

India's 'Connect Central Asia Policy': Emerging Economic and Security Dimensions

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Abstract Central Asia is strategically positioned as an access between Europe and Asia and offers extensive potential for trade, investment and growth. The region is richly endowed with commodities such as crude oil, natural gas, cotton, gold, copper, aluminum and iron. The increasing importance of the region's oil and gas resources has generated new rivalries among external powers. A scramble for resources has begun in the Central Asia between Russia and other external players like US, China resulting in a Great Game rivalry. India wants to gain a foothold in the region for its huge energy reserves and also to secure a stable extended neighbourhood in Afghanistan. Today in the post-cold war years, India is increasingly looking toward Central Asia as both a reliable source of oil and natural gas and a focus of its strategic interests in Asia. Trade and economic ties with the landlocked Central Asia are point of interest for India. In this age of globalization, economic ties hold the key to any bilateral, trilateral and multilateral cooperation. Both India and Central Asia share common perceptions about the need to have friendship and mutually advantageous economic relations especially in the backdrop of globalization. Through its 'connect Central Asia Policy', New Delhi aims to actively take part in Central Asia's regional cooperation and security arrangements. This paper attempts to highlight the need for India's holistic approach towards Central Asia with in a neo-liberal framework in the context of globalization.

Keywords Central Asia, Russia, China, India, Pakistan, Afghanistan, Globalization

1. Introduction

Central Asia as a region not only connects Asian and European continents but also provides the shortest transit route to Europe from Asia. Geographic factors have had a tremendous influence on the whole region so much so that Central Asia has now become a region of geopolitical, geo-economic and geo-strategic significance in the arena of international relations. The region is richly endowed with

commodities such as crude oil, natural gas, cotton, gold, copper, aluminum and iron. The increasing importance of the region's oil and gas resources has generated new interests and rivalries among external powers. Central Asia is also a strong market for millions of consumers. India can benefit immensely out of promoting stronger ties with the countries of the region.

Direct Indian-Central Asian link were limited during the Soviet period. In the backdrop of Indo-Soviet special friendship, New Delhi was virtually present in the everyday lives of Central Asia through television, movies, music and cultural exchanges. (Laruelle[10]) In the immediate post-Soviet years India's presence in the region became symbolic. Things however started changing since later part of 1990s when the major powers namely the US and China made inroads into the region in various ways that led to the rise of 'New Great Game' with Russia, China and the US vying over security and energy interests in a politically unstable region. India, though not a party to this great game rivalry, took keen interest in Central Asia primarily in view of its huge ever growing energy requirements.

In brief, apart from economic factors, Central Asia is important to India because of its strategic location, geographical proximity and of its energy resources. Therefore, restoring traditional linkages with Central Asia has been one of the primary strategic priorities before India today. It is in this backdrop, this paper will highlight the need for India's holistic approach towards Central Asia with in a neo-realist framework. This write up also attempts to explore the concerns and interests that motivates India's recent efforts to step up its engagements in Central Asia. The paper tries to find out answers of the following key questions: (a) How should India, a late comer, strategize its arrival on the Central Asian scenario? (b) What should be India's approach towards key external players – Russia, China and the US – in the region? (c) How far it is true that Central Asia could promote India's energy security to a considerable extent?

2. Emerging Strategic Scenario and India's Response

India's political, cultural, and historical ties to Central Asia date back to antiquity. But contemporary circumstances, namely the quest for energy and the threat of terrorism, have imparted a new urgency, adding strategic realities to historical tradition. Recently, Foreign Minister Salman Khurshid has said that India's energy requirements are growing at a 'terrifying pace'. Consequently, India's government recently announced that it refuses to lay down a quota for importing oil (and presumably gas) from any country, including Iran. Instead, India will buy oil (and, again, presumably gas if not other energy sources) from wherever 'it gets the best deal'. In this context, it is even targeting the Arctic for energy sources. The Caspian basin is seen as an important source of hydrocarbons and ONGC (Oil and Natural Gas Corporation Ltd.) is buying an 8.42% share of Conoco Phillips' holdings in Kazakhstan. It also is buying equity (albeit modest) in Azeri fields around the Caspian. (Blank[4])

