



CHINA'S EMERGENCE IN CENTRAL ASIA

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1 Introduction

The Belt and Road Initiative (BRI), also referred to as 'One Belt, One Road' (OBOR), has been among the most debated issues regarding China's strategy to spread its influence across Asia and Europe. The scale of the project is massive, although the total cost for Chinese investments under the BRI is not yet known, estimates put it anywhere between 1 trillion¹ and 8 trillion US Dollars.² Understanding of the project varies from author to author, but they all seem to agree, that BRI is not simply the sum of individual projects centered around the idea of connecting China to the rest of the world via new continental and maritime infrastructure, but rather it is a new manifestation of China's rise to the position of superpower.³

In Europe, the attention has mostly focused on railway connections from China to London, Berlin and other European industrial hubs; roads and pipelines across Asia, and rapid development trajectories. Therefore it is mostly understood through its impact on European countries. In China, however, the BRI is presented as "*a great undertaking that will benefit peoples around the world*".⁴ This promises significant impact on the nations through which BRI traverses. In the following paper, I examine how building the Silk Road resonates in Central Asia.

How crucial this region is for the success of the whole initiative is being manifested from the very start. Central Asia is the historic core of silk roads through the time. It is here, where Marco Polo searched for silk routes to Venice and where United Kingdom and Russia contested in the Great Game. As Frederick Starr, one of the world leading experts on this region, argues in his book, Central Asia was much more than "*a mere transit station*" along the road.

¹ Perlez, Jane and Huang, Yufan. 2017. Behind China's USD1 Trillion Plan to Shake Up the Economic Order. *New York Times*. 13.5. 2017. Accessed (18.6. 2018): (<https://www.nytimes.com/2017/05/13/business/china-railway-one-belt-one-road-1-trillion-plan.html>)

² Ming, Cheang. 2018. China's mammoth Belt and Road Initiative could increase debt risk for 8 countries. *CNBC*. 5.3. 2018. Accessed: (18.6. 2018): (<https://www.cnbc.com/2018/03/05/chinas-belt-and-road-initiative-raises-debt-risks-in-8-nations.html>)

³ Laruelle, Marlene. 2018. Introduction. China's Belt and Road initiative. Quo Vadis? In: Chinese Belt and Road Initiative and its Impact in Central Asia. Ed. Laruelle, Marlene. Washington DC: The George Washington

⁴ Rolland, N. China's Eurasian Century? Political and Strategic Implications of the Belt and Road Initiative; NBR: Seattle, WA, USA, 2017

Rather, it was a major center of civilization and high culture.⁵ Historical importance of the region is not the only reason of Chinese interest. Another one is simply connected to geography of the region. The Dzungarian Gate on the China-Kazakh border and the Torugart pass from Kashgar to Naryn, Kyrgyzstan are two of the few openings in the Tien Shan and Pamir mountains that allow past and present trade caravans to pass.⁶ China is also interested in promoting the economic development in this region to stabilize the situation in the troubled western province of Xinjiang, where separatist violence has been on the upswing.⁷ Chinese investment in Central Asia is also about creating markets to stimulate trade with Xinjiang province. By better connecting Xinjiang to both Chinese market and markets abroad, Beijing hopes to quell economic and political discontent in predominantly Uighur population.⁸

This article examines the characteristics of the project in the Central Asian region, such as geographical factors, specific geopolitical situation of the region arising from contestation between Russia and China, cultural and historical factors and important specifics of the project in the region.

2 Characteristics of BRI in Central Asia

As stated in the introduction, BRI is an idea for engagement and development rather than a firm plan. First thing that has to be taken into the account is that although this article deals with the impact of this idea on the whole region, Central Asian states have their own interpretations of what the New Silk Road means, based on their histories, politics, economics, and socio-cultural contexts.⁹ Differences between the countries are the reason why the impact of the BRI on the countries in the region will vary. Kazakhstan and Kyrgyzstan are at the forefront of Chinese interests followed by Tajikistan and Uzbekistan. For the most parts, Turkmenistan is somewhat on the sidelines, although leaders of both countries agreed to boost their cooperation under the umbrella of the BRI during the last year visit of Xi Jinping in Turkmenistan.¹⁰

⁵ Starr, Frederick. 2015. *Lost Enlightenment*. Princeton: Princeton University Press.

