Uzbekistan’s New Foreign Policy: Change and Continuity under New Leadership

Richard Weitz

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Preface

During the year following Shavkat Mirziyoyev’s election as president of the Republic of Uzbekistan he has introduced dramatic changes in that country. Some of these changes have come in the form of legislative acts of the Oliy Majlis or Supreme Assembly, Uzbekistan’s parliament. Others have taken the form of administrative orders issued by the President or his principal Ministers. At no other time since Uzbekistan’s establishment as an independent state have more innovations been introduced, or with greater speed.

Since these changes are bound to affect Uzbekistan’s internal economic, social, and political life, and since they directly affect Uzbekistan’s ties with its regional neighbors and its relations with all the world’s major powers, the Central Asia-Caucasus Institute & Silk Road Studies Program Joint Center has undertaken to document this year of innovation. As part of this effort, we are pleased to present this study by Richard Weitz, who offers a comprehensive and meticulously documented overview of new initiatives affecting Uzbekistan's foreign policy, both towards its neighbors and major external powers.

This Silk Road Paper will constitute a key chapter in CACI’s forthcoming volume on Uzbekistan's reform agenda as a whole, to be published in the summer of 2018.

The reader may well ask how this dramatic series of initiatives will work out in actual practice. As the saying goes, "there is a big distance between the cup and the lip." Obviously, only the passage of time will enable us to reach firm conclusions on this important point. However, certain impacts of the reform agenda have already been registered in the realm of international relations. Others will follow.

Our objective in cataloguing and presenting the legislative acts, decrees, and executive orders that constitute the present Era of Reforms is to provide those
interested in Uzbekistan with a base line and guide that will enable them to evaluate the on-going process of implementation as it emerges. Stated differently, it is a story of aspirations that are sweeping in their intent and far-reaching in their likely impact. It will enable friends of Uzbekistan and academic analysts in many countries to track that Uzbekistan’s further evolution.

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Executive Summary

Since Uzbekistan gained independence in 1991, its government has sought to maximize its national security and sovereignty by limiting dependence on foreign actors. This priority has continued under former President Islam Karimov and current leader Shavkat Mirziyoyev. Mirziyoyev’s foreign policy builds upon that of Karimov. Even as Tashkent has recently sought to improve ties with Central Asian neighbors and deepen relations with some international institutions, the Uzbek government still strives for balanced relations with external great powers like Russia, China, and the United States. Uzbekistan’s foreign policy still adheres to core principles such as abstention from military alliances or the Moscow-led Eurasian Economic Union; refusal to deploy Uzbek troops beyond its national territory or to host foreign military bases; and non-intervention in the internal affairs of foreign countries. These continuities are unsurprising since many of the security challenges that faced the Karimov administration persist today, including transnational terrorism, underdeveloped regional transportation infrastructure, and contested Eurasian borders and water usage rights.

Notwithstanding these continuities in strategy, Uzbekistan foreign policy tactics have clearly changed over the past year following Mirziyoyev’s ascent to the presidency. A flurry of significant new policy initiatives that have differentiated his foreign policy from that of his predecessor. Furthermore, Uzbek officials have emphasized more the imperative of cooperating with other Central Asian countries, while Uzbek leaders have adopted a more amicable tone with all their regional counterparts. For example, they have called for a joint effort to build regional power stations and share electricity, reducing a source of regional conflict. Mirziyoyev has personally travelled to many neighboring countries, signing important socioeconomic and security agreements during these visits. Many business leaders have accompanied these presidential delegations. Meanwhile, Tashkent has welcomed representatives of leading international
institutions, as well as major foreign governments. Mirziyoyev has also traveled to Moscow, Beijing, and the United States in pursuit of business deals, diplomatic support, and security partnerships. His administration’s domestic reforms partly aim to make the country a more attractive partner to the West, even as Uzbekistan continues to deepen economic ties with Russia and China.

Uzbekistan’s expanded engagement with foreign partners and international institutions contributes to improved relations with its Central Asian neighbors. Recent Uzbek initiatives have led to the construction of new transportation infrastructure, economic deregulation to simplify business entrepreneurship, liberalizing of national currency controls, and other market-oriented reforms in pursuit of Uzbekistan’s goal of becoming a regional transportation and investment hub. These new tactics should help Uzbekistan better leverage its natural advantages, such as its pivotal geographic location. In particular, Uzbekistan is strategically positioned to benefit from China’s infrastructure investment across Eurasia. Besides developing additional economic connections, the Uzbek government’s new foreign policy approach could also generate social and economic opportunities for its citizens, strengthen the regional capacity to manage transnational threats, raise Uzbekistan’s foreign economic profile beyond Central Asia, and help maintain geographic pluralism in the heart of Eurasia.
Introduction

For the first time in decades, Uzbekistan’s foreign policy is in great flux. In his first year as the country’s new president, Shavkat Mirziyoyev was a man in motion, visiting more than a dozen countries and overseeing significant new policy initiatives. These included strengthening foreign economic cooperation, ending public quarrels with neighbors, easing travel restrictions, and making Central Asian solidarity a core foreign policy goal. During the August 2017 Conference on “Central Asia–A Major Priority of Uzbekistan’s Foreign Policy,” Uzbekistan’s Foreign Minister Abdulaziz Kamilov emphasized the government’s determination to transform Eurasia into an area of "stability, sustainable development and good-neighborliness.”¹ At the same time, Uzbekistan has remained committed to the principles of non-intervention in the internal affairs of foreign countries; non-membership in foreign military alliances or the Eurasian Economic Union; non-deployment of Uzbek troops in foreign countries; and non-acceptance of foreign military bases on Uzbekistan’s territory.

Following the Soviet Union’s collapse in 1991, Uzbek leaders attempted to preserve essential security, economic, and other multilateral connections while opposing Russian initiatives that could undermine national independence. Relations with other Central Asian states suffered from competing territorial claims, water access disputes, and Uzbekistan’s prioritization of border and internal security over foreign engagement and regional integration. The government assertively leveraged Uzbekistan’s strategic geography—located in the heart of Eurasia, adjoining all the other Central Asian countries and Afghanistan, but not bordering China or Russia—to extract concessions from

neighboring states and to maximize strategic autonomy from Moscow and Beijing.\(^2\)

The foreign policy challenges facing Uzbekistan have not substantially changed under the Mirziyoyev administration. Uzbekistan still confronts such major challenges as transnational terrorism, narcotics trafficking, contested water access, limited energy export revenue, reduced remittances from Uzbeks working in foreign countries, and the need to balance external powers. Like Uzbekistan’s 2012 Foreign Policy Concept, the newly adopted “Development Strategy for 2017-2021” emphasizes national independence and sovereignty, as well as the maintenance of balanced relations with other countries.\(^3\) However, the Mirziyoyev government has adjusted some tactics in the pursuit of these enduring objectives. For example, the “Development Strategy” establishes such goals as:

- Joining the ranks of developed democratic states;
- The creation of a security, stability and good neighborliness belt around Uzbekistan;
- Strengthening the international reputation of the Republic of Uzbekistan, making available to the international community of the objective information on the ongoing reforms in the country;
- Improving the legal framework of the foreign policy and foreign economic activities of the Republic of Uzbekistan, as well as the legal basis for international cooperation;
- Resolving issues of delimitation and demarcation of the state boundary of the Republic of Uzbekistan.


