

## **Rivalry of global powers in Central Asia after the Cold War**

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### **Abstract**

Geographical values play an important role in the behavior of countries and create different behavioral patterns such as cooperation, interaction, rivalry and disputation. Central Asia, as a geographical space with a set of values, opportunities and potentials, after the collapse of the Soviet Union and creation of power vacuum in Central Asia, has caused rivalry among powers in order to gain these values and opportunities. This research is intended to examine the role of geographical values of Central Asia in the rivalry of global powers. The research methodology adopted is descriptive- analytic and the data- gathering procedure is library finding. The results of this research based on library findings reveal that geographical values of this region are influential in the rivalry of global powers. The most important geographical values leading to rivalry are: geographical location, energy resources, energy transmission routs and the consumption market of Central Asia.

**Keywords:** Central Asia, Geographical values, Rivalry, Global powers, the Cold War.

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### **1. Introduction**

Every geographical place and space has its own structural and functional characteristics that reflect its values, opportunities and geographical limitations. These potentials, opportunities and limitations perceived as values by people, governments and humanitarian groups become highly desirable. These highly desirable geographical values affect humans' behavior as individuals or groups and create behavioral patterns like cooperation, interaction, rivalry and disputation (Hefeznia, 2006:158).

Central Asia region, as a geographical space with a set of values, opportunities and potentials, after the collapse of the Soviet Union and creation of power vacuum in Central Asia, has caused rivalry among powers in order to gain these values and opportunities. With the foregoing in mind, this study investigates the role of geographical space of Central Asia in the rivalry of powers (the USA, Russia, China and the EU). In other words, this study focuses on opportunities and values, such as geographical location, energy resources, energy transmission routes and the consumption market of Central Asia leading to rivalry of global powers in this region. Therefore, research questions and hypotheses are:

#### **Research questions:**

- 1- What are the impacts of geographical location of Central Asia in competition of global powers?
- 2- What are the impacts of energy resources of Central Asia in competition of global powers?
- 3- What are the impacts of energy transmission routes of Central Asia in competition of global powers?
- 4- What are the impacts of consumption markets of Central Asia in competition of global powers?

#### **Research hypotheses:**

- 1- Geographical location of central Asia is influential in competition of global powers in this region.

- 2- It seems that access to energy resources of Central Asia causes competition among powers.
- 3- Energy transmission routs of Central Asia is one the subjects of competition among powers.
- 4- It seems that access to consumption markets of Central Asia causes competition among powers in this region.

### **Research methodology**

This study is intended to examine the role of geographical space of Central Asia in competition of global powers. The research methodology adopted is descriptive- analytic and the data- gathering procedure is library finding.

### **1-Definition of concepts**

#### **1-1-Geographical space**

Geographical space and place are two interdependent concepts. Geographical place corresponds to a limited or vast three-dimensional point that is determined in space. Also, Geographical space corresponds to a limited or vast three-dimensional area comprised of places and points that are interdependent in space and have mutual interaction. Every geographical place and space has its own structural and functional characteristics that reflect its values, opportunities and geographical limitations. These desirable potentials, opportunities and limitation perceived by people and governments affect humans' behavior as individuals or groups and create behavioral patterns like cooperation, interaction, rivalry and disputation(Hafeznia, 2006:158).

#### **1-2-Geographical location**

Geographical location is the way that a point or a country is located on Earth's surface and can be investigated in two ways: in terms of mathematical and relative location.

Table 1: Operational definition of geographical location variable

Concept	dimensions	Indicators
Geographical location	Geopolitical importance	1 –Communication status 2 - The notion of threat and proximity
	Geostrategic importance	1 –Adaptation of Central Asia on Heartland 2 –opposing members of NATO and Shanghai in Central Asia

### 1-3-Consumption market

Every network that trades goods and services is called a market. A market does not necessarily have to have a material existence and take up certain space. For example, the stock market globally is a market that its operations are carried out solely through the International Telecommunications Network, and on the whole, does not have a certain place (Moridi & Norouzi, 1994:119). Consumption market is a market where different goods of manufacturers are sold (Ferguson, 2006: 464).

Table 2: Operational definition of consumption market

Concept	Indicators
The consumption market	1 – The consumption market of goods 2 – The capital consumption market 3 – The consumption market of technology

### 1-4-Energy

Energy resources are vital for human life and economic –social activities. The main source of energy is fossil sources. These energies include coal, oil and gas on which industrial countries after Industrial Revolution depended and have pivotal position in the global energy balance.

