central Asian societies – mostly Tajikistan and Uzbekistan, and to a lesser extent Kyrgyzstan. Currently, Russia is the top destination for Central Asian migrants, followed by Kazakhstan and Turkey, but Central Asian migrants are widening their horizons and progressively reaching out to new destinations in East Asia, Southeast Asia, and the Gulf.

To decrease such a 'brain' and workforce drain, which brings little benefits for the home countries beyond remittances, the EU, based on its own experience, could work with Central Asian authorities, as well as local and international NGOs, to develop programmes to help voluntary migrants resettle at home and start small businesses that draw on the skills they acquired abroad. There are several examples of migrants who have returned from Europe to their home countries in the Middle East and Sub-Saharan Africa and have succeeded in launching new businesses. For Central Asian migrants, the two domains with the highest potential to catalyse this kind of upward mobility include the construction sector (skills acquired in migration could be valued by Chinese, Turkish and Russian firms present in the home countries), and retail trade. In the latter sector, the EU could offer support through the provision of short trainings on accounting to help returned migrants launch home-based businesses.

The EU can develop a sustainable and mutually-beneficial long-term relationship with Central Asian countries by increasingly investing in its soft power attraction in sectors such as education, science and technology, and professional training.

Introducing Twinning and TAIEX

Fabienne Bossuyt, Assistant Professor, Ghent University, Belgium

EU development assistance for Central Asia has evolved significantly since the EU started providing aid to the region in the 1990s. For many years, aid was spread across too many fields, whereas now it is much more focused, and targeted at a limited number of priority areas and customised to local needs. That said, the extent to which EU aid has a tangible impact on the ground is still subject to debate.

The EU acknowledges that its development assistance and new strategy for the region will have to be more streamlined if it is to have a larger impact. The EU also needs to capitalise more on the strengths of its member states, especially in the areas where they have a comparative advantage and where they are perceived as role models by the Central Asian states, and encourage them to take a more active role in the implementation of the new strategy. As mentioned in the Council Conclusions of June 2017, the EU also recognises the need to increase the exchange of experience and know-how in order to contribute more effectively to the region's sustainable development. It is therefore strongly recommended that the EU makes Twinning and TAIEX (Technical Assistance and Information Exchange) available for the Central Asian countries. These technical assistance instruments are specifically designed to promote the exchange of expert knowledge and policy advice, and rely fully on EU member states to provide such knowledge and advice.

Originally designed to help EU candidate countries acquire the necessary know-how and expertise to adopt, implement, and enforce EU legislation, since 2005 Twinning and TAIEX have also been used to modernise the public administrations of the partner countries of the European Neighbourhood Policy (ENP) and introduce reforms based on EU member states' best practices. These instruments have proven to be valuable assets in the EU's technical assistance toolbox for the ENP. The successful use of these instruments in countries like Azerbaijan and Ukraine suggests that they could also be successfully applied in Central Asia. In this regard, Central and Eastern European member states could play a significant role.

Research* on EU Twinning projects in Azerbaijan and Ukraine shows that Central and Eastern European member states can offer a specific added value for the implementation of such projects in the Eastern neighbourhood, given their socio-linguistic proximity and shared historical legacies with post-Soviet countries, as well as their recent transition and accession experience. In addition, Central and Eastern European civil servants' personal participation in democratic and market transformations in their home countries make them better equipped than their counterparts in older EU member states to promote similar changes in post-Soviet systems. They also have a better understanding of local circumstances and can better relate to the cultural and administrative parameters of post-Soviet countries. The Baltic countries in particular are seen to be the best positioned in this regard, given their Soviet past and their active foreign policy interests in other post-Soviet

states. Because of the centrality of interpersonal communication in the context of Twinning, also the command of Russian is seen as a strong comparative advantage. Nevertheless, this does not mean that the older EU member states should not be involved. Countries like the Netherlands, Germany, France and Finland also have specific comparative advantages. They have a strong international reputation in specific sectors – Germany in rule of law for example – and are seen as role models by the Central Asian countries. Therefore, the greatest added value for the implementation of EU Twinning projects in post-Soviet countries would arise through a ‘consortium’ between newer and older EU member states.

A new EU strategy for Central Asia and accompanying development aid initiatives should urge EU member states to step up their engagement, including by introducing Twinning and TAIEX projects with Central Asian partners.

* Bossuyt, Fabienne, and Dmytro Panchuk (2017), ‘The Participation of CEECs in EU Twinning Projects : Offering Specific Added Value for EU Transgovernmental Cooperation in the Eastern Neighbourhood?’, *East European Politics and Societies*, 31(2): 334–359.

Maximising impact in the EU’s political and security approach to Central Asia

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The germane areas of security and politics offer a wide array of options to re-focus the EU’s strategy for Central Asia throughout the next decade. However, rather than on the identification of specific areas in which to develop security and political cooperation, the maximisation of EU success in the region appears to be more directly connected to a preliminary, yet by no means limited, revision of the over-arching approach through which the EU is engaging the five regional states. To this end, striking a balance between *flexibility* and *pragmatism* may represent the primary vector behind any successful implementation of the forthcoming strategy.