Despite urgency of strengthening bilateral ties with Central Asia, India is failing to keep pace with its rivals, particularly China. This failure occurs even though the US supports an expanded Indian role in Central Asia, and the American presence vastly enlarges the political, economic and military space available to India. Indeed, Washington's presence allows India to play, or at least aspire to, a greater Central Asian role than it could achieve on its own. Washington also counts on New Delhi playing an expanded role in Afghanistan and Central Asia as its troops plan to depart Afghanistan shortly. (Blank[4])

India's growing interests in Central Asia are well-recognised. There is a growing convergence between the US and Indian interests, especially their reluctance to see the region fall under the exclusive influence of China. India was worried in the 1990s when Russian influence weakened substantially with a commensurate rise in that of China's.

China entered Central Asia's energy markets in 1997, when China National Petroleum Corporation (CNPC) acquired a 60.3% stake in Kazakhstan's Aktobe Munai Gas, gaining access to three oilfields and an exploration block. On the other hand, India's first acquisition was only in 2011 and much smaller – a 25% stake in a single oil bloc, the Satpayev. Interestingly, CNPC was bidding against established oil majors; the company not only cleanly outbid every rival, it also paid the cash strapped Kazakh government a generous bonus upfront and conducted feasibility studies on a pipeline to Xinjiang, offering the Kazakhs a non-Russian export line. This development eased the path to a rapid and impressive range of acquisitions and partnership for China. Beijing in fact followed a two pronged strategy to building energy security in Central Asia: (a) It acquired energy assets, both oil blocks as well as oil companies; and (b) China used its technological prowess to get involved in the energy infrastructure and industry in the region whereby mutual interdependence between the two sides was created. (Ratna[13]) In both the cases New Delhi lagged could not compete with Beijing. It is noteworthy that the new Chinese premier Xi Jinping, immediately after assuming office,

undertook a hurricane tour of the region, signing mega energy deals and promising major investments. With China being the largest trading partner of four of the five regional states, India's presence in the region is relatively much less. (Pant[11])

In recent years, India has also made some progress in energy. Political maneuvering is under way to get India acquisition of a second oil bloc in Kazakhstan's massive Kashagan oilfield. The Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline took concrete shape in May 2012, with the signing of gas sale and pricing agreements. According to Tanvi Ratna, several geopolitical factors worked in favour of New Delhi: America's solid support, given the desire to counter Iranian, Russian and Chinese influences and the New Silk Route Strategy for Afghanistan; Pakistan's crippling energy and economic crisis; and Turkmenistan's search for steady buyers for its gas. However, a consortium of companies is yet to be found to finance, build and manage the pipeline. Given the insecure environments and difficult terrain of Afghanistan and Pakistan, this is proving more than difficult. Another initiative is the currently touted ONGC bid to buy ConocoPhillips' 8.4% stake in the Kashagan oil field. (Ratna[13])

On the whole, New Delhi's poor maneuvering has left it without a robust strategic policy in Central Asia, a region critical for India's energy, trade and security needs. This lack of direction raises doubts about India's capacity to maintain strategic partnerships across the region, and whether its strategic planning can match its world power aspirations. If India is to reverse the lacklustre performance of its 'Connect Central Asia Policy', it needs to offset its strategic setbacks in Tajikistan, in view of the fact that India has lost its use of Tajikistan's Ayni¹ airbase. (Tanchum[17]) The Ayni airbase – India's only foreign airbase - had been the key to India's strategic footprint in Tajikistan, and its loss represented a grave strategic setback. In December 2010, Tajikistan announced that Russia was the only country under consideration to use the Ayni airbase in future. (Kucera[9]) In fact, Tajikistan and Russia are now negotiating the details of their future military cooperation.

