

# EUROPE

# IN

# EMERGING



**OPPORTUNITIES AND  
OBSTACLES IN POLITICAL AND  
ECONOMIC ENCOUNTERS**

EDITED BY **FREDRIK ERIXON**  
AND **KRISHNAN SRINIVASAN**

Europe in Emerging Asia

*Opportunities and Obstacles  
in Political and  
Economic Encounters*

Edited by Fredrik Erixon  
and Krishnan Srinivasan

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# Contents

Abbreviations	vii
Preface	xi
<i>Ana Palacio</i>	
Preface	xiii
<i>M. K. Narayanan</i>	
Introduction: Europe in Emerging Asia	1
<i>Fredrik Erixon and Krishnan Srinivasan</i>	
1 Europe and India: Dialogue Without Intimacy	19
<i>Krishnan Srinivasan</i>	
2 Europe and South Asia: An Enduring Engagement	45
<i>Iftekhar Ahmed Chowdhury</i>	
3 Europe and Southeast Asia: The Nature of Contemporary Relations	65
<i>Evi Fitriani</i>	
4 Thailand's Middle Income Trap and Europe's Assistance	85
<i>Kriengsak Chareonwongsak</i>	
5 Korea and Asia-Europe Relations	107
<i>Jin Park</i>	
6 Britain, Europe, and Emerging Asia: A Tale of Opportunity and Frustration	129
<i>James Mayall</i>	
7 Whither Asia-Europe Trade Relations and Political Cooperation?	149
<i>Fredrik Erixon</i>	
8 European Union–China Trade Relations: The Past, Present, and Future	175
<i>Zhang Xiaotong</i>	
9 Why China–European Union Relations Are Not So Strategic: Ten Hypotheses	193
<i>Wang Yiwei</i>	
10 Central Europe, the European Union, and Emerging Asia	209
<i>Agnieszka Kuszewska</i>	

11	Europe's Eastward Expansion: The Connotations for Emerging Asia <i>Hari Vasudevan</i>	233
12	American Bargaining, Pivoting, and Rebalancing: Implications for Europe and Emerging Asia <i>Philip I. Levy</i>	259
	Bibliography	273
	Index	283
	List of Contributors	291

## ELEVEN

# Europe's Eastward Expansion

### *The Connotations for Emerging Asia*

Hari Vasudevan

Emerging Asia has been held to centre on key economic indicators—the globally oriented economy of China, consistent growth in the Association of Southeast Asian Nations (ASEAN), and high growth rates in the Republic of Korea and India. A number of points of support include the slow but steady development of West Asia and Japan, resource contributions from the Russian Federation (RF), and investments and market support from the United States and individual states of Europe. The European Union (EU) as an entity has played its own role through partnership programmes with individual Asian states in a process that lacks a fixed centre. The Caspian-Central Asian region, meanwhile, independent of Soviet-era links to the RF, has been part of the processes that define emerging Asia, and has witnessed significant developments. This region comprises the nations of what are known as the Transcaucasus or South Caucasus and Central Asia: Georgia, Azerbaijan, Armenia (Transcaucasus), Kazakhstan, Turkmenistan, Uzbekistan, Tajikistan, and Kyrgyzstan (Central Asia). The area's hydro-carbon resources have figured in the energy strategies of China, South Korea, and India, and the region itself features as an important emerging market where investment from these countries has been established.

There is potential here for competition between Europe and emerging Asia for Caspian-Central Asian resources, competition that has dimensions that are understated but likely to assume new importance. Recent events indicate the probability that the character of the Caspian-Central

Asian region's institutions will become a target of competition, drawing strength from the economic interests involved. The new reach of the EU's association agreements into the Caucasus in 2013 and the determination shown by the EU to project and defend such agreements in Ukraine and Moldova show as much. A political shift in the EU's presence in the region has come about which coincides with the general continuity in the prevailing political orientation in the Caspian-Central Asian neighbourhood and in emerging Asia.

In this scenario, the political projection of Europe through the EU is significant. Profiles of emerging Asia seldom feature notions of political achievement, unless it is uneven and often doubtful achievement. In the global literature on governance, kudos for such achievement lies primarily with the states of the EU and the United States. The rhetorical tenor of EU documentation stresses an overall commitment to a special type of governance that is considered a cut above the processes and features that mark other parts of the world, and alternatives are seldom considered to have produced 'deliverables' in terms of guarantees of human rights, representative government, and transparency on a similar scale. The model of the erstwhile Soviet state is recognized to have had a poor record in this regard and also to have fallen short on growth orientation. This model has been reformed in China to provide the basis for growth, but does not address shortfalls in the non-economic deliverables mentioned above. The Euro-American model of political and administrative order has de facto become universal, with emerging Asia hardly contributing to it except to assert the value of sovereignty and the importance of cultural norms specific to a country, as part of a half-hearted and much debated sense of 'Asian values'. The tangible evidence of this model is the way in which a group of nations has assumed the right to intervene in fraught situations with the tacit or overt acceptance of the leadership of institutions of global governance. The background to major international interventions of the twenty-first century bear evidence of this, whether the Afghanistan crisis of 2001 and the constitution of the International Security Assistance Force, the Iraq crisis of 2003, the Somalia crisis after 2008, or the Libyan crisis after 2011.

This chapter examines the larger implications for emerging Asia of the initiative by the EU to move to association agreements with specific states within the framework of its Eastern Partnership Programme (EaP) since 2008. This initiative has drawn the EU deeper into the Caucasus-Central Asia region politically, with the signing of an association agreement with Georgia in 2013, and also generating the Ukraine crisis of 2013–2014. The initiative marks a new phase in a presence of the EU in its Asian periphery in states hitherto dominated loosely by the Commonwealth of Independent States (CIS). This presence began with EU partnership programmes with states of the Organization for Security and Cooperation in Europe (OSCE) that were once members of the former Union of Soviet

Socialist Republics (USSR) or its Eastern European alliance, the Council for Mutual Economic Assistance (CMEA) and the Warsaw Pact. To date, the OSCE sets the standard in areas of dispute ranging from electoral norms to the conflict between Armenia and Azerbaijan in the Nagorno-Karabakh region. It was from these general engagements with the EU that the inclusion of former CMEA members in the EU followed, and the European Neighbourhood Policy (ENP) developed after 2004<sup>1</sup>.

The association agreement initiative within the EaP indicates the further maturation of a political process whereby the territories of the CIS are regarded as inadequately covered by political and economic regimes conducive to sustainable development and social welfare. EU regimes are considered as an ideal, and CIS states move to closer integration with them. The association agreement initiative also has major economic implications for the EU, potentially consolidating its energy security and extending its market reach. The consequences present a challenge to Russia, its security system, its global political postures, and the vision of growth pursued by its leadership. The consequences also present a challenge to major states of emerging Asia drawn to the region because the terms of commerce in this neighbourhood are being reset. This reset is through the establishment of a clear relationship between the political goals linked to governance and the processes that determine the domain of the state in economic matters, basically limiting that domain, and the reset also involves a close prescription of the manner of interaction between economic actors.

The EU initiative has a 'subversive' quality to it<sup>2</sup> since it uses the same terms of reference to which the post-Soviet states adhere, but holds them to different meanings and standards not usually linked to such terms. Unease has been noticeable in the neighbourhood: unease that will shape the way the EU will be viewed in the immediate future, that is, not only as a market and as source of financial support but also as a firmer competitor for resources and authority than in the past. The main issue here—the sense of EU competition at a political level—has already been a source of strong rhetorical opposition in the past in one major country of emerging Asia, when it was seen as part of a broader western strategy of regime change following the so-called colour revolutions in Ukraine, Georgia, and Kyrgyzstan, and an attempt at regime change in Uzbekistan. China vociferously objected to this at the India-Russia-China trilateral meetings and the Shanghai Cooperation Organization in 2005, establishing common cause with Russia<sup>3</sup>. The fact that European initiatives, in combination with the actions of US-based companies, are regarded in the Caucasus-Central Asia region as an opportunity, merely adds to the strength of the challenge.

