

CHINA'S GEO-ECONOMIC OUTREACH IN CENTRAL ASIAN COUNTRIES AND FUTURE PROSPECT

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ABSTRACT

The rivalry between prominent international actors for dominance over Central Asia's hydrocarbon reserves and the ancient silk trade route, along with China's diplomatic endeavours in the area, has been referred to as the "New Great Game." This research centres on the power struggle, considering geopolitical, geostrategic, and geoeconomic variables. Topics including trade, political hegemony, oil politics, and conventional and nontraditional security are all explored and explained by the researcher. Using Mackinder's Heartland, Spykman Rimland, and Hegemonic Stability theories, examines China's role in Central Asia. This study adheres to the empirical epistemological method and has taken care of objectivity. This study analyze primary and secondary research documents critically to elaborate role of china's geo economic outreach in central Asian countries and its future prospect. China is thriving in trade, pipeline politics, and winning states, according to this study, thanks to important instruments like the Shanghai Cooperation Organisation and the Belt and Road Economic Initiative. According to this study, China is seeing significant success in commerce, pipeline politics, and gaining influence on other governments. This success may be attributed to the effective utilisation of key tools such as the Shanghai Cooperation Organisation and the Belt and Road Economic Initiative.

1. INTRODUCTION

The five countries that make up Central Asia are Kazakhstan, Turkmenistan, Kyrgyzstan, Uzbekistan, and Tajikistan. With some slight variations, they are similar historically, ethnically, linguistically, and culturally (Frappi, 2018). Being the centre of the Eurasian continental space, it is one of the major regions of the world and is thus closely connected to many dynamic and active economies, including those of China, Russia, Japan, the European Union, and India. (Zogg, 2020)

Geographically speaking, the republics of Kyrgyzstan, Turkmenistan, Kazakhstan, Uzbekistan, and Tajikistan have all been referred to as part of Central Asia (Marketos, 2008). These countries came into being following the fall of the Soviet Union in 1991. These nations are located on the eastern and western shores of the Caspian Sea, which is rich in natural gas and oil resources. The largest oil deposits are found in the republics of Azerbaijan and Kazakhstan, which are also two of the main oil exporting nations in the area. In recent years, Turkmenistan's oil and gas exports have also grown significantly. (Scobell et al., 2014)



Figure 1. Source: <https://www.istockphoto.com/photos/central-asia-map>

With the exception of Kazakhstan, the CARs' economies seem less developed the landlocked nations that were cut off from the outside world for an extended amount of time. The sudden change in power in international affairs led to the CARs' unexpected declaration of independence. The swift declarations of liberty had a noticeable effect on the CARs' internal and international affairs. To find a suitable place in the changing landscape of regional and global politics, these states have had to take a difficult and drawn-out path (Feng, 2019).

1.1. Historical Background

Central Asia has long endured in interaction with the various cultures and market economies because it is situated at the crossroads of the East and the West. Due to their prior interactions with the outside world, the Central Asian monarchies and khanates developed into the most powerful and advanced cultures in the region (Marketos, 2008). Central Asia has long been a region of geostrategic prominence due to its proximity to the major powerful nations of the Eurasian continent (Khan, 2006). Central Asia is part of Mackinder's "heartland" and is at the center of the "black hole" of power, according to Zbigniew Brzezinski, who equates it to the "Eurasian Balkans" in terms of geopolitics high chances of regional great-power politics rivalries and ethnic conflicts. Central Asia's unique geographic location has made it one of the most strategically important regions in the world for a long time. Due to its long history of having an abundance of energy resources, Central Asia has also been considered a significant region in the world. The CARs have continued to be a battleground for power politics between Russia and the British Empire, known as the "Great Game," which came to an end in the wake of the Soviet Union's collapse in 1991.

China and the other great powers, the US and Russia, were able to establish an economic presence in the area for advantages related to the security of energy resources and markets for commodities. In Central Asia, the politics of power that have followed between the world's most powerful states are known as the "New Great Game" (Afridi et al., 2017). China and the CARs hold key strategic positions in the region's geography, making it possible for them to have an instantaneous influence on global stability and security, economic growth, and other factors. In

the multifaceted realm of political and economic affairs, China and the CARs are new emerging powers (Khan, 2006). Central Asia's economic insecurity and its impact on the region's political instability have emerged as key causes of concern.

China is a historic nation whose history dates back to the beginning of humankind's evolution. It has 5,000 years of history. It was ruled for centuries by various dynasties. It was an amazing civilization with a diverse population of many ethnicities and cultures. It was a feudal, agricultural, and economic nation. It was a significant financial force of the world with an abundance of natural resources, seaports, and the credit for numerous new inventions, such as water mills, papermaking technology, silk fabric, printing machines, and agricultural production tools, among others. It was obtaining a high-tributary (profit-generating currency) from the Asian nations by using the South China Sea channels for commercial transactions. During the Han Dynasty in the 13th or 15th century, it was connected economically by the ancient Silk Road. Asia, Central Asia, the Middle East, Africa, and Europe are included in the rest of the world. Since it was neither a colonial nor an expansionist power, it was a peaceful and powerful nation that stood in contrast to the other Asian periphery countries. Despite having a powerful military and navy, it never attacked another nation's sovereignty.