Despite the decade-long opportunity provided by the United States' regional presence for New Delhi to develop an expanded role in Central Asia, India does not project any significant military or economic power in the region. And although India and Tajikistan share security concerns about Islamist militancy, there is no meaningful security cooperation between the two countries. The Indian armed forces have not participated in counter-terrorism military exercises in Tajikistan like the Chinese PLA and Russian military did in June 2012. (Tanchum[17]) India has to work hard on this front.

3. SCO and the China Factor

India has for long wanted to play a larger role in the SCO2

(Shanghai Cooperation Organization) and has been seeking support from individual member states for quite some time. India is in fact looking forward toward becoming a permanent member of the organisation. However, New Delhi has not been even successful in achieving an upgrade in its observer status. The organisation has failed to achieve a consensus on India's role in the grouping. It is not very difficult to see why. China remains reluctant to see India as a full member of the group despite its official rhetoric to the contrary. The SCO was founded in Shanghai in 2001 by the presidents of Russia, China, Kyrgyz Republic, Kazakhstan, Tajikistan and Uzbekistan. India was admitted as an observer at the 2005 Astana Summit along with Iran and Pakistan. Though the 2010 Tashkent Summit lifted the moratorium on new membership, India's role in the grouping remains a marginal one. (Pant[11]) It is however important to note that Russia supported Indian membership in the SCO and talked about the possibility of New Delhi participating in the Collective Security Treaty Organisation. (Pant[11])

In September 2013, India's external affairs minister Salman Khurshid visited Kyrgyzstan where he attended the Shanghai Co-operation Organisation (SCO) and to Uzbekistan where he met with its foreign minister Abdulaziz Kamilov. At the SCO, Khurshid underscored New Delhi's desire to seek full member status of the six-nation grouping and made it clear that India remains keen to deepen security-related co-operation with it, particularly with the SCO's Regional Anti-Terrorism Structure (RATS). (Pant[11])

India and China held their first ever official dialogue on Central Asia in August 2013 when they had a long conversation on specific issues like regional security and counter-terrorism, Shanghai Cooperation Organisation, (SCO), energy security, development partnerships, and people-to-people contacts with the countries of the region. ('India, China hold first dialogue on Central Asia'[7])

While India plays a large role in Afghanistan, focused principally on building human capital and physical infrastructure, improving security, and helping the agricultural and other important sectors of the country's economy, it nevertheless continues to lag behind China and Russia. India's difficulties in Central Asia also confirm that, unlike Russia, China continues to obstruct Indian efforts to enhance its presence in Central Asia. (Blank) According to Stephen Blank, "As we approach 2014 it seems clear that ... China and Pakistan will probably succeed in checking India's ability to project meaningful economic or military power into the region, including its ability to negotiate contracts for energy supplies ... Yet India certainly cannot depend on Russia to advance its Central Asian interests." (Blank[4]) As stated earlier, China has far outpaced India in respect of energy acquisitions and the building of a long-distance transportation, trade and infrastructure network in Central Asia despite India's rising wealth and power.

4. Importance of India's 'Connect Central Asia Policy'

The first India-Central Asia Dialogue, a Track-II initiative organized on 12-13 June 2012 in Bishkek, Kyrgyzstan, was an important step towards building a long-term partnership with the Eurasian region. The objective behind this regional conference was to start a regular annual dialogue forum among academics, scholars, government officials and business representatives from India and the CARs, with the aim of providing inputs to governments on both sides. It was during this regional conference that Minister of State for External Affairs, Mr. E. Ahmad, pronounced India's new 'Connect Central Asia' Policy. (Bisaria[3]) He said that "India is now looking closely at the region through the framework of its 'Connect Central Asia' policy, which is based on pro-active political, economic and people-to-people engagement with Central Asian Countries, both individually and collectively". The 'connect Central Asia' policy is a broad-based approach, which includes political, economic and cultural connections between India and the Central Asia. (Roy[14])