Because of the close connection of energy with everyday life and vitality of communities, countries and governments, applicant states and manufacturing states are constantly worried. That is why energy has a decisive role in national and international energy policy and has formed patterns of rivalry, cooperation, conflict, aggression, cooperation, convergence and divergence in the international arena. In this research, we only investigate the role of oil and gas resources of Central Asia in this rivalry.

Table 3: Operational definition of energy transmission line

Concept	Indicators
Energy transmission routs	1-Security 2-Scale savings 3- The strategically allied country

## 2-Research Ecology

The scope of Central Asia is limited from West to Caspian Sea, from East to China and Mongolia and from north to Siberia and from south to Albers Mountains and Hindu Kush Mountains. Southern and southeastern parts are surrounded by mountains and its central parts include plains and deserts.

Central Asia has an area of 3,494,400square kilometers and has a population of 60,671,223and more than three-quarters of its population is Muslim (The World Fact Book-2009). The region comprises five countries of Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan and Turkmenistan.



Map 1. Political map of Central Asia<sup>1</sup>

### 3- Research findings

In this section, the paper investigates the role of geographical location, energy resources, energy transmission routs and the consumption market of Central Asia in rivalry of global powers.

#### 3-1-The role of geographical location of Central Asia in the rivalry of global powers

In terms of physical geography, Central Asia can be seen as the farthest part of an island isolated from the world's oceans in the planet. Geo-strategic position of Central Asian countries has made this region tremendously pivotal. Central Asian republics are located on the way of Russia, the Middle East, South Asia and Far East. Any changes in the geopolitical region will inevitably affect the countries in the region. This suitable communication status has caught the attention of great powers (Singh Roy, 2001: 2). This area is an important part of the central region as Heartland which Mackinder, an English geographer, refers to as the pivot area and has named it as military fortress. This region is like a fortress that was out of the hands of sea powers. Also, this region has access to numerous countries and

1 . source: <http://deulin-nikolai.net>

regions: from north to Russia and from east to China as one of the global powers, from south to Iran and Afghanistan and India and from west to the Caspian Sea.

### **3-1-1- The importance of Geographical location of Central Asia for the USA**

After the terrorist attacks of September 11, 2001, the USA has grafted its security interests onto its presence in Central Asia. Previously, US interests in the region was being determined for precluding the penetration of Russia, Iran and China and for developing and fixing its presence, but after September, 11 and vulnerability of US from within, traditional attitude towards the source, place and aspects of threat was changed and a kind of trans-locative threat with unknown directions was formed (Hafeznia, 2002: 17).

The geostrategic lessons and results from Afghanistan and Iraq wars eluded to the strategic importance of constant access to the regions in Central Asia and Caucasus in future events. Thus, the need for adjusting and making bilateral treaties with local governments was felt, so that the US could access bases in the region. Undoubtedly, the aim of the need for such bases is to protect US interests against multifarious threats (Blank, 2005: 5). The USA has military-security cooperation with interregional and coastal governments. The Geographical location of Central Asia is important for the US because of the following reasons:

- 1- Segregating the command of US forces from the Pacific command and giving it to military command
- 2- Signing short-term military treaties with Kazakhstan, Uzbekistan, Tajikistan and Kyrgyzstan in order to deploy forces in these countries with the aim of carrying out military operations in Afghanistan
- 3- Using the space of Central Asian countries in order to transfer military equipment to Afghanistan
- 4- Promoting cooperation with Soviet Union republics in security

improvement and economic development

The US interests in this region in terms of geographical location can be expressed as follows:

Anti-terrorism and Islamic fundamentalism and establishment of military bases in order to bolster Afghanistan front, direct access to the land and geographic space of rivals and opponent's and exerting pressure on them such as Iran, Afghanistan, Russia and China and utilizing geographical space for carrying out military operations in general and shaping the place theory and the new threat source to its military rivals, especially Iran, Russia and China.

### **3-1-2-The importance of geographical location of Central Asia for China**

China considers Central Asia within Eurasia. Central Asia not only geographically but also politically and culturally plays the role of Communication Bridge for China. Central Asia can be called a bridge between East and West. Any kind of chaos around the bridge affects the future political and economic cooperation across Eurasia. Thus, political and economic cooperation with Central Asia is of great importance to China. China supports any move aimed at preserving stability and prosperity and oppresses any act or practice threatening stability and prosperity (Allison& Johnson, 2001: 312).

China's major concerns for Central Asia are:

1- *Increase in manifestations of Uyghur separatism*: The problem of Uyghur separatism is deeply rooted in history. In the late 1980s and early 1990s, Xinjiang again saw the gradual rise of Uyghur separatist activities aiming for secession from the PRC and the establishment of an independent state to be known as "East Turkestan".