At home, the new government has focused on economic reforms, which aim to curtail central planning, promote private business, encourage foreign investment, pursue diversification, liberalize currency regulations, spur technological innovation, and eliminate corruption and the informal economy. Abroad, the Mirziyoyev administration has promoted two-way trade, investment, and deepened engagement with international economic institutions; pursued balanced security measures with other countries, and sought opportunities within the framework of China’s “One Belt One Road” (OBOR) Initiative by leveraging Uzbekistan’s potential as a transportation corridor and source of regional labor.

This study begins with a review of the Uzbek government’s recent steps to improve the country’s regional standing and influence. In their official statements, Uzbek leaders have emphasized Central Asians’ shared civilizational heritage; the connectivity of Eurasian economic and security networks; and the imperative of jointly addressing region-wide transnational issues. Uzbekistan’s regional initiatives have encompassed Afghanistan and regional institutions such as the Shanghai Cooperation Organization (SCO), which provides a multilateral framework for addressing transnational issues. Uzbekistan’s intent is to capitalize on its potential as a strategic transport corridor and labor hub. The next section reviews how Uzbekistan’s economic aspirations extend throughout Eurasia and beyond, including to South and East Asia. A following section details Tashkent’s growing ties with the other four former Soviet republics in Central Asia. Uzbek officials have met frequently with their Central Asian counterparts and jointly addressed enduring disputes over borders, water access, and other issues. A final section reviews how Uzbekistan is managing ties with Russia, China, and the United States in a balanced manner to minimize dependence on any single external actor while maximizing national autonomy.

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Promoting Regional Cooperation

President Mirziyoyev’s administration is clearly seeking to improve Uzbekistan’s regional standing and influence. In his end-of-year parliamentary speech, Mirziyoyev reaffirmed that, “Central Asia is the main priority in the foreign policy of Uzbekistan.”¹ Uzbek leaders have highlighted Central Asians’ common civilizational heritage; the interconnectedness of regional economic and security networks; the importance of collectively addressing water, energy and other transnational issues; and the need to complete the delineation of national borders that were arbitrarily drawn and redrawn by the Soviet authorities.² Most of Mirziyoyev’s foreign trips in 2017 were to other Central Asian countries, beginning with visits to Turkmenistan and Kazakhstan in March. New initiatives included convening regular meetings of Eurasian actors and overcoming past divisions between Uzbekistan and its neighbors.

Water Management

One area of divergence between the Karimov and Mirziyoyev policies has been in the government’s public discourse regarding regional water access and management issues. Political decentralization, the uneven distribution of rainfall, diverging priorities between agriculture and hydropower, arbitrary borders, and climate change have generated tensions over water resources across Central Asia. Uzbekistan and Kazakhstan employ Central Asian water supplies primarily to

irrigate crops and for direct consumption. By contrast, Kyrgyzstan and Tajikistan mostly convert the region’s water into electricity, some of which they sell to neighboring countries. Despite Uzbek objections, Tajikistan is constructing the Rogun Dam on the Vakhsh River to meet domestic energy needs and allow for electricity exports to Afghanistan and Pakistan. In 2012, Karimov warned that regional water use disputes could lead to war.³

The Mirziyoyev administration has eschewed such rhetoric and committed to following UN conventions on water-sharing issues. On July 5, 2017, Foreign Minister Abdulaziz Komilov indicated that Uzbekistan would no longer oppose Rogun as long as its interests as a downstream country were respected.⁴ Furthermore, after so many years denouncing Kyrgyzstan for its plans to build a hydroelectric plant at Kambarata, Mirziyoyev has proposed jointly building the power station and sharing access to its electricity. In January, 2017, the government also announced a five-year $2.6-billion initiative to develop the environmentally devastated Aral Sea region.⁵ Over time, the Uzbek government’s policy of increasing water efficiency and diversifying beyond cotton and grain could reduce demand for water, promote ecological recovery, and further alleviate regional tensions.

**Transnational Threats**

Since gaining independence, Uzbekistan has confronted Islamist extremists seeking to overthrow the country’s secular government and impose their totalitarian ideology on the Uzbek people and neighboring nations. The oldest group, the Islamic Movement of Uzbekistan, has collaborated with al-Qaeda and the so-called Islamic State (aka State of Iran and Syria or ISIS). Uzbek nationals radicalized as emigrés in foreign countries have participated in some recent

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prominent international incidents. Uzbek authorities have sought to block their return while reintegrating those already in the country who have been misled by extremist messaging. The government has also removed thousands of individuals from the blacklist of people who have restricted employment and travel rights due to their suspected extremist beliefs. The government hopes that its efforts to expand economic opportunities and civic participation at home will reduce drivers of radicalization and emigration and therefore curb opportunities for terrorist recruitment.

Furthermore, new laws and government decrees have restructured how agencies address domestic extremism. The "Development Strategy for 2017-2021," approved in February 2017, aims to promote “civil, inter-ethnic, [and] inter-religious peace and harmony.” Towards this end, the government has created a new Center for Islamic Civilization in Tashkent, made educational reforms, raised the annual quota of people authorized to perform the Hajj, promoted interfaith dialogue, and highlighted Uzbeks’ historic contributions to “Enlightened Islam” in such fields as medicine, science and mathematics. Special attention has been

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given to marginalized women (hundreds of female Uzbeks have joined foreign terrorist organizations) and potentially radicalized youth (40 percent of Uzbekistan’s population of 31 million are under the age of 25). Abroad, Uzbekistan has used its 2017 chairmanship of the Organization of Islamic Cooperation (OIC), the May 2017 Arab Islamic American Summit, and other international opportunities to promote similar initiatives. In conjunction with the Organization for Security and Cooperation in Europe, the Uzbek Financial Intelligence Unit and the Central Bank have promoted education and training on money laundering and terrorist financing. The government continues to participate in the UN Joint Plan of Action in Central Asia, which promotes regional cooperation against terrorism.

Recent military reforms aim to enhance national defenses against regional terrorist threats. In January 2017 Mirziyoyev announced a military modernization program that includes increasing Uzbekistan’s maintenance and repair capabilities, restructuring legislative oversight, reorganizing regional commands, and updating educational doctrines. The Uzbek military is downsizing in size, upgrading its equipment, and reinforcing border security and counterterrorism

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capabilities. Furthermore, under Mirziyoyev, Uzbekistan is developing military-technical cooperation with Russia, Kazakhstan, and Turkey.