The entire dynasty's reign was marked by peace, the unification or disunification of ethnic tribes, and civil wars between various powerful tribes over control of the center, which was necessary to establish their rule. China's culture is renowned for its extreme tolerance, having witnessed the infusion of many cultures (brought by new migration of tribes from various regions) for centuries in Chinese culture, and it has consistently preserved its objectivity and distinct identity. Its centuries-old culture upholds the values of peace, unity, and development, which are important because they lay the groundwork for China's current policies on peace, nationalism, and unity, all of which are supportive of the country's current development. In the era of Dynastic rule, China had continued to engage in internal conflicts among various tribes. It was unable to conquer other countries due to its peaceful culture and internal efforts to uphold harmony and peace.

2. LITERATURE REVIEW

2.1. China's Interest in Central Asia

China has always harbored fantasies about Central Asia. There was never any question about Central Asia's significance in China's rise to global dominance. China was encouraged to establish strategic ties with CA countries over time due to CA's political sway over China at time period of Genghis Khan, as well as the influence of Turkic and Islamic peoples in Xinjiang. It was strengthened even more in the final ten years of the 20th century with the fall of USSR.

The emergence of political autonomous and self-govern states in CA has presented China with fresh opportunities to advance its ambitious "Go West" initiative. China has methodically developed its Policy regarding CA covering border concerns, economic matters, and political relationships, to ultimately strategic partnerships, as Central Asia has become central to China's global ambitions and integral to its domestic politics. It also looks at how China has used these initiatives to further its global ascent, with Central Asia playing a significant role in both.

(Boshkov, 2014) the author focuses on how China's rapid economic expansion forced it to approach other nations for resource assistance so that their economies could advance without hindrance. The motivations behind China's foreign policy in CA are the subject of this work, which focuses more on external than internal factors, such as the need for energy security. Territorial conflicts are emphasised, along with the fact that Xinjiang's ethnic instability plays a

significant role in arranging advantageous relationships along its border states. China declares that it will cede a sizable portion of its territory to certain Central Asian states and has made significant investments there in an effort to win the region's trust and transparency.

According to (Stepan, 2015) in *Understanding China's Global Energy Strategy*, China's energy needs are a top priority because of the country's economic growth. China has, nevertheless, tightened its import regulations for hydrocarbon resources and increased the scope of its domestic energy sector. China advanced through multiple phases and took a step forward within the global energy circle. The most recent phase involves creating land-based energy connections through Kazakhstan, Uzbekistan, and Turkmenistan and emerging as the energy hub of the joint Asian market, which is China's most recent Silk Road project.

The power vacuum in Central Asia is attracting a lot of important players to play a part. Moreover, although China and Russia have reached a consensus through the SCO platform, their respective visions are not aligned. Additionally, there's a risk of future conflicts. (Kulnazarov, 2015)

This action made the SCO easier to operate as an organisation, which was advantageous given Russia's regional interests. China strategically utilised its hydrocarbon resources to establish a prominent presence in Central Asia, which is often referred to as the second Middle East. China plays a significant role in maintaining cooperative relations within this region in order to accomplish its objectives. The author contends that outside ideas of energy security in the region—where some neighbours are prone to aggression and hydrocarbon resources are the primary resource that the entire world is vying for—play a greater role in resolving domestic conflict than do internal factors.

From this angle, the SCO conglomeration and the Silk Road metaphor represent China's grand strategy to achieve worldwide greatness. Meanwhile, it is noteworthy that both of these initiatives had their modest beginnings in Central Asia. China and Central Asia have had close historical ties for centuries due to both peace and war, but these ties have undergone a deeper and wider metamorphosis as a result of China's modeled after the Soviet Union to an independent nation.

In a report titled "Central Asian Gas Prospects for the 2020s," (Pirani, 2019) details the production of oil and gas in the CARs, as well as its imports, exports, and pipelines. It also highlights China's energy connections with these states, which it plans to forge between 2010 and 2020. China's energy interests in Central Asia are examined in this report along with potential future developments. It focuses on the important role China is making in establishing energy connectivity in this region.

The importance of hydrocarbon resources in Central Asia is discussed by (Raimondi, 2019). The article examines these three Central Asian states from the standpoint of external powers' interests. It clarifies the current state of the energy relations, investments made by the aforementioned three CARs in the oil and gas industry, and energy export routes with external actors. Russia and China, two closer states, are the main external states involved in the oil and gas sector. Other countries involved from the region include Iran, Turkey, and India, for various reasons. However, non-regional powers like the US and EU are also vying for control over resources.