It was quite obvious that the "perestroika" starting in the Soviet Union and the subsequent collapse of the USSR with the emergence of new independent states was a catalyst for the rise of a separatist mood in the



XUAR. The very fact that ethnically and religiously similar peoples in Central Asia had gained sovereignty and established national states greatly influenced the mood of the local population in the XUAR, mainly Uyghur's. Such a development of events in and around Xinjiang caused the PRC's leadership quite serious concern. This concern was also heightened by the fear of a repeat of the historical precedents whereby close neighbors play the "Uyghur card" and support national separatism. All this could not fail to cause alarm in Beijing, especially in view of the presence in the Central Asian countries (Kazakhstan, Kyrgyzstan and Uzbekistan) of quite a large Uyghur Diaspora, numbering 300 000 to 400 000 people (Paramanov & stolpovski, 2008: 2).

2- *Nuclear Security*: Kazakhstan inherited a stockpile of the Soviet Union's nuclear weapons that has been a concern for China.

3- *Spread of Islamic radicalism and extremism*: The "Talibanisation" of Afghanistan was the main reason for the even more active spread of various kinds of radical Islamist organizations both in Central Asia and in Xinjiang itself, 12 the main ones being the Hisbut-Tahrir al-Islami party and the Islamic Movement of Uzbekistan (IMU) grouping. The threat of Islamic radicalism and extremism was a real one for Beijing since, of about 17 million people living in the XUAR, more than 60% of the total population of the region (about 10.5 million people) were followers of Islam. The Chinese leadership was also seriously concerned by attempts by IMU fighters to make incursions onto the territory of Uzbekistan and Kyrgyzstan in 1999 and 2000. The scenario of collapse of the existing regimes in the countries of the Central Asian region and the rise to power of radical Islamists there could hardly fail to worry Beijing. Such a chain of events could destabilize the situation in Xinjiang, which, in its turn, would bring a real threat to the territorial integrity of China (Paramanov&stolpovski, 2008: 6).

4- *Strengthened US presence*: After the events of 11 September 2001 and the subsequent anti-terrorist operation conducted in Afghanistan under the

aegis of Washington resulted in a fundamental strengthening of the United States presence, which changed the alignment of forces in the region into a configuration unfavorable to Beijing.

Furthermore, the so-called Colored Revolution in Kyrgyzstan and the events in Uzbekistan in 2005 only confirmed the fears of the Chinese leadership in relation to “Washington’s real plans” in Central Asia and the possibilities for influencing the situation in a way that would be a potential worry for Beijing. Accordingly, China reviewed its system of priorities in assessing the threat to its security interests (ibid, 2008: 8).

Security concerns of China led to a security pact of Shanghai that was signed between Russia and Central Asian republics in the second half of 1990. Unlike some territorial claims against the threat of Islamic fundamentalism, Russia and China stressed the necessity of multilateral cooperation. The increasing influence of the United States, especially after the development of US military presence to combat terrorism following the events of September 11 has made the development of this cooperation more clear (Koolae, 2009: 26).

### **3-1-3-The importance of geographical location of Central Asia for Russia**

In the first years after the collapse of the Soviet Union, Moscow leaders on the basis of Euro-Atlantic view in their foreign policy gave priority to relations with US and Europe. According to this policy, the republics surrounding Russia should not rely on Russia for providing their own security and address the needs, but soon after the events in Tajikistan, Moldova and the Azerbaijan, it became clear that the separateness of security issues in the former Soviet Union republics have no basis in fact. Geographical proximity and links to the Soviet Union made the creation of security arrangements clear (Koolae, 2009: 26).

Strategic interests and worries of Russia in Central Asia are bilateral and twofold: first, uniting Central Asian countries within CIS domain and

converting them into Russian close allies, second, preventing strategic access of external powers to Central Asia. Strategic worries were exacerbated in 1993. During this period, **Andrei Kozyrev**, minister of foreign affairs of Russia, pointed to the danger that Russian withdrawal from the Former Soviet Union would create a vacuum which is possible to be occupied by countries which have friendly relations with this country.