To reduce human trafficking, Uzbekistan has ratified the UN Convention Against Transnational Organized Crime as well as the supplemental Protocol to Prevent, Suppress, and Punish Trafficking in Persons, especially Women and Children. Nonetheless, the U.S. State Department assesses that human traffickers continue to exploit Central Asia’s porous frontiers, corrupt border services, and narcotics smuggling routes to move people into and through these countries. Based on data compiled before the new government took office, the 2016 report downgraded Uzbekistan’s placement in the Trafficking in Persons report from Tier II to Tier III due to widespread forced labor in the cotton industry.\(^{15}\) In his address to the UN General Assembly in September 2017, Mirziyoyev affirmed support for eliminating child labor and improving civil rights.\(^{16}\) In 2017, the government allowed Human Rights Watch to reopen an office in Uzbekistan, released some human rights activists, and hosted visits by the UN High Commissioner for Human Rights, the UN Special Rapporteur on Freedom of Religion or Belief, and the OSCE Representative on Freedom of the Media.

**Afghanistan**

At the October 2013 CIS Council meeting in Minsk, President Karimov stated that Uzbekistan “adheres to a principled policy of non-interference in the internal affairs of Afghanistan, the reorganization of bilateral cooperation with Afghanistan and the rendering of assistance and support to a government elected by Afghans themselves.”\(^{17}\) This description continues to broadly apply to the current government’s approach to Afghanistan. Uzbekistan’s 137-kilometer border with Afghanistan’s Balkh province, along with the large number of ethnic


Uzbeks living in the country, make it a “front-line” state in the Afghan War. Besides fortifying this border against Taliban attacks or infiltration, Uzbekistan has for years been promoting regional diplomacy and Afghanistan’s integration into regional economic structures. The Karimov administration backed a “6+3” process as a structure for Afghan-Taliban peace talks. In this framework, Afghanistan’s six neighbors (China, Iran, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan) would be supported by Russia, the United States, and NATO. Mirziyoyev has focused more on bilateral initiatives, discussing economic and security cooperation with Afghan President Ashraf Ghani at the SCO Summit in Astana.\textsuperscript{18} Bilateral economic collaboration has grown in recent years. Uzbekistani firms have helped build Afghanistan’s roads, railroads, bridges, telecommunications (including parts of Afghanistan’s Internet network), and other national infrastructure.

Since assuming office, Mirziyoyev has stated that Uzbekistan will continue to contribute to Afghanistan’s economic reconstruction and affirmed that “Afghanistan must remain at the heart of the global agenda.”\textsuperscript{19} He appointed a presidential envoy to the country, while in January, 2017, Kamilov became the first Uzbek foreign minister to visit Afghanistan in years. During his visit, the two countries signed a Roadmap for further development of full-fledged cooperation between the Republic of Uzbekistan and the Islamic Republic of Afghanistan. Kamilov said that his government saw Afghanistan not as a security threat but as a regional partner.\textsuperscript{20} During Ghani’s first presidential visit to Uzbekistan from December 4-6, 2017, the two governments signed 20 bilateral cooperation agreements regarding trade, transportation, communications, education, and other spheres. Additionally, Uzbek and Afghan businesses signed some $500


million worth of contracts. They also agreed to extend the existing Hairatan–Mazar-i-Sharif railway to the Afghan cities of Sheberghan, Maymana, and Herat. Furthermore, the two governments authorized direct flights between Kabul and Tashkent. They also agreed to enhance security around the Hairatan Bridge linking the two countries and signed an Intergovernmental Protocol on the Establishment of a Joint Commission on Security Issues to institutionalize such security collaboration. Afghanistan is also seeking a customs cooperation agreement with Uzbekistan.

Uzbekistan continues to support multilateral frameworks that promote regional security and economic connectivity between Central Asia and Afghanistan. In November 2017, as part of the Regional Economic Cooperation Conference on Afghanistan, Uzbekistan pledged to build a new electricity line to the Afghan province of Baghlan. It could transmit up to 1,000 megawatts, almost as much as Afghanistan presently receives from Uzbekistan, Iran, Turkmenistan, and Tajikistan combined. During Ghani’s early December visit to Tashkent, the two governments called for, “effective regional and global cooperation to create an enabling environment for lasting peace and reconciliation” within the framework of an “Afghan Government-led and owned” peace process. A week later, all five

Central Asian governments invited Afghanistan to participate in a meeting in Ashgabat of the UN Regional Centre for Preventative Diplomacy for Central Asia. Its Programme of Action for 2018-2020 supports Central Asian efforts to resolve the region’s disputes over water diplomacy, counter extremism and terrorism, bolster preventive diplomacy, and enhance Central Asian-Afghanistan connectivity. In their joint declaration, the ministers “welcome the participation of the Islamic Republic of Afghanistan, and confirm our engagement with Afghanistan on issues of mutual interest affecting peace and security and our support to regional initiatives that promote the greater integration of Afghanistan and Central Asia.”

Afghan narcotics transit though Uzbekistan along the northern route into Central Asia, Russia, and Europe. Some precursor chemicals, weapons, and contraband enter Afghanistan through Uzbek territory. The Mirziyoyev government has launched several new initiatives to reduce and eliminate such trade and also to decrease domestic demand for narcotics. For example, Uzbek law enforcement officials in February 2017 held a month-long outreach campaign to inform undergraduates of the dangers of drug abuse. The government has also promoted cooperation within the CIS to disrupt Eurasian trafficking networks. The U.S. Drug Enforcement Agency believes such enhanced cooperation will improve the effectiveness of regional counter-narcotics efforts, though the agency

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closed its Tashkent office in 2017 due to inadequate operational cooperation on the ground.\textsuperscript{32}

**Regional Organizations**

Under Karimov, Uzbekistan’s ties with the main multinational institutions engaged in Eurasia were constrained. The government limited participation in Russian-led initiatives—such as the Collective Security Treaty Organization (CSTO), a regional customs union, and the Eurasian Economic Union (EEU)—due to fears that these projects would weaken Uzbekistan’s autonomy. Furthermore, Tashkent viewed Kazakh and Western proposed initiatives with skepticism given Uzbekistan’s frustrating experience with post-Soviet integration projects and strained ties with some Western governments.

The Mirziyoyev government has focused on executing major domestic reforms and improving bilateral relations with key Central Asian partners. Still, under Mirziyoyev, there has been some new initiatives with regional organizations, such as an agreement between the SCO’s Interbank Association and the National Bank of Foreign Economic Activity of Uzbekistan focused on coordinating and supporting investment in the Belt and Road Initiative.\textsuperscript{33} At the June 2017 SCO summit in Astana, the Uzbek government welcomed the elevation of India and Pakistan to full membership, seeing their entry as providing the organization with more resources, a higher profile, and imparting momentum to SCO activities. Uzbekistan’s officials have noted that the expanded role of India and Pakistan in the SCO means the organization contains almost all the countries “who are directly interested in stabilizing the military-political situation and improving the socio-economic situation in [Afghanistan, which] will create favorable conditions for reaching a regional consensus on the political


settlement” of that conflict. At the summit, Mirziyoyev proposed enhancing information sharing among SCO members, launching joint initiatives to counter youth extremism, expanding academic exchanges, establishing mechanisms to jointly fund priority scientific and technology projects, and engaging SCO religious leaders in the new Imam Bukhari International Research Center at Samarkand designed to further interfaith, interethnic, and intercultural dialogue. Mirziyoyev also backed a Russian initiative to create a forum for heads of the SCO member states.