The argument in this chapter is not to exaggerate the nature of this challenge, though the EU's resources, its strong presence in the past in the area, and its determination to stand by the association policy in



Ukraine indicates that the challenge should also not be underestimated. The argument acknowledges the domination of political systems in the region that far from accord with those of the EU. Local authorities are still fully in control in the shaping of relationships, dealing with criticism and engaging with the EU.

The chapter is set out in five sections. The first deals with the understatement of the importance for emerging Asia of the political dimensions of association with the EU in Asia, highlighting the lack of awareness in various countries of EU policy nuances—itsself the result of some divided opinion in the EU. The second section points out the importance of the Caspian-Central Asian neighbourhood to emerging Asia. The third takes up the story of the relevance of the region to Europe, the nature of the EaP, and the authority of the EU in the area at various levels, based on transport corridors, migration patterns, and institutional and corporate structures. It deals with the distinctive features of the association agreements signed at Vilnius in November 2013 and after, and the factors that indicate that the agreements constitute a considerable departure in the EU's presence. The chapter then turns to the failure of the states of the region to achieve uniform socially and culturally acceptable political goals that accommodate changing interests, the inability of possible models of political organization to find traction, and the chaotic projection of alternative approaches to institution building. Focus also falls on specific matters (ethnic Georgian conflict and similar problems elsewhere) where the EU political model has been inadequate; such issues leave power in its least inclusive form the key determinant of institution building—a highly unstable situation. A new stage is clearly emerging in the region, however, where the many strong stakeholders in the Caspian-Central Asian region will be affected by a local European presence in a political and legal form. Such stakeholders will include the Eurasian community, the Chinese oil and gas sector, and Korean and Japanese investors in number, not to mention Europe's possible supporter in the region, the democratic, neo-liberal India.

The challenge before local stakeholders is not merely the example the EU sets. The local presence of the EU will generate engagements at more fundamental and practical levels (indicated in the terms of association agreements) that build on relations already in existence. Some of these themes are treated in next section, the nub of which is an explanation of the Russian response, the reorientation of Russian foreign policy in this area, and its possible meaning for emerging Asia. At issue is a serious sense of threat that association agreements with the EU represent which the crisis of 2013–2015 in Ukraine has demonstrated. At the end of the chapter, some implications of this general scenario for emerging Asia are drawn out.

Throughout the chapter, the Caucasus-Central Asia region and its independent states are treated as a whole, without a strong distinction

between the South Caucasus and Central Asia. This reflects the general approach of Asian entrepreneurs and European policymakers, although there are many differences between the states making up the area. The region is interlinked by its energy distribution networks, distinguished from Iran by its membership of the OSCE, and has a distinct set of Soviet networks that run through it as well as a common concern with the resources of the Caspian shelf. All members of the neighbourhood also came, by the end of the 1990s, to assume a degree of distance from the main successor state of the USSR, the RF, even while they accept that country's exceptional importance.

## THE LITERATURE AND THE PERSPECTIVES

### *Asian Academic Literature*

Neglect of the aspects covered in this chapter is commonplace in the literature in Asian countries on Europe and the EU. The exceptions are general accounts of EU activities and the ongoing Ukrainian crisis, and tunnel vision in official circles has fixed on specific engagements; this is as true of China as of other parts of Asia. Despite the existence since the 1980s of a competent Western European Studies Institute (since 2011, renamed the European Studies Institute) at the Chinese Academy of Social Sciences, and the existence of the *Chinese Journal of European Studies*<sup>4</sup>, broad evaluations of European intentions and policies are rare. The work in India at the School of International Studies and later the Jawaharlal Nehru University has been sparse. Japanese studies of Europe have been remarkable<sup>5</sup>, but they have had few spin-off benefits in the rest of Asia. Other centres for European Studies in Asia are the result of EU initiatives and are relatively recent, concentrating on comparative frameworks for research and higher education in Asia, using categories and references that are common in Europe. They deal with Europe's integration process and are reinforced by the Erasmus Mundus and other similar programmes. These centres are part of a promotion of EU-based knowledge systems, such as the EU studies programmes at Chulalongkorn University in Bangkok, the unit located in the National Centre for Social Sciences and Humanities in Hanoi, and the European studies programme at the University of Malaya<sup>6</sup>.

An understanding of the ramifications of the current expansion of Europe to its East requires an awareness of Europe's relationship with the territories of the former USSR. Since in most of Asia interest in this Soviet/Eurasian area was ideological at best, any discussion of the theme of this chapter is rare. China and Japan have been the exception, and despite a long isolation from the USSR and Eurasia, there has been a new professionalism in the specialist community. In Japan, the Slavic Institute

at Hokkaido has led the way, but limited resources, both human and material, have been a handicap and long breaks in development in China have stunted study and research.

An immediate policy focus in literature on contemporary affairs in Asian countries has led to an emphasis on estimations of national resources and capabilities in discussions about global engagements. There is a lack of interest in the motivations that guide possible major economic partners, except in terms of economic goals as announced by the national government itself or the World Trade Organization (WTO). In the case of EU policies and intentions, neglect also follows from the absence in sites of emerging Asia of any direct EU political presence. EU diplomatic delegations may exist in many capitals, but the bulk of relationships with Europe are bilateral under specific programmes with individual European nations. The political challenge of the EU has been remote, even as the value of most European states' roles has been limited by the meagre spread of their individual resources.

The range of the activities of the EU itself has reinforced this situation. The orientation has been towards member-states and their neighbourhood along strict functionality such as support of trade, consolidation of economic sectors such as steel or agriculture, and so on. The main locales of emerging Asia have been distant from the proximate areas to Europe where such political as well as economic concerns operate. Such proximate areas have figured in the Barcelona Process (1994–2004) and the development of the Mediterranean and neighbourhood programmes since 2004, where the EU as a negotiator and actor has featured at political and economic levels. EU policy has been targeted to the benefit of the latecomers that require support for their economies, such as Spain, Portugal, and Greece in the case of the Barcelona Process. In such instances, subventions have been undertaken in Europe's name<sup>7</sup> to enhance the development of specific groups of nations, and through this, the functioning of the European market overall and the interests of EU members generally. Global strategy is part of the EU's common foreign and security policy, and it has been given a focus in the European External Action Service under the high representative, but this initiative is relatively recent, the European External Action Service having been formed in 2010, and its impact is restricted<sup>8</sup>.

In Asian approaches to the EU, a long-term decolonization syndrome has been at play that has added to the neglect of the dynamics of EU expansion. This syndrome automatically rejects any interest in the former imperial power and the lacuna in research is one of the failings of a nation-centred approach to study that avoids the long-term value of connected histories<sup>9</sup> and which has been the product of a strong focus on decolonization. The syndrome has had broader ramifications. It has limited the understanding of the global range of former imperial entities and the power of their latter-day projections. Thus, Europe's periphery is

considered to be the territory of the former states of the CMEA. Unlike the United States, which is recognized as a superpower with global range, the EU and its member-states are seen as capable of global strategy only in their immediate neighbourhood, and their political appeal is also delimited as such.

The corporate strategy of multinationals with a strong European profile (such as Siemens as opposed to the American Ford), and the investment of European banks such as the Banque Nationale de Paris are seldom associated with larger goals associated with political or legal regimes except those that are highly flexible or that require attention as in the case of the prescriptions of the WTO, or the international patents rights regime established by the WTO. At a broader level, association with the EU is primarily connected to access to European markets, as in the case of the EU–South Africa free trade agreement. Demonstrable instances of political interest in Asia by external actors have been primarily associated with the United States, as in the case of Iraq and Afghanistan, with other members of the North Atlantic Treaty Organization being included as supporting actors.