In the early periods after the collapse of the Soviet Union, security worries were more noticeable than strategic worries in formal declarations. The first military doctrine which was published in 1992 pointed to the threat made against Russian security by local and regional wars and contentions along Russian borders. It became vital for Russian army to destroy the source of contentions and hostilities. This declaration alluded on the one hand to local disagreements supported by aggressive nationalism or religion prejudice and indirectly to an Islamic threat. Russia feared that instability in Central Asia could spread to other regions where Muslims are dwelling. The Islamic Fundamentalism caught the attention of Kuzirev, the minister of foreign affairs. He not only mentioned a deep-rooted historical fear of Islamic siege but also presented a more ideological and cultural attitude of Islamic factor indicative of preventive and lasting policy (Allison & Jonson, 2001: 142).

Without border guard and customs supervision along the borders of Russia with Kazakhstan with more than 6500 kilometers, Russian border is open to drug trafficking, smuggling and illegal importations. This was soon considered as an important security problem and the Russian government began making joint efforts to prevent these activities in outer borders of Central Asian countries.

Russia interests in Central Asia in terms of geographical location can be expressed as follows:

- 1- Securing Russia's borders;
- 2- Uniting Central Asian countries in the CIS and making them close allies;
- 3- Protecting the Russian Federation from the threat of disintegration;

- 4- Preventing the access of external powers to central Asia;
- 5- Fighting against terrorism in Central Asia;
- 6- Fighting against the development of Islamic fundamentalism in Central Asia.

### **3-1-4-The importance of geographical location of Central Asia for EU**

After the collapse of the Soviet Union, European countries were in search of attracting Central Asia and Caucasus countries among themselves. Europe considers it important to cooperate with regional countries, especially in energy and transportation. In this regard, several programs have been designed by Europe in the Caucasus and Central Asia. For example, we can refer to the program called Traska that defines Europe-Asia as well as another program called INOGATE that transmits energy in the region to Europe. Also, collection of European aid in education and technical education - vocational program is designed. With this view, some of these countries became members of the Council of Europe. Prior to that, Europe Union, the pact of interaction and cooperation for creating subtle communication of the parliaments of countries with each of countries in the Caucasus and Central Asia was signed and came into force in July 1999. European representatives consider democracy, economic reform and norms of human rights as a precondition for security and stability in the region (Vaezi, 2009: 22).

The Europe's new strategy of the EU security strategy entitled "safer Europe in a better world" was passed in European Summit in 20 June 2003, which considers Europe is affected, directly or indirectly, by global threats such as terrorism, regional conflicts, crimes organized, inefficient government, disease, poverty, natural resources and rivalry on Europe's energy dependence. It is mentioned in this document that the end of the Cold War does not mean the end of security threats against European countries and alongside threats such as regional conflicts, poverty, there are three new threats i.e. terrorism, proliferation of weapons of mass destruction and organized crime (ibid: 23).

EU interests in Central Asia in terms of geographical location can be

expressed as follows:

- 1- Preventing the proliferation of weapons of mass destruction and organized crime;
- 2- Fighting against terrorism in Central Asia;
- 3- Preventing the domination of Russia in the region;
- 4- Cooperating with Central Asian countries to prevent drug trafficking;
- 5- Fighting against Islamic extremism in Central Asia.

### **3-2–The importance of Central Asia’s oil and gas resources for worldwide competing players in the region**

Kyrgyzstan and Tajikistan are two countries without considerable oil and gas resources that procure their needs from three Central Asian countries. According to statistics, Uzbekistan in 2008 had 0.594 billion barrels of proven oil reserves. The country ranks 51 in oil production and 70 in exportation of oil in the world with proven gas reserves of 65 billion cubic feet. The country ranks 11th in world in gas production and 16 in gas export (The World Fact Book, 2009).

Unlike other Central Asian republics, Turkmenistan has major gas fields. According to 2008 statistics, the country has 0.6 billion barrels of proven oil reserves. The country ranks 42 in the world in oil production and 34 in oil exportation. Turkmenistan also has proven gas reserves of 100 billion cubic feet. The country ranks 10th in the world in gas production and 6 in gas exportation (EIA, 2009)<sup>1</sup>.

Geographically, Kazakhstan is the largest in terms of oil resources and it is the richest in terms of oil resources in Central Asia. According to 2008 statistics, the country has 30 billion barrels of proven oil reserves and more than 85 billion barrels of reserves have been predicted. The country ranks 19th in the world in oil production and 13th in oil exportation. Kazakhstan also has proven gas reserves of 100 billion cubic feet. The country ranked 26<sup>th</sup> in gas production and 15th in gas exportation in the world (EIA, 2009).