The European Union’s priorities in Central Asia include promoting political, judicial, and economic reforms; advancing the rule of law and human and labor rights; expanding EU-Uzbek trade, tourism, investment and energy ties; and contributing to regional peace and security by countering terrorism and weapons of mass destruction (WMD) proliferation. The EU has been active in Uzbekistan since independence, with ties institutionalized under the 1996 Partnership and Cooperation Agreement, which removes some trade barriers and establishes several joint mechanisms. Annual human rights dialogues have occurred for a decade. Under its 2014-2020 bilateral cooperation program with Uzbekistan, the EU has allocated €168 million, mostly for rural development. The EU supplies additional assistance under several targeted programs: border management (through the BOMCA program), narcotics control (CADAP/IcSP), energy (IFCA & INOGATE), small- and medium-sized enterprise development (CA-Invest), peace and stability (through IcSP), water/environment (IFCA), education (Erasmus+), democracy and human rights (EIDHR), and nuclear safety (INSC). The EU supports a Chemical Biological Radiological and Nuclear Risk Mitigation Centre of Excellence in Uzbekistan to raise awareness and expand collaboration

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35 Ibid.


regarding biosecurity, emergency management, public health, and nonproliferation.\textsuperscript{39}

Though concurring with the Organization for Security and Cooperation in Europe (OSCE) that the early December 2016 presidential elections should have offered voters a wider range of political viewpoints, the EU praised the recent business, labor, judicial, and administrative changes and offered assistance to Uzbek authorities in making additional economic, social, and political reforms.\textsuperscript{40}

In February 2017, the parties renewed the EU-Uzbekistan Memorandum of Understanding on cooperation in the field of energy.\textsuperscript{41} In July 2017, the first meeting of the EU-Uzbekistan council occurred under the Mirziyoyev administration with EU representatives telling the media they wanted “renewed engagement” with Tashkent.\textsuperscript{42} In July, Uzbekistan ratified the Textile Protocol to the Agreement on Partnership and Cooperation with the EU, removing some barriers to exporting textiles to Europe.\textsuperscript{43} Previously, the Protocol was rejected by the EU Parliament in 2011 due to allegations of forced and child labor in Uzbekistan’s cotton industry.\textsuperscript{44}

Signaling EU interest in expanding ties further, on September 19, 2017, the EU designated Eduards Stiprais, Political Director at the Latvian Ministry of Foreign Affairs, as its new ambassador to Tashkent, while the High Representative for Foreign Affairs and Security Policy & Vice-President of the European Commission, Federica Mogherini, met senior Uzbekistan officials in Brussels and


\textsuperscript{40} EU Says Uzbek Election Result Shows Need For Governmental Reform,” RFE/RL, December 6, 2016, https://www.rferl.org/a/eu-says-uzbek-election-result-shows-need-governmental-reform/28158538.html.

\textsuperscript{41} “EU-Uzbekistan relations.”


Tashkent several times in 2017. For example, on November 10, 2017, Mogherini attended the 13th annual EU-Central Asia ministerial meeting in Samarkand, where the five Central Asian foreign ministers signed a Program on Mutual Cooperation for 2018-19 that supports Uzbekistan’s goals of improving the regional investment climate, increasing transit and transport potential, and making border and resource management more efficient. The ministers also pledged that the governments would strive to cooperate within international organizations. Regarding NATO, from 2013 to 2017, Tashkent hosted the Office of the NATO Liaison Officer for Central Asia. For budgetary reasons the alliance abolished the position in 2016 and closed the office the following April. The Latvian Embassy has become NATO’s contact point in Uzbekistan after the liaison office closed, while joint projects continue within the framework of the Uzbekistan’s Individual Partnership and Cooperation Programme through NATO headquarters and specific commands. The alliance sponsors some local education and training, including an intensive 250-hour Military English language course for Uzbek officers to facilitate their participation in NATO exercises. In January, 2017, NATO sponsored an energy conference that included experts from all five of the formerly Soviet Central Asian states as well as Afghanistan. Uzbek security experts had been critical of NATO’s withdrawal

of troops from Afghanistan, but the alliance has since reversed course and has recently been increasing its forces there.\textsuperscript{51}

Uzbek government representatives continue to participate in CIS meetings and projects. Mirziyoyev has expressed support for a Commonwealth-free trade zone as well as streamlining the organization’s administrative procedures to improve efficiency and effectiveness.\textsuperscript{52} Despite expanded bilateral security cooperation with Russia and other members of the EEU and CSTO, the Uzbek government has reaffirmed Karimov’s policy of staying independent of both institutions.\textsuperscript{53}

**Conclusion**

The new government has stressed the need for greater multilateral cooperation among Central Asian states to address transnational challenges such as water access, environmental degradation, and international terrorism. The Mirziyoyev administration has notably softened official language regarding regional water-sharing issues and proposed joint development of Eurasian hydroelectric resources. Regional threats have transformed due to the rise of new terrorist groups and the potential for Eurasian nationals fighting in the Middle East to return to Central Asia. Uzbek authorities have sought to decrease the attraction of militant Islam as well as fortify national and regional defenses against terrorism through multilateral collaboration. The Uzbek government has pledged to reduce human and narcotics trafficking through its territory as well as end coerced child labor and improve human rights. It has launched various domestic and regional initiatives towards these goals. Furthermore, Uzbek-Afghan ties have strengthened in both the economic and security field due to several bilateral projects and greater participation in supporting multilateral frameworks such as those sponsored by the SCO and the EU. Uzbekistan has often promoted collective Central Asian solidarity and cooperation within these bodies.


Global Economic Aspirations

The Development Strategy for 2017-2021 aspires to improve Uzbekistan’s economic competitiveness, business environment, macroeconomic stability, investment climate, and “international cooperation, including with leading international and foreign financial institutions.”54 The new government has accordingly deepened Uzbekistan’s foreign economic ties in Eurasia and beyond.

