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# Afghanistan and South-Central Asia Connectivity

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In mid-July 2021, delegates from 50 countries and 30 organizations, including the presidents of Afghanistan and Uzbekistan and the prime minister of Pakistan, gathered in Tashkent to discuss how to better connect South and Central Asia, currently among the least integrated regions in the world. In his opening remarks President Shavkat Mirziyoyev of Uzbekistan stated that "the time has come to realize that without strengthening cooperation and developing effective regional integration, we will not be able to overcome the challenges our countries face today." The conference was the latest in a series of events signaling that Central Asian countries are taking greater ownership over regional affairs. Three weeks later, the heads of state from the five Central Asian countries met in on the eastern shores of the Caspian Sea in Turkmenistan. This was the third such summit since 2018 that took place without the presence of the region's larger neighbors or outside powers. Boosting regional trade, mitigating the negative effects of COVID-19, and the situation in Afghanistan topped the agenda.

Yet while the leaders of Central Asia and South Asia have paid a lot of lip-service to connecting their respective regions, prospects for the development of ties are inextricably linked to the stability of neighboring Afghanistan. Together, the Central Asian republics share a 2,000 km border with Afghanistan covering the 800 km desert border with Turkmenistan, the 137 km heavily fortified border with Uzbekistan, and the largely mountainous 1,344 km border with Tajikistan. The final readout of the leaders' summit stated that "one of the most important factors in maintaining and strengthening security and stability in Central Asia is the earliest possible settlement of the situation in neighboring Afghanistan." Within ten days of the meeting, Kabul had fallen to the Taliban.

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With the startlingly rapid capitulation of Afghanistan's previous government, plans to bolster South-Central Asia connectivity discussed in Tashkent and Turkmenistan are in jeopardy. But even if Afghanistan becomes stable, the prospects of South and Central Asia moving closer to one another have their limitations. Their linkages remain minimal. Integration efforts led by China and Russia are more established, and South Asia's leading states Pakistan and India neither can nor want to compete with Moscow and Beijing. Ambitious plans to connect the regions come up against the reality that their respective priorities lie elsewhere and fact that the two regions remain peripheral to one another. Nonetheless, ties are slowly strengthening and, unlike in the past, much of the impetus for this comes from within the regions themselves, boding well for future development.

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## *Historical Ties and Common Interests*

South and Central Asia have deep historical connections. In ancient times, Bactria—the easternmost part of the Hellenistic world thanks to Alexander the Great's formidable campaign of conquest and diplomacy—spanned a territory of what is now Uzbekistan, Tajikistan, and Afghanistan. Trade, migration, and invasions transferred knowledge, peoples, and cultures. Timur (Tamerlane), born in what is now Uzbekistan in 1336, expanded his possessions south in the late fourteenth century, founding the Timurid Empire in and around modern-day Afghanistan, Iran, and Central Asia.

His descendant Babur (1483-1530) founded the Mughal Empire, which would bring the country many of its architectural gems. Extensive trade networks developed across the region. Afghan horse dealers brought horses from Bukhara, returning with cloth from India. Pilgrims, mercenaries, and caravans moved between the regions, exchanging goods and money but also ideas and secret intelligence.

Shifting trade patterns favoring maritime routes due to the advent of Western colonial rule in South and Southeast Asia, later followed by Russian imperial expansion into Central Asia, the adoption of protectionist policies by the Emir of Afghanistan, and the eventual establishment of the Soviet Union caused these networks to decline. Decades of conflict in Afghanistan also hampered ties.

Today the Central Asian and South Asian states have numerous overlapping interests. Foremost of these is a desire to see a peaceful and stable Afghanistan, which they see as crucial for the stability and development of the whole region. Stabilizing Afghanistan will be essential to realizing joint infrastructure projects, as well as boosting regional trade.

For the landlocked Central Asian states, ports in Bandar Abbas and Chabahar (both in Iran) and Gwadar (Pakistan) are the nearest access to maritime trade networks, which still account for 80 percent of global trade by volume. Given their export-oriented models of economic development, Central Asian governments are perpetually looking for new markets for the goods and services produced by their respective states. South Asia also offers a market of some 1.5 billion people, although it is still markets in Europe, Russia, and China that are the favored destinations.