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1. US Energy Information Administration (site: <http://tonto.eia.doe.gov>)

### **3-2-1- The importance of Central Asia's oil and gas resources for the USA**

In the opening years of the 21<sup>st</sup> century, energy in the United States, like the rest of the industrialized world, still comes mainly from fossil fuels. Indeed, in 2000, fossil fuels accounted for 90% of total US primary energy needs. The US Energy Information Administration (EIA) estimates that US demand for natural gas will rise by 62%, electricity by 45% and oil by 33% over the next 20 years (Salameh, 2003: 135).

Four major themes will dominate United States energy-security in the 21<sup>st</sup> century. One is the need to diversify the fuel mix (i.e., oil, natural gas, nuclear power, hydro-electricity and other renewable and alternative energy resources). Another is the need to diversify the geographic origin of energy. A third theme is conservation and energy efficiency, and the final theme is devising new ways of managing growing dependence on oil imports rather than aiming at achieving "energy independence" (Ibid:135). Importance of energy resources for the USA are as follow:

- 1- Political instability in the Middle East and the potential threat of energy production;
- 2- The need to diversify the geographic source of energy supply;
- 3- Controlling the region's energy resource as a means of dominating world policy and abrogating the policies of world countries, especially rival powers and making these countries dependent in energy and shaping the uni-polar government in the world.

### **3-2-2- The importance of Central Asia's oil and gas resources for Russia**

The country ranks fifth in oil consumption, the second in oil production and oil exports in the world. Russia like other industrialized countries procure most of its energy needs from fossil fuels. The role of fossil energies in supplying energy for Russia is 19 percent for oil, 55 percent for gas and 6 percent for coal (EIA, 2009). Russia has the world's largest natural gas

reserves. However, buying natural gas from the Soviet Union Republics and cooperating with them are the most important political goals of this country. Putin pioneered the idea of a gas OPEC between Russia and three Central Asian republics (Kazakhstan, Uzbekistan and Turkmenistan) with rich gas reserves (Yadegari, 2004: 58).

Energy export from Kazakhstan to Russia is mainly oil. The amount was 4.7 million tons in 2003 and 6.1 million tons in 2006. Energy exports from Uzbekistan and Turkmenistan to Russia is mainly gas. Russia has exported 1.3, 9, 11.86 billion cubic feet gas from Uzbekistan in the years 2003, 2006 and 2009, respectively. Also, the country has exported 5.2, 9 and 10.66 billion cubic feet gas from Turkmenistan in 2003 and 2006 and 2009, respectively. Russia imported 9.82 billion cubic feet gas from Kazakhstan in 2009 (Paramanov & strokovA, 2008: 4).

The importance of energy resources for Russia can be expressed as:

- 1- Monopoly in natural gas market by purchasing the region's gas;
- 2- Preventing the entry of other powers into the market by purchasing oil and gas from Central Asia.

### **3-2-3- The importance of Central Asia's oil and gas resources for China**

The country is the second largest oil consumer and the third largest importer of oil. According to statistics, Chinese daily consumption in 2008 was 7,831 thousand barrels. The same year had produced 3,973 thousand barrels and had imported 3,858 thousand barrels of oil per day (EIA). China, from among Central Asian countries, imports mainly from Kazakhstan. West pipeline of Kazakhstan – China with 613 miles length extends from Atasu located in the northwest of Kazakhstan to Alashankou located in the northwest and exports Caspian Sea oil to China in order to offset the growing demand. The pipeline capacity is 20 thousand barrels per day (Haji Mirzayi & Alamol Hoda: 2007: 35). In 2008, China has imported 3,568 thousand barrels of oil per day with 113 thousand barrels per day from Kazakhstan. Also in 2009, China has imported 3,585 thousand barrels of oil

per day with 97 thousand barrels per day from Kazakhstan. This country does not import oil from other countries in Central Asia (EIA, 2009)

With the important role of gas in energy supply needed by China, the country seeks to find gas resources for domestic consumption in other places - such as Central Asia. In June 20, 2010, Hu Jin Tao, Chinese president and the heads of Turkmenistan, Uzbekistan and Kazakhstan personally opened gas pipeline that carries Turkmenistan natural gas from Saman Tape to a city in Xinjiang. This pipeline carries 40 million cubic feet gas from 100 and 250 miles throughout four countries.

#### **3-2-4-The importance of Central Asia's oil and gas resources for EU**

In the twenty-first century, the bulk of energy needs for the members of this union like other industrialized countries are procured from fossil fuels. Since the crises from the past and Russia's check on exporting gas with the aim of increasing price, Europe is looking for a new approach to find alternative energy resources in Russia. Previously, EU wanted greater access to Russian pipelines and infrastructures and had stressed that Russia will be the future energy supplier in Europe and the Europe Union and the Union will remain the largest client of Russian energy, but there are doubts regarding the safety of supply from Russia. Thus, one of the main objectives of EU is bolstering the energy supply security in Europe (Correlje & Der Linde, 2006: 534). European Union officials have repeatedly said that the Union considers Central Asia as an important source of energy supply and is hopeful to strengthen its energy ties with this region.