Domestic and Regional Initiatives

Since Mirziyoyev assumed office, his government has sought to expand national exports, attract international investment, end protectionism, import free-market mechanisms, and make the national economy more competitive. The government has devalued the national currency (the soum), transitioned from a U.S. dollar peg to a floating exchange rate, and allowed Uzbek citizens to purchase foreign currency for the first time since shortly after independence.55 These foreign-currency restrictions had frustrated consumers, fueled a black market, and discouraged entrepreneurship and foreign investment.56 Presidential decrees have restructured export-import mechanisms, streamlined trade processes, and reduced administrative requirements. For example, an Export-Import Contract Decree outlines new registration, examination, and licensing policies. A more comprehensive Foreign Trade Decree eliminates prepayment requirements, relaxes contract requirements, establishes a single time period for currency...
repatriation, eliminates the requirement to obtain permission to re-export goods, and gives export-import traders more leeway.\textsuperscript{57} The government has also allowed farmers to sell food directly to foreign buyers, circumventing Uzagroexport’s official export monopoly.\textsuperscript{58} There is discussion of further privatization of state-owned corporations outside the strategic sectors of energy, gold and transportation.\textsuperscript{59}

The government’s diversification agenda includes developing tourism, high-tech projects, and scientific-technological education and research.\textsuperscript{60} In the energy field, the focus has been on alleviating the country’s chronic oil and gas shortages by securing additional hydrocarbon imports. The government is seeking new technology to increase the use of renewable energy sources, strengthen the resilience of the national energy grid against natural and manmade (terrorist) threats, increase efficiency and reduce wasted energy, and limit greenhouse gas emissions. In addition, the government has sponsored or participated in regional trade shows hosting tens of thousands of attendees, yielding billions of dollars in contracts.\textsuperscript{61} These reforms contributed to an increase in Uzbekistan’s trade

turnover with all other Central Asian countries, including double-digit growth with Kyrgyzstan, Tajikistan, and Kazakhstan.

**Beyond Eurasia**

Economic outreach has extended beyond Central Asia. When Mirziyoyev met with Georgian President Giorgi Kvirikashvili on September 20, 2017, stressed the strategic, economic, and cultural links between the South Caucasus and Central Asia regions. The presidents discussed further boosting trade and other commercial ties following a 20 percent increase in bilateral commerce during the first eight months of the year. Uzbek corporations aim to export more automobiles, textiles, and agricultural and electrical goods to Georgia as well as increase access to Georgia’s ports. Regarding Azerbaijan, Mirziyoyev supported President Ilham Aliyev’s declaration of 2017 as the "Year of Islamic Solidarity" in Azerbaijan and called for expanding bilateral political, economic, and cultural exchanges. Mirziyoyev also voiced support for Azerbaijan's stance on the Nagorno-Karabakh conflict when he met with the Chairman of the Caucasus Muslims Office, Sheikh ul-Islam Haji Allahshukur Pashazade, in October 2017. Other notable economic events beyond Eurasia have included the September 2017 Uzbek-American business forum in New York, which featured some of the largest U.S. corporations (Boeing, Coca-Cola, General Electric, and Visa) and yielded several billion dollars in energy, petrochemical, engineering, electric, and other contracts. The European Bank for Reconstruction and Development (EBRD) has re-engaged with Uzbekistan. The EBRD and Uzbek government signed a Memorandum of Understanding in March 2017 and opened an office in

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Tashkent in November. The EBRD presently provides short-term financing for small and medium-sized enterprises, support for cross-border trade, and loans to improve Uzbekistan’s investment climate and competitiveness. The Bank is also preparing a more comprehensive country strategy for Uzbekistan. After meeting Mirziyoyev in New York in September, Christine Lagarde, Managing Director of the International Monetary Fund, welcomed Uzbekistan’s recent domestic economic reforms and the government’s collaborative approach to Central Asian economic issues, explaining that “Regional cooperation is much needed to deal with the region’s biggest challenges, such as sharing water resources, creating an efficient regional energy grid, and facilitating transportation.”

Uzbekistan’s economic ties with South and East Asia are also growing. Uzbekistan has offered to supply India with uranium ore for its nuclear power plants. Despite purchasing uranium from Russia, Kazakhstan, and Canada, India could import several thousand tons of uranium from Uzbekistan under any agreement. When Indian Prime Minister Narendra Modi met Mirziyoyev on the summit sidelines, Modi called for deepening political, economic, trade, transportation, military and technological cooperation. If the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline is ever completed, Uzbekistan, which has agreed to take part in the project, will have even closer ties to India. As for Japan, the Japan International Cooperation Agency provides financial and technological assistance to support the development of Uzbekistan’s industrial, energy, and medical sectors, which will also attract many leading Japanese

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companies.\textsuperscript{70} Many projects date to some landmark 2015 agreements, but a newly launched project funds training of Uzbek TV companies.\textsuperscript{71}

Even more notable has been the new government’s outreach with South Korea, which Mirziyoyev visited from November 22-25, 2017. In his meeting with Mirziyoyev, South Korea’s new president, Moon Jae-in, called Uzbekistan a “key state” in his administration’s plans to expand South Korea’s economic presence in Central Asia. South Korea is already a leading source of Uzbekistan’s imports and bilateral trade exceeds one billion dollars.\textsuperscript{72} South Korean investment in Uzbekistan surpasses seven billion dollars and several hundred South Korean enterprises operate in Uzbekistan’s chemical, textile, communications, transportation, tourism, information technology, and energy sectors.\textsuperscript{73} Approximately 180,000 ethnic Koreans reside in Uzbekistan and bilateral frameworks include the 2006 Joint Declaration on Strategic Partnership and the 2014 Joint Declaration on Further Development and Deepening of the Strategic Partnership.\textsuperscript{74} During Mirziyoyev’s visit, South Korea’s Export-Import Bank tripled its credit line to Uzbekistan’s Uzpromstroibank; the loan will help finance additional agriculture, food, medical, construction, and automotive projects.\textsuperscript{75} One reason driving Indian, Japanese, and South Korean interest in developing ties with Uzbekistan is to balance China’s growing economic presence and

\textsuperscript{70} “Abe Pledges ¥12 billion to Uzbekistan,” Japan Times, October 25, 2015, https://www.japantimes.co.jp/news/2015/10/25/national/politics-diplomacy/abe-meets-tajik-president-to-discuss-infrastructure-aid/#.WkFXQ7SplsM.


Russia’s revived military power in Central Asia. This approach aligns with Tashkent’s regional priorities.76

Conclusion
Recent government reforms aim to boost Uzbekistan’s international economic competitiveness, promote entrepreneurship, attract more foreign direct investment, and renew ties with international financial institutions. National priorities include developing tourism, supporting high-tech projects, expanding the use of renewable energy, and diversifying exports beyond natural resources. These initiatives, such as relaxing foreign-currency regulations and participating in regional trade fairs, have contributed to Uzbekistan’s growing commerce with its Central Asian neighbors. Uzbekistan’s foreign economic ties encompass the South Caucasus, the United States, Europe, as well as South and East Asia.

Reviving Bilateral Partnerships

The most visible change in Uzbekistan’s foreign policy over the past year has been the government’s strengthened bilateral ties with other Central Asian countries. Mirziyoyev and other Uzbek national leaders have regularly visited their neighbors as well as hosted official visits from their representatives in enhanced inter-ministerial engagement. Provincial and private sector ties have also deepened. The last year has seen a number of bilateral economic, security, and humanitarian agreements. Closer cooperation between Central Asian states, both directly and by supporting regional initiatives, could improve regional security, trade, water usage, and energy development, while enhancing Central Asia’s collective leverage with external actors.