⁶ Sternberg, Troy. Ahearn, Ariell and McConnell, Fiona. 2017. Central Asian 'Characteristics' on China's New Silk Road: The Role of Landscape and the Politics of Infrastructure. *Land*. Vol. 6; No. 3;

⁷ McBride, James. 2015. Building the New Silk Road. *Council on Foreign Relations*. 22.5. 2015. Accessed (24.7..2018): (<https://www.cfr.org/backgrounder/building-new-silk-road>)

⁸ Lain, Sarah. 2017. The Potential and Pitfalls of Connectivity along the Silk Road Economic Belt. Pp 1-2

⁹ Blanchard, J.; Flint, C. The Geopolitics of China's Maritime Silk Road Initiative. *Geopolitics* 2017, 22, 223–245.

¹⁰ China Daily. 2017. Xi urges more pragmatic cooperation with Turkmenistan under Belt and Road Initiative. *China Daily*. 10.6. 2017. Accessed (24.7.2018): (http://europe.chinadaily.com.cn/business/2017-06/10/content_29696590.htm)

Geographical location makes Kazakhstan and Kyrgyzstan the two key players in the region, though the countries have vastly divergent interests and needs. Kazakhstan represents an autocratic, rentier state that has extensive trade links and higher per capita income than China (USD 12,436 vs. USD 7,616). This also makes it the richest Central Asian republic. Driven by energy resources and pipelines to China, Kazakhstan can self-fund and self-direct infrastructure and development if desired.¹¹ Furthermore, Kazakhstan exports majority of its crude oil to European OECD countries (approximately three quarters), thus lowering its dependency on China.¹²

Kyrgyzstan on the other hand is a struggling democracy with low living standards (USD 1,267 GDP per capita). Mountainous terrain offers limited economic resources to the country. 50% of the national debt is already owed to China.¹³ One of the few resources Kyrgyzstan possesses is water, which is missed in countries with huge energy supplies such as Uzbekistan or Kazakhstan.¹⁴ In the past 10 years, priority spheres of Chinese investment in Kyrgyzstan were infrastructure and energy sector. One of the most important projects is the reconstruction of Bishkek Power Station worth almost USD 390 million.

Uzbekistan plays a pivotal role in the regional affairs. It is rich with oil and natural gas and it is second largest Central Asian state. Despite this, Uzbekistan was not as eager as Kazakhstan to participate in BRI, while governed by Islam Karimov. This changed in 2016, when Karimov died and was replaced by Shavkat Mirziyoyev. During his first trip to China in 2017, Mirziyoyev signed deals worth USD 23 billion in various sectors of economy.¹⁵ Under the leadership of Mirziyoyev, Uzbekistan is currently playing a big part in BRI, especially in the area of natural gas reserves and gas transportation infrastructure.¹⁶

Tajikistan, same as Kyrgyzstan, is not rich with natural resources. It is one of the poorest post-Soviet countries and it is heavily dependent on energy imports. Position of China in the country was quite weak and limited even in the early 2000s, due to lack of transport networks connecting the countries, but since

¹¹ Kassenova, Nargis. China's Silk Road and Kazakhstan's Bright Path: Linking Dreams of Prosperity. *Asian Policy* 2017, 24, 110–116.

¹² U.S. Energy Information Administration. 2017. Country Analysis Brief: Kazakhstan.

¹³ Sternberg, Troy. Ahearn, Ariell and McConnell, Fiona. 2017. Central Asian 'Characteristics' on China's New Silk Road: The Role of Landscape and the Politics of Infrastructure. *Land*. Vol. 6; No. 3;

¹⁴ Zolotova, Ekaterina. Central Asia Steps Out of Russia's Shadow. *Geopolitical Futures*. 9.2. 2018.