Deng Xiaoping famously stated, "Reforms are best tackled by crossing the rivers by filling the stones" (Baum, 1996), which aptly describes the modern Chinese political strategy. Beijing's primary policy process has continued to be based on the concepts of "fang" and "Shou," which refer to "opening" and "tightening" in alternating periods that permit less repressive measures for a while, more political activity. In its BRI framework, China is also presumed to adhere to a

similar pattern of behavior. Beijing's grand strategy in Central Asia, a crucial region of global geopolitics, should be understood in the context of this analysis of the SCO and BRI frameworks. (Huang, 2016, Djankov and Miner, 2016). China has been advancing its trade cooperation with the nations along the BRI since the initiative was introduced. China's trade growth rate with countries along the BRI exceeded the growth rate of global trade in 2017. It has also emerged as a fresh catalyst for both internal growth and comprehensive reforms. China's reform and opening up have been going on for 40 years, and 2018 also marks the fifth anniversary of BRI.

At the national level, China and Kazakhstan have made great strides in the last five years to connect Kazakhstan's new economic plan, Bright Road, with the BRI. China is one of Kazakhstan's most significant trading and investment partners. According to statistics, the amount of bilateral trade between China and Kazakhstan reached 18 billion USD in 2017, a 37.4% increase from the previous year. Meanwhile, the value of bilateral goods trade between China and Kyrgyzstan was estimated to be 5.6 billion USD, or 27% of the country's total import and export volume. In a similar vein, the development strategies of Tajikistan and Uzbekistan are highly compatible with the BRI initiative. Furthermore, China has long since surpassed Turkmenistan as its. (Huang et al., 2020)

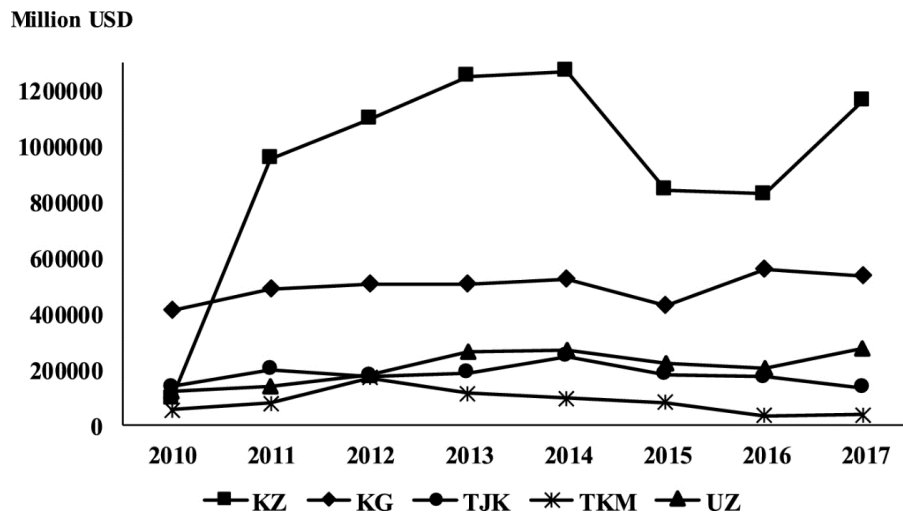


Figure 2: China's exports to Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan (abbreviated KZ, KG, TJK, TKM, and UZ, respectively) to the five Central Asian nations between 2010 and 2017. (Huang et al., 2020)

China has security as well as economic reasons for being interested in Central Asia. There are numerous other ethnic groups in China, despite the Han making up the great majority of the country's population. Although the numbers may appear low when expressed as a percentage, they are in the tens or hundreds of millions when expressed as an absolute number. China must thus prioritize the development of its multiethnic western regions, which are less developed than the eastern ones. The Central Asian nations and the western regions, particularly the Xinjiang Uyghur.

2.2. China's Economic Interest in CA

China and Central Asia are geographical neighbors. China borders Kyrgyzstan, Tajikistan, and Kazakhstan over a distance of 3300 kilometers (Afridi et al., 2017). Since ancient times, China and the CARs have benefited from prosperity together along the "Silk Road" (Feng, 2019). China's early connections with Central Asia date back 2,000 years, when they connected via the

legendary Silk Road. However, after learning that the region was a part of the Czarist Russian Empire and later the Soviet Union, direct ties were severed (Swanström, 2015). China receives a dependable supply of access to the Pacific Ocean from Central Asia, while Central Asia offers China the potential of an overland trade route to Europe (Blank, 2008).

Geographically, China and Central Asia are adjacent. The CARs have an oceanic outlet in China, while Central Asia could help China establish inland communications with West Asia and Europe. Despite the presence of other new players in the region, Central Asia, a landlocked region in the middle of Asia, is noteworthy because it was required to serve as a buffer zone for the Russian and British empires in the nineteenth century and continues to do so today. Despite two decades of independence, Central Asia is not a peaceful region due to a number of unresolved political issues. Certain trans-regional and regional actors that have been pursuing their own interests are the cause of this situation (Blank, 2008).

China was able to fully take advantage of Xinjiang's geopolitical location as a result of the USSR's collapse, strengthening its influence in the Central Asian political, economic, and military spheres. (Afridi et al., 2017) After the Soviet Union collapsed in 1991, Beijing adopted pragmatist, indomitable, and fixated policies in an impassive manner to gain recognition as a major player in the world. China has since emerged as a major player in Central Asian geopolitics.

