

# China's Integration of Xinjiang with Central Asia: Securing a "Silk Road" to Great Power Status?

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#### **ABSTRACT**

Despite the turning of the international spotlight on the region courtesy of 9/11, the question as to what drives China's power and imperatives in Central Asia (as elsewhere in the world) remain a matter of debate. This article argues that there is a largely complementary relationship between what may be termed China's Xinjiang, Central Asia and grand strategy-derived interests. Key to balancing these interests has been Beijing's post-1991 attempt to utilize Xinjiang's pivotal geopolitical position to simultaneously integrate Xinjiang and expand its influence in Central Asia. In particular, the article suggests that the integration of Xinjiang with Central Asia grants China significant security, economic and strategic benefits that serve two purposes – the consolidation of China's control of Xinjiang and the expansion of Chinese power in Central Asia – which contribute to Beijing's quest for a "peaceful rise" to great power status.

Keywords • Xinjiang • Central Asia • Integration • Geopolitics

#### Introduction

Sinkiang, in its pivotal position in the heart of Asia, will most rapidly transmit to India, Pakistan, Afghanistan, and Iran the news that passes from mouth to mouth where few people read or hear radio – news of the meaning in their lives of great political changes in China. Once more, as in the days of the rise of the Han empire, more than two thousand years ago, Sinkiang has become in fact a pivot around which revolve politics, and power, and the fates of men.<sup>1</sup>

Thus Owen Lattimore, the great scholar of Inner Asia, argued following the absorption of Xinjiang into the People's Republic of China (PRC) in the middle of the 20<sup>th</sup> century. Although Lattimore's claim to the momentous import of Xinjiang's re-incorporation into the Chinese state proved to be premature, he nonetheless recognized both the long-

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Owen Lattimore, "At the Crossroads of Inner Asia", Pacific Affairs (1950), p. 45.

term historical significance and potential geopolitical implications that would flow from China's successful incorporation or integration of the region. Indeed, Xinjiang's importance throughout China's history has been of a strategic nature. As such many have highlighted Xinjiang and Central Asia's historical role as a transition zone linking the great civilizations of the Eurasian continent, a role underpinned by their centrality to the historical opposition of the pastoral-nomadic core of Central Asia to the agricultural civilizations of the Eurasian periphery.2 China's reincorporation of Xinjiang in 1949 placed it in control of a geopolitical nexus between five great cultural and geographic regions of Eurasia - China, the sub-continent, Iran, Russia and Europe. However, throughout the 1949-1991 period China was unable to take advantage of this strategic position due to a number of internal and external factors such as the various political and economic crises of the Maoist era and the deterioration of Sino-Soviet relations.3 The collapse of the Soviet Union, however, presented China with an unprecedented opportunity, through its ongoing integration of Xinjiang, to make Lattimore's premonition a reality.

Despite the turning of the international spotlight on the region courtesy of 9/11, the question as to what drives China's power and imperatives in Central Asia (as elsewhere in the world) remain a matter of debate. This article argues that there is a largely complementary relationship between what may be termed China's Xinjiang, Central Asia and grand strategy-derived interests. This three tiered pattern of interests informs and shapes not only China's diplomacy in Central Asia but also its approach to the governance of Xinjiang. Beijing's apparent post-1991 synthesis of two enduring aspects of its Xinjiang "problem" is the key to the balancing these three tiers. The first aspect concerns the great goal that lends continuity to Xinjiang's history under the People's Republic – that of integration, understood in its two predominant senses. First, integration can refer to the relationship between the majority and minority populations of a given state and to "the patterns by which the different parts of a nation-state cohere". Meanwhile, the second aspect of

<sup>&</sup>lt;sup>2</sup> For example, Halford John Mackinder, "The Geographical Pivot of History", (Royal Geographic Society, 1904), reprinted in *Democratic Ideals and Reality: A Study in the Politics of Reconstruction*, (London: Constable, 1950); Owen Lattimore, *Pivot of Asia: Sinkiang and the Inner Asian Frontiers of China and Russia*, (Boston: Little & Brown, 1950); S. A. M. Adshead, *Central Asia in World History*, (London: MacMillan, 1993); and James A. Millward, *Crossroads of Eurasia: A History of Xinjiang*, (New York: Columbia University Press, 2007).

<sup>&</sup>lt;sup>3</sup> Donald H. McMillen, Chinese Communist Power and Policy in Xinjiang, 1949-1977, (Boulder: Westview Press, 1979).

<sup>&</sup>lt;sup>4</sup> Colin Mackerras, China's Minority Cultures: Identities and Integration Since 1912, (NY: St. Martin's Press, 1994), p. 7; see also, June Teufel Dreyer, China's Forty Millions: Minority Nationalities and National Integration in the People's Republic of China, (Cambridge, MA: Harvard University Press, 1976).

integration concerns, "the manner and degree to which parts of a social system (its individuals, groups and organs) interact and complement each other". The first understanding of integration can be seen as a means by which a large, multi-ethnic state can ensure and maintain sovereignty over its territory, while the second concerns the operation of society once the territorial integrity of the state has been ensured. Thus, the goal of integration in the context of Xinjiang encompasses both senses - the mechanisms by which the state has attempted to incorporate the territory of the region and the deeper endeavor to incorporate the non-Han peoples of the region into what the PRC has defined as the "unitary, multi-ethnic" Chinese state.

The second aspect, and one that has for much of Chinese history prevented the achievement of the goal of integration, concerns the geopolitical position of the province itself – its "centrality and intermediate position in Eurasia" between the great the "sedentary homelands" of Europe, Iran, India and China. Indeed, for much of the history of the PRC, the goal of integration was understood to require the isolation of Xinjiang from external influences through the neutralization of the region's historical ethnic, cultural, religious and economic linkages to Central Asia. This was coupled with the extension of the Chinese state's mechanisms and instruments of political, economic and social control and initiation of modern infrastructure links to China proper. Since the collapse of the Soviet Union, however, China has attempted to utilize Xinjiang's geopolitical position in order to simultaneously achieve the security and integration of Xinjiang and, as this project has progressed, China's rise as a Central Asian power.

The integration of Xinjiang not only serves core internal functions but also increasingly is seen to contribute to China's strategic position in international affairs. The article therefore casts China's integration of Xinjiang with Central Asia in geopolitical terms. In particular, it suggests that the integration of Xinjiang with Central Asia grants China significant security, economic and strategic benefits that serve two purposes – the consolidation of China's control of Xinjiang and the expansion of Chinese power in Central Asia – which contribute to Beijing's quest for a "peaceful rise" to great power status. This will be demonstrated through an analysis of China's diplomacy in Central Asia which will reveal that Beijing's approach is not only inextricably connected to its quest to tighten its grip on Xinjiang but also to its global foreign policy. The article will begin by presenting an overview of the

<sup>&</sup>lt;sup>5</sup> James D. Seymour, China: The Politics of Revolutionary Reintegration, (NY: Thomas Y. Cromwell, 1976), p. 6.

<sup>&</sup>lt;sup>6</sup> Millward, Eurasian Crossroads, p. 1; Adshead, Central Asia in World History, p. 53.

<sup>&</sup>lt;sup>7</sup> The classic account of this era is McMillen, Chinese Communist Power and Policy in Xinjiang, 1949-1977.

broad contours of China's grand strategy of "peaceful rise" and will identify how the integration of Xinjiang and Central Asia fits into this strategy. Subsequently, the progress of China's integrationist project in Xinjiang, with an emphasis on how this relates to Chinese policy toward Central Asia, will be presented. It will suggest that the latter has ultimately been determined by the deployment of a "double opening" strategy to achieve the integration of Xinjiang. The article will then conclude by suggesting what some of the major strategic implications of these processes will be for the region in the immediate future.