Kazakhstan

Kazakhstan is Uzbekistan’s major trading partner in Central Asia, with bilateral commerce totaling some two billion dollars in 2016. Although excessive customs duties and border controls remain constraints, Kazakh leaders see the establishment of good ties with neighboring Uzbekistan as an important measure to advancing their regional integration agenda. When Karimov visited Kazakh President Nursultan Nazarbayev in Astana in September 2012, the two presidents discussed the importance of enhanced bilateral economic ties, ensured access to shared water bodies, and the promotion of stability in Afghanistan. In December 2013, the Uzbek parliament ratified a strategic partnership agreement with Kazakhstan. The two governments have cooperated in various multinational institutions in which they share membership, such as the UN, the OSCE, the CIS, the SCO, the OIC, and the Conference on Interaction and Confidence-Building Measures in Asia (CICA), a Nazarbayev initiative. Nevertheless, bilateral tensions have persisted and include border disputes, illegal migration, Astana’s greater support for Moscow-led regional structures, and competing claims to regional...
diplomatic primacy. Uzbekistan has a larger population, while Kazakhstan enjoys higher economic growth rates, levels of foreign investment, and standards of living.

During his March 2017 visit to Astana, Mirziyoyev highlighted the increase in bilateral trade and praised Kazakhstan’s contribution to regional security through its SCO chairmanship. The two governments signed new economic and strategic agreements that included setting up joint trading houses, promoting each other’s industrial goods, and improving regional transport corridors. At a Kazakh-Uzbek forum on March 23, 2017, businesses from both states signed dozens of contracts totaling around one billion dollars. Uzbekistan has reduced excise taxes for Kazakh agricultural products, while the two countries’ national airlines are considering increasing flights between their airports. In August, Kazakh Defense Minister Saken Zhasuzakov visited Uzbekistan and signed several bilateral defense agreements, including a binational military cooperation agreement focused on joint training and military education. Mirziyoyev has

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declared 2018 the “Year of Uzbekistan” in Kazakhstan, while 2019 will be the “Year of Kazakhstan” in Uzbekistan.\(^8\)

**Kyrgyzstan**

Uzbekistan’s ties with Kyrgyzstan substantially improved during President Mirziyoyev’s first year. Previously, their contested 1,300 kilometer border witnessed several armed conflicts between border guards. Disagreements over water access were common due to Kyrgyz construction of hydropower plants that Uzbeks feared could disrupt the flow of water for the irrigation that is critical for their agriculture. On August 22, 2016, only a week before Karimov’s death, long-standing Uzbek-Kyrgyz tensions over the Kasan-sai reservoir flared anew when Uzbek and Kyrgyz forces seized disputed land and each other’s citizens.\(^8\)

Under Mirziyoyev, border demarcation talks have made considerable progress. By the time Mirziyoyev visited Kyrgyzstan in September, 2017, the two governments announced an agreement to delineate 85 percent of the border.\(^8\)

Mirziyoyev’s trip to Bishkek was the first visit by an Uzbek head of state in 17 years. Mirziyoyev called Kyrgyzstan a “strategic partner” and said that he wanted to transform the Uzbek-Kyrgyz frontier into “a border of friendship.”\(^8\)

Kyrgyz President Almazbek Atambayev called the visit a “historic event for both of our peoples” that “our people have been waiting for more than 20 years.”\(^8\)

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\(^8\)Timur Toktonaliev, “A Turning Point for Kyrgyz-Uzbek Relations?,” Institute for War and Peace Reporting, September 8, 2017, iwpr.net/global-voices/turning-point-kyrgyz-uzbek-relations; and
trip yielded bilateral agreements regarding taxation, education, expanded border crossings, and other fields. A presidential joint statement pledged mutual efforts to resolve disputes and combat terrorism, regional extremism, narcotics, and arms trafficking. A subsequent strategic partnership declaration called for strengthening political dialogue, continuing progress in making cross-border travel more accessible, and improving economic ties. Both governments have indicated their desire to complete the long-deferred China-Kyrgyzstan-Uzbekistan railway and construct roads linking western China to Tashkent through southern Kyrgyzstan. Mirziyoyev’s visit was followed by other high-level exchanges. Lower-level official contacts have also grown to include exchanges of regional governors, national parliaments, and representatives of Kyrgyz religious and academic institutions.

In October 2016, Uzbek authorities relaxed restrictive border-crossing regulations, expanding the reasons around on what purpose Kyrgyz residents could enter Uzbekistan beyond attending funerals. With the easier entry requirements and reopening of closed border crossings, some relatives will see one another for the first time in years. Mirziyoyev also took a softer line on bilateral water and energy disputes. He affirmed that Uzbekistan would not only support Kyrgyzstan’s hydropower plants but also, given the government’s


commitment to developing renewable energy, help build them. On October 6, 2017, UzbekHydroEnergo and the Kyrgyz National Energy Holding Company signed a memorandum formalizing joint construction of the Kambarata 1HPP. Another document defines how Uzbekistan can use water from the Kasan-sai reservoir. The aggregate impact of these developments has been that Uzbek-Kyrgyz trade has doubled since Mirziyoyev became president. The successful visit of Kyrgyzstan’s new president, Sooronbai Jeenbekov, to Uzbekistan in mid-December 2017 has laid the basis for a further improvement in bilateral ties. Numerous ministers, members of parliament, and business leaders accompanied Jeenbekov for the two days of discussions on expanding economic, political, and cultural ties.

Tajikistan

Until recently, Uzbek-Tajik relations were tense due to border disputes, resource competition, terrorist threats, and transportation issues. To alleviate a massive energy shortage, Tajikistan has been building dams for hydroelectric power that could disrupt Uzbekistan’s irrigation of its agriculture. In 2000, Uzbekistan introduced a visa regime for Tajik citizens to prevent terrorist infiltration coming through Tajikistan from Afghanistan. Uzbek authorities also periodically blocked

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supplies of electricity, natural gas, and other materials to Tajikistan. In 2012, Karimov even warned that tensions surrounding water resources could lead to war. Bilateral trade plummeted from $300 million in 2008 to only a few million dollars in 2014 due to escalating tensions, and Uzbekistan’s disruption of the international rail and road routes to Tajikistan that traverse Uzbekistan’s territory.

Under Mirziyoyev, Uzbekistan has softened opposition to Tajikistan’s dam projects, reestablished direct commercial air flights between Dushanbe and Tashkent, reopened border crossings, and eased visa requirements for short-term tourist visits by Tajik citizens (sufficient to allow them to take international flights out of Uzbekistan). To help reset relations, President Emomali Rahmon attended President Karimov’s funeral in Samarkand and met with Mirziyoyev. Tashkent reacted calmly when Tajikistan, with renewed foreign financing, resumed construction at Rogun in October 2016. Komilov said that Uzbekistan primarily wants Tajikistan to uphold international guarantees regarding water rights.