2.2.1. BRI

(Zimmerman, 2015) outlined China's plan for the Silk Road Economic Belt, which was unveiled in Kazakhstan in 2013 by President Xi Jinping. The main goal in this regard is to foster closer economic ties and collaboration. The SREB that passes through CA and the 21st Century Maritime Silk Road are two of China's primary strategic initiatives. One Belt One Road (OBOR) was launched in 2015.

The BR strategy would have significant effects on the developing Euro Asia Great Game, according to (Sheng, 2017). Because of the geopolitical risks, it might be better for East and South Asia, which are developing quickly, to collaborate much more closely in order to achieve development in the 27 domain of cooperative peace. The goal of the BRI should be to alter the circumstances as seen through the lens of the New Great Game.

(Bitabarova, 2018) states that the BRI has two goals: first, to expand China's Examine the new Silk Road initiative and how Kazakhstan has responded to its announcement in 2013, as well as how China has used particular methods to observe Kazakhstan's and Central Asia's roles.

The BRI is an important factor to take into account when analyzing relations. In order to promote regional cooperation, Xi Jinping suggested in the collapse of these relations then collaborate to build a contemporary Silk Road and strengthen their economic ties. Additionally, he recommended carrying out significant infrastructure projects (Wilson, 2018)

Beyond just its economic aspect, the BRI is a massive infrastructure project. It is the main force behind China's relations with the Central Asian nations that hold a strategic location. Beijing is pushing it as a fresh approach to global cooperation driven by development and cooperation in the region's economy. Enhancing connectivity, promoting regional development, and attracting investment are the cornerstones of the Central Asian strategy. (Wu and Pan, 2019)

The BRI is considered opaque because to its ongoing evolution, despite its transparent and adaptable structure and bilateral methods (Tian, 2018). China is using the BRI as a long-term

strategy to guarantee economic growth and improve its economic standing. (Larin and Matveev, 2014) claim that the BRI is China's response to its economic demands, which are a reflection of its rising economic might and political aspirations to play a bigger role in world politics (Dadabaev, 2018).

Reeves (2018) The BRI holds great significance as it exemplifies the theory of relationalism in international relations, serving as a strategic advantage for China by facilitating the integration of Central Asia (CA) and bolstering its regional and global power. China's initiative is a symbol for fostering fresh ties between Central Asian nations. It illustrates the authoritative BRI concept. It focuses on how China has expanded its influence by using the initiative to strengthen state ties and, in turn, grabbing hold of these ties.

Under the BRI, development assistance is a crucial instrument. China takes a different stance than the West in that it does not call for increased environmental protection, economic liberalization, or advancements in human rights. China has more concrete needs, and its capital inflows are frequently contingent upon meeting certain requirements (Ionova, 2019). Chinese development aid varies from that provided by conventional donors in a number of ways. First of all, it is opaque and unclear. It lacks an official definition of development assistance, in contrast to the OECD Development Assistance Committee. The phrase "strategic partnership" is used by the Chinese instead of "development assistance" or "aid" (Kassenova, 2009)

The non-interference in domestic affairs is the fundamental tenet of China's development assistance. Its aid is provided in packages including trade and investment agreements, concessional loans, and aid; these packages frequently (Tian, 2018). For instance, recipient nations requesting concessional loans for projects involving different kind of project for development related to infrastructure must consent to having 50% of the businesses, supplies, machinery, and technology utilized in the project's execution be Chinese. One widely used program is resourced back loan, in which loans are returned as a natural resources are backed on.

2.2.2. China and Kazakhstan

China's principal trading and economic partner in Central Asia is Kazakhstan. In addition to laying the groundwork for close bilateral ties, China and Kazakhstan are attempting to establish a solid political, economic, and strategic foundation for future collaboration. In contrast to the other nations along the One BRI, Kazakhstan is ideally situated as a gateway connecting China and Europe. In 2015, China and Kazakhstan came to an agreement on the integration of Kazakhstan's new "Nurly Zhol- Light Road" economic policy with "One Belt – One Road." The strategic cutting of "One Belt – One Road" and "Nurly Zhol" has four main directions, which are as follows: the growth of bilateral trade, the quicker, the growth of production activity-related cooperation, and the strengthening of financial cooperation.

2.2.3. China and Kyrgyz

The Kyrgyz Republic's strategic goals for the One BRI project include infrastructure development, investment attraction, and infrastructure. China is eager to establish a railroad that would connect it to Uzbekistan via Kyrgyzstan. It is intended to be used for the import of raw materials into China in addition to the export of Chinese goods to regional markets. In some project alternatives, the road connects China with Tajikistan, Afghanistan, Iran, and Kyrgyzstan in addition to Uzbekistan. Turkey, all the way to the railway link with Europe.

2.2.4. China and Tajikistan

There are no major contradictions in the relations between China and Tajikistan, which are good. Tajikistan considers China to be a strategic partner. Developing and fortifying bilateral ties and cooperation with this nation is one of top objectives for international relations. China and Tajikistan's bilateral trade volume is increasing at a satisfactory rate. Taking into account favorable circumstances, the Tajikistani government plans to gradually step up efforts to further develop and deep their relation on basis of economic prerequisites for both economic complementarity and proximity geographically in Sept. 2014 with an emphasis on integrating the nation's development plans.