¹⁵ Eurasianet. 2017. Uzbekistan President's China Trip Yields Giant Rewards. 16.5. 2017. Accessed (24.7. 2018): (<https://eurasianet.org/s/uzbekistan-presidents-china-trip-yields-giant-rewards>)

¹⁶ Maitra, Ramtanu. 2017. The Multiple Dimensions of China's 'One Belt One Road' in Uzbekistan. Shiller Institute. 1.2. 2017. Accessed (24.7. 2018): (http://www.schillerinstitute.org/economy/phys_econ/2016/1227-obor-uzbek/ou.html)

2009 China became more active, especially in the power-engineering sector, providing resources for building Rogun Dam Hydropower Plant, crucial energy resource for the country.¹⁷

In Turkmenistan, China is particularly active in energy sector. In fact, Turkmenistan's gas trade is already dominated by China, that has been the sole importer of Turkmen gas since Russia halted gas imports from Turkemistan in 2016 and Turkmenistan halted gas exports to Iran after a payment dispute.¹⁸ Energy sector is therefore the most important part of bilateral relationship. During the last year visit of Xi Jinping to Turkmenistan both countries agreed to enhance the cooperation under the BRI also in infrastructure, production capacity and clean energy.¹⁹

3 Sectoral Priorities of BRI in Central Asia

From the brief overview of characteristics of BRI in different Central Asian republics we can highlight some of the priorities of the project in the region as a whole. BRI investments worldwide focus on infrastructure and natural resources, the creation of industrial zones, and capacity cooperation. The sectors most affected by BRI are therefore transportation, mining, energy, power plants and transmission grids, manufacturing and technology.²⁰ In the Central Asia, the main focus is to improve transport and energy infrastructure along two broad transport corridors that would drive economic cooperation through connectivity.²¹ In the following part, I take look at some of the aspects of developing infrastructure followed by the emphasized projects.

3.1 Infrastructure

Before every discussion about infrastructure in Central Asia, one needs to look at the landscape of the region. Geography matters. Altitude, climate, temperature, people and governance all affect infrastructure projects. As stated

¹⁷ Shavbazov, Fuat. 2016. China's Economic and Military Expansion in Tajikistan. *The Diplomat*. 23.11.2016. <https://thediplomat.com/2016/11/chinas-economic-and-military-expansion-in-tajikistan/>

¹⁸ Lain, Sarah. 2018. the potential and pitfalls of Connectivity along the silk Road economic Belt. In: *Chinese Belt and Road Initiative and its Impact in Central Asia*. Ed. Laruelle, Marlene. Washington DC: The George Washington

¹⁹ Kabar. 2017. Xi urges more pragmatic cooperation with Turkmenistan under Belt and Road Initiative. 10.6.2017. <http://kabar.kg/eng/news/xi-urges-more-pragmatic-cooperation-with-turkmenistan-under-belt-and-road-initiative/>

²⁰ Johech, Marek. Jenny, Kyzy. China's BRi investments, Risks, and opportunities in Kazakhstan and Kyrgyzstan

²¹ Crisis Group. 2017. Central Asia's Silk Road Rivalries. *Crisis Group*. 27.7. 2017. Accessed (24.7. 2018): (<https://www.crisisgroup.org/europe-central-asia/central-asia/245-central-asias-silk-road-rivalries>)

before, physical factors historically prevented Chinese expansion from its heartland within the Great Wall. Surrounded by mountains, there are only few choke points suitable for trade with Central Asian republics. In the Southwest where Himalays lie it is the Karakoram Highway. To the west Torugart Pass enables trade between Xinjiang and Kyrgyzstan. To the north Dzungarian Gate is the only gateway in the mountains stretching from Afghanistan to Manchuria. Through the gate flow oil and gas pipelines, China Highway 312, railroad to Europe and also Chinese workers migrating to the Central Asia.²²

Physical geography adds another layer of complexity to infrastructure. With great mountains come severe cold, high winds and low precipitation. These factors can also contribute to crushing and thwarting the infrastructure.