A more *flexible* EU strategy in Central Asia ought to consider the diversity that is intrinsic to the EU’s decision-making – usually a compromise between member states and EU institutions but, more frequently, the direct outcome of inter-institutional discussions – and, most importantly, the many complexities that define Central Asia’s political and security landscape. Policy flexibility may facilitate targeted forms of engagement, acknowledging local differences vis-à-vis quality of governance and economic development while synthesising at the same time the different priorities formulated by member states and EU institutions. Conceptualising and implementing an umbrella strategy, in this sense, may be a thing of the past. A more flexible EU approach to Central Asia may also increase the tangible impact of the current initiatives carried out locally since the 2007 strategy for Central Asia was formulated.

So far as specific collaborative initiatives, the European Union might want to focus on what the Central Asian regimes are pursuing with greater emphasis in their international dealings, namely the achievement of a controlled mix of global visibility and economic growth. To this end, a renewed *pragmatism* represents the second essential requirement for successful EU engagement with Central Asia in the next decade or so. This proposition acquires particular relevance when we relate EU policies and aspirations to the region's most intractable regimes, namely Turkmenistan and Uzbekistan. The former is currently experiencing an unprecedented economic crisis, which is all the more exacerbated by the rise in the degree of international isolation surrounding the regime led by Gurbanguly Berdimuhamedov. Uzbekistan, on the other hand, is timidly opening up, against the backdrop of a protracted leadership change process that brought Shavkat Mirziyoyev at the helm. Without compromising on human rights and good governance promotion, the EU should rapidly re-engage with both states in question, finalising a Partnership and Cooperation Agreement with Turkmenistan – hopefully initiated by a tightly framed benchmark resolution voted by the European Parliament – and rejuvenating its collaborative framework with Uzbekistan, through a comprehensive political agenda that focuses on capacity-building while addressing matters of economic consideration, including trade and investment.

Security cooperation is a somehow more delicate policy area to be considered by the European Union while preparing its new strategy to Central Asia. In this field, any kind of security assistance extended to the regional states ought to make sure that cooperation in border control or counter-terrorism ought not to be devised through lax policy frameworks that guarantee regime security while leaving at the margins the welfare and the rights of ordinary Central Asians. In the long run, this could well make the difference in furthering the European Union's composite agenda in Central Asia.

A modest though important role for Europe in stimulating Central Asia's economies

Jeremy Smith, Professor of Russian History and Politics, University of Eastern Finland

Over the past four years, the Central Asian economies have faced a number of challenges. The fall in global energy prices, Russia's economic downturn, and the failure of the Eurasian Economic Union (EEU) to deliver promised benefits in terms of trade and investment, have caused problems even for the stronger economies of the region. Energy-rich Turkmenistan has been experiencing shortages and subsequent price increases in basic food stuffs, while Kazakhstan has been gripped by labour unrest. In the weaker economies of Kyrgyzstan and Tajikistan, the situation is precarious. Rampant corruption continues to hamper reform and stifle entrepreneurial initiative. Opportunities for migrant workers in Russia, on whose

remittances the Kyrgyz and Tajik economies heavily depend, have decreased both due to the Russian economic downturn and government restrictions.

The two big wins of the past couple of years, namely greater regional cooperation and Chinese investment, are also facing limitations. Regional cooperation (and potentially economic integration), evidenced by a number of joint infrastructure (such as railways) projects and the opening of new diplomatic representations on each other's soils, had received a boost with Uzbekistan's willingness to step up its engagement with its neighbours after the death of Islam Karimov. But the recent political spat between Kazakhstan and Kyrgyzstan, which led to the temporary closure of what was supposed to be an open border under the EEU, shows the fragility and unreliability of regional cooperation as a basis for any economic revival. Second, the substantial Chinese investment in the region in recent years has begun to suffer in light of China's economic slowdown, while the high hopes that Central Asian governments have in the One Belt One Road project seem to be partially misguided. As part of the OBOR, Central Asia can continue to expect Chinese investment in infrastructure. But OBOR is essentially meant as a series of transport corridors between East and West that will largely cut through Central Asia without bringing a high level of long-term economic development for local populations.

The EU is an important trading partner for Kazakhstan; it is the country's second source of imports (after Russia) and by far the largest destination for exports. Europe is also the largest provider of foreign direct investment (FDI) to the country. Elsewhere, however, EU influence is more limited. EU member states have not promoted Central Asian economies' growth directly and, faced with dwindling development budgets, are restricted in the projects they can carry out. Therefore, in formulating a new strategy, the EU should be both realistic about what it can achieve and careful to correctly manage expectations about what it can do to promote economic development in the region. Next to greater regional cross-border activity there is an opportunity for the EU to use entrepreneurial



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talent and enthusiasm in Central Asia to help develop small businesses that could not only generate new economic capacity, but also make new goods and services available and diversify Central Asian economies. In this sense, the EU and its member states could help by sharing European know-how and providing a relatively modest level of investment. An example of this is the 'one-stop-shop' project implemented by the German development agency GIZ, which developed an electronic system for acquiring customs documents with a single process in Kyrgyzstan. Continuing to promote counter-corruption measures and the rule of law is also essential to develop the small and medium business sectors, while also exploring preferential trade arrangements.