For the South Asian states, Central Asia is a potential source of energy, given that the region sits on top of 5 percent of the world's natural gas, 2 percent of its oil reserves, and 12 percent of its uranium. For India, a presence in Central Asia, whose borders lie just 30 km from northern Pakistan, offers an opportunity to contain its rival. As China's role has dramatically risen, India's efforts to engage the region have grown in urgency. Energy-hungry Pakistan is interested in importing electricity from Central Asia.





## *Expectations and Reality*

Despite a lot of rhetoric about collective interests and historical ties, Central-South Asian relations have yet to realize their full potential in the modern era. Economic ties remain limited. Central Asia's trade with South Asia remains negligible. India's trade amounts to $2 billion a year, a substantial increase from the $94 million traded in 2000. Pakistan's trade comes in at $1.5 billion. Afghanistan's trade stands at $2 billion, the bulk of it imports from its northern neighbors. Central Asia accounts for under 1 percent of South Asia's trade. And just over 3 percent of Central Asia's trade is with South Asia. In comparison, Russia's trade volume was just under $22 billion, while China had over double that amount with $46 billion. Investment figures are even more insignificant. In short, economically each region is of peripheral importance to the other.

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These figures do not account for the illicit trade that flows north from Afghanistan, particularly opium and heroin. Most of this—estimated to be as much as 100 metric tons per year—transits through Tajikistan, bound for Russia and Europe. An estimated one third of the Tajik economy comes from the drug trade, much of it controlled by corrupt officials. Seizures pale in comparison to the drugs that transit the country, with only 1.6 tons seized in 2019.

As South Asia looks for energy supplies and Central Asia for access to the sea, efforts have been made to construct joint infrastructure projects and transport corridors to boost connectivity. These include the 7,200 km International North-South Transport Corridor project that has moved freight between India, Iran, Afghanistan, Armenia, Azerbaijan, Russia, Central Asia, and Europe since 2000. The $3 billion yet-to-be-constructed Termez-Mazar-e-Sharif-Kabul-Peshawar railway—the memorandum for which was signed in February 2021—would connect Uzbekistan with ports in Pakistan, cutting transit times from 30 to 15 days. First envisaged in 1995, the 1,800 km Turkmenistan-

Afghanistan-Pakistan-India (TAPI) pipeline, which would ship gas from Turkmenistan to India, has remained a pipe dream. Work finally started on the Turkmen segment of the pipeline in 2015. Construction began in Afghanistan in 2018 only to be stopped after gunmen killed five workers just a few months later. Finally, a $150 million Surkhan-Pul-i-Khumri line would supply electricity from Uzbekistan to Afghanistan.

Many of these projects have been supported by external actors like the World Bank and the Asian Development Bank (ADB). The Central Asia Regional Economic Cooperation Program (CAREC), which was set up with ADB funding in 1997 and includes the five Central Asian republics as well as Pakistan and Afghanistan, encourages economic cooperation, with a focus on developing rail and road corridors through and between members.

One of the most notable efforts to connect Central and South Asia by an outside power was America's New Silk Road initiative, which was first envisioned under U.S. Secretary of State Hilary Clinton in 2011. The policy came six years after the State Department reorganized its bureaus, de-coupling Central Asia from Russia and moving it towards Afghanistan with the establishment of the Bureau of South and Central Asian Affairs. Clinton's remarks at the New Silk Road Ministerial to launch the project evoked romanticized memories of a connected past:

> For centuries, the nations of South and Central Asia were connected to each other and the rest of the continent by a sprawling trading network called the Silk Road. Afghanistan's bustling markets sat at the heart of this network. Afghan merchants traded their goods from the court of the Pharaohs to the Great Wall of China. As we look to the future of this region, let's take this precedent as inspiration for a long-term vision for Afghanistan and its neighbors. Let's set our sights on a new Silk Road—a web of economic and transit connections that will bind together a region too long torn apart by conflict and division.

The American initiative envisaged integrating Afghanistan further into the region by re-establishing trade routes and infrastructure links broken by decades of conflict. Signature projects included the Afghanistan-Pakistan Transit-Trade Agreement and the Cross-Border Transport Agreement between Kyrgyzstan, Tajikistan, and Afghanistan, both of which eased the movement of goods between the countries. The United States also supported the $1 billion





CASA-1000 regional electricity scheme, which supplies electricity from Kyrgyzstan and Tajikistan to Afghanistan, and potentially on to Pakistan. The move to export electricity sparked outrage by many in Tajikistan, who suffer from electricity rationing in winter months.