Region's physical geography and geopolitical history both significantly influence the existing and future infrastructure projects. For example, Central Asian republics use soviet railroad gauge, which is different from the Chinese one, thus no direct transportation can take place.²³ Furthermore, old and inefficient infrastructure implies long and time-consuming customs processing. As Alexander Cooley points out, customs processing in Central Asian republics is one of the most inefficient in the world and infrastructure is not the only reason for this. Another is the inadequacy of the state-agents and customs officials who clear trade on the borders.²⁴

The list of infrastructure projects in Central Asia financed by China is long, but Cooley highlights five most important ones:

1. *China-Central Asia Pipeline (Line D)* is a natural gas pipeline traversing Turkmenistan, Uzbekistan and Kazakhstan. It is fourth and last planned strand of network of routes carrying gas from Turkmenistan to China. Once completed, the pipeline would put China in a position to import up to around 65 billion cubic meters of Turkmen gas annually.
2. *Eurasian Land Bridge* is a project aimed to connecting China and Europe through Mongolia, Kazakhstan and Russia long almost 12 000 kilometers. Project is meant to dramatically reduce shipment time and increase the overall number of trains sent from China to Europe.

²² Sternberg, Troy. Ahearn, Ariell and McConnell, Fiona. 2017. Central Asian 'Characteristics' on China's New Silk Road: The Role of Landscape and the Politics of Infrastructure. *Land*. Vol. 6; No. 3;

²³ Putz Katherine. 2014. Can China Fix Central Asia's Soviet Rail Legacy? *The Diplomat*. 14.1. 2014. Accessed (24.7.2018): (<https://thediplomat.com/2016/01/can-china-fix-central-asias-soviet-rail-legacy/>)

²⁴ Cooley, Alexander. The Emerging Political Economy of OBOR: The Challenges of Promoting Connectivity in Central Asia and Beyond. Center for Strategic and International Studies. Available online: www.csis.org/analysis/emerging-political-economy-obor (accessed on 16 March 2017).

3. *China-Central Asia-West Asia Corridor* links Chinese province of Xinjiang with Kyrgyzstan, Tajikistan, Kazakhstan, Uzbekistan and Turkmenistan through network of railroads and is arguably the most emphasized project currently under construction in Central Asia.
4. *Khorgos-Aktau Railway* is a trans-Kazakhstan railway line from the Caspian oil port-city of Aktau to the logistics hub of Khorgos. The rail connection from Khorgos to Aktau port will enable cargo to be transported along the Caspian Sea and the Caucasus to Europe as well as to the south through Iran to the Persian Gulf.
5. *China-Kyrgyzstan-Uzbekistan Railway* revives an earlier Chinese proposal from the early 2000s to build a new 270-kilometer high-speed rail link between the Western Xinjiang cities of Kashgar via the southern Kyrgyz city of Osh to Andijon in eastern Uzbekistan.

China is financing these projects via Export-Import Bank of China and China Development Bank mostly in the form of established practice of conditioned soft loans. Particular conditions for the soft loans are discussed in the next section of the paper.

3.2 China's conditional aid

When president Xi Jinping announced BRI in 2013, Central Asian republics were immediately attracted to this idea. Arguably, the primary attraction of this approach for Central Asian governments is the common belief that China's money does not come with the political conditions demanded by the West, including human rights, economic liberalization and so on.²⁵ However, Chinese soft loans do not come free of conditionality. Scale of the conditions China demands even led some authors to characterize Chinese lending policy as "*predatory lending*", meaning China seeks to promote its own interests rather than work in the best interest of the borrowers.²⁶

This practice goes against widely held impression that China lends and invests abroad without attaching policy conditions, created by China's insistence on non-interference and frequent criticism of Western interventionism. However, conditionality of China's lending activities simply takes different forms from the ones that have been traditionally subject of discussion, because they are not imposed as explicit policy conditions. Rather, conditions are embedded in

²⁵ Bossuyt, Fabienne. 2016. The EU's and China's Development Assistance towards Central Asia: Low Versus Contested Impact. paper presented at the 46th Annual Conference for the University Association for Contemporary European Studies, London, September 5–7, 2016

²⁶ Jaborov, Safovudin. 2018. Chinese Loans in Central Asia: Development Assistance or "Predatory Lending". In: China's Belt and Road Initiative and Its Impact in Central Asia. Ed. Laruelle, Marlene. Washington DC: George Washington University.