Such approaches have led to a serious blind spot in emerging Asia concerning the emergence of the EU as a so-called post-modern entity, acting both for and beyond the interests of its member-nations on a global scale. Globally, the phenomenon has been a matter of significance since the EU expansion of 2004 and the Treaty of Lisbon of 2007. Some of the ramifications have been evaluated seriously in the one country that has partnered the process but is actually external to it: the United States<sup>10</sup>.

#### *Eastern Orientation of the European Union: Uncertain Significance within the European Union*

In Europe, meanwhile, in individual member-states the official literature on the Eastern orientation of the EU towards the Caspian-Central Asian neighbourhood as a part of the EaP has amalgamated such activity into policy statements or prescriptive suggestions. Policy itself is associated with bilateral partnership programmes between the EU and individual countries of the region. In academic circles, the focus is on the national discourse that takes shape in individual EU states. In the case of Poland and Lithuania, for instance, it is substantially focused on Ukraine; in Romania on Moldova<sup>11</sup>, and so on. A swathe of arrangements for cooperation exists that cements the EU's relations with clusters of states indicating a variety of engagements that evade notions of a specific or well-defined direction. These arrangements involve a much larger number of states than those who accepted the standard association agreements that have led to EU membership at different times, and many diverse terms of engagement. They include association agreements that have not led to

membership (with Turkey), stabilization and association agreements (with Macedonia, Montenegro, and Serbia), the Euro-Mediterranean association agreements where many North African and Levantine states are involved, free trade agreements, and finally the OSCE itself.

The Eastern Partnership associative agreements which have drawn the EU into the Caspian-Central Asian neighbourhood are not easy to distinguish from others, since they are also part of the European Neighbourhood Policy enunciated in 2004. Eye-catching statements comparable to those made by American pundits such as Zbigniew Brzezinski are rare in discussions of the subject. This is especially true since each of the external initiatives of the EU has carried a subvention that has in turn generated its own range of interests, making the EaP apparently no more special than others. Because political developments, such as those associated with the Arab Spring, and institutional inertia have sustained EU Mediterranean and neighbourhood policies once they began, their significance is not to be ignored. Local bodies in the neighbourhood countries, European universities, non-governmental agencies, and corporate entities have been willing to use budgetary provisions provided by Brussels, giving the programmes a life of their own, which reinforces overall confusion regarding the value of any one programme over another. The interests of individual EU members in the business of the EU, and the importance attributed to the bilateral agreements they make, have led to further understatement of the emerging political authority of the association agreements in Europe's Eastern periphery.

#### SIGNIFICANCE OF THE CASPIAN-CENTRAL ASIA NEIGHBOURHOOD FOR EMERGING ASIA

##### *Scale of the Significance*

While the role of the EU in emerging Asia has been understudied in the countries of the area, the place of the Caspian-Central Asian neighbourhood in the robust development of emerging Asia has been clear. Plans of the period following the disintegration of the USSR have become the realities of the present, where Silk Route initiatives have taken solid form and the list of beneficiaries is large, including interests from emerging Asia.

By the time of the economic crisis of 1998 in the region, Russia's attempts to control developmental processes in the former USSR had tapered off. In the early 2000s, Russian aspirations in its 'near abroad' former Soviet republics had come down to specific points of interest other than ensuring the security of its territories through multilateral and bilateral arrangements. The focus of policy was on management of the country's specific interests as a purveyor of hydro-carbon resources, raw

materials, and military equipment; handling migration from the former USSR; and dealing with the interests of Russian minorities outside Russia. This core aspect of Russia's global self-projection left former Soviet states overall with great room for manoeuvre, even if Russian interests intruded into policy, using former Soviet connections and points of dependence<sup>12</sup>.

These developments saw the states of the Caspian-Central Asian neighbourhood evolve an independent economic momentum. Their hydro-carbon resources are now substantially outside the control of the RF's pipeline system (concentrated in the state company Transneft) that dominated distribution until 2006. Such resources are substantial, Turkmenistan figuring among the world's five major natural gas sources<sup>13</sup>, and independence in the region has been reinforced by membership of the WTO in the case of Tajikistan and Kyrgyzstan—the result of a slow movement away from the former Soviet community. Among Soviet successor states, unlike Russia itself, these countries generated little capital for investment to improve their own resources and for a decade sought various formal and informal Russian inputs—inputs that were not forthcoming given Russia's own economic crisis. This inspired not only major investing agencies of Europe and the United States but also of emerging Asia to bridge the deficit and integrate the countries into their own growth paradigms.

In emerging Asia, China had logical advantages as a direct neighbour, and its technology had much in common with the Soviet technology that was common in the CIS of the region. Post-1991 China also had the advantage of a fast growing economy. China's interest in the area had begun to develop during perestroika, though its initiatives were few, with the normalization of relations with the USSR<sup>14</sup>. India had a large network of personnel on the ground even before 1991 in the form of businessmen operating from Moscow and managers from public companies who had interests in Soviet-era technology. After 1991, India was also in a position to use debt repayment funds to form the basis for new economic initiatives. The impact of Soviet disintegration and the currency crisis of 1992 on India were substantial, leaving its policy in a desperate state where it failed to evolve any perspective on new emerging markets and rapidly accepted the prescriptions set by Bretton Woods institutions and the WTO<sup>15</sup>. In ASEAN, the only country that had had a long-term connection with the former Soviet state was Indonesia, but its growth pattern in the post-1991 era was oriented regionally, and no attempt was made to build on past strengths. Otherwise, investment for the region was to come from Japan, which had no networks in the region, and South Korea, which was able to build on important community links, especially in Kazakhstan, to where many Koreans were deported in the 1940s<sup>16</sup>.

Hence, in emerging Asia, it is the link between the Caspian-Central Asian neighbourhood and China that stands out, and this will play a

crucial role in China's economic future. In a situation where the difficulties of integration of peripheral regions into coast-centred initiatives are acknowledged, the Caspian-Central Asian region is in a position to reinforce the production of China's Western regions, generating a varied network of stable energy resources and an enlarged market. Given the large trade and economic connections by China with emerging Asia, the importance of the region to China is most likely to have an impact on emerging Asia's growth as a whole.

Building on the China link, with its considerable strengths, has logically followed from the Chinese government's concerns to monitor this neighbourhood closely after Soviet disintegration. This was for security reasons, since centrifugal tendencies in the Soviet space affected independence movements among Uyghur in Xinjiang, and may have caused further problems in the region of Mongolia. Coinciding with Jiang Zemin's rapid economic expansion programme, these concerns led to considerable independence to provincial government in Heihe on the Russian border and Urumqi, the Xinjiang capital. Chinese companies, in the form of state-owned enterprises and others, utilized the opportunity to make inroads into the immediate neighbourhood during the decade 1992–2002, establishing nexus-centred relations involving business and administration across the borders which in turn led policymakers in China to a determination to use the border provinces for a resource build-up in the Western and Northern regions. Despite the centralization of the Russian state under the Putin and Medvedev administrations since 2002, this Chinese policy has continued, generating migration into its neighbourhood that benefits the Chinese economy<sup>17</sup>. Especially in the Western region, this has reinforced economic momentum that will contribute to the growth of China's interior beyond the Hwang Ho-Yang Xi region, growth that otherwise might have experienced short-term problems.

The overall increase in trade between China and the Central Asian region is made clear in Tables 11.1 and 11.2.