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Many observers have written off the U.S.-led New Silk Road initiative, which was dropped as an explicit policy by the Trump Administration, as a failure. For one thing, its lofty goals do not match reality. Trade corridors could boost Central Asia's economic growth, create jobs, and reduce poverty. But the proposed corridors would cost trillions of dollars to complete. The source of this funding remains elusive. Trade figures were inflated by the Northern Distribution Network (NDN), a supply network for the war in Afghanistan that transported non-lethal cargo from the Baltics through Russia and Central Asia. As relations with the Kremlin soured after the annexation of Crimea, the NDN was shut down in 2015.

Moreover, building infrastructure alone is not sufficient. It needs to be accompanied by measures to address other trade barriers, including customs processes and corruption. For freight forwarders, transport reliability and predictability are also crucial. Research by Gael Raballand of the World Bank concluded that being landlocked reduces trade by more than 80 percent. Crossing borders is slow andburdensome, with corruption, tariffs, inefficient border processes, poor road infrastructure and complex regulations all creating obstacles to connectivity.

Plans for South-Central Asia connectivity have to compete with other more established connectivity projects. Here we can briefly mention the two most important. First (and most important) is the China-led Belt and Road Initiative (BRI). Xi Jinping launched the Silk Road Economic Belt—the land component of what eventually became BRI—in Kazakhstan in 2013. This multi-trillion-dollar network of investments, ports, and transport corridors is far more ambitious than the Obama-era proposed corridors to the south.

Another competing project originates in Moscow. Russia launched its customs union with Belarus and Kazakhstan in 2010, which became the Eurasian Economic Union in 2015, later adding Armenia and Kyrgyzstan as members. While trade has not increased significantly among members, it signals Russia's desire to maintain influence in what it used to call its "near abroad."

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## Rising Regionalism

The latest efforts to stimulate linkages between South and Central Asia are significant because, unlike previous efforts, they are not being imposed from the outside but come from the region itself. For regional integration to be realized, it needs local buy-in from the public and private sectors of the respective countries. The catalyst for these latest efforts has been developments within Central Asia. For many years following independence, Central Asia was one of the least integrated parts of the world in terms of regional trade, investment, and multilateral cooperation. Regionalism was often exogenously enforced by external powers pursuing their own agendas, as discussed above. But in recent years this has started to change. With the death of President Islam Karimov of Uzbekistan in 2016, his successor has moved his country away from an isolationist policy whilst prioritizing the rebuilding ties with its Central Asian neighbors. With borders being reopened, trade between Central Asian states nearly doubled between 2017 to 2019, rising from $2.7 billion to $5.2 billion. Security ties between the Central Asian states has also grown in recent years, with eight joint military exercises since 2011, all but one of them coming since 2016.

Security ties are also growing between South and Central Asia, particularly between India and Central Asia The U.S.-led invasion of Afghanistan in 2001 and the subsequent stationing of American troops in the region, coupled with a desire to contain Pakistan, drove India to become more active in Central Asian security matters. In the late 1990s, India set up a small field hospital at Farkhor in Tajikistan and the next year began renovation work on Ayni air base in Tajikistan in 2002, its first attempt to set up a military base in the region to monitor conflict-torn Afghanistan and the activities of Pakistan. These efforts came to nothing as the Tajik government did not grant India rights to base any offensive forces there. But India still maintains a presence at Ayni and evacuated its citizens from Kabul via that airfield in August 2021. And some reports indicate that as early as 2014 small numbers of Indian air force Sukhoi Su-30MKI fighter jets operated out of the base. As it has sought to strengthen ties with Central Asia, India has organized a growing number of military exercises, with 10 of the 12 exercises it has organized coming in the past five years. But these exercises seem to be largely symbolic, with fewer than 200 personnel involved in each. India's security ties with the region are dwarfed by those of Russia and China.

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Rising regionalism is allowing the governments to address regional issues—such as border delimitation, collective security, and trade—without external mediation from China, Russia, and the United States, potentially decreasing the influence of Beijing, Moscow, and Washington in these areas in the future. Uzbekistan's emergence as a lynchpin in Central Asian regionalism challenges the position of the region's richest state, namely Kazakhstan. Still, the two continue to cooperate. It was in this context that Uzbekistan held the aforementioned "Central and South Asia: Regional Connectivity Challenges" conference in Tashkent in July 2021. Delegates discussed the importance of enhancing connectivity, deepening trade, investment, and people-to-people ties in the region.

But the situation in Afghanistan continues to be a significant stumbling block.