Chinese project financing requirements or expressed as broad political “*bottom lines*” for diplomatic relations.²⁷

Different scholars divide Chinese conditions into different categories. This text uses division proposed by Matti Nojonen and Mikael Mattlin in the article *Conditionality in the China’s Aid Model*.²⁸ Nojoden and Mattlin divide the conditions into:

- ❖ *political conditionality*: recipient nation must adhere to the one-china principle;
- ❖ *embedded conditionality*: recipient nation must agree to use Chinese labor and adhere to regulations put in place by Chinese companies;
- ❖ *emergent conditionalit*: strategic sectors of economy of recipient nation will be tied to China;
- ❖ *cross-conditionality*: funding from Chinese banks allows China to have leverage over the recipient nation and demand further requirements.

Concerning *political conditionality*, all five Central Asian republics made commitment to one-China policy in early 1990s and aligned with China on numerous occasions on international stage. Cooperation is very strong in the fight against terrorism, what is very important for China given the problematic situation in Xinjiang region. Leaders of the Central Asian republics often publicly support position of China in relation to question of Taiwan, Tibet or Xinjiang, especially after succesful negotiated deals.²⁹

Embedded conditionality is also highly relevant to Central Asia. Money from China flows to Central Asian republics in packages that are tied to the interests of Chinese companies. Usual condition is that half of the materials, equipment, technology and services used in a project should come from China.³⁰ This enables Chinese companies to expand abroad, gain more contracts and more resources. Economic difficulties and isolated geographic locations of Central Asian republics make them very vulnerable to this kind of exploitation.

In this region, China often applies a resource-backed loan scheme, which provides loans on the condition that they will be repaid in the form of natural

²⁷ Mikael Mattlin and Matti Nojonen, “Conditionality in Chinese Bilateral Lending,” BOFIT Discussion PaperNo. 14, 2011, 20–23.

²⁸ Mattlin, Mikael and Nojonen, Matti. 2012. *Conditionality in the China’s Aid Model*. Carnegie Endowment. 10.1. 2012. <http://carnegieendowment.org/2012/01/10/conditionality-in-china-s-aid-model-event-4024>

²⁹ Moore, Kathleen. 2004. Central Asia: China’s Mounting Influence, Part 4—Facing Militant Threats. *RFE/RL*, 18.11. 2004, <http://www.rferl.org/a/1055959.html>.

³⁰ Adylov, Aliaskar. 2016. *The Big Friendly Giant: China’s Development Assistance in Central Asia*. (Master’s thesis, Central European University, 2016),

resources.³¹ In 2009 China provided USD10 billion to Kazakhstan in return for its oil and gas. Same year China also provided USD4 billion to Turkmenistan in return for access to South Yolotan natural gas field.³²

In the meantime Chinese corporations cumulate economic power in the recipient countries, what Mattlin and Nojonen call *cross-conditionality*. Political, economic and industrial weight of all the projects financed and managed by Chinese companies may reach a critical point, when lock-in processes are generated. Chinese companies then may be in position to directly relay their concerns to the host government and expect favourable policy response.³³ Probably the clearest example of this in Central Asia is the dominance of China over gas sector of Turkmenistan.³⁴

Although in the different sectors, same can be said about Chinese influence in Kyrgyzstan. Political turmoil and weak economy made it easy for China to expand into Kyrgyz market that is now literally flooded with Chinese consumer goods. Up to 80 percent of finished goods in Kyrgyzstan's bazaars arrive from China before reexported elsewhere. Kyrgyzstan is especially dependent on China in construction business, as demonstrated by the new hydropower projects.³⁵ In Kyrgyzstan, China is also attracted to its mineral resources including gold, copper, iron and coal. Many Chinese enterprises have come to Kyrgyzstan since 2009 to engage in mining business.³⁶

Emergent Conditionality refers to the structural effects of Chinese lending. Major infrastructure project often involve transfers of complex technology, hardware, software and know-how from China to the recipient country, which is then dependent on China for management of the project. This is the case of Kyrgyz mining business or Turkmen gas sector, but examples can be found in every Central Asian republic.