With the One BRI initiative being implemented as a significant opportunity for the nation's economic development. One of the first nations to sign a MoU with China on the one BRI Project was Tajikistan. China has made investments in the renovation and repair of a number of significant highways that are vital to both parties. The Republic's unified energy network and Dushanbe's cogeneration plant were built in part by a Chinese company affiliated with TBEA. Natural resource extraction is China's main area of investment. One of the first significant Chinese investment presences is for the gold in Zarafshan. Furthermore, a choice was made to construct an industrial town, with \$500 million set aside for this purpose. and which ought to involve building factories that generate lead, batteries, cement, and fireworks.

2.2.5. China and Turkmenistan

In Central Asia, Turkmenistan is a distinct nation. It adheres to foreign policy neutrality, maintains distance cooperation with all nations, and is unwilling to China maintains cordial ties with Turkmenistan despite this. Since natural resources are abundant in Turkmenistan, natural gas in particular. Turkmenistan plays a major role in energy and transportation from CA to West Asia, the ME, and Europe.

The opening of Turkmenbashi's International Port presents a significant opportunity. With the completion of this project, cargo from China, Japan, Korea, and Central Asia can be sea shore of iran the international port of Turkmenbashi. All of this has made it difficult for the first section of the international railroad that connects Turkmenistan, Afghanistan, and Turkmenistan to China, India, and Pakistan to comply with international standards.

2.2.6. China and Uzbekistan

The lack of a shared border with China sets Uzbekistan apart from the other Central Asian nations and lessens the likelihood of disputes over borders, water resources, and other important issues. Uzbekistan has a significant advantage as a position in the transit potential center of the area as well as a well-developed network of roads and railroads.

There are no significant political divides between China and Uzbekistan, and they have developed a cordial working relationship. China and Uzbekistan are working to strengthen their transportation connections these days. The majority of the communication between these nations passes through Kazakhstani territory, which raises the cost of transit. Presumably, if the transportation issue can be resolved, the Bilateral trade volume may increase steadily. Energy has the potential to significantly enhance bilateral ties and elevate Uzbekistan's standing in Chinese foreign policy. China's primary interests in Uzbekistan are oil and gas.

3. CHINA’S INVESTMENT

China has a systemic, long-term, large-scale investment policy in Central Asia that is motivated by both strategic and economic objectives. Chinese investments are made up almost entirely of loans with predetermined terms and conditions for repayment. According to (Horn et al., 2021) (Jaborov, 2018) China now exports large amounts of capital to over 100 countries each year. Reports from the WB, IMF do not accurately reflect many of these financial flows. (Horn et al., 2021) Describe the three main characteristics of money involvement of Chinese government that are distinct from many other lenders the great majority of these flows are official (i.e., supplied by the Chinese government, state-owned businesses, or the central bank under state control); however, these loans frequently resemble commercial loans and are frequently secured by collateral;

Flow types vary based on the country of recipient: Higher middle-class and developed nations, whereas direct loans, usually with the characteristics mentioned above in (a), are typically extended to developing nations with lower incomes.

These characteristics are applicable to the loans given to countries in Central Asia. Typically, the right to explore a mineral deposit, the proceeds from the export of agricultural and raw materials, or a portion of the earnings of state-owned businesses serve as collateral. When the total amount of is calculated as a percentage of GDP, Kyrgyzstan ranks among the top five nation. Situated near China, this small economy is highly vulnerable. Other nations with comparable levels of exposure include Laos and Cambodia. Other republics in Central Asia are mentioned in Turkmenistan comes in at number 23, while Tajikistan comes in at number 20. Even though it has been reluctant to fully open up to Chinese investment, Uzbekistan is among the top 50 recipients, ranking 40th. Both public and private borrowers receive the majority of China's credits to recipient nations—less than 10%—from the former (Horn et al., 2021).

Table 1 Chinese investments in the Central Asian republics (millions USD)(Horn et al., 2021)
Source: created by author using data from the American Enterprise Institute, 2019

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
Kazakhstan	4500	1910	1310	420	3540	2260	850	2100	5300	3220	2490	520	3810	1900	34130
Uzbekistan			990			290		2270	460	620		150	460	200	5440
Kyrgyzstan							390			3790	550				4730
Tajikistan		700			260			650							1610
Turkmenistan			150		3130			2920		600					6800
Central Asia	4500	2610	2450	420	6930	2550	1240	7940	5760	8230	3040	670	4270	600	52710

Source: created by author using data from the American Enterprise Institute, 2019

Table 2 shows that most Chinese investments go to the energy sector, followed by transport and the chemical industry. Although a lot of the data is missing, the energy sector is a clear leader.