## The Development of "Peaceful Rise" and Central Asia's Role

The collapse of the Soviet Union in 1991 and the end of the Cold War transformed the international environment in which China's foreign policy had operated since the establishment of the PRC in 1949. The removal of one pillar of the "strategic triangle" that had defined the international environment of East Asia for nearly half a century resulted in the re-evaluation of China's strategic orientation and foreign policy. Moreover, the collapse of the Soviet Union, and the fall of communist states in Eastern Europe, between 1990 and 1991 came hot on the heels of widespread internal unrest in China, including Xinjiang, in 1989-90. Therefore, the collapse of the Soviet Union was a contradictory development as it simultaneously removed the long-feared Soviet threat to China's continental frontiers and made a central element of its strategic calculus of balancing between two superpowers obsolete.8 This simultaneous internal and external crisis of Chinese power and policy profoundly shaped China's perception of the emergent "New World Order" as one characterized by U.S. hegemony or unipolarity. These events arguably led to a substantial transformation of how China perceived the international environment and determined its pre-eminent

<sup>&</sup>lt;sup>8</sup> William T. Tow, "China and the International Strategic System", in Thomas W. Robinson & David Shambaugh, Eds., *Chinese Foreign Policy: Theory and Practice*, (Oxford: Clarendon Press, 1994), pp. 120-121. The dilemma that this posed for China's foreign policy can be gauged through how China's leadership envisaged a post-Cold War world in the mid-1980s, a period of ebbing superpower tension. In particular, Deng Xiaoping suggested that as U.S.-Soviet tensions faded, a politically stable China would be able to pursue a more independent foreign policy within an increasingly multipolar and peaceful world that would facilitate China's domestic development. Significantly, such conditions did not eventuate.

<sup>&</sup>lt;sup>9</sup> Thomas Robinson, "Chinese Foreign Policy 1940s-1990s", in Thomas W. Robinson and David Shambaugh, Eds., *Chinese Foreign Policy: Theory and Practice* (Oxford: Clarendon Press, 1994), p. 588. This perception was of course strengthened by the political and economic sanctions and pressures placed upon China after the Tiananmen Incident and the rapid success of the U.S. during the 1991 Gulf War.

foreign policy goals, informing Chinese foreign policy throughout the next two decades.<sup>10</sup>

Indeed, although the Communist Party retained its monopoly on power after 1989, the domestic challenges that it represented combined with the collapse of the Soviet-bloc to make the goal of domestic stability the key driver of the government's security concerns." Indeed, although China faced the least threatening security environment since the establishment of the PRC in terms of threats from other states, numerous unresolved sovereignty/territorial disputes along its substantial periphery meant that the potential for limited regional conflicts remained high. This therefore made the establishment of constructive relations with China's immediate neighbors a priority. In particular, this resulted in Beijing's heightened concern for the security of its major and ethnically diverse frontier regions such as Xinjiang, Tibet and Yunnan. Moreover, the arrival of the U.S.' "unipolar moment" required China to develop an approach to counter potential U.S. challenges to its position.

Three guiding themes for China's evolving post-Cold War foreign policy were therefore established after 1991 – "preservation, prosperity and power". <sup>14</sup> Key to securing this trilogy of national goals has been the development of a foreign policy "line" of "peaceful rise" (heping jueqi). <sup>15</sup> These pre-eminent concerns have meant that from 1991 onward China has generally attempted to safely enter and engage with the existing international order in order to reap the benefits of the contemporary

<sup>&</sup>lt;sup>10</sup> Avery Goldstein, "The Diplomatic Face of China's Grand Strategy: A Rising Power's Emerging Choice", *The China Quarterly*, 168 (December 2001), p. 837.

<sup>&</sup>quot;Indeed, Deng had stated as much in 1990 when he averred that: "No matter how the international situation changes, so long as we can ensure appropriate economic growth, we shall stand firm as Mount Tai". See Deng Xiaoping, "The International Situation and Economic Problems", March 3 1990, Selected Works of Deng Xiaoping, Vol. 3, 1982-1992, <a href="http://english.peopledaily.com.cn/dengxp/vol3/text/d1130.html">http://english.peopledaily.com.cn/dengxp/vol3/text/d1130.html</a>> (May 28 2008).

Morris Rossabi, "Introduction", in Morris Rossabi, Ed., Governing China's Multiethnic Frontiers, (Seattle: University of Washington Press, 2004), pp. 3-18.

<sup>&</sup>lt;sup>13</sup> Goldstein, "The Diplomatic Face of China's Grand Strategy", p. 838; Deng Xiaoping, "First Priority Should Always Be Given to National Sovereignty and Security", December 1, 1989, Selected Works of Deng Xiaoping, Vol. 3, 1982-1992, <a href="http://english.peopledaily.com.cn/dengxp/vol3/text/d1100.html">http://english.peopledaily.com.cn/dengxp/vol3/text/d1100.html</a> (May 28 2008). These potential challenges not only operated in the international sphere but also in regard to China's domestic political environment, for example, through U.S.-led Western sanctions against China after June 1989.

<sup>&</sup>lt;sup>14</sup> Fei-ling Wang, "Preservation, Prosperity and Power: What Motivates China's Foreign Policy", *Journal Contemporary China* 45, 14, (November 2005), pp. 669-94.

<sup>&</sup>lt;sup>15</sup> Samuel S. Kim, "Mainland China in a Changing Asia-Pacific Regional Order", in Bihjaw Lin and James T. Myers, Eds., Contemporary China in the Post-Cold War Era, (Columbia: University of South Carolina Press, 1996), pp. 268-270; Yongnian Zheng, Discovering Chinese Nationalism in China: Modernization, Identity and International Relations, (Hong Kong: Cambridge University Press, 1999), pp. 114-16.

international political and economic system.<sup>16</sup> Thus, China developed a preference for "cooperation", "multilateralism', "integration" and "regionalism" in its diplomatic endeavors, especially with respect to relations with immediate neighbors - a dynamic particularly prevalent in Beijing's relations with Central Asia.<sup>17</sup> This dynamic illustrates a central facet of China's strategic and foreign policy since 1991 - the development of multiple regional and global relationships in order to balance against the perceived threat of U.S. predominance. In this respect then, Avery Goldstein's definition of "grand strategy" as a "distinctive combination of military, political and economic means by which a state seeks to ensure its national security" certainly applies to China's post-Cold War foreign policy.<sup>19</sup> While speaking in this vein may assign greater coherence to Chinese foreign policy and diplomacy than exists, it is nonetheless clear that the constraints of the post-Cold War international order contributed to the development of a broad consensus amongst China's leaders regarding the most important foreign policy issues.20 Avery Goldstein sums up this consensus most succinctly as, "one that seeks to maintain the conditions conducive to China's continued growth and to reduce the likelihood others would unite to oppose China".21

What is Xinjiang and Central Asia's role in this strategy? Perhaps most bluntly, the removal of the Soviet threat to Xinjiang after 1991 offered Beijing the opportunity to fully utilize Xinjiang's geopolitical position to not only tie the region closer to China but also to develop it as an avenue through which to expand China's influence. Central Asia presented fewer obstacles, both in terms of competing powers and strategic concerns, for the expansion of China's political, economic, strategic and military influence than any other region.<sup>22</sup> Thus, an overarching theme of "engaging the periphery" in China's post-1991 foreign policy, whereby China has sought to construct conducive relations with its immediate neighbors on the basis of shared economic and security

<sup>&</sup>lt;sup>16</sup> Guoli Liu, "Leadership Transition and Chinese Foreign Policy", Journal of Chinese Political Science, 8, 1/2 (Fall 2003), pp. 102-14.

<sup>&</sup>lt;sup>17</sup> See Liu, "Leadership Transition", p. 106, James C. Hsiung, "China's Omni-Directional Diplomacy: Realignment to Cope with Monopolar US Power", Asian Survey 35, 6 (June 1995), pp. 573-86; Chien-peng Chung, "The Shanghai Cooperation Organization: China's Changing Influence in Central Asia", *The China Quarterly* 180, (December, 2004), pp. 989-1009

<sup>&</sup>lt;sup>18</sup> See Hsiung, "China's Omni-Directional Diplomacy", pp. 573-86, Mark Burles, Chinese Policy Toward Russia and the Central Asian Republics, (Santa Monica, CA: RAND Corporation, 1999); Rosemary Foot, "China's Regional Activism: Leadership, Leverage and Protection", Global Change, Peace & Security, 17, 2 (June 2005), pp. 141-53.

<sup>&</sup>lt;sup>19</sup> Goldstein, "The Diplomatic Face of China's Grand Strategy", p. 835.

<sup>&</sup>lt;sup>20</sup> Paul Heer, "A House United", Foreign Affairs, 79, 4 (July/August 2000), pp. 18-25.