In general terms, trade has grown phenomenally between 2000 and 2013. The more dramatic consequences of the Chinese involvement in the Caspian-Central Asian neighbourhood have been associated with energy products. Integration into the Kazakh oil and natural gas systems linked to Tengiz, Karachaganak, and Kashagan oil and gas fields has been the motor of trade. This has been achieved through adjustment and marginal development of pipelines in the area, mainly working through the Atyrau-Alashankou oil pipeline and the Central Asia-Centre pipeline. The Chinese engagement with Kazakhstan has brought a pivotal section of emerging Asia to the Caspian shelf and into the competition for its resources as exploration proceeds. The off-take here reinforces the output of China's Western regions, and the Chinese uplift of natural gas from Central Asia is crucial to China and amounts to 45 percent of the country's needs. This is managed mainly from Turkmenistan and Uzbekistan,

**Table 11.1. China's Trade with the Caucasus-Central Asian States, 2000**

Country	Exports	Imports
Kazakhstan	\$598,749,358	\$958,209,134
Kyrgyzstan	\$110,173,636	\$67,437,319
Uzbekistan	\$39,432,215	\$12,032,839
Turkmenistan	\$12,102,480	\$4,056,997
Tajikistan	\$6,792,704	Below one million US\$
Azerbaijan	\$2,187,954	\$3,979,866
Georgia	Below one million US\$	\$2,350,255
Armenia	\$1,143,203	\$4,210,218

with Kazakhstan acting as a transit state and supplying a small component in its own right. Central Asian supplies of oil to China, mainly from Kazakhstan, only make up 4 percent of the country's needs, but these constitute a supplement to that of Xinjiang for the growth of the country.

The dynamics of these developments have involved not only China's state-owned petroleum company, Sinopec. All other pipeline projects in the region, involving modernization and extension of Soviet era infrastructure, have drawn in investors from South Korea and Japan into substantial projects in Azerbaijan, Kazakhstan, and Uzbekistan<sup>18</sup>. Globalization of the region through financial means has involved parts of emerging Asia in the area other than by way of China. Of importance here is a possible Turkmenistan-Afghanistan-Pakistan-India pipeline or an Iran-oriented pipeline and further improvements in Caspian shipping.

Asian countries' activities are not solely linked to China-related projects. In the South Korean case, a prominent think tank points out that the South Korean interest in the Caspian/Central Asian region is seen as part of an overall strategy to project South Korea globally, where the republic could act as a go-between in areas where large powers are involved in competition. The government also projects itself as a democratic force that asserts Confucian values that are more acceptable in Asia than 'Western values'<sup>19</sup>.

South Korea's prime focus in the post-disintegration period has been Uzbekistan. Investment has been targeted in the joint venture mode, encouraged by the Uzbek government. This has taken Daewoo into the Fergana valley for automobile production and engineering, telecommunications, and textiles. Daewoo further diversified into energy products and oil and natural gas exploration, joined in this by the Korean National Oil Corporation and the Korean Gas Corporation. These investments have ensured Korea a role in its negotiations with gas and oil majors, essential to the country since it has no reserves of its own. In the case of



**Table 11.2. China's Trade with Caucasus-Central Asia, 2013**

Country	Exports To	Imports From
Kazakhstan	\$12,545,123,569	\$16,050,838,003
Kyrgyzstan	\$5,075,346,113	\$62,350,108
Uzbekistan	\$2,613,355,048	\$1,938,092,728
Turkmenistan	\$1,137,643,740	\$8,893,256,737
Tajikistan	\$1,869,363,600	\$88,751,269
Azerbaijan	\$868,568,350	\$233,583,286
Georgia	\$862,092,297	\$54,455,596
Armenia	\$119,849,623	\$73,138,531

Kazakhstan, South Korea has worked with a large group of ethnic Koreans settled in the area after deportation under Stalinist rule. This has generated many personal links and connections in the 1990s, leading to investments in the Kazakh financial sector, but it is in the past five years that heavy investments have begun in the energy sector and construction.

India has systematically built up its connections with the Caspian-Central Asian neighbourhood, but owing to transport logistics, most of its trade with this region is through third parties. A number of Indian business houses operate through Russia, where they were strategically positioned at the time of the repayment of the Soviet-era debt. Investments have been made directly in the textile industry in Uzbekistan and minor investments have been in the Kazakh energy sector. The Indian pharmaceutical sector has a major presence in Central Asian markets.

In all cases, the links are with the Caspian neighbourhood as well as Central Asia more broadly, albeit in varying ways. India and South Korea have businessmen on the ground in both areas as well as interests in energy resources. South Korean investments in Azerbaijan are large, running into construction and transportation, involving the corporate names of Samsung, Hyundai, and Halla Construction. China has energy interests in Azerbaijan and commitments to improvements in trade through the Kars-Baku railway project via Georgia, as well as the various interests in Central Asia mentioned above, most commitments being at the state-to-state level<sup>20</sup>.

### *Character of the Engagement*

The terms according to which many contracts have been signed and engagements made in states ranging from Azerbaijan in the Caucasus to Uzbekistan in Central Asia are habitually questioned for their transparency<sup>21</sup>. Clearly, rules exist here that are not part of the standard structure of dealings in the EU; even if EU companies have suitably benefited

from these, their conduct abroad is justiciable at home and in practice requires suitable adjustment, but application of such strictures in the case of China, India, or Korea is almost unheard of. Emerging Asia's inroads into the Caucasus-Central Asian neighbourhood has consequently depended on state-to-state relations and construction of personal networks in a manner very different from those of EU agencies and companies. The approach of emerging Asia here is also governed by domestic assumptions that do not accord fully with EU terms of reference. This especially affects the political dimension of behaviour, where domestic legislation and debate in emerging Asia follows a rubric different from that prevalent in the EU. The coincidence of these attitudes with those prevalent in the Caucasus-Central Asia region varies from case to case; certainly, cultural and educational networks have proved to be powerful in the creation of bonds and business.

#### THE EASTERN PARTNERSHIP PROGRAMME OF THE EUROPEAN UNION AND THE ASSOCIATION AGREEMENTS OF 2013

The EU's documentation on its move from the ENP to the EaP emphasizes the voluntarism in the states that associated with the EU politically and economically. However, since the credentials of the regimes concerned have been considered suspect by EU standards, and since what specifically such aspirants had in mind has never been spelled out, who volunteered and for what is not clear.

#### *European Stake in the Caspian-Central Asian Neighbourhood and the European Union's Eastern Partnership Programme*

Members of the EU have definitely established a substantial stake in the Caucasus-Central Asia region. This has been through rail and shipping relays across the Black Sea, via Batumi and on to Baku or through Turkey. Comparable relays also operate from Kazakhstan, whose oil is hence sold independently of Russia. Major European and American investments in the region took shape in the 1990s, and these led to an exceptional outcome in the construction of the Baku-Tbilisi-Ceyhan (BTC) pipeline, which began operation in 2006<sup>22</sup>. The pipeline has been supervised by BP, while its security is the subject of special arrangements where the US government, the EU, and private players have a role, the so-called Caspian Guard<sup>23</sup>. The affairs of the BTC pipeline have been of importance to the EU's Energy Community, established in 2006<sup>24</sup>, as a means of ensuring a stable supply of oil to the EU member-states.

Commercial self-awareness and corporatization locally, dominated by the state in Kazakh and Azeri country, led the state there to utilize government-led companies independent of the RF, namely the Kazmunaigaz and the State Oil Company of Azerbaijan, respectively. This process was the result of a substantial interest by global oil majors in the area, and these majors invested in specific fields and pipelines, the main companies being Chevron (in Kazakhstan the leading investor and pipeline constructor), Shell, Total, and ExxonMobil. The restructuring of the oil and gas industry in turn shaped the character of pipeline construction and the exploitation of new fields in the case of Kazakhstan, where the Russian Lukoil company had often to play second fiddle to international interests. The restructuring also provided the framework within which Azerbaijan's plans for the future of the Caspian shelf were established. Support activities in transport and shipping steadily developed as corollaries where Turkish and European companies were involved, in addition to Chinese and South Korean companies. In the course of the period following the construction of the BTC pipeline, a projected pipeline for the transport of gas from the Caspian to Europe has come to attract investment, a part of the transfer to be accomplished by the Nabucco pipeline linking Turkey and Southwest Europe and the projected Shah Deniz pipeline linking Turkey with Italy. These initiatives are in competition with the Russian South Stream project that was designed to strengthen Russia's presence in European energy markets, currently operating primarily the Druzhba pipeline and the North Stream link. In 2014, Russia abandoned the South Stream, citing obstruction from the EU.