#### **3-3 –The importance of Central Asia's energy transmission routs in rivalry of global powers**

Energy transmission routs are important both for consuming and producing countries. In energy-producing economies, energy exports have a high share, so the manufacturers attach great importance to the safety of energy transmission routs and react. Most of the industrial energy consuming countries, because of



an important role the energy have in promoting economic welfare of these countries, vie for international and regional levels for controlling, monitoring, accessing to new horizons and securing energy lines.

All of the countries on the energy transmission routs try to pass these lines through their own soil because of the following reasons: 1- in fact, they want to tie the security and interests of producers and consumers of global fossil energy to their own geographical benefits. 2- In addition to providing employment, financial resources and political opportunities in their relation with energy exporters, they provide security and strengthen national security against foreign threats and invasions (Hafeznia, 2006: 102).

For transferring energy resources, there are different lines, both those that are currently active and those which are at the design stage. In a general classification, pathways can be divided into five cases:

A – Northern line: Kazakhstan and Azerbaijan oil and gas may pass through the Black Sea supported by Russia.

B –Southern line: transfers Central Asia's energy resources to Persian Gulf supported by Iran.

C – Western line: transfers oil and gas from Kazakhstan and Turkmenistan, Azerbaijan, Turkey and Georgia (Black Sea) to Europe and supported by Europe and US.

D -The South Eastern line: transfers oil and gas resources of this region to ports in Pakistan, Oman Sea and India supported by Pakistan and Afghanistan.

E - Eastern line: Kazakhstan and Turkmenistan oil and gas are transported to the East of China supported by China. Central Asia's energy transmission routs are shown in figure 2.



Figure 2. Central Asia's energy transmission routs<sup>1</sup>

### 3-4-The importance of Central Asia's consumption market in rivalry of global powers

#### 3-4-1 - Central Asian as a consumption market of goods

Central Asian economy in the Soviet Union was first allocated to the production of certain goods (cotton) and later transformed into two special section of export and local consumption goods, and then were limited to business partners (Russia and other European Republics) and at the fourth stage, dependent development made this region extremely vulnerable to fluctuations in the market and eventually a large proportion of economic activities in the region was allocated to cotton production (Koolae, 1997: 51). The uni-product aspect of economy was the beginning of dependency

1. Source: [http://www.eia.doe.gov/emeu/cabs/Kazakhstan/images/IEA\\_oilmap.gif](http://www.eia.doe.gov/emeu/cabs/Kazakhstan/images/IEA_oilmap.gif)

amongst the Republics. Economic integration designed and carried out by the Soviet Union economic programmers made the leaders of Central Asian republics face new problems in achieving real independence. All Republics after independence sought new ways and new partners to meet their basic economic needs (Koolae, 2009: 59). For this reason, the economy of these republics is based on agricultural productions and extraction of minerals and they import most of their consumer goods from other countries. Powerful and industrialized countries of the world are the main exporters of various consumer goods to these countries. In this case, the more developed countries try to gain monopoly in Consumption market in the underdeveloped countries and vie for gaining this market in geographical space.

To understand the degree of dependence of Central Asia on consumer goods and the importance of this Consumption market for different countries, assessing the import rates and types of imported goods of these countries from global powers is important.

Global powers export a large amount of consumer goods to Central Asia and major goods include: rail and tram equipment, electronic equipment, medical equipment, air craft and its equipment, iron and steel, organic and inorganic chemicals, plastics, meat, cosmetics, wood and wood products, iron and steel products, aluminum, ceramic products, chemical fertilizer, sugar, gypsum, cement, pharmaceutical equipment, shoes, fabrics, glass and glass wares, plastic goods, all kinds of leather, food, rubber and various chemicals, foodstuffs, animal and vegetable oil and other consumer goods (ITC: 2009)<sup>1</sup>. According to table 4, Central Asian republics imported mainly from china and it shows that china has been successful in holding the first place in Central Asian consumption market. Russia, EU and USA hold the second, third and fifth place, respectively.