<sup>&</sup>lt;sup>21</sup> Goldstein, "The Diplomatic Face of China's Grand Strategy", p. 838.

<sup>&</sup>lt;sup>22</sup> See Lanxin Xiang, "China's Eurasian Experiment", Survival, 46, 2 (Summer 2004), p. 109.

concerns/interests, has been evident in China's relations with Central Asia.<sup>23</sup> Prior to 9/11 in particular, the region was perceived as offering China a strategically "safe" axis for the expansion of its influence, primarily because it offered China relatively favorable conditions for the expansion of its influence due to the desire of the newly independent Central Asian states to diversify their foreign relations in the wake of the Soviet collapse and the absence of a significant U.S. presence.<sup>24</sup> Yet, this ultimately rests on Beijing's ability to successfully integrate Xinjiang. Thus Chinese strategy has major inter-linked external and internal expressions.

# China's Integrationist Project in Xinjiang and Foreign Policy in Central Asia: Security through Development and Dependency?

While the collapse of the Soviet Union removed a long-feared threat to the security of Xinjiang it nonetheless presented China with a new set of challenges including the uncertain prospect of dealing with five independent Central Asian states and a regional Islamic revival. Both of these seemed fraught with danger from Beijing's perspective given that a wave of unrest had erupted in Xinjiang in 1990-91, including an Islamistinspired rebellion in the township of Baren in the south-west of the province. Indeed, the level of threat felt in Beijing was illustrated by Vice-Premier Wang Zhen's exhortation during a visit to the provincial capital of Ürümqi for the regional authorities to construct a "great wall of steel" to defend the motherland from "hostile external forces" and "national splittists" internally.25 Thus, in the Chinese authorities' perceptions, their greatest fear - the convergence of internal unrest and external interference - had come to pass. Indeed, it would seem Justin Rudelson's observation regarding the natural "geographic template" of Xinjiang had come to haunt China's goal of integration in the region. Rudelson, it should be noted, observed that while the PRC had attempted to re-orient Xinjiang "inward" toward China proper since 1949, the "geographic template" of Xinjiang in fact "produced axes of outside cultural influence that penetrated the region" which determined that the major sub-region's of the province were in fact oriented "outward"

<sup>&</sup>lt;sup>23</sup> See for example, Suisheng Zhao, "China's Periphery Policy and Its Asian Neighbors", Security Dialogue 30, 3 (1999), pp. 335-346; David Shambaugh, "China Engages Asia: Reshaping the Regional Order", International Security 29, 3, (Winter 2004/05), pp. 64-99.

<sup>&</sup>lt;sup>24</sup> Xiang, "China's Eurasian Experiment", p. 109.

<sup>&</sup>lt;sup>25</sup> See for example, "Song Hanliang Blames 'Separatists", Hong Kong AFP, April 25 1990 in FBIS-CHI-90-080; Michael Clarke, "Xinjiang in the 'Reform' Era", 1978-1991: The Political and Economic Dynamics of Dengist Integration", Issues & Studies, 43, 2 (June 2007), pp. 76-82; James A. Millward, Violent Separatism in Xinjiang: A Critical Appraisal, (Washington DC: East-West Center, 2004).

toward the proximate external civilizations be they Indian, Central Asian or Chinese.<sup>26</sup>

Resolving Contradictions: Securing Xinjiang through Opening to Central Asia, 1991-2001 The shock administered by internal unrest and the collapse of the Soviet Union resulted in a major innovation in Beijing's approach to the region. No longer would Beijing view Xinjiang's "geographic template" as an obstacle to be overcome in search of integration but rather as an important asset to achieve that end. From this point onward Xinjiang was to become, in the words of the veteran CCP leader in Xinjiang, Wang Enmao, a "Eurasian Continental Bridge" connecting the region's economy with that of Central Asia through the development of direct trade relations with neighboring Central Asian states, increasing state investment in infrastructure projects, and fully developing and exploiting Xinjiang's oil and gas resources.<sup>27</sup> However, this was to be achieved by a contradictory internal logic. In order to solve the "splittist" issue the CCP had to deliver economic development through the entrenchment of "reform and opening", while simultaneously maintaining "stability and unity" through the strengthening of the "people's dictatorship".28

Thus, security within Xinjiang was to be achieved by economic growth, while economic growth was to be assured by the reinforcement of the state's instruments of political and social control, which in turn was to be achieved by opening the region to Central Asia. Importantly, the economic opening to Central Asia would come to offer Beijing a significant element of leverage to induce Central Asian states to aid it in its quest to secure Xinjiang against "separatist" elements. This logic has continued to inform China's approach into the 21<sup>st</sup> century, although it is now framed under the rubric of the Great Western Development campaign. While this campaign is a nation-wide one, its operation in Xinjiang reflects the intensification of Beijing's long-standing state-building policies in the region.

This strategy in the 1990s was characterized as one of "double-opening", that is an attempt to simultaneously integrate Xinjiang with Central Asia and China proper in economic terms, while establishing security and cooperation with China's Central Asian neighbors.<sup>29</sup>

<sup>&</sup>lt;sup>26</sup> Justin Rudelson, Oasis Identities: Uyghur Nationalism along China's Silk Road, (NY: Columbia University Press, 1997), pp. 39-41.

<sup>&</sup>lt;sup>27</sup> See "Wang Enmao Addresses 16<sup>th</sup> Xinjiang Party Session", *Urumqi Xinjiang Ribao* in FBIS-CHI-91-050, 14 March 1991: 55-63; Wang Enmao had been the top party and military leader in Xinjiang between 1949 and 1969
<sup>28</sup> *Ibid*.

<sup>&</sup>lt;sup>29</sup> Gaye Christofferson, "Xinjiang and the Great Islamic Circle: The Impact of Transnational Forces on Chinese Regional Economic Planning", *The China Quarterly*, 133 (March 1993), pp. 130-151.

Indeed, the key elements of this strategy throughout the 1990s demonstrated its purpose to serve the "internal" goal of tying the province closer to China and the "external" goal of utilizing the region's position to accelerate economic relations with Central Asia. These included the re-centralization of economic decision-making to increase the region's dependency on the centre; the expansion of Han inmigration; increased investment for the exploitation of Xinjiang's potential energy resources; encouragement of cotton cultivation; the opening of border trading 'ports' with Central Asia; and significant investment in infrastructure links (e.g. highways, rail links, air routes etc.) with Central Asia.<sup>30</sup>

The external manifestation of this approach was a concerted endeavor to develop greater economic and trade relations with the newly independent Central Asian states, particularly Kazakhstan and Kyrgyzstan, through the extension incentives for border trade and improvement of infrastructural links.31 Moreover, various high-level exchanges of Central Asian and Chinese officials focused on the establishment and enhancement of Sino-Central Asian trade and infrastructure also occurred.32 Significantly, a major theme of Chinese overtures to the Central Asian states was Xinjiang's potential role in linking the economies of China and Central Asia to become the hub of a "New Silk Road". 33 One of the major commodities that would traverse this road, however, was to be oil/natural gas rather than the silk of yesteryear. Indeed, Xinjiang's petrochemical industry was to be made a "pillar" industry within the government's "double-opening" strategy for Xinjiang with the primary goal of establishing the region into a transit route and refinery zone for Central Asian oil and gas. Such an approach ultimately enmeshed China into the wider geo-political competition for not only access to Central Asia's oil and gas, but for greater political and

<sup>&</sup>lt;sup>30</sup> See Nicolas Becquelin, "Xinjiang in the Nineties", *The China Journal*, 44 (July 2000), pp. 71-74; Clifton W. Pannell & Laurence J. C. Ma, "Urban Transition and Interstate Relations in a Dynamic Post-Soviet Borderland: The Xinjiang Uygur Autonomous Region of China", *Post-Soviet Geography and Economics*, (1997), pp. 218-226; Ildiko Beller-Hann, "The Peasant Condition in Xinjiang", *Journal of Peasant Studies*, 25, 1 (1997), pp. 87-112.