The EU has played a special role in the Caspian-Central Asian region's development through the Technical Aid to Commonwealth of Independent States programme from 2000<sup>25</sup>. This among other projects has shaped communications improvements associated with the new Silk Route of the twenty-first century—the Transport-Corridor-Europe-Caucasus-Central-Asia (Traceca) initiative. This is intended to improve European links through the Caucasus to Central Asia and has featured investments in roads, port facilities, and other infrastructure since it was begun<sup>26</sup>.

The EaP of the EU has raised the stakes further<sup>27</sup>. The target has been a group of non-EU CIS other than Russia. After the full integration into the EU from 2004 of the Visegrad and Baltic states, the outliers of the former CMEA (Bulgaria, Romania, and a number of the successor states of Yugoslavia), the EU's Eastern Partnership initiative of 2008–2009 examined the potential for associating states contiguous to the EU further to the East, states that were already part of the ENP initiative of 2004. The ENP itself drew in a large number of states, some in the Levantine and North African regions, but the majority was of countries to the east of the member-states that joined in 2004. The partnership programme itself covered Ukraine, Moldova, Belarus, Armenia, Azerbaijan, and Georgia.

The Eastern Partnership initiative and the agreements that were to be signed by those affiliating to it made no qualifications concerning goals, which were equally oriented towards the strengthening of a particular political profile, as well as the development of stronger cooperative structures with the EU and a tendency towards integration with the EU more broadly. The partnership's publicly stated objectives were 'to help promote political and economic reforms, and support efforts of the countries in the region to move closer to the EU'. This statement had an important rider that stressed its broader political character:

At its basis lies a shared commitment to international law and fundamental values, including democracy, the rule of law and respect for human rights and fundamental freedoms, as well as to market economy, sustainable development and good governance<sup>28</sup>.

Unexceptional as this may seem, it is clear that the determinants of political goals were to be measured by the standards of the EU and its institutional and legal framework.

The pivotal 'platforms' around which the partnership revolved were relatively general, as listed in objectives: democracy, good governance, and stability (Platform 1); economic integration and convergence with EU policies (Platform 2); energy security (Platform 3); and contacts between people (Platform 4). Here, Platform 2 was given pride of place within the overall framework, and it needs to be stressed that such a platform demanded the essentials of the political platform be met, that is, through agreement on the terms of the laws of contract, appeal and arbitration that guide commerce, investment, and allied economic activities, as well as rules concerning the treatment of minorities and safeguards for human rights. A number of EU directives and institutions were integrated into the 'platforms' to give the initiative a solid status. Crucial also is that Platform 3 had to be read in consonance with the Interstate Oil and Gas Transport to Europe initiative of the EU that sought to regulate and consolidate support to the EU from the resources of the Caspian-Central Asian region, beginning with projects in 1997<sup>29</sup>. The partners of the Interstate Oil and Gas Transport to Europe initiative are significantly the Black Sea littoral states of Ukraine, Moldova, and Georgia; the Caspian littoral states of Azerbaijan, Kazakhstan, and Turkmenistan; and the Central Asian states of Uzbekistan, Tajikistan, and Kyrgyzstan. Countries such as Russia and Iran were either ignored or included as observers.

The relatively general nature of the partnership, however well grounded in other initiatives, did not last long. By 2011, the Eastern Partnership initiative came to centre around a further move towards associative agreements and deep and comprehensive free trade areas agreements, where the pattern of commerce and investment procedures were to lead to accord with the laws and standards of the EU. These were intended to arrive at a framework for the migration of citizens of Partner-

ship states into the EU space in a well-regulated, visa-free manner where the partner governments would be the main supervisors of procedures.

Association agreements that are more far reaching than partnership were taken up by members of the Georgia, Ukraine, Azerbaijan, and Moldova (GUAM) configuration<sup>30</sup>. There is no indication that the two initiatives were linked, but the overlap is worth noting. It is also notable that three of the states (Ukraine, Moldova, and Georgia) were associated with the CIS but had major differences with the RF, some of them severe, as in the case of Georgia and Moldova, where in South Ossetia, Abkhazia, and Trans-Dnestria the RF has supported positions opposed to those of the ruling regime in the state. GUAM itself is a grouping begun in 1997 and confirmed at Yalta in 2001<sup>31</sup>. From the time of its initiation, it sought to evolve transport corridors and institutions that differed from traditional reliance on Russia. It was encouraged by the EU, and from the mid-2000s the members shaped the Organization for Democracy and Economic Development. This organization focused on trade agreements, political and judicial institutions, and norms. Ukraine, Moldova, and Georgia viewed the concept as the foundation for a future more appropriate to them than that provided by the CIS, and all took up the offer of association agreements except Azerbaijan, which, while a member of GUAM, was lukewarm and remained apart from the new initiative. EaP states that maintained links with Russia, like Belarus and Armenia, did not move towards association agreements.

### *The Range of Association Agreements of the Eastern Partnership*

The association agreements that have been accepted by Ukraine, Moldova, and Georgia are a major advance on the general terms of Eastern Partnership and differ significantly from Euro-Mediterranean agreements. These association agreements were initialled after a prolonged period while the countries were evaluated for their capacity to fulfill the goals of association, and only later were they permitted to initial the agreements. The texts of the agreements are significant. While other partnership agreements are dominated by trade data and feature general commitments to safeguard human rights, good governance, and action against terrorism, the association agreements of the Eastern Partnership deal not only with these but also indicate levels of control over the role of the state in the economy by stipulating limits on state action, including the nature of taxation. In general, the agreements require adherence to a larger sphere of EU directives that represent common practices of the EU members than do other partnership agreements that are more oriented to trade issues like reciprocal lowering of duties, nature of commodity production and packaging, and definitions of commodities and finished products.

Comparisons of the Euro-Mediterranean agreement with Algeria (2005) and other Mediterranean states with the association agreement with Georgia reveal this difference. The agreement with Algeria and others, beyond the political preambles and commitments concerning company formation and transport and legal cooperation, is concerned with trade issues centring on tariff adjustments and the bulk of the annexure material deals with such matters<sup>32</sup>. In the case of the agreement with Georgia, however, the major annexes to the general commitments indicate not only reiterations of OSCE safeguards concerning conflict (early warning systems and arbitration) but accords on trade in goods and services characteristic of other trade agreements right down to transcriptions of goods' names. There are various stipulations concerning standardization (voltage used and measurements) as well as timelines for their establishment, various restrictions on reservations on jobs, access to subsidies, and government role in privatization, often through enterprises that have a substantial state share, with sector-wise demarcations that accord with EU practice (Annexes I to XV) and timelines for when local legislation must be brought into line with EU legislation. The regulation of the local economy runs not only to matters of pollution and energy use, but also to adjustments of taxation and company and accounting procedures (Annex XXVIII). Clearly, there is more at work here than the corollaries of a deep and comprehensive free trade area: The agreement reshapes the economic practice of the state with social policy as a crucial component (Annex XXX)<sup>33</sup>. Integration of Georgia into the projection of an EU 'just society' is at issue here, not merely elements of cooperation.