Central Asia's rich natural resources, including significant reserves of oil and natural gas, and its location in the center of Eurasia have attracted immense global attention. In the changed strategic scenario, India seeks to reconnect with Central Asia and to play a constructive role there. As a part of its "Connect Central Asia" policy, India plans to set up an Indian-Central Asia University in Kyrgyzstan and look towards deploying its soft power to consolidate goodwill in all Central Asian countries through IT, culture, networking with young politicians and academia. In addition, New Delhi is talking with Tajikistan to set up a military hospital and also plans to operate up to 14 direct flights to Dushanbe. To begin with, both India and Tajikistan will launch four flights each. The other important area of the "Connect Central Asia" policy is India's economic ties with the region. (Bisaria[3])

In Indian strategic thinking, Central Asia is considered part of its extended/strategic neighborhood. What is of prime importance for India is stability and security of the region. Inextricably linked with India's security concerns in Central Asia is Afghanistan, for the latter is part of the Central Asian geopolitical construct as it shares boundaries with Tajikistan, Uzbekistan and Turkmenistan. In fact, crucial to the security of the region is the issue of peace and stability in Afghanistan. Important issues such as drug trafficking, proliferation of small arms, the fate of Afghan refugees, resolution of the Afghanistan-Pakistan border, the arms culture, and the modest level of economic activity, all affect Afghanistan's security and stability which have a direct bearing on India.

The moot point is that India is extremely worried to check the rise of radical Islam which poses a major challenge to its national security. Central Asia - in post Soviet years - has become a fertile ground for the jihadist groups based in the region. This concern is further exacerbated by the complex situation in Afghanistan, more particularly after the

expected partial withdrawal of NATO troops by the end of 2014. No wonder therefore why India is keen to play a greater role in Central Asia's security matrix. (Campbell[5]) With regard to Afghanistan, New Delhi has traditionally enjoyed close and friendly ties with Kabul. In order to promote its strategic and economic interests, India is vigorously involved in the reconstruction effort. (For detail, refer Joshi[8]) Keeping in mind the fact that peaceful and stable Afghanistan is crucial for regional stability, India has been playing a very important role in Afghan reconstruction with a commitment of worth \$2 billion. India has also signed a 'strategic partnership' with Afghanistan in 2011. Gulsan Sachdeva has argued that India's engagement in Afghanistan has boosted its policy towards Central Asia. (Sachdeva[15])

The driving force behind India's objective of enhanced engagement with Central Asia is economics. India has the ability to help build Central Asia in areas such as information technology, science and technology, knowledge industries and soft power. Conversely, India's increasing need for energy can only be addressed by the energy rich Central Asian countries.

External Affairs Minister SM Krishna paid a two-day visit to Tajikistan on July 2-3, 2012. His visit to Dushanbe is the first by an Indian External Affairs Minister (EAM) to this strategically located country in nine years. He held extensive discussions with his counterpart Hamrokhom Zarifi about bilateral cooperation on several issues including energy, counter-terrorism and communication aimed at further cementing bilateral ties. The situation in Afghanistan and regional developments were also an important focus of these talks. During this visit, Krishna also addressed a conference of the Indian Heads of Missions (HOM) to 11 countries in the region. Krishna's visit needs to be viewed in the context of India's growing interest in cultivating stronger ties with the Eurasian region through its 'Connect Central Asia' policy and his new mantra of the four Cs, namely 'Commerce, Connectivity, Consular and Community'. (Roy[14])

During the past few years, New Delhi has stepped up its engagement with the Central Asian Republics with the aim of building a long term partnership. India has now expressed its desire to play an expanded and more meaningful role in the Shanghai Cooperation Organisation (SCO) including its case for full membership in the organization. The high level visits from both sides—Kazakh President Nursultan Nazarbayev's visit to Delhi and President Pratibha Patil's visit to Tajikistan in 2009, Prime Minister Manmohan Singh's visit to Kazakhstan in 2011 and Uzbek President Islam Karimov's visit to India in May 2011—are all reflective of growing political ties between India and the Central Asian region. (Roy[14])