<sup>&</sup>lt;sup>31</sup> See Pannell and Ma, "Urban Transition and Interstate Relations", p. 223; Gaye Christoffersen, "China's Intentions for Russian and Central Asian Oil and Gas", *National Bureau of Asian Research*, (1998), p. 24; Lilian Craig Harris, "Xinjiang, Central Asia and the Implications for China's Policy in the Islamic World", *The China Quarterly*, 133 (1993), p. 123.

<sup>&</sup>lt;sup>32</sup> Keith Martin, "China and Central Asia: Between Seduction and Suspicion", RFE/RL Research Report, 3, 25 (June 24 1994), pp. 30-32. For example PRC Foreign Trade Minister Li Lanqing visited Uzbekistan, Kazakhstan, Kyrgyzstan, and Tajikistan in 1991, while Uzbek president Islam Karimov and Kyrgyz president Askar Akayev visited Beijing in 1992.

<sup>&</sup>lt;sup>33</sup> See Martin, "China and Central Asia", pp. 30-32; Li Peng, "China's Basic Policy towards Central Asia", Beijing Review, 37, 18, (May 2-8, 1994), p. 18.

economic influence in the region. Indeed, Beijing's reorientation of its energy strategy toward Russia and Central Asia in the early 1990s was very much a strategic maneuver rather than a 'market' approach to energy security induced by the realization of the strategic weakness of China's growing dependency on Middle East sources of oil and gas.<sup>34</sup>

In relation to China's foreign policy, the development of this strategy proved to be a further spur in generating China's greater engagement with the states of Central Asia.35 This was also buttressed by Chinese concerns regarding the integrity and security of its Central Asian frontiers, demonstrated by the establishment in 1992 of multilateral security dialogues concerning military confidence building measures involving China, Kazakhstan, Kyrgyzstan, Tajikistan and Russia.<sup>36</sup> In many respects China's economic and security concerns regarding its frontiers with the new states of Central Asia were complementary. The development of bilateral relations, spurred on by the development of economic linkages noted above, was further strengthened by the identification of common interests in the security sphere. Thus, further joint meetings between China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan took place throughout the mid-1990s which dealt with the issue of border arms reduction and establishing military Confidence Building Measures along the Sino-Central Asian frontier, which formed the basis for the "Shanghai Five" grouping.37 Significantly, China used its emerging bilateral relations and the nascent multilateral forum of the Shanghai Five to pressure the Central Asian states to control and suppress the activities of "splittist" elements within the significant Uyghur diaspora population in the region - a theme that has defined China's participation in the Shanghai Five and subsequent Shanghai Cooperation Organization (SCO) process.<sup>38</sup>

China's relationship with Russia throughout this period was also important, but given the limited scope of this article, the relationship will be discussed in terms of its relation to Central Asia and Xinjiang. In this regard, by the mid-1990s, both Beijing and Moscow had come to share

<sup>&</sup>lt;sup>34</sup> Philip Andrews-Speed, Xuanli Liao and Roland Dannruther, *The Strategic Implications of China's Energy Needs*, (International Institute for Strategic Studies, Oxford University Press, July 2002), pp. 42-3.

<sup>35</sup> Martin, "China and Central Asia", pp. 26-36.

<sup>&</sup>lt;sup>36</sup> Michael Dillon, "Central Asia: The View from Beijing, Urumqi and Kashgar", in Mehdi Mozzafari, Ed., Security Politics in the Commonwealth of Independent States: The Southern Belt, (London: MacMillan, 1997), pp. 136-137; Christoffersen, "China's Intentions for Russian and Central Asian Oil and Gas", p. 24.

<sup>&</sup>lt;sup>37</sup> See the development of the Shanghai Five see, "Progress' in Arms Talks with CIS States", *Beijing Xinhua*, March 16 1993 in FBIS-CHI-93-049, March 6 1993, p. 9; Sally N. Cummins, "Happier Bedfellows: Russia and Central Asia under Putin", *Asian Affairs*, 32, 2 (June 2001), pp. 142-152.

<sup>&</sup>lt;sup>38</sup> See Russell Ong, "China's Security Interests in Central Asia", *Central Asian Survey*, 24, 4 (December 2005), pp. 429-431.

similar views not only regarding security issues in Central Asia, such as combating "Islamism" and resolving border disputes, but also of the contemporary international system as one dominated by the U.S..39 These shared interests converged to contribute to the establishment of a Sino-Russian "strategic partnership", announced by Presidents Jiang Zemin and Boris Yeltsin in 1996, that according to the official statement was to be built on, "the basis of the principles of mutual respect for sovereignty and territorial integrity, mutual non-aggression, noninterference in each others internal affairs, equality and mutual benefit and peaceful coexistence". Moreover, China declared that Chechnya was a "domestic affair of Russia" in return for Moscow assuring Beijing that Xinjiang, Tibet and Taiwan were "inseparable" parts of China, a development that reflected core internal security concerns for Beijing.40 Yet, what were notable about Sino-Russian relations from the mid-1990s to 2001 were the regular statements alluding to the shared goal of achieving a "multipolar order" in international affair which stressed not only Sino-Russian adherence to the principles noted above in their mutual relations but also the importance of the UN and the developing world - a clear rhetorical contrast to then prevailing U.S. foreign policy trajectory. 41 In the context of their relations in Central Asia, however, this "strategic partnership" amounted to recognition of common security interests and a tacit Russian acquiescence for Beijing to take the lead in the promotion and development of the Shanghai Five as a regional multilateral forum.42

China's Post-9/11 Strategy in Xinjiang and Central Asia

However, a Central Asian "tilt" toward the U.S. post-9/II was evident, particularly in 2001 and 2002 with all of the Central Asian states except Turkmenistan signing military cooperation and base access agreements with the U.S., as well as receiving significant economic aid packages. Uzbekistan especially benefited from increased U.S. interest in the region, receiving not only an initial aid package worth US\$150 million but also the conclusion of an U.S.-Uzbek "Strategic Partnership" in March 2002. Therefore, since 2001 China has sought to re-establish its position

<sup>&</sup>lt;sup>39</sup> Mark Burles, Chinese Policy Toward Russia and the Central Asian Republics, (Santa Monica, Calif: RAND Corporation, 1999), pp. 27-37.

<sup>&</sup>lt;sup>40</sup> See "'Text' of PRC-Russia Statement Released", Beijing Xinhua Domestic Service, April 25 1996, in FBIS-CHI-96-081, April 25 1996, pp. 14-17.

<sup>&</sup>lt;sup>41</sup> See Lowell Dittmer, "The Sino-Russian Strategic Partnership", Journal of Contemporary China, 10, 28 (2001), pp. 399-413; Peter Ferdinand, "Sunset, Sunrise: China and Russia Construct a New Relationship", International Affairs, 83, 5 (2007), p. 856.

<sup>&</sup>lt;sup>42</sup> Pavel A. Baev, "Assessing Russia's Card's: Three Petty Games in Central Asia", Cambridge Review of International Affairs, 17, 2 (July 2004), p. 279.

<sup>&</sup>lt;sup>43</sup> See Chung, "The Shanghai Cooperation Organization", pp. 994-996, "United States-Uzbekistan Declaration on the Strategic Partnership and Cooperation Framework",

in Central Asia through developing new bilateral security agreements and cooperation with the states of the region and bolstering the role of the SCO. China's strategy has been to present itself as a real and reliable security partner for the states of Central Asia and thus provide them with a viable alternative to closer security and military relations with the United States.

Thus since 2002 China has concluded a number of significant military and security cooperation agreements with the Central Asian states, including:

- Provision of US\$3 million in military aid to Kazakhstan in March
   2002
- Joint military exercises with Kyrgyzstan in July 2002
- Conclusion of a Sino-Kazakh "Mutual Cooperation Agreement" on 23 December 2002
- Extradition agreements with Kazakhstan and Kyrgyzstan for the return of Uyghur "separatists and terrorists" 44
- Provision of US\$1 million in military aid to Kyrgyzstan in October 2003
- "Cooperation-2003" SCO joint military exercises on Kazakh and Chinese soil, August 6-11, 2003
- Bilateral agreements on cooperation in combating "extremism, terrorism and separatism" with Uzbekistan and Tajikistan in September 2003.<sup>45</sup>
- Opening of "Regional Anti-Terrorism" (RAT) center in Tashkent on 1 November 2003<sup>46</sup>
- Opening of the SCO permanent secretariat in Beijing on 1 January 2004.<sup>47</sup>
- SCO "Peace Mission 2007" joint military exercises between 9-17 August at Chelyabinsk<sup>48</sup>

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March 12, 2002, <a href="http://www.state/gov/r/pa/prs/ps/2002/8736.pf.htm">http://www.state/gov/r/pa/prs/ps/2002/8736.pf.htm</a>; Boris Rumer, "The Powers in Central Asia", Survival 44, 3 (Autumn 2002), pp. 59-60; Sean L. Yom, "Power Politics in Central Asia", Harvard Asia Quarterly, 6, 4 (Autumn 2002).

