

Russia- Ukraine Conflict: Impact on Central Asia and Option For India

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Abstract

The Russia-Ukraine conflict created a huge geopolitical turbulence. This war emerges like a host of problems in the global economy. Due to the crises of Russia-Ukraine, the instability in the global economy has different negative effects on different regions. The central Asia region is one of the most affected by the Russia-Ukraine conflict. In this critical situation central Asian countries are searching for new reliable partners, because many economic sanctions have imposed on Russia and economy of the Central Asian countries depends on Russian federation. The central Asian countries are known as energy hub of Asia. To transport these energy resources, Central Asia depends on Russian ports but in this drastic situation Central Asian countries are trying to find out a new route for transportation. India is also building a strong relationship with central Asia. These quickly transforming dynamics of regional and global security structure provides a great opportunity for India to enhance its partnership with central Asian countries.

Introduction

Central Asia is geo-strategically important for the Russian federation due to the sharing of its border with Afghanistan and Iran to the south, China to the east and the Caspian Sea to the west. Moscow is also considered as the region's security provider. The central Asian region is considered a sphere of Russian influence. The Central Asian economics are mostly dependent on reimbursement from Russia federation. Due to this interdependency, any geo-political and geo-strategical changes that affects Russia also impacts on central Asian region. In the similar way, the conflict between Russia and Ukraine has major consequences for Central Asian region.

On the issue of many resolutions proposed in United Nation General Assembly against to Russian's military operations in Ukraine in last one year, Central Asian countries have mostly stayed natural. In the United Nations General Assembly (UNGA) special emergency session on the issue of Russia- Ukraine Conflict which has been taken on 2 march 2022, three out of five Central Asian countries, abstained from voting on this resolution, these countries were Kazakhstan, Kyrgyzstan, and Tajikistan while Turkmenistan and Uzbekistan were absent from the session.^[1] Ukraine proposed a resolution in response to disclosures of Russian military in crimes against civilians in Ukraine, specially in the city of Bucha. This resolution had been taken in the UNGA on 7 April 2022 was related to suspension of the Russia's membership in the United Nations Human Right Council (UNHRC). Turkmenistan maintained their neutral position but four out of the five central Asian countries voted in favour of Russia.^[2] Recently, The UNGA had condemned Russia over its invasion of Ukraine and a resolution proposed in the UNGA calling for Russia's immediate withdrawal and an end to fighting as soon as possible. Also, in this voting Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan were abstained and Turkmenistan was absent from the voting session which has been taken on 24 Feb. 2023.^[3] Instability in the global political scenario

has different effects on different regions. One of the most important regions affected by the Russia- Ukraine conflict is central Asia.

India is also balancing their geo-political relations with Russia and Central Asian countries by accelerating its engagement with central Asia in the post two years. India has also maintained their natural status on Russia- Ukraine conflict if India changes their status on the issue then it would imbalanced the geo- strategic relations with central Asian nation.

Effect of the conflict on Central Asia

Impact a national currency-

Due to the western sanctions, the Value of National currencies of CAR is continuously declining along with Russian Rouble because the economic structure of CAR has mostly depended on Russian Rubble. Kazakhstan's national currency, Tenge, has lost 20 percent of its value. This down fall in national currency of Kazakhstan has created a negative impact on import cost, inflation and interest rates.^[4] To Control this economic crisis, Kazakhstan has increased its base interest rate from 10.25 percent to 13.5 percent.^[5] National Bank of Kazakhstan quickly involved in currency market to boost the national currency. A new anti-crisis strategy has introduced by the Kazakh government that included more engagement in Forex market and a new Tenge deposit Protection scheme.^[6]

Challenges for Migrant workers-

The worse condition of migrant workers of the Central Asian countries is the most serious challenge that the region is now facing. Around 7.8 million workers from the Central Asian region are presently working in Russia. The Coronavirus outbreak, the migrant workers had already reduced in Russia by 40 percent, many have lost their job, while others have returned their country and never go again. Due to Economic Sanctions imposed on Russian Federation, it is expecting that the number of migrants workers further reduced by 50 to 60 percent.^[7] In the first

quarter of 2022, more than Sixty thousand Tajik migrant workers returned to their homes from Russia.^[8] The developing Central Asian region is undergoing tremendous transformation age; more than 70 percent of the population in the region is under the age of 40. If the number of dissatisfied and jobless people will increase, then the region might be destabilised as they might get engaged in illegal activities. The vulnerabilities that have arisen as a result of the Russia-Ukraine crisis may pose a threat to the security and stability of these countries.