Krishna's visit to Tajikistan is a continuation of India's new policy approach towards the CARs and its readiness to play a pro-active, meaningful and sustained role in the Eurasian region. He articulated this very clearly in his address to a conference in Dushanbe by stating that as the Eurasian region undergoes rapid transition, the time has

come for India to evolve a calibrated and co-ordinated response in its engagement with each of the countries in the region to further secure core national interests. As part of its 'connect Central Asia' policy, India plans to set up an Indian-Central Asia University in Kyrgyzstan and is looking towards deploying its soft power to consolidate goodwill in all Central Asian countries through IT, culture, networking with young politicians and academia. (Roy[14])

Krishna's visit to Tajikistan also needs to be evaluated in the context of uncertainties surrounding the security situation in the Afghanistan-Pakistan region. To ensure that Afghanistan emerges as a commercial bridge between South and Central Asia and prevent it from becoming the hub of terrorism and extremism is one of India's core national interests. India's current policy approach towards this region is reflective of its growing concerns about future developments in Afghanistan after the US military drawdown in 2014. This concern is shared by other Central Asian countries as well. India has already stepped up its engagement with the US, Russia and regional countries to address the Afghan impasse. New Delhi views the Central Asian countries as reliable partners in addressing this problem. During the third Indo-US Strategic Dialogue, India agreed to hold trilateral consultations with the US on Afghanistan. Such initiative would enable India and the US to explore opportunities to promote Afghanistan's development in the areas of agriculture, mining, energy, capacity building and infrastructure. India also hosted an international investor's meet on Afghanistan in New Delhi on June 28, 2012, in which more than 270 private sector firms and consultancies from India and Afghanistan and other countries participated. (Roy[14]) This is an attempt to help Afghanistan's transition from an economy so far being sustained by foreign aid to one sustained by private investments. This meeting precedes an international meeting of donors to Afghanistan in Tokyo on July 8, 2012. India is contributing in a big way for capacity building in Afghanistan by earmarking more than US \$2 billion in reconstruction assistance as well as by providing security, training and supporting the New Silk Road initiative in the region. (Roy[14])

Krishna's visit to Tajikistan also assumes significance given the key strategic location that Tajikistan occupies as Afghanistan's neighbour. This apart, Tajikistan has worked closely with India along with Russia and Iran in supporting the Northern Alliance against the Taliban regime earlier. As far as Afghanistan is concerned, India and Tajikistan face similar challenges. Terrorism and extremism are common threats faced by both countries. There is already a Joint Working Group on Counter-Terrorism between India and Tajikistan. During Krishna's visit, both countries agreed once again that without a stable Afghanistan, peace and tranquility in the region cannot be established. (Roy) India also shares close defence and security relations with Tajikistan, which help in cementing the strategic ties between the two sides.

The other important area of the 'connect Central Asia'

policy is India's economic ties with the region. While Krishna asked the 11 Indian heads of mission in the region to work on converting India's "enormous goodwill" into "tangible and strategic advantages", the current status of India's trade, which is pegged at a mere \$500 million, indicates the most unsatisfactory part of an otherwise excellent relationship with the region. In case of Tajikistan, India's trade stood at \$10.7 million in 2004-05 and \$32.56 million in 2009- 2010. (Roy[14]) Lack of connectivity with the region still remains a major impediment for India to reach out to the region for boosting economic cooperation. India's trade with Central Asia is to the tune of approximately US \$200 million, a negligible portion of India's overall international trade. This volume of trade and investment between the two sides has been much below potential. The entire Indian exports to Central Asia are less than 2 percent of its total exports and stands at under \$900 million per annum. The imports also follow a similar picture and account only 1.5 percent of the Indian imports on average basis. The trade is restricted to traditional items. The main commodities being exported from India are pharmaceutical, tea, readymade garments, leather goods, jute manufactures, cosmetics, cotton yarn, machinery, machine tools, rice, plastic products, machinery and instruments, electronic goods and chemicals. Imports from Central Asia are restricted to fruits and nuts, raw cotton, iron and steel. Uzbekistan and Kazakhstan also export zinc to India. The extensive reserves for hydrocarbons and other resources make Central Asia attractive for forging a mutually beneficial cooperative relationship. (Pratibha[12])