Table 2 China’s investments in the Central Asian republics by industry in 2005–2018 (millions USD)(Horn et al., 2021)

	Energy	Transport	Agriculture	Chemicals	Finance	Metals	Estate Real
Kazakhstan	22780	3120	0	3680	110	2330	350
Uzbekistan	3490	460	290	440		190	610
Kyrgyzstan	2890	1690				150	

Tajikistan	750	560				540	300
Turkmenistan	6800						
Total	36710	5830	290	4120	110	3210	1260

Source: created by author using data from the American Enterprise Institute, 2019

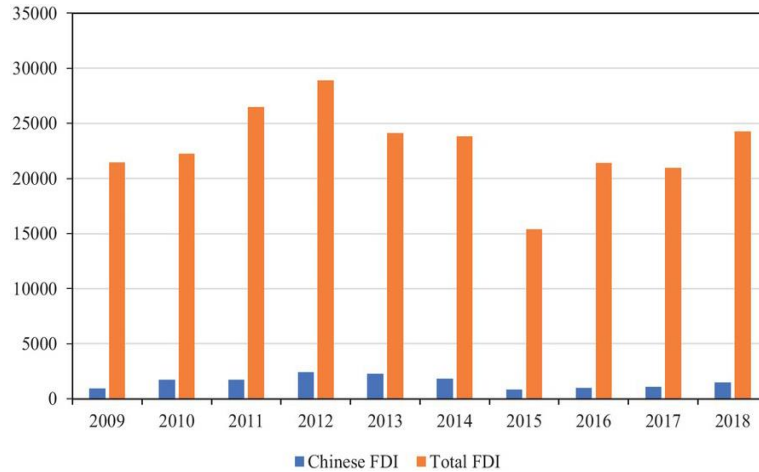


Figure 3. Chinese FDI vis-à-vis Total FDI in Kazakhstan (in millions USD).
Source: External Sector Statistics. National Bank of Kazakhstan, 2019

3.1. Transboundary Water Issue

In the context of China-Central Asian relations, water is yet another crucial issue. Water-related issues have plagued Central Asia for many years. Due to the massive expansion of irrigation, the region's they demand high amount of water for these previous purposes since the late 1950s. Irrigation is vital to agriculture, particularly in Turkmenistan and Uzbekistan where cotton farming is still very important (Kahriz et al., 2019). Both agriculture and the energy sector use a lot of water,

The two most significant are the Ili and Irtysh, both of which are growing in China. While the Irtysh serves as the primary freshwater source for northeastern, eighty percent of the water in Kazakhstan's Ili Valley comes from China and contributes significantly to Lake Balkhash (Horsman, 2018).

3.2. Security Problem in Xinjiang

A few regional initiatives have been made to address security issues connected to the circumstances in Xinjiang. The most significant is the Dushanbe Declaration, which the Shanghai Five members signed in Dushanbe, Tajikistan, in July 2000. (SWANSTRÖM*, 2005) This declaration focuses on there are movements going on in CA and in China as well as the threat posed by Afghanistan. While the declaration seeks to stop "separatism, terrorism, and extremism" from expanding from Afghanistan to China and Central Asia, it also provides the national governments with significant leverage to suppress domestic groups. An ATO should be formed in Kyrgyzstan's capital city of Bishkek as a result of this treaty. This center will be important since internal and regional conflicts in Central Asia and Afghanistan may remain unstable.

3.3. Neglecting Xinjiang?

China's expanding influence in Central Asia has been one of the country's greatest diplomatic successes since the conclusion of the Cold War. Three main questions dominate most of their discussion: (Sheives, 2006, Mackerras and Clarke, 2009) Of the two factors driving China's policies in Central Asia, which has had the greatest impact? (2) What is the current evaluation of China's performance in the region? (3) How do relations between China and Central Asia look?

Many experts contend that the only reason China has increased its involvement in CA after the culmination of squibble war between USA and USSR is due of the region's. There is a claim that China's motivation stems from its keen interest in the region's mineral and energy resources. Some contend that China is involved in a strategic rivalry with other powerful nations, such as the US, Russia, India, Iran, Turkey, and the EU.(Mackerras and Clarke, 2009, Karrar, 2010)

The increasing amount of Xinjiang-related literature is a reflection of China's growing strategic interest in the region. There is widespread agreement among academics that China's strategic importance in Xinjiang influences its policies in Central Asia. Beijing is worried about the sociopolitical stability of Xinjiang, particularly the connections that extremist groups have within the region and with neighboring nations.(Karrar, 2010) It's been suggested that Xinjiang acts as a "security buffer" between the Chinese mainland and its western region. According to Clark, Beijing sees Xinjiang as a possible economic and strategic asset that might help build China's influence both locally and internationally.

(Clarke, 2011) He points out that by promoting equal partnership and mutually agreed "behavioural standards," such as no domestic war and peaceful environment establish through SCO, China has been successful in persuading Central Asian states to take part in regional cooperation. Beijing benefited from this in a few ways, including increased appeal of China's development act as template for CA states, access to the energy resources of the region, and a decline in outside creatin major impact for separatism.(Gubaidullina and Yelibayeva, 2012, Coomarasamy, 2014)

Beijing benefited from this in a few ways, including increased appeal of China's economic model among Central Asian republics, access to the energy resources of the region, and a decline in outside.