#### THE IMPLICATIONS OF THE EASTERN PARTNERSHIP PROGRAMME'S ASSOCIATION AGREEMENTS FOR THE CASPIAN-CENTRAL ASIAN NEIGHBOURHOOD

In general, EU commentary has been negative concerning Caucasus-Central Asian political and institutional practice<sup>34</sup>. The following implications therefore can be foreseen.

##### *Specific Implications*

Given the regular movement of population in the South Caucasus/Transcaucasus region, normal business enterprise and trade, and the importance of the BTC pipeline, the association agreement with Georgia is likely to have important consequences in the immediate neighbourhood<sup>35</sup>, especially since finance from the EU is heavily present in the region and reinforces the initiative directly and indirectly. The adjustment of the economies of Azerbaijan and Armenia to the procedures that

Georgian-EU association introduces in the area will be a natural corollary. Whereas traditionally adjustments between economies had been mutual, varying a little with differences in strength, the adjustment with the Georgian economy is likely to place other local Caucasus actors at a disadvantage because Georgia is a transit state for both Azerbaijan and Armenia to the larger Black Sea economy. The EU's authority is reinforced by the fact that the new procedures in Georgia accord with those of the neighbouring state of Turkey, a long-term EU associate, which offers a number of business opportunities in its own right. Hence, the compulsions on Azerbaijan and Armenia to conform to European practices are substantially strengthened by the pivotal nature of Georgia's geographical location. Pressures on Azerbaijan to conform are further determined by its close association with the BTC pipeline and the oil and gas majors with which the country does business.

The regional political implications are clear. In Azerbaijan, a country where presidential power is almost untrammelled despite the existence of a national assembly and regular elections, and where opposition parties such as the Musavat have limited freedoms, the presence of almost continuous debate concerning the processes of representation bodes ill for the regime in power. Geidar and Ilkham Aliev have successfully ruled the country since disintegration without basic adjustments to any criticism, and suppressing with force the opposition against the BTC pipeline is only one instance of such behaviour. Here, the changing atmosphere across the border will undoubtedly be felt in future, and this is especially true since Azerbaijan faces minority issues associated with the treatment of Armenians, who have strong lobbies in Europe.

### *General Implications for the Larger Neighbourhood*

The context in which the association agreements have been signed, in the sense of the character of the states that abut on to South Caucasus region, must be mentioned to understand the implications of such association outside the signatory country and its immediate neighbourhood. In general, both Caucasus and Central Asian states privilege the notion of expediting a transition to capitalism, where the model is the EU or the United States. Yet, while all EaP signatories who did not sign association agreements (Armenia, Azerbaijan, Belarus) have been marked by records of privatization and investment management through banking, insurance, and other agencies, they have left the role of the state powerful and with substantial continuity in the personnel of the state pre- and post-Soviet disintegration. This has also been true of other states of the larger Caspian-Central Asian area like Kazakhstan, Uzbekistan, Turkmenistan, Tajikistan, and Kyrgyzstan. Despite a business environment that varied considerably from what existed in the years after disintegration<sup>36</sup>, this

overarching hold of the state and the importance of politics gave economic activity a flavour that was far removed from that of the EU.

The countries concerned have been marked by parliamentary systems that have either failed to find acceptance among sections of the population owing to the mismatch between the makeup of state personnel and the various interests that found means of expression, or where the power of the state has led to concentrations of authority in the hands of individuals and families. The former is true of Uzbekistan, Tajikistan, and Kyrgyzstan; the latter in Azerbaijan, Kazakhstan, and Turkmenistan. All states have accepted clan and regional affiliation as intrinsic to institutional building. Nominally, the states are republics and democracies with representative institutions and judicial bodies that support the rule of law, but in reality the range of interpretation of what this means is broad, allowing the state and individual presidents wide degrees of control as seen especially in Azerbaijan, Kazakhstan, Uzbekistan, and Turkmenistan<sup>37</sup>. Despite this, the main model that the countries of the neighbourhood approximate to in the realm of governance is that sponsored by the EU, and they apply many standards for such governance through the intervention of the OSCE. They stray far from the more practical aspects of governance when it comes to social policy or the notion of transfer of power, or separation of powers or an inclusive style of governance, but it remains the key reference point. In no state, it should be stressed, is the notion of an Islamic state held to be legitimate except among some opposition groups whose strength is difficult to measure, so great is the authority of the ruling establishment. The consequence is that despite institutional variation on a major scale from the EU model, its norms are held to be ideal, even if some states, as in the case of Kazakhstan, pride themselves on their institutional make up and even recommend it to others for emulation<sup>38</sup>.

This in no way suggests that the modes advocated by the EU for institution building and negotiation have proved successful in complex situations. This is clear from the persistent refusal of South Ossetia and Abkhazia to come to terms with the Government of Georgia whatever the regime, and the failure of almost all EU peace-making attempts to resolve differences between Azerbaijan and Armenia in the Nagorno-Karabakh dispute. The repeated appeal to the EU and the OSCE in the circumstances, however, is an indication of the prestige they enjoy despite success or failure. In the circumstances, the presence of the EU in a more direct form than before in the Caspian neighbourhood will preserve the engagement with European norms, especially since it is backed by a strong desire in the EU to utilize the resources of this region for its energy security.



*An Eye to Emerging Asian Enterprise in the Region*

The prevailing regimes and processes, however, rather than EU-oriented reform regimes have shaped arrangements concerning contracts and rights that China and other emerging Asian countries have concluded within the Caspian-Central Asian neighbourhood. How far these will attract adjustment will be a question for the future that is dependent on the domino effect of EU presence. It is impossible, however, to wish away the possibility of such adjustments and already in the case of migration policy, states such as Kazakhstan face significant pressure from the EU to evolve fresh means of control and supervision.

RUSSIAN OPPOSITION TO EUROPEAN UNION INITIATIVES IN  
THE CAUCASUS-CENTRAL ASIAN NEIGHBOURHOOD AND  
IMPLICATIONS OF THE 'EURASIAN COMMUNITY'

The implications of these adjustments and other possible comparable shifts have antagonized Russia, which, according to the documentation on the EaP, is said to have been consulted as the EaP evolved. The initiative represented by the association agreements has encountered determined opposition from Russia, which sees this as a further strategy for the EU and North Atlantic Treaty Organization expansion. Russian opposition here, moreover, is not inspired purely by security considerations, but a sense of the necessity for policy regimes that are at variance with those of the EU. Notions of a possible 'Eurasian Community'<sup>39</sup> have been firmly promoted by Russian President Vladimir Putin. Putin has an eye to consolidating interests in the former Soviet space that accept notions of political and economic reform but advocate strict state by state control of the process, asserting 'sovereign democracy'<sup>40</sup>, with a minimum agenda for a code of conduct. The extent to which Russia is willing to resist the development of EU strategies has been evident in the Ukraine crisis of 2013–2015, which originated in disputes over the Ukraine's intention to initial an association agreement at Vilnius in November 2013.

The Eurasian Community as a concept had its origins among early initiatives of the post-disintegration era when Russia, Kazakhstan, and Belarus signed an agreement to form a Customs Union (1995), extending this quickly to include Kyrgyzstan and bringing it into force in 1997, with Tajikistan being included in 1998. Owing to the circumstances of the time, the union was not important, especially following the crisis of 1998, but an agreement was signed by the above states to form a Eurasian Economic Community in October 2000, the terms to become valid from 30 May 2001.

A scheme of activity was worked out where three stages of cooperation were envisaged: the development of foreign trade zones in all mem-

ber countries, the creation of a Eurasian Customs Union, and the creation of a Eurasian Economic Space. On 6 October 2007, Russia, Kazakhstan, and Belarus agreed to form the Customs Union in three stages (respectively effective 1 January 2010, 1 July 2010, and 1 July 2011). From 2012, following an agreement of the Customs Union members in December 2009, aspects of integration at the level of law and internal tariffs have evolved for the creation of a Eurasian Economic Space. Uzbekistan was associated with the organization between January 2006 and October 2008, Moldova and the Ukraine were observers from 2002 and were covered by the common aviation agreement and the Eurasian Bank for Development, and the same holds good for Armenia from 2003.