³¹ Kassenova, Nargis. 2013. China as an Emerging Donor in Tajikistan and Kyrgyzstan. In: Bracken et al., "China's Quest for Energy Security: Redefining and Driving Foreign Aid," *Michigan Journal of Public Affairs*. Vol. 10; No. 11

³² Downs, Erica. 2011. Inside China, Inc: China Development Bank's Cross-Border Energy Deals," *Brookings Institute*, 21.3. 2011. Accessed (24.7. 2018): (<https://www.brookings.edu/research/inside-china-inc-china-development-banks-cross-border-energy-deals/>)

³³ Mattlin, Mikael and Nojonen, Matti. 2015. Conditionality and Path Dependence in Chinese Lending. *Journal of contemporary China*. Vol. 24, pp. 701-720

³⁴ Lain, Sarah. 2018. the potential and pitfalls of Connectivity along the silk Road economic Belt. In: Chinese Belt and Road Initiative and its Impact in Central Asia. Ed. Laruelle, Marlene. Washington DC: The George Washington

³⁵ Tian, Hao. 2018. China's Conditional aid and its impact in Central asia. In: Chinese Belt and Road Initiative and its Impact in Central Asia. Ed. Laruelle, Marlene. Washington DC: The George Washington

³⁶ Deming, Li. 2012. Kyrgyzstan still a mine field for investors. *Global Times*, 28.10 2012. Accessed (24.7. 2018): (<http://www.globaltimes.cn/content/740848.shtml>)

3.3 Chinese migration and perception of China in Central Asia

Chinese loans have left an important footprint on all of Central Asian republics, and scale of Chinese-driven projects in the region is spectacular. One of the conditions discussed earlier in the paper is the use of Chinese laborers, who come to Central Asian republics on work visa. Percentage of laborers varies from state to state; the highest is in Kazakhstan, where GDP per capita is highest in region and bigger than in China.³⁷ Experience indicates that Chinese workers in Central Asian republics tend to accept country's laws and social norms and maintain a low profile with minimal contact with anyone outside the enclaves where they live. Still, negative stereotypes about Chinese remain strong especially in Kazakhstan and Kyrgyzstan where Chinese migration is the highest. Public awareness of Chinese interests in these countries is heavily shifted towards migration issues and there are significant gaps in awareness about Chinese presence creating anti-Chinese moods in society.³⁸ This is happening despite the fact that Chinese presence is highly regulated and Kazakhstan experiences little social unrest.

In Kyrgyzstan situation is quite different. Kyrgyzstan experiences decentralized politics, weak rule of law, and higher social unrest. Migrants from China are highly visible, operate with little oversight, and many bussiness are tied to black market.³⁹ In most cases presence of Chinese laborers benefit local economies, although they are not always perceived to do so. Despite constant criticism by public, Chinese manual laborers have filled critical vacancies in key industries, such as already mentioned construction and foundry work.⁴⁰

Regional leaders in Kyrgyzstan often try to balance public opinion with economic reality, but without success. Chinese presence therefore results in rise of sinophobia and occasionally leads to violence. Chinese influence over Kyrgyzstan often raises concerns about sovereignty. Chinese projects are associated with corruption. This perception is being reinforced by the fact that Chinese companies in Kyrgyzstan often fail to meet local expectations about job creation, because they rely on Chinese, not local, labor.⁴¹

Other Central Asian republics also experience higher migration from China in recent years, in most cases it is mostly illegal migration. According to 2011 census, there were about 1,500 Chinese in Tajikistan, but International

³⁷ Steiner, J.Nicholas 2013. Chinese Migration to Central Asia. *Thesis*. University of Washington

³⁸ Yelena Y. Sadovskaya, "Patterns of Contemporary 'Chinese' Migration into Kazakhstan," in Chinese Migrants in Russia, Central Asia and Eastern Europe, ed. Felix B. Chang and Sunnie T. Rucker-Chang. Hoboken: Taylor & Francis, 2011.pp 124–125.