According to the third school of thinking, Beijing has quite grandiose aspirations for Central Asia. Beijing is gaining ground on Russia and the US in the region with its influence of western philosophy, especially in the trade and investment sphere. Many analysts have suggested that Beijing's approach to CA is similar to the old "tribute system" or "vassal relationship," in light of the concerning reports of China's incursions into the region.(SWANSTRÖM*, 2005)

3.4. Reliance on Fossil Fuels and Potential Alternative

China has long considered Central Asia to be a territory deeply impacted by Chinese culture and its own trading area. Xinjiang and areas west of China's present borders were home to many of the most remarkable trading hubs in history, including

Kokand, Samarkand, Jarkand, and Urumuqi. As it is now, trade has always been important and welcomed by both China and Central Asia. (Millward, 1998) The traders' substitution of oil for jade, tea, silk, and rhubarb is the only difference that exists today infrastructure and weaponry.

The most significant financial justifications for China's level of engagement with the CA states have come to light. The CA states are interacting with China, but their goals are very different. Kazakhstan is leading the way in promoting economic cooperation, while the smaller economies are less hopeful, believing that they will only replace Russian dominance with Chinese one. Gas and oil will Chinese dominance over Russian dominance.(SWANSTRÖM*, 2005) China's industries will predominantly depend on oil and gas as their principal energy sources for a considerable duration, due to the industry's unpreparedness for alternate energy options. The source cited is Swanström (2001). It is worth noting that while politicians and scientists have primarily concentrated on the issue of acquiring fossil fuels, the importance of this product may lie in its ease of transportation from neighbouring states.

China's domestic oil resources are mostly found in the country's northwest and northwestern regions, with Xinjiang being the most significant. However, many sources claim that these resources are almost completely depleted. The present resources will not sufficient to sustain China's current growth rate, even in the most optimistic of scenarios. China will need to import 35% of its oil by 2005 and 45% by 2010, assuming current sources remain stable and the country's economic growth is kept to a low estimate of 7% annually. (Trough, 1999) The most likely scenario paints an even more dire picture, with growth exceeding the article's predictions and China's energy resources rapidly running out. By 2010, China would be forced to import most of its energy resources.

China's reliance on oil that must pass through Xinjiang makes the current unrest there potentially catastrophic. For terrorists and revolutionaries, a pipeline would be a desirable target with the intention of undermining economic growth and to incite conflict in society. The Chinese government became acutely aware of the possible threat posed by a tiny, highly organised, and extremist group after the 2001 World Trade Centre attack. This event highlighted the vulnerability of a relatively unprotected oil pipeline and the possibility for widespread destruction on a global scale. This could imply that before security for a pipeline can be ensured, China will need to settle their disagreements with the militants in Xinjiang. Practically speaking, this would imply that the Chinese the need for oil by China may have a positive impact on the ethnic conflicts in Xinjiang.

The only other option would be to militarily crush any opposition in Xinjiang; this would be extremely difficult for the Chinese army to accomplish and would also lead to open hostilities with the Central Asian states, the Muslim community, and the international community, who could not support such a course of action. Article 4 of the PRC constitution guarantees the Xinjiang Uighur Autonomous Region; however, in order to achieve sustainable peace, China must also distinguish between violent acts of terrorism and nonviolent political radicalism.(Jones, 1985) On the other hand, the Uighur minority must acknowledge—as the vast majority has—that achieving independence is not realistically achievable and that terrorist attacks will only cause more suffering and bloodshed.

4. RESEARCH METHODOLOGY

4.1. Introduction

This chapter outlines the methodological approach adopted for investigating China's geo-economic outreach in Central Asian countries and its future prospects. The methodology is designed to understand the multifaceted economic relationships, analyze current trends, and project future developments.

4.2. Research Design

The study adopts a mixed-methods research design, integrating both qualitative and quantitative research methods. This approach provides a comprehensive understanding of the complex dynamics of China's geo-economic strategies in Central Asia.

Research questions guide the design of the study. As a result, the researcher draws inspiration from the international relations empirical approach. In this study, the researchers' ontological goal is objectivity. The investigator acknowledges the existence of interstate relations are subjective phenomena, there are enough components to separate the subjective elements from the black and white results by using the intersubjectivity model (Neuman, 2019). This method entails figuring out the causal relationship between the interactions of the states and observing how they depend on both internal and external factors to make policy decisions.

Therefore, from an epistemological standpoint, the researcher was more motivated by the positivist school of thinking's empirical investigation of scientific methodology than by the interpretive school of thought, and a great deal of different epistemological stances have arisen over the last four decades, including postmodernism and the critical social sciences. Therefore, the researcher's contribution to the formation of knowledge in this case is the description and subsequent explanation of a phenomenon. The empirical method, according to (Neuman, 2019), is primarily concerned with observing a natural law that can be anticipated by states and individuals to make decisions about particular events. This paradigm holds that reality exists; it simply has to be found. States are compelled to make decisions based on outside influences, just like people. Crucially, empiricism emphasizes the importance of facts and evidence.