Faced with the support that the EU has provided through its association agreements in the Ukraine crisis of 2014, it is likely that the RF will use its foreign policy networks to resist the successful development of the EU initiative, placing pressure on sections of emerging Asia where it has influence. The significance of the relationship here, and especially in the case of the trade relationship with China, is evident from the growth in bilateral trade between 2000 and 2013 seen in Table 11.3.

Russia is likely to use its leverage at other levels. There is to be a strong energy ingredient in the development of future trade between the two states that will consolidate China's energy security through the construction of major pipelines from the Russian East. Common themes in policy approach are likely to be a factor: opinions concerning political organization and the relationship between the state and the economy are seldom congruent between the EU on the one hand and China and Russia on the other. In the case of the relationship with both China and India, there is a major RF arms component also: a component that is significant for the military forces of both Asian countries. This will also feature in Russia's search for a common platform with the important elements of emerging Asia.

## CONCLUSION

### *A Perspective for Emerging Asia*

It could be argued that some adjustment of the rules of the game may be a consequence of this encounter between varied forms of government and attitudes to the state. It is unlikely, however, that approaches for

**Table 11.3. China's Trade with Russia 2000–2013**

Year	Exports	Imports
2000	\$2,233,350,097	\$5,769,892,360
2013	\$49,591,171,963	\$39,667,828,205

solidarity by Russia are likely to receive such broad-ranging support in emerging Asia that will eventually constitute a new paradigm or an international platform, unless confrontations over Caspian resources become the ultimate outcome of the Eastern Partnership's new twist. In the case of the EU's relationship with India, South Korea, and several members of ASEAN, there has been less divergence regarding the vocabulary of political organization, judicial process, and economic reform than there has been in the EU-Russia/China relationship. But even in China's case, Beijing is likely to find it possible to work with the terms of enterprise that may evolve in the region as a result of a general adherence to EU directives and procedures. This should be especially so when these terms do not fundamentally affect the working of the states of the EU neighbourhood other than those already inside the range of the EaP. Certainly, it is unlikely that the EU initiatives will evoke opposition from investors in emerging Asia since changes in regimes and rules are a norm of international financial practice, particularly in emerging markets of which the Caspian-Central Asian neighbourhood is but one. New rules are also unlikely to affect informed publics that have seldom seen in such issues a subject for concern or interest.

The mobilization of forces hostile to existing regimes around the new rules and their spirit, however, may undermine any such smooth transition, as the fate of Euro-Mediterranean agreements following the Arab Spring has shown. Whatever the chances of such an outcome, there are likely to be significant implications for the EU model and its general reputation. Caspian politics and various negotiations with China by EU-oriented states in the future may be on terms that China may set. As the Ukraine crisis has indicated, such engagements often lead to strange bedfellows and awkward commitments. The lines that have distinguished Asian political behaviour from that of the EU may be likely to blur in such circumstances, as the EU itself becomes embroiled in the complexities of the borderlands of emerging Asia and expanding Europe.

## NOTES

1. This refers to the various initiatives associated with the ENP, termed 'instruments'. The ENP instrument indicates outlays and rubrics for operationalizing the ENP.

2. The term is used deliberately in the manner employed by Valerie Bunce, who pointed out that institutions throw up their own expectations from the terms they invoke and the ritual of the processes they involve. See Valerie Bunce, *Subversive Institutions* (New York: Cambridge University Press, 1999).

3. Declaration of Heads of Member-States of Shanghai Cooperation Organization (Xinhua), Updated: 12 June 2006, 15:15 (Astana, 5 July 2005), [www.chinadaily.com.cn/china/2006-06/12/content\\_6020345.htm](http://www.chinadaily.com.cn/china/2006-06/12/content_6020345.htm), accessed 12 October 2014. This stresses that 'Every people must be properly guaranteed to have the right to choose its own way of development'.

4. Institute of European Studies of Chinese Academy of Social Sciences, [ies.cass.cn/en/cjes/Index.asp](http://ies.cass.cn/en/cjes/Index.asp), accessed 12 October 2014.
5. For a recent example of this, see Kojin Karatani, *The Structure of World History: from Modes of Production to Modes of Exchange*, Michael K. Bourdaghs (trans.) (Durham, NC: Duke University Press, 2014).
6. Georg Wiessala, *European Studies in Asia. Contours of a Discipline* (Oxford: Routledge, 2014).
7. The tendency of an individual nation to use the notion of Europe has a history. It has been dealt with by Pascal Ory in *Les collaborateurs (1940-45)* (Paris: Editions de Seuil, 1976). The German use of the strategy in the 1960s and 1970s has been shown by Timothy Garton Ash in *In Europe's Name* (London: Vintage, 1994).
8. Information on the European External Action Service is to be found at [www.eeas.europa.eu/](http://www.eeas.europa.eu/), accessed 12 October 2014.
9. Georg Iggers and Edward Wang, *Global History of Modern Historiography* (New Delhi: Pearson Educational, 2008).
10. For more rhetorical literature, see Robert Kagan, *Of Paradise and Power: America and Europe in the New World Order* (New York: Alfred A. Knopf, 2003); and Peter Baldwin, *The Narcissism of Minor Differences: How America and Europe are Alike* (New York: Oxford University Press, 2009).
11. A good example is Bohdan Hud, 'Eastern Policy of the European Union: Step by Step towards Ukraine', and Roman Kalytchak and Andriy Semonovych, 'European Union Enlargement—An Unfinished Business?' in *Introduction to European Studies: A New Approach to Uniting Europe*, D. Milczarek, A. Adamczyk, and K. Zajackowski (eds.) (University of Warsaw: Centre for Europe, 2013), 529–42.
12. The use of the integrated energy distribution system in the case of natural gas, and the early problems faced by Turkmenistan as an example, are graphically described in Valerii Pantushkin and Mikhail Zygar, *Gazprom: Novoe Russkoe Oruzhie* (Moscow: Zakharov, 2008).
13. The most valuable collection on the Caspian appears to be Shirin Akiner (ed.), *The Caspian: Politics, Energy and Security* (London: Routledge, 2004). For fundamental information on the Caspian Sea's resources, see G. F. Ulmishak, 'Petroleum Geology and Resources of the North Caspian Basin, Kazakhstan and Russia', *US Geological Survey Bulletin* 2201-B (Washington, DC: USA Geological Survey, USA Department of the Interior, 2001). The USA Geological Survey has also published 'Assessment of Undiscovered Oil and Gas Resources of the North Caspian Basin, Middle Caspian Basin, North Ustyurt Basin, and South Caspian Basin Provinces, Caspian Sea Area' (Washington, DC: USA Geological Survey, USA Department of the Interior, 2010). See also World Energy Council, *World Energy Survey, 2013 Summary*, [www.worldenergy.org/wp-content/uploads/2013/10/WEC\\_Resources\\_summary-final\\_180314\\_TT.pdf](http://www.worldenergy.org/wp-content/uploads/2013/10/WEC_Resources_summary-final_180314_TT.pdf), accessed 12 October 2014.
14. For a fine account of normalization and perestroika perspectives on Asia, see Eduard Shevardnadze, *Moi Vybor* (Moscow: Progress, 1991).
15. See Hari Vasudevan, *Shadows of Substance, Indo-Russian Trade and Military Technical Cooperation since 1991* (New Delhi: Manohar, 2010), for the strategy of Indian business companies in the region.
16. See Georgii Kan, 'Koreitsy v Kazakhastane: deportatsiia is obreteniia novoi rodiny', in *Deportirovannye v Kazakhstan Narody: Vremia I Sudby* (Almaty: Arys-Kazakhstan, 1998), 109–21.
17. For details of this relationship, see Juan Pablo Cardinal and Heriberto Araujo, *China's Silent Army* (London: Allen Lane, 2013); and Marlene Laruelle and Sebastian Peyrouse, *The Chinese Question in Central Asia* (London: Hurst Publishers, 2014).
18. For China's energy information, see the USA Energy Agency at [www.eia.gov/countries/cab.cfm?fips=ch](http://www.eia.gov/countries/cab.cfm?fips=ch), accessed 12 October 2014.
19. Balbina Hwang, 'A New Horizon in Korea-Central Asia Relations: The ROK joins the Great Game', *Korea Compass* (December 2012).