³⁹ Steiner, J.Nicholas 2013. Chinese Migration to Central Asia. *Thesis*. University of Washington

⁴⁰ Ibidem

⁴¹ Tian, Hao. 2018. China's Conditional aid and its impact in Central asia. In:

Organization for Migration estimate there were more than 80,000 Chinese. Prevalent activities of Chinese in Tajikistan are small businesses. This led to complaints from their Tajik counterparts about government supporting Chinese business owners more than the Tajik ones.⁴² Situation of Chinese migrants in Tajikistan was also a subject of a bilateral meeting in 2012 leading to a closer cooperation between the countries regarding the migration.⁴³

In Uzbekistan and Turkmenistan, fears of Chinese migration are less palpable due to various factors such as geography and state policies. Nevertheless, in the period from 2007 to 2015 Uzbekistan issued more than 10,000 work permits for Chinese workers. This accounts for 26.2% of all permits issued by the government.⁴⁴ Due to Turkmenistan's geographical isolation, number of Chinese working in the country remains small.

4 Conclusion

As seen, BRI already made a huge footprint in Central Asia in various ways. Successful development of the project in the region is a necessary precondition for its success worldwide and China therefore invests a lot of money in various infrastructure projects here with the aim to connect itself with the rest of the world. Because of the different background, not all the Central Asian republics are involved in the same depth. Kyrgyzstan and Kazakhstan are involved the most, although each for different reasons. Uzbekistan was cautious about its involvement under the rule of Islam Karimov, but new president Shavkat Mirziyoyev signed deals promising more engagement. In Tajikistan and Turkmenistan, BRI also slowly takes roots.

Although all countries have their specifics, there are certain similarities of the project in Central Asia. Main focus of BRI in Central Asia is to improve infrastructure with the aim to connect China to Europe through the region. Biggest projects under the BRI therefore deal with transport and energy infrastructure. Developing republics of Central Asia of course welcome Chinese money, but they do not come free of demands from Chinese government. Article identifies four types of conditions China is demanding. These are political conditions, embedded conditions, cross-conditions and emergent conditions. All

⁴² RFE/RL. 2011. Tajikistan To Monitor Illegal Chinese Immigrants. *Radio Free Europe Radio Liberty*. 10.11. 2011. Accessed (23.7. 2018):

(https://www.rferl.org/a/tajiks_monitor_illegal_chinese_immigrants/24386951.html)

⁴³ Asia-Plus. 2012. Status of Chinese labor migrants in Tajikistan discussed in Dushanbe. *Asia-Plus*. 10.3. 2012. Accessed (23.7. 2018): (<http://news.tj/en/news/status-chinese-labor-migrants-tajikistan-discussed-dushanbe>)

⁴⁴ IOM. 2015. Republic of Uzbekistan. *International Organization for Migration*. Accessed (23.7.2018): (file:///C:/Users/Acer/Downloads/PPTI_MPL_UZB_2015_EN%20(1).pdf)

of them are aimed at expanding Chinese political and economic influence over the recipient country.

Other important footprint BRI has left on Central Asia is Chinese migration. This issue is connected to one of the conditions China is demanding from the recipient countries that wish to obtain Chinese loans. Specifically, China wants recipient countries to use Chinese labor, which leads to migration of Chinese to Central Asia. Migration is most visible in Kyrgyzstan and Kazakhstan, but other republics are also affected to some extent.

The trend of BRI's rising impact in Central Asia is most likely to continue. Central Asian republics mostly welcome Chinese soft loans, because they are seen as a way to develop their economies. There are two critical issues that come with Chinese loans. First is Chinese lack of interest in developing soft infrastructure. As described above, most of the projects are aimed to develop railways, roads, and pipelines. However, Central Asian republics are still grappling with problematic business environment, corruption and brain drain. Naturally, you can expect infrastructure projects investments in hard infrastructure to help build better investment climate and good governance, but China is making this difficult to happen with their specific demands. Second, China's loans are contributing to a serious debt spiral in Central Asia as seen on example of Kyrgyzstan or Tajikistan.⁴⁵ Financial and political consequences of this are still discussed, but they are to be revealed soon in the future.

⁴⁵ Laruelle, Marlene. 2018. Introduction. China's Belt and Road initiative. Quo Vadis? In: Chinese Belt and Road Initiative and its Impact in Central Asi. Ed. Laruelle, Marlene. Washington DC: The George Washington

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