Decline in Remittances from Russia to the central Asian Countries

The remittances come from the Russian Federation to Tajikistan, account for roughly one third of its total GDP and more than a quarter of Kyrgyzstan's total GDP. Similarly, The Contribution of Russian remittance in Uzbekistan is nearly around to 12 percent. In the past, when Russia had takeover to Crimea and the sanction that followed, remittance to the region felled by 40 percent in 2014. During COVID-19, the risks of dependency on Russian remittances was again visible and the region felled by 22 percent drop in aggregate remittance.^[9] According to the report of World Bank, the latest economic sanctions imposed on Russia after the conflict will result in a huge decline in remittances to these countries. Sanctions may also indirect impact remittance flows by reducing employment and income of migrant workers in Russia.

Finding of Alternative Routes for logistics and Transportation

The Central Asian Countries are all landlocked countries, so these countries face logistical problem in exporting their energy resources to global market. Kazakhstan and Turkmenistan are both energy-rich countries of the region. The current scenario provides several challenges to various industries of the region. In this critical situation, the Central Asian countries are attempting to explore other export route. India to be an option for the Central Asia region for export facility via Chabahar in Iran. But presently, Kazakhstan intends to direct route

for export and transit goods to Latvian ports via the Trans- Caspian transport route. Kazakhstan is continuously trying to establish a link with Azerbaijan, Georgia and Turkey to connect to the European Union.^[10]

Strategic Competition in Central Asia

Due to military intervention in Ukraine, Russia has been isolated by the western world on the ground of politically and economically and situation allows its economic and political rivals to established important economic relation to the Central Asia. China, Turkey and NATO are keen to minimising Russian authority in the CAR. This drastic situation has provided to China with a perfect opportunity to gain some presence. In Eurasian geopolitics, Turkey is another emerging regional force that might gain from the present situation.

Options for India

With every passing day of conflict, the Central Asian countries disenchanted with Russia's action and continuation of the conflict. But these countries go out of their way to ensure friendly and pleasant relation with Russian Federation. In many countries of central Asia there is also growing unhappiness among the common people of the region due to the policy of Russia. Central Asia is looking forward for new most reliable, trustworthy and supportive partners in economic, strategic political connectivity and counter-terrorism interests. For this, India fit with the transition stage. Also, the Central Asian countries don't showing their interest with Chinese geo- strategic and geopolitical policies. In this situation, India and the Central Asian countries both will be mutually beneficial to strategically enhance their engagement by organising on a regular series of visits at political, official and business level to the region's countries.

Due to Economic and security dependency on Russia, the Central Asia will try to built and pursue a multi dimensional foreign policy to control the Russian influence the economic and strategic fall outs from Russia-Ukraine conflict,

China will also look to escalate its economic and strategic engagement with the CAR. India needs to use this situation and as soon as start a renewed engagement with the CARs before Chinese action on this situation.

The quickly transforming dynamics of the regional and global security structure provides a great opportunity for India to enhance this partnership with the Central Asian countries. The Central Asian countries define as a part of India's extended neighbourhood. India has very rich old historical civilizational and cultural relations with these countries. If India move to develop the strategic relations with the Central Asia in this critical time, it will help India to fulfil its aspiration of playing an active role in its extended neighbourhood as well as checking the ever growing influence of China in Eurasia. With strong strategic relationship with the Central Asia, India will get an opportunity to play its role to establishing the situation in Afghanistan which is assuming disturbing proportions on account of expanding the power of Taliban.

Conclusion

The Russia-Ukraine conflict has caused economic and geopolitical concerns in Central Asia. The impact of the conflict and economic problems mainly overlap with Central Asian people's economic concerns. In other words, rising price of energy commodity may be a caution for Central Asian countries to decrease the negative impact of crisis. In the war situation, the global economy is in very uncertain condition and various economic sanction imposed on Russia has created challenges for Central Asian countries. The Russia-Ukraine conflict will disrupt the Central Asian societies although it is too early to analyse and pre calculate the future of Russia-Central Asia ties. We can assume that all the possible practices will be done by Russia Federation to ensure the security and economic prosperity because the Central Asian region is a part of Russian extended neighbours. The central Asia is also the extended neighbours of India.

In this case India will do all the possible activities to fulfil the present gap between Russia and Central Asia.

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