20. For China's relationship with Azerbaijan, see Fariz Ismailzade, 'China's Relations with Azerbaijan', *China and Eurasia Forum Quarterly* 5, no. 1 (2007).

21. [www.fess-global.org/files/OilandGas.pdf](http://www.fess-global.org/files/OilandGas.pdf) (accessed 12 October 2014) is a document by the USA Agency for International Development that raises questions about the probity of oil and natural gas dealings in Kazakhstan and other states.

22. For information on the participants in construction, see [www.bakuceyhan.org.uk](http://www.bakuceyhan.org.uk). For the history of the pipeline, see S. Fredrick Starr and Svante E. Cornell, *The Baku-Tbilisi-Ceyhan Pipeline: Oil Window to the West* (Uppsala: Central Asia Caucasus Silk Road Studies Program, 2005), [www.silkroadstudies.org/BTC.pdf](http://www.silkroadstudies.org/BTC.pdf), accessed 12 October 2014.

23. For cooperation between the United States and Europe in this venture, see Ariel Cohen 'Energy Security in the Caspian Basin', in *Energy Security Challenges for the 21st century*, Gal Luft and Anne Korin (eds.) (Santa Barbara, CA: Greenwood Publishing House, 2009), 109–27.

24. Energy Community, [www.energy-community.org/portal/page/portal/ENC\\_HOME](http://www.energy-community.org/portal/page/portal/ENC_HOME), accessed 12 October 2014.

25. Europa, 'Takis Programme (2000–2006)', [europa.eu/legislation\\_summaries/external\\_relations/relations\\_with\\_third\\_countries/eastern\\_europe\\_and\\_central\\_asia/r17003\\_en.htm](http://europa.eu/legislation_summaries/external_relations/relations_with_third_countries/eastern_europe_and_central_asia/r17003_en.htm), accessed 12 October 2014.

26. [www.traceca-org.org](http://www.traceca-org.org), accessed 12 October 2014.

27. European Union External Action, 'Eastern Partnership', [eeas.europa.eu/eastern/index\\_en.htm](http://eeas.europa.eu/eastern/index_en.htm), provides all the documentation on the Eastern Partnership referred to in this essay. For some of the reflections, E. A. Korosteleva (ed.), *Eastern Partnership: A New Opportunity for the Neighbours?* (London: Routledge, 2011).

28. This is the representation at the European Commission's broader website for industry ([ec.europa.eu/enterprise/policies/international/promoting-neighbourhood/eastern/index\\_en.htm#h2-1](http://ec.europa.eu/enterprise/policies/international/promoting-neighbourhood/eastern/index_en.htm#h2-1), accessed 12 October 2014). It accords with the *Communication from the Commission to the European Parliament and the Council* of 12 March 2008 concerning the Eastern Partnership at [eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0823:FIN:EN:PDF](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0823:FIN:EN:PDF) (accessed 12 October 2014). Platforms are indicated in this fundamental communication.

29. See [www.inogate.org](http://www.inogate.org) (accessed 12 October 2014) for the main documentation on this initiative.

30. See [www.guam-organization.org](http://www.guam-organization.org) (accessed 12 October 2014) for further information on the configuration.

31. L. M. Grigoriev and M. R. Salikhov, *GUAM, Piatnadsat' Let Spustia* (Moscow: Regnum, 2007).

32. EU Neighbourhood Library, 'EU-Algeria Association Agreement', [www.enpi-info.eu/library/content/eu-algeria-association-agreement](http://www.enpi-info.eu/library/content/eu-algeria-association-agreement), accessed 12 October 2014. For implications of the Euro-Mediterranean agreements and their record, see Haizam Ahmira Fernandez and Richard Youngs, *The Euro-Mediterranean Partnership: Assessing the First Decade* (Madrid: FRIDE, 2005), [www.fride.org/download/03\\_Libro\\_completo\\_ENG.pdf](http://www.fride.org/download/03_Libro_completo_ENG.pdf), accessed 12 October 2014.

33. For text of the agreement, see [www.mfa.gov.ge/index.php?lang\\_id=ENG&sec\\_id=30&info\\_id=17015](http://www.mfa.gov.ge/index.php?lang_id=ENG&sec_id=30&info_id=17015), accessed 12 October 2014.

34. This is normally evident in observers' comments during elections. A sense of the rhetoric is evident in comments of a writer with the Spanish think tank FRIDE. 'Central Asian legislators do not necessarily represent an electorate, but are "selected" based on their affinity with the incumbent regimes and often represent specific business interests'. See Tika Tsertsvadze, 'What Role for the European Parliament in Central Asia', *EUCAM, Commentary*, no. 25 (September 2014).

35. See Richard Giragosian, *Georgia's EU Alignment: Regional Repercussions*, [www.aljazeera.com/indepth/opinion/2014/06/georgia-eu-alignment-regional-2014629123238966304.html](http://www.aljazeera.com/indepth/opinion/2014/06/georgia-eu-alignment-regional-2014629123238966304.html), accessed 12 October 2014, for an assessment of the hegemony expected from Georgia in the Caucasus after the agreement.

36. See *Doing Business in Kazakhstan* for a sense of this, though the situation here was probably far more like the EU than that which prevailed in Uzbekistan and Turkmenistan. For the Internet edition of the volume, see [www.bakermckenzie.com/files/Publication/7fcb0aa5-87d4-44d8-b13a7f00e11c1183/Presentation/PublicationAttachment/60fe2667-6097-480d-9b95dfef2dd28d2d/bk\\_dbi\\_kazakhstan\\_14.PDF](http://www.bakermckenzie.com/files/Publication/7fcb0aa5-87d4-44d8-b13a7f00e11c1183/Presentation/PublicationAttachment/60fe2667-6097-480d-9b95dfef2dd28d2d/bk_dbi_kazakhstan_14.PDF), accessed 12 October 2014.

37. For an outsider's view of the foundations of the 'transition' and institution formation, which gives Islam and reform orientation a special place, see Ahmed Rashid, *The Resurgence of Central Asia* (New Delhi: Oxford University Press, 1994). For a CIS view, which avoids conclusions, see *Postsovetskaia Tsentral'naia Aziia. Poteri is obreteniia* (Moscow: Vostochnaia Literatura, 1998). The notion that institution building is a major problem is stressed in J. Ahrens and H. W. Hoer, *Institutional Reform in Central Asia: Politico-economic Challenges* (New York: Routledge, 2013).

38. The semiofficial history of Kazakhstan stresses statements by Nursultan Nazarbaev to this effect. See *Istoriia Kazakhstana*, vol. 5 (Almaty: Atamura, 2010), linking this with an overall European sensibility.

39. Russia's concerns about the Eastern Partnership are elaborated in Andrei Zagorski, 'Eastern Partnership from the Russian Perspective', *Internationale Politik und Gesellschaft*, no. 3 (2011). For basic information on the Eurasian Community, see [www.evrazes.com/](http://www.evrazes.com/), accessed 12 October 2014.

40. For the range of support for these notions, see *PRO Suvrennyiu Demokratiu* (Moscow: Izdatel'stvo Evropa, 2007).

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