<sup>&</sup>lt;sup>44</sup> Rustam Mukhamedov, "Uyghurs in Kyrgyzstan under Careful Government Supervision", Central Asia-Caucasus Analyst, January 28 2004.

<sup>&</sup>lt;sup>45</sup> See Charles Carlson, "Central Asia: Shanghai Cooperation Organization Makes Military Debut", RFE/RL, August 5 2003; "Central Asians Perform Military Maneuvers, Training Against Terrorists", RFE/RL Analytical Reports, August 3 2003; Antoine Blua, "Kazakhstan: President Nazarbaev Signs Mutual Cooperation Agreement with China', RFE/RL, December 27 2002.

<sup>&</sup>lt;sup>46</sup> "Tashkent's New Balancing Act after SCO Summit", RFE/RL Analytical Reports, September 12 2003.

<sup>&</sup>lt;sup>47</sup> See Carlson, "Central Asia: Shanghai Cooperation Organization Makes Military Debut"; "Central Asians Perform Military Maneuvers, Training Against Terrorists"; "Tashkent's New Balancing Act After the SCO Summit," RFE/RL Analytical Reports, September 12 2003.

Two other events in the wider Central Asian region have also had an impact on China's approach to Xinjiang and the Uyghurs. In March 2005, Kyrgyzstan experienced the Tulip Revolution that toppled President Askar Akayev, who had been in power since independence. In May the same year, Uzbekistan also experienced a wave of violent unrest precipitated by the Andijan Incident in which approximately 4000 people rioted and were subsequently violently suppressed by the Uzbek military. These events significantly soured Central Asian perceptions of the U.S. role in the region, with Uzbek President Islam Karimov, but also other Central Asian leaders, severely criticizing the U.S. government's promotion of democracy and human rights as opposed to "stability". Indeed, China's emphasis on common interests in economic development, security, stability and "anti-terrorism" through its bilateral relations with Central Asia and the SCO combined with China's emphasis on "non-interference" in other states' internal affairs to make China appear as reliable partner from the perspective of the region's remaining authoritarian leaders. 49 This was underlined with President Karimov's state visit to China barely two weeks after the Andijan Incident, during which a Sino-Uzbek bilateral security agreement was signed.50

These agreements continue to bear fruit as far as the Chinese authorities are concerned with Uzbekistan, for example, arresting Uyghur political activist, Huseyin Celil (a Canadian citizen) in March 2006. Celil was extradited to China, where he was subsequently trialed and convicted to life in prison for "separatist activities" by a court in Xinjiang's capital, Ürümqi. The influence of the March 2005 Tulip Revolution in Kyrgyzstan which toppled President Askar Akayev on Xinjiang's ethnic minorities, in particular the Uyghur, may also prove to be of some long term significance. Indeed, China had exerted considerable influence on Akayev throughout the 1990s and early 2000s to keep a tight rein on the Uyghur émigré community in Kyrgyzstan, and with his removal from office in March 2005, Uyghurs hoped for greater

<sup>&</sup>lt;sup>48</sup> See "Putin wants regular SCO exercises", Interfax, August 16 2007.

<sup>&</sup>lt;sup>49</sup> See Eugene Rumer, "The US Interests and Role in Central Asia after K2", The Washington Quarterly 29, 3 (Summer 2006), pp. 141-154.

<sup>&</sup>lt;sup>50</sup> Martha Brill Olcott, "The Great Powers in Central Asia", *Current History*, 104 (October 2005), p. 335; N. T. Tarimi, "Sino-Uzbek Pact Bad News for Uighurs", *Asia Times*, July 30 2004; "FBIS Analysis: PRC Strengthening Central Asian Ties to Counter US Presence", *Cuba FBIS Report*, August 12 2005, t21:34:42Z.

<sup>&</sup>lt;sup>51</sup> Gulnoza Saidazimova, "Uyghurs Hit By Autocratic States' Cooperation with Beijing", Eurasianet, April 29 2006.

<sup>&</sup>lt;sup>52</sup> Geoffrey York, "Celil Appeal Rejected by Chinese Court", *Globe and Mail*, July 10 2007, posted online at the Uyghur American Association <a href="http://uyghuramerican.org">http://uyghuramerican.org</a>. China does not recognize Celil's Canadian citizenship as it asserts he left Xinjiang illegally in the mid-1990s.

freedom to promote the pro-separatist cause in that country.<sup>53</sup> While the effect of this development within Xinjiang remains difficult to gauge it nonetheless could serve as an example for the Uyghur. In this regard it is interesting to note the remarks of arguably the most prominent Uyghur exile figure, Rebiya Kadeer, as they highlight the potential for the embedding of Xinjiang and the Uyghur struggle for independence from Beijing within the context of the contemporary "struggle for democracy" in Central Asia. She remarked, "When I heard the news about what happened in Kyrgyzstan, I was so excited...Whatever happens to our brothers and sisters in Kyrgyzstan affects people in East Turkistan".<sup>54</sup> Such inter-linkages between Central Asia and Xinjiang from Beijing's perspective, even if at the rhetorical level alone, reinforce its perception that the major threat to its position in Xinjiang remains the connection of internal opposition with "hostile external forces".

Domestically, the question of Xinjiang's economic development assumed national importance with the central government's launching of the "Great Western Development Plan" in 2000. This plan envisages the creation of Xinjiang as an industrial and agricultural base and a trade and energy corridor for the national economy. This goal can only be achieved with the development of greater interaction and cooperation between China and the Central Asian states – a point underlined by Chinese rhetoric and policy since 2001 with ongoing references to the mutual benefits of developing a "Continental Eurasian land-bridge" that will link the major economies of Europe, East Asia and South Asia. Importantly, Sino-Central Asian trade and economic relations since 2001 have experienced a 'boom' according to a number of observers. Indeed, Sino-Central Asia trade flows have more than tripled from US\$1.5 billion in 2001 to US\$5.8 billion in 2005. A closer examination of the structure

<sup>&</sup>lt;sup>53</sup> Nury Turkel, "People Power Sends a Message to Oppressive Regimes", Wall Street Journal, April 21 2005, posted online at the Uyghur American Association <a href="http://uyghuramerican.org">http://uyghuramerican.org</a>.

<sup>&</sup>lt;sup>54</sup> Cited in *Ibid*.

<sup>&</sup>lt;sup>55</sup> Nicolas Becquelin, "Staged Development in Xinjiang", *The China Quarterly*, 178 (June 2004), pp. 358-78.

<sup>&</sup>lt;sup>56</sup> For the rhetoric see for example, "PRC: Xinjiang Chairman Says Region Becoming 'Bridgehead' for Central Asia Trade", *Xinhua*, September 22 2005; for policy implications see, John W. Garver, "Development of China's Overland Transportation Links with Central, South-west and South Asia', *The China Quarterly*, 185 (March 2006), pp. 1-22; Gael Raballand and Agnes Andresy, "Why Should Trade between Central Asia and China Continue to Expand?", *Asia-Europe Journal* 5, (2007), p. 248.

<sup>&</sup>lt;sup>57</sup> See Niklas Swanstrom, Nicklas Norling & Zhang Li, "China", in S. Frederick Starr, Ed., The New Silk Roads: Transport and Trade in Greater Central Asia, (Central Asia-Caucasus Institute & Silk Road Studies Program, 2007), pp. 383; Sebastian Peyrouse, Economic Aspects of Chinese-Central Asia Rapprochement, (Silk Road Paper: Central Asia-Caucasus Institute & Silk Road Studies Program, September 2007), p. 16.