Uzbekistan apparently calculates that at this point the dam’s construction is unstoppable, so further public pique would be counterproductive; rather, the best strategy is to secure assurances of access to water and cheap summer electricity. Although Tajikistan has yet to make these concessions, political ties and bilateral commerce have grown considerably, beginning toward the end of the Karimov presidency. In the first nine months of 2017, bilateral trade surged to $178.2 million. Uzbekistan and Tajikistan are discussing reintegrating their energy

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grids and renewing Uzbekistani gas supplies to Tajikistan.\textsuperscript{101} Some security cooperation is also visible, as for the first time in 20 years, an Uzbek Interior Minister, Abdusalom Azizov, visited Tajikistan in June 2017 to discuss countering terrorism, extremism, and drug trafficking.\textsuperscript{102} During a 2017 CIS defense leadership forum, Tashkent and Dushanbe even discussed defense-industrial cooperation and joint military exercises.\textsuperscript{103} On another note, from May 9-13, 2017, Dushanbe hosted its first five-day celebration of Uzbek culture.\textsuperscript{104} On January 68, 2018, it was announced that Prime Minister Abdulla Aripov would visit Dushanbe to pave the way for a follow-up Presidential visit in the first months of 2018, which would focus on trade, economic cooperation, border demarcation, and cooperation in the railway and energy sectors.\textsuperscript{105}

**Turkmenistan**

Following a decade of strained relations, Uzbekistan-Turkmenistan ties improved substantially following Gurbanguly Berdymuhamedov’s ascent to the presidency and Karimov’s two-day official visit to Turkmenistan in 2007. In addition to shared concerns regarding regional terrorism and Russia, a major factor contributing their reconciliation was their mutual interest as Central Asia’s

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\textsuperscript{105} Catherine Putz, “Uzbekistan’s President to Visit Tajikistan Soon”, Diplomat, January 9, 2018. (https://thediplomat.com/2018/01/uzbekistans-president-to-visit-tajikistan-soon/)
largest natural gas producers in developing new east-west pipelines to meet China’s rising energy imports.\(^{106}\)

Mirziyoyev has strived to increase this cooperation. He made his first foreign trip as president to Turkmenistan. In March 2017, Mirziyoyev and Turkmen President Gurbanguly Berdimuhamedov signed a strategic cooperation agreement and discussed joint energy, security, and transportation initiatives, such as the Turkmenistan-Uzbekistan-Tajikistan-Afghanistan-Pakistan (TUTAP) project to deliver electricity from Central Asia to South Asia.\(^{107}\) Mirziyoyev also accepted Berdimuhamedov’s invitation in principle to participate in the Turkmenistan-Afghanistan-Pakistan-India (TAPI) natural gas pipeline, though fighting in Afghanistan has so far blocked construction.\(^{108}\) Turkmenistan will also deliver electricity to Uzbekistan in exchange for the cancellation of its outstanding debts to Uzbekenergo, Uzbekistan’s state power company.\(^{109}\) Mirziyoyev and Berdimuhamedov have continued to discuss further bilateral cooperation in political, trade, investment, and transportation.\(^{110}\) Their security dialogue has covered terrorism, extremism, Afghanistan, and transnational crime, including drug trafficking.\(^{111}\) Through Turkmenistan, Uzbekistan gains access to a western transport corridor to the Caspian Sea, the Caucasus, Europe, and the Persian Gulf.


\(^{110}\) “Shavkat Mirziyoyev to visit Turkmenistan again on May 19-20,” *The Tashkent Times*, 17 May 2017, tashkenttimes.uz/national/941-tr.

Both governments have agreed to collaborate on energy and transportation projects that could also involve Afghanistan, Pakistan, and the South Caucasus.\textsuperscript{112}

**Conclusion**

The softer tone and stance of Uzbek leaders on bilateral issues, combined with their elevated engagement with neighboring leaders, has improved Uzbekistan’s relations with the other Central Asian countries. The comprehensive range of recent initiatives have included measures to resolve border disputes, reduce cross-border travel restrictions, promote energy exchanges, expand transportation routes, and fortify regional security. Kazakhstan remains Uzbekistan’s major regional trading partner and their two governments have signed additional strategic and economic agreements. More unexpectedly, Uzbekistan has ended its armed border conflicts with Kyrgyzstan, delineated most of their joint boundary, strengthened political dialogue, facilitated cross-boundary trade and tourism, and developed sub-national, private sector, and NGO ties. The same surprising improvement in Uzbekistan’s foreign ties has occurred with Tajikistan. Under Mirziyoyev, Uzbekistan has relaxed opposition to Tajikistan’s hydroelectric projects, reestablished direct commercial air flights, reopened border crossings, eased visa requirements, and promoted commercial exchanges. Mirziyoyev has also strived to increase cooperation with Turkmenistan, building on earlier Karimov initiatives and the two countries’ natural energy partnership. Taken together, the regional implications of this shift are substantial.

\textsuperscript{112} Ibid.
Balancing the Great Powers

Since independence, Uzbekistan has strived to balance Russian regional ambitions and military power, China’s rising socioeconomic presence, and uncertainties regarding the U.S. government sustaining a high-profile presence in Central Asia. Uzbekistan’s relations with Russia and China are growing economically but bounded in the security domain. Uzbekistan has refrained from joining Moscow-led institutions, while enthusiastically pursuing opportunities within the framework of Beijing’s Silk Road initiatives. Tashkent’s ties with Washington have never been as extensive as Uzbekistan has hoped, but Uzbek leaders anticipate that their new reforms, commitment to counterterrorism, and balanced ties with Beijing and Moscow will prove attractive to Washington.

Russia

Uzbekistan’s relations with the Russian Federation were on the uptick even before Mirziyoyev became president. Karimov’s visit to Moscow in late April, 2016, saw lengthy official meetings and exceptionally friendly public statements. Mirziyoyev has continued this rapprochement and downplayed Karimov’s public suspicions of Moscow’s ambitions in Eurasia. During his April 2017 state visit to Moscow, Mirziyoyev supported Uzbek-Russian cooperation against transnational threats such as those emanating from Afghanistan, transnational terrorism, and narcotics trafficking. The trade and investment deals signed during this trip, worth billions of dollars, encompassed the energy, textile, automobile, agricultural, industrial, and resource extraction sectors. For instance, Uzbekistan has agreed to purchase Russian oil; imports should rise to


one million tons in 2018–2020 and could reach five million tons by 2021.\textsuperscript{119} Russia’s Enter Engineering Pte Ltd, controlled by Gazprombank Group, also signed a contract with Jizzakh Petroleum, to build an oil refinery in the Jizzakh region of Uzbekistan.\textsuperscript{120} The two governments reached new agreements on binational financing of investment projects; joint manufacturing of agricultural machinery; recruitment of Uzbek workers for temporary employment in Russia; and expanding humanitarian, cultural, and educational exchanges.\textsuperscript{121} The value of trade in textiles, ferrous metals, rubber, wood, and agricultural goods between the two countries has already been growing, propelling Russia past China as Uzbekistan’s leading trade partner for the first eight months of 2017.\textsuperscript{122} Future plans are to diversify trade products, expand infrastructure cooperation, and create new Russian-Uzbek joint ventures in automotive, machine tool, and agricultural machinery. Bilateral trade may reach $10 billion annually if these plans for enhanced industrial cooperation are realized.\textsuperscript{123} Nevertheless, the Mirziyoyev administration has not altered the opposition to membership in the EEU adopted by the Karimov government.