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1. International Trade Center

Table 4. Import rates of Central Asian republics from global powers in 2009 (percent)<sup>1</sup>

Global powers	Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Uzbekistan
US	2.5	0.5	1.6	1.3	4.1
EU	21	4.1	6.4	15.7	17.9
Russia	36.5	13.9	24.5	16.6	27.6
China	24.3	70.5	26	14.7	16.3

### 3-4-2 - Central Asian as a consumption market of capital and technology

Developing countries are known as "poor in terms of investment" or "with meager savings" or "decreasing investment" economies. In these countries, not only current investment reserves but also the concentration of investment is very low. With this savings rate in these countries, depreciation or replacement of available investment goods are barely possible. Investment imports can partly solve the problem of the lack of savings and increase investment rates. In addition to the lack of savings and investment in these countries, because of the low efficiency of investment due to technological backwardness, the optimal use of investments is done with low prices. Technological backwardness in the production process manifests itself in the form of increased average production costs and decreased efficiency of labor force. The main reason for the low rate of labor productivity is the lack of expertise of labor force and use of old machinery and equipment in production line. Thus, foreign investments are not only effective ways of tackling the lack of investment but also technological backwardness. Imports of physical and financial investment bring along the know-how of modern technology to produce: more skilled and qualified personnel, organizational experiences, information on markets, advanced production methods and etc. (Garabaghian, 1994: 796).

Republics of Central Asia also face the same challenges and seek to import investment (governmental and private), so they could be able to

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1. Source: <http://www.ec.europa.eu>

solve the problem of lack of savings. Investment in this region will have the following benefits for investors:

**1- For the state's investors:**

A- Encouraging the use of external models suiting their economic interests in a country where investment is made.

B- Making Central Asia's economy dependent on investor country: because foreign aid is provided in a way that imperils these countries' national and economic independence.

**2- For private investors and multinational companies:**

A- Making use of production factors of these countries for producing high-quality goods with lower prices and making a huge profit by exporting these goods to foreign countries.

B- Creating a dependent bourgeois class in the host countries and securing their interest by these means.

More than 85 percent of foreign investment in Central Asia belongs to Kazakhstan (UNCTAD, World Investment Report, 2008: 283). Attracting foreign investment is an integral part of the strategy of the Republic of Kazakhstan with the goal of coordinating the participation of foreigners in order to achieve national economic objectives (Haji Mirzayi & Alamol Hoda, 2007: 22).

One of the investment areas in Central Asia is related to oil and gas projects, especially in Turkmenistan and Uzbekistan and Kazakhstan. Russia is one of the active countries in this field. With the presidency of Putin and increase in oil prices in 2000, the importance of Central Asia for Russia increased. Consequently, it increased the activities of Russian companies in Kazakhstan, Uzbekistan and Turkmenistan. In addition, Russia has expressed its interest in investing in the exploration operations in two other Central Asian countries: Kyrgyzstan and Tajikistan (Paramanov & Stokov<sup>B</sup>, 2008: 1).

Investment rate of this country in oil and gas section of Central Asia in

2007 is 5.1 million dollars which approximately 80-85 percent is made in Kazakhstan. Russian companies are planning to invest 14 to 16 billion dollars in the next five years in the region. Now, Russian companies like Gazprom, Russian oil, Lukoil in Kazakhstan, Gazprom in Turkmenistan, Kyrgyzstan and Tajikistan, Gazprom and Lukoil in Uzbekistan are active and make investment on renovating and modernizing energy transmission routes, gas distribution stations, transmitting energy extraction technology to the region and oil and gas exploration operations (Ibid: 2-7).

Turkmenistan also plans to attract foreign investment in its oil and gas sector with the main goal of improving the necessary infrastructure in exporting gas. The country has investment at hand with the help of joint investment between Russia and Iran in exploring and extracting oil in the regions related to Turkmenistan in the Caspian sea and different Turkish, US, Danish and Arab companies signing treaties with this country. Unocal company in the United States and Bridas in Argentina are engaged in developing gas resources in this country.

#### **4– Analysis and conclusion**

In this research, we tried to characterize factors which led to rivalry in the Central Asia. At first, we defined essential concepts of the research. Second, we explained general characteristics of Central Asia. Third, we investigated the role of geographical values such as geographical location, energy resources, energy transmission routes and the consumption market of Central Asia. The first geographical value that we characterized was geographical location. The role of central Asia's geographical location in the rivalry of global powers is summarized in table 5.