4.3. Data Collection

4.3.1. Quantitative Data Collection

- **Sources:** Economic data will be gathered from international databases such as the World Bank, International Monetary Fund (IMF), and Asian Development Bank (ADB).
- **Data Points:** Key metrics include trade volumes, investment flows, infrastructure development funding, and debt levels.
- **Period:** The data span from 2000 to the present, highlighting the evolution of economic relationships.

4.3.2. Qualitative Data Collection

- **Methods:** Semi-structured interviews and content analysis of policy documents, official statements, and strategic papers.
- **Participants:** Key informants include policy experts, government officials, and academics from both China and the Central Asian countries.
- **Documentation:** Analysis of bilateral and multilateral agreements, economic cooperation frameworks, and regional development plans.

4.4. Data Analysis

4.4.1. Quantitative Analysis

- **Techniques:** Statistical analysis will be conducted using methods such as trend analysis and regression models to identify patterns and correlations.
- **Tools:** Statistical software like SPSS or Stata will be used for data analysis.

4.4.2. Qualitative Analysis

- **Approach:** Thematic analysis to identify key themes related to China's economic strategies and their impact on Central Asian countries.

4.5. Validity and Reliability

To ensure the validity and reliability of the research, multiple data sources and triangulation methods will be used. Peer review and expert consultations will also be incorporated to enhance the credibility of the findings.

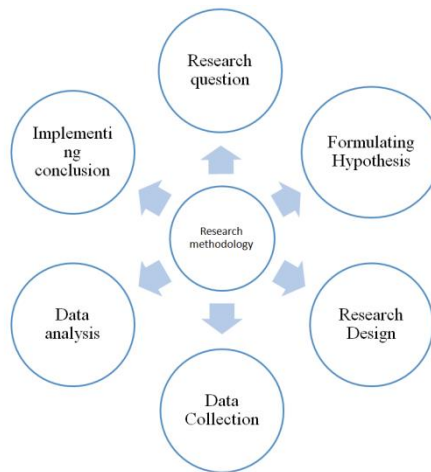


Figure 4: Flow Diagram of Research Methodology

5. FINDING AND DISCUSSION

The following goes into more detail about the goals the researcher met with this study. This section offers a concise elucidation of the various interpretations of China's influence in the heartland region by professors, writers, journalists, and policy professionals.

5.1. Examining China's BRI in Central Asian Region

(Zimmerman, 2015) discovered that China's BRI helps protect Xinjiang, its western province, from extremism, separatism, and terrorism. According to (Sheng, 2017), the BRI is the New Great Game. BRI, according to (Pradhan and Pradhan, 2020), is a step in the direction of regional integration. (Fazilov and Chen, 2013) took into account the region's oil politics, infrastructure development, and connectivity. On the other hand, BRI, places China at the forefront of a novel form of globalisation. Some author shed light on China's bilateral and multilateral regional engagements through the Belt and Road Initiative. On the other hand, (Matthews, 2011) demonstrated how the initiative's function is to advance and establish China's industrial sector and currency internationally.

5.2. Strength of China

The CARs and China have significant strategic implications. They have the power to control global security, stability, and the economic system. China's influence over CARs through military

exercises, military sales, training, and other interstate military connections has grown significantly, as has its political and economic might.

China's investment and bilateral trade in Central Asia's economy are expanding quickly, and China sees the region as a means of reducing its energy deficit, expanding its energy imports and transfer routes, and enhancing its energy security. China depends heavily on Central Asia for its resources, but the region only serves as a conduit for larger trade rewards and a better route to the European markets. Through increasing transfer payments, this approach would accelerate the economic growth of both China and the Central Asian states. With the exception of Uzbekistan, China is currently the largest trading partner among the four Central Asian states (Barisitz, 2017). Russia has been the primary exporter of energy from Central Asia up until recently, but China is swiftly gaining economic dominance.

There are significant hydrocarbon reserves in Turkmenistan, Kazakhstan, and Uzbekistan, with potential for further production. These states can be considered additional sources of hydrocarbons.

5.3. Threats for China

The main threats to China in Xinjiang are instability and security concerns, which obstruct the region's potential to produce hydrocarbon resources. Throughout the area, there is rivalry and a combative game being played between the Central Asia is a hotbed of major power intentions and activities. China, Russia, and the United States are three major geopolitical powers that compete with one other for regional supremacy, each driven by their own objectives. After the events of 2001, the United States saw the importance of the Central Asian region in combating terrorism and the need to create military outposts in that area.

6. CONCLUSION

China valued its involvement in Central Asia, as this study shows. It likes to portray its involvement in the area as a means of negotiating energy-economic deals, ensuring security, fostering harmony, and being profitable while working with neighbours to remove obstacles, extend benefits to all parties involved, and maintain peace. From chapter two to chapter five of the study, each of the research questions is examined. The first research question sought to explain why China views Central Asia as a significant region. The second question detailed China's new approaches to forging diplomatic ties with the CARs. The third question explained how BRI can be used as a tool to improve ties with the CARs. Finally, the analysis of China's main challenges in the Central Asian region was the focus of study question.

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