<sup>&</sup>lt;sup>58</sup> See Raballand and Andresy, "Why Should Trade Between Central Asia and China Continue to Expand", p. 250; Peyrouse, Economic Aspects of Chinese-Central Asia

and nature of this trade suggests not only are Sino-Central Asia trade relations increasingly unequal but also a relationship of economic dependency is developing that China will seek to leverage in order to negate "separatist" and "Islamist" tendencies that it sees as the major threat to its position in Xinjiang.

While the increase in trade flows noted above is significant, Central Asia now accounts for only 0.6 percent of China's overall foreign trade.<sup>59</sup> Yet, China now accounts for 12 percent of Central Asia foreign trade. Moreover, broken down on a state by state basis it also clear that China's influence is predominant in the Central Asian states with which it shares borders with China accounting for 34 percent Kyrgyzstan's foreign trade, 15 percent of Kazakhstan's and 10 percent of Tajikistan's. 60 Of Chinese exports to Central Asia 85 percent consist of low priced manufactured goods, while over 85 percent of Central Asian exports to China consist of raw materials, petroleum, and ferrous and non-ferrous metals.61 Kazakhstan and Kyrgyzstan, with whom China shares the most significant economic relations, reflect this point most clearly. Some 86 percent of Kazakh and 78 percent exports to China, for example, are comprised of petroleum, non-ferrous metals and iron and steel.<sup>62</sup> China's growing economic weight in the region is also reflected in the number of Chinese companies operating throughout Central Asia with, for example, 744 Chinese enterprises (including 40 large companies) established in Kazakhstan, 100 in Uzbekistan and 12 in Kyrgyzstan by 2005.63 The lack of diversification in Central Asian exports to China has also resulted in growing regional concerns that China's economic interests are simply based upon a need to extract natural and mineral resources necessary to fuel its resource-hungry economy. The flooding of Central Asia markets with cheap Chinese-manufactured consumer goods, combined with the increasing activities of Chinese companies and enterprises has also reinforced societal concern that Russian dominance will be replaced by that of China.<sup>64</sup>

Rapprochement, p. 8; Nicklas Norling and Niklas Swanstrom, "The Virtues and Potential Gains of Continental Trade in Eurasia", Asian Survey, 47, 3 (May/June 2007), p. 355.

<sup>&</sup>lt;sup>59</sup> Peyrouse, Economic Aspects of Chinese-Central Asia Rapprochement, p. 18.

<sup>&</sup>lt;sup>60</sup> *Ibid.* Meanwhile, China accounts for only 5 percent of Uzbekistan's foreign trade and 1 percent of Turkmenistan's.

<sup>&</sup>lt;sup>61</sup> Ibid.

<sup>&</sup>lt;sup>62</sup> Hsiu-ling Wu & Chien-hsun Chen, "The Prospects for Regional Economic Integration between China and the Five Central Asian Countries", *Europe-Asia Studies*, 56, 7 (November 2004), p. 1067.

<sup>&</sup>lt;sup>63</sup> Peyrouse, Economic Aspects of Chinese-Central Asia Rapprochement, p. 18.

<sup>&</sup>lt;sup>64</sup> Ann McMillan, "Xinjiang and Central Asia – Interdependency not Integration" in Michael Clarke & Colin Mackerras, Eds., *China, Xinjiang and Central Asia into the 21*<sup>st</sup> *Century: History, Transition and Crossborder Interactions* (London: Routledge, forthcoming 2009); Elliot Wilson, "Astana's Love-In with Beijing", *Far Eastern economic Review*, 170, 5 (June 2007), pp. 42-45.

Yet there remain major impediments to the development of stronger Sino-Central Asian trade. The most important concerns the lack of adequate infrastructure linking the region to China and ongoing trade barriers such as tariffs and visa restrictions. The latter issues have been important in driving Chinese support for the efforts of the Central Asian states for membership in the WTO, which currently is limited to that of Kyrgyzstan. For China in particular investment in developing modern infrastructural links (e.g. roads, railways and telecommunications) between Xinjiang and Central Asia and the lowering of trade barriers are equally strategic as they are purely economic considerations. This imperative has been clear in Chinese policy since the collapse of the Soviet Union, with Chinese investment in infrastructure both within Xinjiang itself and between the province and the neighboring Central Asian states a major element of Chinese policy between 1991 and 2001.

Since 2001 this has been reinforced and also reflects a key element of the Great Western Development of facilitating economic development in Xinjiang. Some post-2001 developments in this sphere have included:

- Opening of international bus routes between Osh (Kyrgyzstan) and Kashgar (Xinjiang) in May 2002
- Chinese pledge of US\$15 million for the construction of a highway linking Xinjiang and Lake Issyk-Kul in Kyrgyzstan in May 2003
- September 2003 agreement to establish a highway links between Xinjiang and Tajikistan.
- December 2003 announcement of Kyrgyz a deal to sell hydroelectric power to Xinjiang
- Announcement of Chinese government-funded US\$2.5 million feasibility study to construct a Kyrgyz-Xinjiang rail link.
- May 2004 Chinese extension of US\$900 million of credit to the five Central Asian states to finance infrastructure projects involving Chinese companies.
- Trilateral Uzbek-Kyrgyz-China project to link Andijan (Uzbekistan), Osh (Kyrgyzstan) and Kashgar (Xinjiang) by a 1, 000 km rail and highway connection<sup>68</sup>

<sup>&</sup>lt;sup>65</sup> See "Regional Cooperation Essential to Economic Growth in Central Asia: ADB", Xinhua, October 29 2007; "Silk Road' Confab Delegates Urge Central Asian Nations to Cooperate on Transport", Beijing Xinhua, October 27 2004; Raballand and Andresy, "Why Should Trade Between Central Asia and China Continue to Expand", pp. 242-243.

<sup>&</sup>lt;sup>66</sup> Peyrouse, Economic Aspects of Chinese-Central Asia Rapprochement, p. 17; Norling and Swanstrom, "The Virtues and Potential Gains of Continental Trade in Eurasia", pp. 360-361.

<sup>&</sup>lt;sup>67</sup> Garver, "Development of China's Overland Transportation Links with Central, Southwest and South Asia", p. 1.

<sup>&</sup>lt;sup>68</sup> See Peyrouse, Economic Aspects of Chinese-Central Asia Rapprochement, p. 30; Michael Dillon, "Bus Attack Highlights Problems in China-Kyrgyzstan Relations," Central Asia-Caucasus Analyst, April 23 2003; "China's Great Game in Central Asia."

Moreover, developments in this realm have also illustrated China's strategy to use Xinjiang's geo-strategic position as a launching pad to establish important linkages not only with Central Asia but also with South Asia, in particular Pakistan and Iran. While Sino-Pakistani cooperation in the development, improvement and maintenance of the Karakoram Highway – that links the major city of southern Xinjiang, Kashgar, with Islamabad - has been ongoing since the opening of the highway in 1969, it has received renewed attention since 1991. Most significant in this respect has been Sino-Pakistani cooperation in the development of a deep water port at Gwadar on the Arabian Sea. China's major investment in this project, to the tune of financing some 80 percent of the estimated US\$1 billion construction costs, is clearly driven by the strategic dividends that port's completion could grant Beijing.

Strategically, Gwadar provides China with access to the Arabian Sea and potential diversification of its oil imports from the Gulf states and Africa through a secure, land-based route to Xinjiang.<sup>73</sup> Additionally Gwadar will provide the shortest route for Central Asian oil and gas exports to world markets, while China's involvement in the port could also provide it with the ability to monitor U.S. naval activity in the Persian Gulf, Indian naval activity in the Arabian Sea and check future U.S.-India cooperation in the Indian Ocean.<sup>74</sup> The Gwadar port also holds the potential to be economically beneficial to not only for Pakistan but also for Xinjiang and Central Asia, with the upgrades of the Karakoram Highway and successful operation of the port estimated to lift Gwadar's cargo trade volume from 200 000 twenty-foot containers in

<sup>&</sup>lt;sup>69</sup> See Garver, "Development of China's Overland Transportation Links with Central, South-west and South Asia", pp. 3-5; Tarique Niazi, "China's March on South Asia", China Brief, 5, 9 (April 26 2005); Swanstrom, Norling and Li, "China", p. 395; John W. Garver, China and Iran: Ancient Partners in a Post-Imperial World, (Seattle: University of Washington Press, 2006), pp. 288-291.