## Dealing with the Taliban

Much has changed since the July 2021 conference in Tashkent. On 15 August 2021, the Afghan government collapsed as President Ashraf Ghani fled and

the Taliban swept into Kabul whilst meeting almost no resistance. Central Asian governments have long been concerned about spill-overs of violence and terrorism from Afghanistan. As the Taliban advanced in July 2021 and captured numerous border posts, this concern became more acute. The Taliban itself has repeatedly stated that it has no interest in northern expansion. It is the Central Asian terrorist groups aligned with the Taliban or the Islamic State of Khurasan Province (ISKP) that are of greater concern. These include the Islamic Movement of Uzbekistan, founded in Uzbekistan in the 1990s, its splinter the Islamic Jihad Union, and the Taliban-aligned Uzbek-led Katibat Imam al-Bukhari.

On 22 June 2021, the main border crossing between Tajikistan and Afghanistan at Shir Khan Bandar was captured by Taliban forces. A Radio Free Europe investigation later revealed that Jamaat Ansurallah, a Tajik terrorist organization, controlled the border. It was founded in 2010 by Amriddin Tabarov, a minor warlord during Tajikistan's civil war who refused to sign on to the peace deal in 1997. Tabarov was killed in 2015. Unlike the Taliban, the group does claim to want to move north into Tajikistan. But it is a very marginal organization, with at most a few hundred members, that draws its main support from the Rasht Valley—in particular, the village of Sherbegiyon, the home of some of its leading members like Tabarov and its current leader Muhammad Sharifov, known as Mahdi Arsalon. Whether this group, along with other relatively fringe Central Asian terrorist groups, pose a threat will depend in large part on whether the Taliban government can control them.

Another concern is ISKP, which claimed the attack on Kabul airport on 26 August 2021 that killed over 180 people. Unlike the Taliban, ISKP does have designs on expanding north. Although its capacity was depleted by U.S. airstrikes as well as its conflict with the Afghan government, the Taliban, and coalition forces, since early 2020 it has become more dangerous, re-focusing its attention on fighting the Taliban, which it considers to be a "higher religious duty" than attacking the U.S. and other "apostates." Two scenarios in Afghanistan would pose a particular challenge to Central Asia. First, if the Taliban continues its conflict with ISKP and its allies, this could lead to these groups taking control of border districts or forcing them over into





neighboring countries. Second, and less likely, the Taliban comes to an understanding with them as well as Taliban-aligned Central Asian groups, which would result in Afghanistan re-emerging as a terrorist safe-haven and base for potential incursions into the north.

The continued uncertainty about the situation in Afghanistan also raises concerns over refugee flows. Hundreds of soldiers and thousands of civilians fled across the border as the Taliban went on the offensive in summer 2021. These numbers have increased since the Taliban takeover of the country. The Central Asian states have oscillated in their response to refugees, driven by security concerns and limited state capacity to take in large numbers. The Taliban have cooperated in facilitating the withdrawal of nationals from various countries, but the Central Asian countries have been less welcoming to Afghan citizens trying to flee. Initially, the Committee on Emergency Situations in Tajikistan said the country could take in 100,000 Afghans, only for the Foreign Ministry to walk this back over concerns about terrorists infiltrating the country.

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Russia has also long raised concerns about terrorism emanating from Afghanistan, in particular highlighting the danger posed by ISKP. President Vladimir Putin has urged the Central Asian republics to reject Afghan refugees: "We don't want militants coming in pretending to be refugees, or to see a repeat of the 1990s and 2000s," he told media. Uzbekistan has returned refugees to Afghanistan, citing assurances from the Taliban.

In short, Central Asia is not planning to accommodate large numbers of Afghans. To do so would upset relations with the new government in Kabul. Barring a conflict forcing masses of Afghans across the border, Central Asia is more likely to host small numbers of refugees on a temporary basis before they are relocated to a third country.

Long before the fall of Kabul, the Central Asian states had also begun to take increasing ownership over Afghan stabilization, which included developing ties with the Taliban. In March 2021, Tajikistan hosted the most recent "Heart of Asia" conference, the ninth meeting of an initiative launched by Turkey

and Afghanistan in 2011. Since 2016, Uzbekistan has modified its previously hands-off approach, developing strong ties with Afghanistan. In March 2018, Tashkent hosted an international conference on Afghanistan entitled "Peace Process, Security Cooperation, and Regional Connectivity." Uzbekistan has also taken steps to develop trade, open flights, and host more Afghan students at its universities.