'It's the economy, stupid!' may be a popular phrase in the US, but it is also a sentiment shared by many in Central Asia. Poverty and the lack of opportunities are at the root of ethnic violence, criminal behaviour, and any appeal religious fundamentalism may have. Western-funded projects aiming to tackle these issues directly have frequently been criticised in the region by those who believe that resources would be better spent if directed at providing jobs locally. Whereas Central Asian countries hope that Europe will step-up investment in their economies, actual European trade with and investment in Central Asia will most likely remain modest. The economy will not be the primary driver of a new EU-Central Asia strategy by 2019, but there are important entry points for the EU to boost its economic cooperation with Central Asia. One area would be helping Kyrgyzstan and Tajikistan cope with the negative social impacts of labour migration and helping to counter unemployment. The EU needs to focus carefully on what it can do to create opportunities for local entrepreneurial talent to flourish, while at the same time patiently explaining the limitations of its economic engagement.

EUCAM News

EUCAM starts a fellowship programme

With the support of the Open Society Foundations, EUCAM will start hosting research fellows from Central Asia. The fellows will be based at the CESS office in Groningen, and will contribute to EUCAM research, have the opportunity to visit our partner the European Neighbourhood Council in Brussels, and participate in several training courses and roundtables. This represents an opportunity for fellows from Central Asia working in civil society or academia to strengthen their policy-oriented research skills, while EUCAM's work will benefit from a 'local perspective'. We foresee to have open calls for applications in the second half of 2018.

Kyrgyz members of Parliament visit The Hague

As part of the CESS training project with the Kyrgyz Parliament, a delegation of the International Affairs, Defence and Security Committee visited the Netherlands for a series of meetings at the Dutch parliament, foreign affairs ministry, the Clingendael Institute and

the OSCE High Commissioner on Minorities. During the visit, funded by the Netherlands Ministry of Foreign Affairs, EUCAM had the opportunity to provide a briefing on its work and on EU-Kyrgyzstan relations. All meetings were characterised by an open exchange of views and thought-provoking debate.

New Publications at www.eucentralasia.eu

Is Kazakhstan's rising star fading?

EUCAM Policy Brief No. 36 (February 2018)

Marlene Laruelle and Jos Boonstra

Kazakhstan's economic prosperity and active foreign policy have given it increasing regional power status. Now that the country seems to have weathered the economic storm of the past few years, it needs to move forward on a more modest economic footing. This paper addresses the main issues faced by the Kazakh authorities – the need to diversify the economy, potential constitutional changes and the design of a new social contract – and how this could influence the country's relationship with the EU.

Civil Society Cornered in Central Asia

EUCAM Policy Brief No. 35 (October 2017)

Tinatin Tsertsvadze

Repression against civil society and independent voices in Central Asia has intensified over the past five years, against the backdrop of a global decline in fundamental freedoms. What are the difficulties faced by civil society in Central Asia, from a national, regional, and global perspective? Are there ways for the EU to better operationalise its commitment toward civil society in Central Asia?

Renewing EU and US Soft Power in Central Asia

EUCAM Commentary No. 28 (October 2017)

Marlene Laruelle and Eric McGlinchey

Western influence in Central Asia is at an all-time low. Public opinion surveys in Kazakhstan and Kyrgyzstan demonstrate that perceptions of the EU and US are eroding. What is driving low EU and US favourability? How can the EU and US remain relevant in Central Asia? And what role should soft power play in renewed EU and US approaches to Central Asia?



EUCAM

Established in 2008 by FRIDE as a project seeking to monitor the implementation of the EU Strategy for Central Asia, EUCAM has grown into a knowledge hub on broader Europe-Central Asia relations. As part of CESS, EUCAM will continue to raise the profile of European-Central Asian relations in general, and more specifically to:

- Critically, though constructively, scrutinize European policies towards Central Asia;
- Enhance knowledge of European engagement with Central Asia through top-quality research;
- Raise awareness on the importance of Central Asia and Europe's engagement, as well as discuss European policies among Central Asian communities;
- Expand the network of experts and institutions from Europe and Central Asia and provide a forum for debate.



CESS

The Centre for European Security Studies (CESS) is an independent institute for research and training, based in Groningen, the Netherlands. CESS seeks to advance political development, democracy, human rights and in particular security, by helping governments and civil society face their respective challenges.

CESS is an international, multidisciplinary and inclusive institute. Its work is part of the European quest for stability and prosperity, both within and outside Europe. CESS encourages informed debate, empowers individuals, fosters mutual understanding on matters of governance, and promotes democratic structures and processes.



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