<sup>&</sup>lt;sup>70</sup> See Garver, "Development of China's Overland Transportation Links with Central, South-west and South Asia", pp. 3-5; Ziad Haider, "Sino-Pakistan Relations and Xinjiang's Uighurs: Politics, Trade and Islam along the Karakoram Highway", Asian Survey, 45, 4 (July/August 2005), pp. 538-539.

<sup>&</sup>lt;sup>71</sup> Ziad Haider, "Baluchis, Beijing and Pakistan's Gwadar Port", Georgetown Journal of International Affairs, (Winter/Spring 2005), pp. 95-103.

<sup>&</sup>lt;sup>72</sup> "Pakistan Launches Strategic Port", *BBC News*, March 20 2007, <a href="http://news.bbc.co.uk/go/pr/fr/-/2/hi/south\_asia/6469725.stm">http://news.bbc.co.uk/go/pr/fr/-/2/hi/south\_asia/6469725.stm</a> (accessed 14 November 2007).

<sup>&</sup>lt;sup>73</sup> Haider, "Baluchis, Beijing and Pakistan's Gwadar Port", p. 98.

<sup>&</sup>lt;sup>74</sup> See Haider, "Baluchis, Beijing and Pakistan's Gwadar Port": 98, Niazi, "China's March on South Asia", and Tarique Niazi, "Gwadar: China's Naval Outpost on the Indian Ocean", *China Brief*, 5, 4 (February 15 2005), <a href="http://www.jamestown.org/china\_brief/artcile.php?articleid=2372957&printthis=1">http://www.jamestown.org/china\_brief/artcile.php?articleid=2372957&printthis=1</a> (accessed 14 November 2007).

2005 to nearly 300 000 by 2015.<sup>75</sup> The distance that exports from Xinjiang would have to travel to get to international markets will be halved from 4000 kilometers to China's east coast that they currently have to traverse to 2000 kilometers south to Gwadar.<sup>76</sup>

China's energy security strategy of diversification and increased investment and exploration of its state oil corporations has also continued since 2001. These activities have included:

- The conclusion of a Sino-Kazakh agreement in May 2004 for joint exploration and development of oil and gas resources in the Caspian Sea
- The acquisition of PetroKazakhstan by CNPC in 2005 for US\$4.2 billion
- The completion of the 988 km Kazakh-China oil pipeline linking Atasu in western Kazakhstan and Alashankou in Xinjiang in December 2005
- China's state-owned International Trust and Investment Corporation purchase, for US\$1.9 billion, of a stake in oilfields in western Kazakhstan.
- July 2006 US\$600 million loan to Uzbekistan for the joint exploration of energy deposits in Uzbekistan. <sup>77</sup>

More recently, a joint venture ("Asian Trans Gas") between Uzbekneftegaz and CNPC to build and operate the 530 km section of the 1, 830km Turkmenistan-China natural gas pipeline was reportedly concluded in April 2008, while the following month reports emerged that CNPC had unveiled a plan for a new Kazakhstan-China natural gas

<sup>75</sup> Swanstrom, Norling and Li, "China", p. 395.

<sup>&</sup>lt;sup>76</sup> "New Pakistani Deep Sea Port a Boon for Chinese Trade", *The Star Online*, May 13 2007, <a href="http://thestar.com">http://thestar.com</a>> (November 15 2007).

<sup>&</sup>lt;sup>77</sup> For these developments see Inomjon Bobokulov, "Central Asia: is there an alternative to regional integration", *Central Asian Survey*, 25, 1/2 (2006), p. 82; Antoine Blua, "China: Beijing Keen to Pursue Oil Projects with Neighbours," *RFE/RL*, May 26 2004; "Silk Road Revives with Booming Trade, Economic Cooperation Inside SCO Framework", *Xinhua*, June 13 2006; Guo Xuetong, "The Energy Security in Central Eurasia: The Geopolitical Implications to China's Energy Strategy", *China and Eurasia Forum Quarterly*, 4, 4 (2006), p. 123; Stephen Blank, "China Makes Policy Shift, Aiming to Widen Access to Central Asian Energy", *Eurasianet*, 13 March 2006,

<sup>&</sup>lt;a href="http://www.euarsianet.org/departments/business/articles/eavo31306\_pr.shtml">http://www.euarsianet.org/departments/business/articles/eavo31306\_pr.shtml</a>

<sup>(</sup>September 26 2007); Christopher Len, "Energy Security Cooperation in Asia: An ASEAN-SCO Energy Partnership?", in Mark Hong and Teo Kah Beng, Eds., Energy Perspectives on Singapore and the Region, (Singapore: Institute of Southeast Asian Studies, 2007), p. 164; Wilson, "Astana's Love-In with Beijing", pp. 42-45.

pipeline to carry 40 billion cubic meters of gas per year, 30 of which would flow to China, from the Darhan block on the Caspian Sea.<sup>78</sup>

These activities, while reflecting China's need to diversify its sources of energy, nonetheless also reflects the ongoing importance of the oil/gas sector within Xinjiang's economy, a fact demonstrated by a Chinese estimate that the oil and petrochemicals sector accounted for nearly 72 percent of Xinjiang's industrial output in 2002.<sup>79</sup> China has also sought access to energy sources beyond the Central Asian republics through the development of cooperative ventures with foreign companies such as:

- US\$100 billion contract signed between Sinopec and Iran for the shipment of natural gas to China in October 2004<sup>80</sup>
- Agreement between CNPC and Indian state-owned corporation Oil and Natural Gas Corporation (ONGC) for cooperation in energy procurements in Central Asia in April 2005
- Signing of a Sinopec and Gas Authority of India (GAIL) cooperative venture regarding the Greater Nile Oil Project in Sudan with the former holding a forty percent stake and the latter a twenty-five percent stake.

These developments fit within a broader trend in China's "oil diplomacy" in recent times, whereby it has actively pursued multiple avenues for imports and investment in the energy sector from Central Asia, Russia, Latin America and increasingly from Africa. This dynamic, as one observer notes, has been in part due to Russian and U.S. obstruction of Chinese energy-related endeavors in the region. This particular observation has been lent further weight with the issue of greater cooperation in the energy sphere achieving a significant profile during the August 2007 SCO summit, whereby Russia as well as the

<sup>&</sup>lt;sup>78</sup> See "Uzbekneftegaz and CNPC form 'Asia Trans Gas' Joint Venture", Oil and Gas Journal, 106, 14 (April 14 2008); "China and Kazakhstan to jointly develop Caspian Sea resources", Energy Business Review Online, April 15 2008.

<sup>&</sup>lt;sup>79</sup> Chien-pung Chung, "The Defense of Xinjiang: Politics, Economic and Security in Central Asia", *Harvard International Review*, 25, 2 (Summer 2003), p. 60.

<sup>&</sup>lt;sup>80</sup> Frederick Stakelbeck, "The Growing Tehran-Beijing Axis", In the National Interest, (January 20 2005).

<sup>&</sup>lt;sup>81</sup> See Blank, "China Makes Policy Shift, Aiming to Widen Access to Central Asian Energy"; Xuetong, "The Energy Security in Central Eurasia", pp. 123-124; "China and India to fight over Kazakhstan", *Energy Business Review Online*, August 16 2005.

<sup>82</sup> See Xu Yi-chong, "China's Energy Security", Australian Journal of International Affairs, 60, 2 (June 2006), pp. 273-274; Peter Brookes, "Into Africa: China's Grab for Influence and Oil", Heritage Lectures - Heritage Foundation, 1006, February 9 2007, <a href="http://www.heritage.org/research/Africa/h1006.cfm">http://www.heritage.org/research/Africa/h1006.cfm</a> (September 25 2007); Ian Taylor, "China's Oil Diplomacy in Africa", International Affairs 82, 5, (2006), pp. 937-959. In Africa, China has invested significantly in Nigeria, Sudan and Angola.