In preparation for a potential Taliban takeover, the Central Asian governments made overtures to the Taliban and welcomed its representatives. Two delegations from the Taliban visited Turkmenistan in the first half of 2021. Uzbekistan's Mirziyoyev stated that communication with the Taliban is "natural" given new circumstances. Uzbekistan has also offered the use of a logistics facility in Termez on the border with Afghanistan to help the UN and EU provide humanitarian aid to its neighbor (the facility was opened in 2016 in an effort to boost trade). "We will use railroads to send them food that is being delivered to them from other countries. We will contribute as well," Mirziyoyev stated.

*While reaching out to the Taliban, the Central Asian governments have also prepared for renewed violence in Afghanistan with military exercises and tightened border security.*

The sole Central Asian outlier is Tajikistan, which has long had connections to the anti-Taliban Northern Alliance led by ethnic-Tajik Shah Ahmad Massoud. President Emomali Rahmon has emphasized the importance of the safety of the ethnic-Tajik population, which makes up around one third of the population of Afghanistan. He declared that Dushanbe will not recognize a government "created by humiliation and ignoring the interests of the people of Afghanistan as a whole, including those of ethnic minorities, such as Tajiks, Uzbeks, and others." Tajikistan's government still classifies the Taliban as an extremist organization, with the state media referring to it, even after the fall of Kabul, as the "radical Taliban movement" Tajikistan's rhetoric and its support for opposition forces have already produced a rebuttal from the new government in Kabul.

While reaching out to the Taliban, the Central Asian governments have also prepared for renewed violence in Afghanistan with military exercises and tightened border security. The Central Asian states have mobilized their conscription-based armies. Reports from Turkmenistan indicated that some reservists were being summoned to military recruiting posts and being told to stay on alert for possible quick deployment. In July 2021, the Tajik government called up 230,000 personnel for a military preparedness drill. With an estimated 16,500 individuals on active duty, it lacks the supplies to equip them reservists, despite claims to the contrary.

Russia and China, Central Asia's primary external security partners, have also organized military exercises. Days before the fall of Kabul, Moscow organized war games with Uzbek and Tajik forces. One week later, Beijing's Ministry of Public Security held an anti-terror drill with its Tajik counterparts. These drills focused on counter-terrorism and repelling an armed incursion into the country.

## *Wither Connectivity?*

Connectivity is being touted as a means to stabilize Afghanistan. But roads, rails, and pipelines cannot be built without stability (and capital, of course). Afghanistan faces a chicken-and-egg problem: if there is instability, investment is unlikely; but stability could be enhanced by investment. For its part, the Taliban appear to be much more image-conscious than it was two decades ago when it was last in power. Its officials have held press conferences and adopted an active social media policy, reassuring foreign governments about the group's intention to maintain the rule of law and safeguard investments. Speaking to Sky News, Taliban spokesman Suhail Shaheen stated that "Afghanistan is a bridge between Central Asia and South Asia and [the new government] will work to enable connectivity." He affirmed the Taliban's commitment to realizing the TAPI pipeline, establishing rail and electricity links with Turkmenistan, and building the Termez-Mazar-e-Sharif-Kabul-Peshawar railway.

The Taliban's official line on the illicit trade in narcotics, which is especially valuable to Tajikistan, has been clear. Another Taliban spokesman, Zabihullah Mujahid, has repeatedly told international media the Taliban would not allow the production of opium or other narcotics within its state. But this public signaling is likely part of a broader strategy to appear like a "responsible" government and to attract international aid. Opium is already becoming less important to Afghanistan's economy, with production falling from $1.7 billion

to $400 million between 2017 and 2020, driven in part by competition from synthetic drugs. But eradicating production could result in backlash from communities where opium cultivation is essential to survival—many of which form parts of the group's support base.

Regardless of developments in Afghanistan, these projects remain beset with problems. TAPI remains unviable due to limited demand in Pakistan and India, coupled with Turkmengaz's financial troubles stemming from mismanagement and falling demand from China, the country's main customer for gas. Even if Afghanistan were to stabilize and the new government in Kabul were capable of creating a safe and secure environment for investment, there are limitations to how strong South-Central Asia ties can become.

The bottom line is that each region has different priorities and remains peripheral to the other. Certainly, stabilizing Afghanistan would represent a step towards entrenching closer ties. But it will not change the geopolitical and geo-economic reality that relations with Russia, China, Europe, East Asia, and the Middle East will remain of greater importance to each region. BD

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