Both India and Central Asia have economic complementarities in terms of natural resources; human resources and markets, which if exploited can broaden cooperation. Opportunities for joint ventures in banking, insurance, agriculture, IT and in pharmaceuticals also exist. Indian pharmaceuticals industry has done well in all the states of the region. Today, it accounts for nearly a quarter of the imports into the region. Indian industrialists have also registered an impressive presence in the steel and construction sector there. India is also exploring the construction of small and medium sized hydroelectric plants mainly in Kyrgyzstan and Tajikistan, which have substantial hydropower potential. (Das Kundu[6])

Related to the issue of economic cooperation is the aspect of the relevance of the energy-rich Eurasian region for energy deficit India. India views Central Asia as a long term partner in energy and natural resources trade. Estimates of proven and possible oil reserves across the whole Caspian area, excluding Russia and Iran, run up to 190 billion barrels of oil. Its proven gas reserves are estimated at 196 trillion cubic feet. (Singh[16])

So far India has made some progress in the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline and is also acquiring an oil block in the Caspian Sea by signing commercial agreement between ONGC Videsh Limited and the Kazakh State Company. Tajikistan occupies a special place in terms of its hydrocarbon resources. The

country is the second largest producer of hydroelectricity in the Commonwealth of Independent States, after Russia. Its potential, according to official figures, is about 40,000 MW, which is around four percent of the world's hydroelectric potential. According to the official report, "Tajikistan's National Strategy for Energy Sector Development 2006-2015", the country is likely to reach a production of 35 billion Kwh in 2015. However, it is important to note here that despite this potential Tajikistan produces only 17 billion Kwh per year and has to import energy from Uzbekistan. The country needs investment in this sector. Russia, Iran and China are already involved in Tajikistan. India is providing help for the Varzob-I Hydro-Power Station. Bilateral cooperation in the hydroelectric power sector was another important issue discussed during Krishna's visit. (Roy[14]) Thus, Tajikistan's hydroelectric sector offers great opportunity for government and private Indian companies.

India is reworking its Strategy towards Central Asia with the aim to impart its greater strategic content, said Mr Ajay Bisaria, Joint Secretary, Eurasia Division. Mr. Bisaria was speaking at a round table on 'India's Engagement with Central Asia: Exploring Future Directions' to celebrate Twenty Years of Friendship and Cooperation between India and Central Asian Republics, organised by the Institute for Defence Studies and Analyses (IDSA) on July 10, 2012. (Bisaria) Outlining the details of India's new 'Connect Central Asia' Policy, Mr. Ajay Bisaria highlighted the key elements of this policy, which will focus on certain flagship projects, including the establishment of Central Asian University at Bishkek, Kyrgyzstan; Connecting Central Asia through an E-Network in telemedicine and other critical areas of commercial activities; opening up of hospitals, centres of excellence in IT sector; and improving air connectivity. He further stressed upon the need to continue with the current defence and Strategic partnership through training and joint research between India and the Central Asian Republics (CARs). (Bisaria[3])