<sup>&</sup>lt;sup>83</sup> Blank, "China Makes Policy Shift, Aiming to Widen Access to Central Asian Energy".

significant observer states of Iran, Pakistan and India expressed a positive inclination toward a proposal for the creation of an SCO-focused "energy club". A China's enthusiasm for such an undertaking may however be lukewarm at best due to a number of important factors, not the least of which is the tacit Sino-Russian competition for the region's resources. One observer has suggested in this regard that the Russian "energy club" suggestion, which was reiterated at the 2 November 2007 SCO prime ministerial meeting in Tashkent, could be construed as a preemptive measure to combat China's aggressive resource acquisitions in the region.

### The Strategic Implications of China's Approach

China's strategy in Xinjiang and Central Asia has been defined by the endeavor to achieve a "double integration" of Xinjiang with China proper and Central Asia. Beijing has sought to achieve this through the extension of modern infrastructure throughout Xinjiang and the connection of these to neighboring Central Asian states. Yet, as noted above, this strategy has been significantly affected by the implications of the events 9/11 and the subsequent projection of U.S. military and political influence into Central Asia. The impact of this has been contradictory for China's position with the projection of U.S. political and military influence into four of the five Central Asian states perceived to be a negative consequence of the "War on Terror" as it not only undermine Beijing's bilateral relations with the region but also the SCO.<sup>87</sup>

Significantly, these developments exacerbated perceptions in Beijing that Washington was bent on the strategic "encirclement" of China, a development that Beijing's post-Cold War foreign policy sought to avoid.<sup>88</sup> Indeed, U.S. strategy in Central Asia was perceived in geopolitical terms with Washington's core goals identified as the containment of Russia, the "encirclement" of Iran and Iraq, the expansion of U.S. influence in South Asia and the "containment" of

<sup>&</sup>lt;sup>84</sup> Richard Weitz, "SCO Fails to Solve its Expansion Dilemma", *Central Asia-Caucasus Analyst*, September 19 2007.

<sup>&</sup>lt;sup>85</sup> See Stephen J. Blank, "The Eurasian Energy Triangle: China, Russia and Central Asia", Brown Journal of World Affairs, 12, 2 (Winter/Spring 2006), pp. 53-67; Gawdat Bahgat, "China Expands Energy Mix, Seeks Investment", Oil & Gas Journal, April 23 2007, pp. 20-24.

<sup>&</sup>lt;sup>86</sup> For example, Sergei Blagov, "Russia Urges Formation of Central Asian Energy Club", Eurasianet, July 11 2007,

<sup>&</sup>lt;a href="mailto://www.eurasianet.org/departments/insight/articles/eav110707a\_pr.shtml">http://www.eurasianet.org/departments/insight/articles/eav110707a\_pr.shtml</a> (May 28 2008).

<sup>&</sup>lt;sup>87</sup> Rumer, "The Powers in Central Asia", pp. 57-68.

Gao Fuqiu, "The Real Purpose of the American March into Central Asia", *Liaowang Magazine*, May 10 2002, English translation <a href="http://www.uscc.gov/reapur.pdf">http://www.uscc.gov/reapur.pdf</a>>.

China's rise. <sup>89</sup> Thus, Washington's aim, according to this view, was not only to weaken China's position in Central Asia, and therefore jeopardize the integration of Xinjiang, but also China's wider foreign policy strategy:

China has constantly strengthened its political, security, economic and trade relations with Central Asian countries...China is the "potential enemy" of the United States; and Central Asia is China's great rear of extreme importance. The penetration of the United States into Central Asia not only prevents China from expanding its influence, but also sandwiches China from East to West, thus 'effectively containing a rising China'.<sup>90</sup>

Such perceptions reflect the inter-linked nature of China's interests in Xinjiang and Central Asia, and their connection to and role in Beijing's grand strategy of "peaceful rise". Thus, as we have seen, China's foreign policy in Central Asia has reflected the pre-eminence of the goal of integration for Xinjiang, with an emphasis placed on the establishment of political, economic, and infrastructural links with the Central Asian states. Moreover, it also reflected China's concern for the "safe" expansion of its political, economic and strategic power, a central facet of the strategy of "peaceful rise". Interestingly, the SCO has been increasingly lauded by Chinese media as embodying a new world order of "regional cooperation" characterized by the "Shanghai spirit". However, as one observer has noted, this "new regionalism", as Beijing would have it, can be defined as "open, functional, interest-based cooperation among contiguous states" that differs from the regionalism practiced by the EU which is "closed, identity-based, and ideologically buttressed by liberal democratic values".91

The SCO, and the underlying principles behind it, therefore reflect China's endeavor to establish multiple regional and global relationships in order to counter U.S. primacy in the international system – a goal achieved to an extent in 2005 and 2006 with the tilt of the Central Asian states toward the SCO and China as a result of the unrest in Uzbekistan and Kyrgyzstan. Moreover, a Chinese commentary prior to the 2007 SCO summit in Kyrgyzstan provided an analysis that further illustrates the strategic importance Beijing attaches to Xinjiang and Central Asia. The article, "SCO Reshaping International Strategic Structure", asserted that: (1) the region was characterized by an emerging balance between China and Russia; (2) as U.S. strategic pressure on Russia mounts", the SCO's importance to Russia has risen making Russia, "even more dependent on help from the SCO" to combat U.S. challenges to Russia's traditional pre-eminence in the region; and (3) securing China's western

<sup>89</sup> Ibid.

<sup>90</sup> Ibid.

<sup>&</sup>lt;sup>91</sup> Chung, "The Shanghai Cooperation Organization", p. 993.

frontier will play a key role in China's overall foreign policy.<sup>92</sup> Significantly, the logic subsequently propounded to illustrate this latter point highlights explicitly the inter-linkages that Beijing perceives between the security and development of Xinjiang, its position in Central Asia and its grand strategy:

Even more importantly, as China embarks on the great enterprise of national resurgence, the biggest threats to its national security continue to be attempts to damage China's territorial integrity and interference of outside forces in its unification process. In this sense, China's strategic focus will remain in the southeast in the foreseeable future, with western China continuing to be the "rear" in China's master strategy for many years to come. Nevertheless, only if the rear is secured will the strategic frontline be free from worry...As the squeeze on China's strategic space intensifies, a stable western region takes on additional importance as a strategic support for the country. The strategic significance of western China is self-evident.<sup>93</sup>

China's position in Central Asia and Xinjiang is therefore clearly linked in Beijing's perception to its ability to successfully pursue its strategy of "peaceful rise" or "great enterprise of national resurgence". As the preceding overview of China's strategy in Xinjiang and Central Asia suggests, Beijing is arguably in a stronger position in the region than at any time in the history of China-based state's attempts to control Xinjiang. It has consolidated and extended its mechanisms of political, economic and social control within Xinjiang through such instruments as Han colonization, increased state investment in the petrochemicals industry and modern infrastructure developments. Externally, Beijing has succeeded in leveraging its developing political and economic clout in Central Asia to enlist these states, both in a bilateral and multilateral sense, to resolve long-standing border disputes, develop security and military cooperation and undermine and control pro-separatist movements or organizations amongst the Uyghur diaspora in the region.

Moreover, as the latter part of this article has demonstrated, China has also been successful in absorbing and then countering the effects of the injection of major U.S. influence into the region post-9/11 through the intensification of the major elements of its strategy toward Central Asia. Thus, Beijing played a major role in the reinvigoration of the SCO, assiduously worked toward the revitalization of its bilateral political, economic and military relations with key Central Asian states, and continued its quest to diversify its access to the region's oil and gas

<sup>&</sup>lt;sup>92</sup> Li Yong, "Shanghai Cooperation Organization Reshaping International Strategic Structure", *Ta Kung Pao*, August 5 2007.

<sup>&</sup>lt;sup>93</sup> Yong, "Shanghai Cooperation Organization Reshaping International Strategic Structure". My emphasis.

resources. Taken as a whole, China's strategy presents a complex web of inter-linkages between its imperatives of integration and control within Xinjiang, its drive for security and influence in Central Asia and its overarching quest for achieving a "peaceful rise" to great power status. While Owen Lattimore's prediction of 1950 noted at the beginning of this article proved to be pre-emptory, it nonetheless highlighted what has proven to be the key to China's post-1991 strategy. For China's position in Xinjiang, and hence Central Asia, the 'key link', to appropriate a favorite phrase of the Maoist idiom, has proven to be the realization that the region's "geographic template" should not be perceived as an obstacle to integration but as an asset to be utilized in this enduring project.