Table 5. Important indicators of Central Asia's geographical location in rivalry of global powers

<b>Global powers</b>	<b>Important indicators of central Asia's geographical location in global powers rivalry</b>
<b>US</b>	1- Creation of military bases in the region to strengthen the Afghanistan front; 2- Fighting against terrorism and Islamic extremism; 3-Direct access to the land and geographic space of rivals and opponents and exerting pressure on them, such as Iran, Afghanistan, Russia and China; 4-Utilizing geographical area for carrying out military operations in general and shaping the place theory and the new threat source to its military rivals, especially Iran, Russia and China.
<b>China</b>	1- Central Asia as a communication bridge for china; 2- Fighting against increase of Uyghur separatism manifestations; 3- Fighting against US forces present in the region; 4- Fighting against the spread of Islamic radicalism and extremism.
<b>Russia</b>	1 – Securing Russia's borders; 2 – Uniting Central Asian countries in the CIS and making them close allies; 3 – Protecting the Russian Federation from the threat of disintegration; 4 – Preventing the access of external powers to Central Asia; 5 – Fighting against terrorism in Central Asia; 6 – Fighting against the development of Islamic fundamentalism in Central Asia.
<b>EU</b>	1- Preventing the proliferation of weapons of mass destruction and organized crime; 2- Fighting against terrorism in Central Asia; 3- Preventing the domination of Russia in the region; 4- Cooperating with Central Asian countries to prevent drug trafficking; 5- Fighting against Islamic extremism in Central Asia.

The second geographical value that led to rivalry in the region is energy resources. In table 6, we characterize important indicators of central Asia's energy resources in the rivalry of global powers.

Table 6. Important indicators of central Asia's energy resources in rivalry of global powers

<b>Global powers</b>	<b>Important indicators of central Asia's energy resources in global powers rivalry</b>
<b>US</b>	1-Political instability in the Middle East and the potential threat of energy production; 2-The need to diversify the geographic source of energy supplies; 3-Controlling the region's energy resource as a means of dominating world policy and abrogating the policies of world countries.
<b>Russia</b>	1- Monopoly in natural gas market by purchasing the region's gas; 2- Preventing the entry of other powers into the market by purchasing oil and gas from Central Asia.
<b>China</b>	1. The increasing importance of gas role in China's domestic consumption of energy; 2. China's increasing demand for fossil energy resources with respect to its economic and population growth.
<b>EU</b>	1. Access to the alternative energy resources of Russia; 2. Decreasing oil reserves and productions of Middle East.

The third geographical value that led to rivalry in the region is energy transmission routes. For transferring energy resources, there are different lines, both those that are currently active and those which are at the design stage. In a general classification, pathways can be divided into five cases:

1- Northern line 2-Southern line 3- Western line 4-The South Eastern line 5-Eastern line.

Energy transmission routes are important both for consuming and producing countries. All of the countries on the energy transmission routes try to pass these lines through their own soil and for earning this geographical value compete with each other.

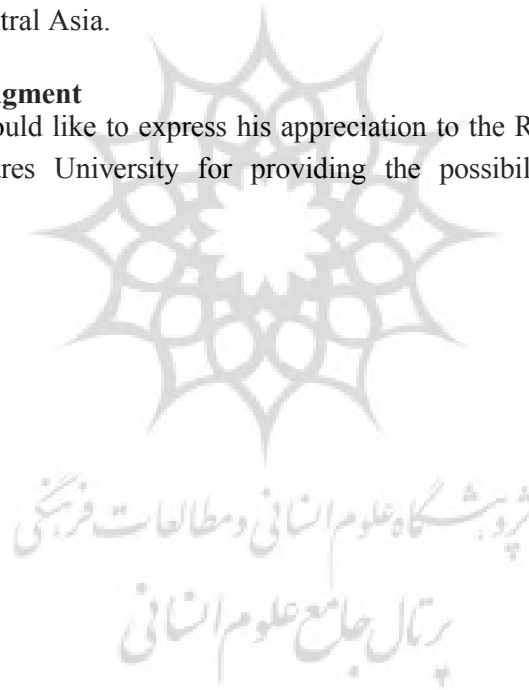
The last geographical value which we investigate is the consumption market of Central Asia. The economy of these republics is based on agricultural productions and extraction of minerals and they import most of their consumer goods from other countries. Powerful and industrialized countries of the world are the main exporters of various consuming goods to these countries. In this case, the more developed countries try to gain



monopoly in Consumption market in undeveloped countries and vie for gaining this market in geographical space. Central Asian republics imported mainly from china and it shows that china has been successful in holding the first place in Central Asian consumption market. Russia, EU and US hold the second, third and fifth place, respectively. To sum up, geographical values of this region are influential in the rivalry of global powers and the most important geographical values that lead to rivalry are: geographical location, energy resources, energy transmission routs and the consumption market of Central Asia.

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