Speaking at the round table Mr. Bisaria informed that about Civil Aviation Ministry's decision to initiate up to 14 direct flights between India and the five Central Asian countries to give a boost to tourism, trade and commerce. India wants to seek a long term profitable partnership with Central Asia, concluded Mr. Bisaria. (Bisaria[3]) Also speaking on the occasion was Ambassador Mrs. Irina A Orolbaeva, of Kyrgyzstan who, while lauding the close historical and cultural links between the two countries, urged India to play a bigger role in developing Kyrgyzstan's mining, agriculture, hydro power, IT and educational sectors. Mrs. Orolbaeva further emphasized on the need for the youth of the two nations to connect with each other through greater interaction and by resuming cultural and educational contacts. (Bisaria) She particularly appreciated India's contribution in the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline project and the International North-South Transport Corridor (INSTC) projects. (Bisaria[3])

Also speaking on the occasion was Ambassador Saidov

Saidbeg Boykhonovich of Tajikistan, who emphasized upon consolidating security and defence cooperation. The opportunities for India in his country included joint ventures in hydro power, science and technology, agriculture, tourism, education, development of labour skills. He also aired his views on exploring new land routes around the Karakoram Highway regions. (Bisaria) Director General, IDSA Dr Arvind Gupta, who chaired the proceedings, emphasized upon the need for giving a strategic content to the partnership between India and Central Asia through promoting greater interaction between the youth, establishment of Central Asia University, relaxation of Visa rules, greater engagement at the multilateral level, need for a high level dialogue for regional stability and peace and more emphasis on track 1.5 and track 2 levels of engagement. (Bisaria[3]) The Round table was aimed at initiating a free flowing discussion amongst the scholars, experts, officials and diplomats in order to explore the possibilities of future engagement with the region.

5. Conclusions

The geopolitical salience of Central Asia for India is beyond any doubt. With escalating threats and challenges posed by religious extremism, terrorism and aggressive nationalism to the integrity of the Indian nation, the strategic significance of Central Asia has increased considerably.

While Krishna's two day visit can be termed as a stepping up of India's newly pronounced 'connect Central Asia' policy, the biggest challenge that remains is the conversion of these proposals into reality. The realisation of the various initiatives taken by India in the past few years demand not only heavy investment but also long-term and sustained implementation of various proposed projects. India's economic engagement with the region will require the involvement of the private sector in the Central Asian market, which has so far not been viewed by Indian big business houses as a very attractive market. Therefore, a twofold strategy will be required to address this issue. Firstly, the Indian government must facilitate greater interaction between the Indian private sector and Central Asian market forces. Secondly, Central Asian states will have to work towards creating a more attractive investment environment for the Indian private sector. To improve India's connectivity and energy cooperation with the region, India will have to play a pro-active role both bilaterally and through regional cooperative arrangements.

Finally, through its 'connect Central Asia Policy', New Delhi aims to actively take part in Central Asia's regional cooperation and security arrangements. With the change of guard in New Delhi in May 2014 – NDA (National Democratic Alliance) led by BJP (Bharatiya Janata Party) won a landslide victory in the parliamentary election and formed government at the Centre. In the changed scenario, it is expected that India should be able to translate the objectives of 'connect Central Asia' policy into a reality.

Notes

- [1] The Ayni airbase, originally used by the Soviets during the 1980s, was abandoned after their withdrawal from Afghanistan. India contributed technical assistance and US\$70 million to renovate the airbase between 2003 and 2010. India's Border Roads Organisation (BRO), directed by India's Army Corps of Engineers, extended the main runway, built a control tower and constructed three hangars capable of housing squadrons of MiG-29 bombers used by the Indian Air Force. In September 2010, Tajik Defence Ministry spokesman Faridun Muhammadaliev also confirmed to the press that the Ayni airbase had state-of-the-art navigational and defence technology and a runway extended to 3,200 metres to accommodate all types of aircraft. (Tanchum)
- [2] The importance of the SCO that has evolved into a forum for discussion on regional security and economic issues cannot be overstated. It has become even more important in the post-9/11 phase, because growing ethnic nationalism and Islamic fundamentalism has been a major cause of concern for Russia, China and Central Asian states. In fact, the SCO serves as a means to keep control of Central Asia and limit US influence in the region. (Pant)

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