In the security domain, Moscow seems willing to trade arms for potential influence. On November 29, 2016, Russian Defense Minister Sergei Shoygu and Uzbek Defense Minister Qobul Berdiyev signed a military-technical cooperation agreement that allows the Uzbek government to negotiate directly with Russian

\begin{itemize}
\item 120 “Russian company inks deal to build oil refinery in Uzbekistan,” NRGEdge, September 18, 2017, https://www.nrgedge.net/article/1505740369-russian-company-inks-deal-to-build-oil-refinery-in-uzbekistan
\end{itemize}
arms makers. The two countries have also restarted a program that allows Uzbek officers to train at Russian military institutions.\(^{124}\) In October 2017, at Moscow’s suggestion, the two countries held their first joint military exercise in a dozen years in Uzbekistan.\(^{125}\) Diplomatic ties between Russia and Uzbekistan are also deepening. The Uzbek government is establishing more consulates in Russian cities and the two governments are also coordinating policies regarding Afghanistan and Eurasian water management.\(^{126}\) In a letter congratulating Mirziyoyev on the 25th anniversary of diplomatic relations between the Russian Federation and independent Uzbekistan, Putin wrote that, “Our countries are effectively cooperating in settling issues of regional and international agenda.”\(^{127}\) When an ethnic Uzbek carried out a bombing in the St. Petersburg metro a few days before the April presidential meeting in Moscow, Mirziyoyev told Putin that his government would intensify cooperation against transnational crime, terrorism, narcotrafficking and illegal immigration.\(^{128}\)

**China**

Following the collapse of the Soviet Union, Uzbekistan and the People’s Republic of China (PRC) developed substantial diplomatic and economic ties. Uzbekistan mainly exports minerals, metals, energy, and food products to China and imports machinery, equipment, and consumer goods. Although Kazakhstan is the PRC’s largest energy partner in Central Asia, China has also been developing energy ties with Uzbekistan, one of the largest natural gas producers in the world. Uzbekistan has also become a major conduit of natural gas to China through the


three Central Asia-PRC pipelines that convey gas from eastern Turkmenistan to western China through Kazakhstani and Uzbekistani territory. These pipelines provide about 50-60 billion cubic meters of natural gas to the PRC, amounting to about one-fifth of China’s gas imports. Meanwhile, Chinese firms have also become some of Uzbekistan’s largest direct foreign investors, developing partnerships with hundreds of Uzbek businesses.\footnote{Ramtanu Maitra, “The Multiple Dimensions of China’s ‘One Belt One Road’ in Uzbekistan,” Schiller Institute, February 2017, https://www.schillerinstitute.org/economy/phys_econ/2016/1227-obor-uzbek/ou.html.} For instance, ZTE, Alcatel Shanghai Bell, and Huawei Technologies have a longstanding presence in Uzbekistan’s telecommunications sector. Sino-Uzbek economic ties will likely grow due to Uzbekistan’s prominent role in Beijing’s “One Belt, One Road” (OBOR) program, which is building railways, roads, pipelines and other overland connections between Europe and China.

Uzbeks want to obtain preferential Chinese financing through the Asia Infrastructure Investment Bank, Silk Road Fund, and China’s Export-Import Bank. Chinese-funded infrastructure projects could help develop Uzbekistan’s interior transportation services as well as make Uzbekistan a strategic transport corridor between China, Eurasia, and Europe. Moreover, OBOR can impart more modern technology and business practices to Uzbekistan, helping move the country away from state central planning, low productivity, and continued dependence on agricultural commodities. Indeed, a major reason for Uzbekistan’s “rapprochement” strategy towards neighbors has been to take greater advantage of China’s OBOR initiative and maximize Uzbekistan’s potential as a transportation corridor and economic partner.

The United States

Both the Karimov and Mirziyoyev administrations have pursued comprehensive ties with the United States. Specific Uzbek objectives have included expanding trade, investment, and technology transfer (including business best practices such as for agriculture exports); security assistance encompassing defense training, military equipment, and counterterrorism support; diplomatic approval and recognition of Uzbekistan’s domestic achievements and international interests; and sustaining a substantial U.S. presence to balance other external powers.

The stated objectives of the U.S. in Uzbekistan have included fighting terrorism, countering WMD proliferation, supporting the war in Afghanistan, ensuring Uzbekistan’s sovereignty and autonomy, developing bilateral economic ties, and improving human rights. Trump’s support for a foreign policy grounded in realist principles and prioritization of national sovereignty accords with Uzbekistan’s stance under both the Karimov and Mirziyoyev administrations. The prospects of better U.S.-Uzbek relations under the Trump administration may have reinforced Tashkent’s policy of remaining outside such Moscow-led

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regional cooperation initiatives as the CSTO and EEU. Still, people in Central Asia and beyond wonder whether the U.S. will remain a major regional player. Policy makers in Tashkent and other countries seek such a role to balance Russian military power, China’s rising economic presence, and uncertainties regarding Afghanistan and the Middle East.

Since Uzbekistan became independent, the U.S. government has given the country more than $1 billion in aggregate assistance, with about half this total consisting of military and nonproliferation funding. Bilateral differences under Karimov focused on human rights, forced labor in the cotton industry, and impediments to U.S. trade and investment. Despite these issues, the U.S. Congress has, since December 2011, permitted the Secretary of State to waive restrictions on some U.S. security assistance to Uzbekistan on national security grounds.

Under new presidents in both Tashkent and Washington, Uzbekistan and the United States have continued to cooperate on important security, economic, and other issues. U.S.-Uzbek nonproliferation collaboration remains especially strong, building on the April 2012 Counter Nuclear Smuggling Joint Action Plan. Recent progress has included the removal of Uzbekistan’s remaining highly enriched uranium, the enhancement of security at facilities with dangerous material, the strengthening of Uzbekistan’s radiation detection capabilities at strategic border points, as well as the negotiation of agreements on measures to collaborate on the prevention, detection, and response to nuclear and radiological smuggling incidents.134 Furthermore, on September 27, 2017, Uzbekistan agreed to a multi-year, $300 million uranium supply contract with Nukem Energy, a U.S. owned subsidiary of the Canadian-based Cameco Corporation.135

To assist implementation of the World Health Organization’s End TB Strategy, the U.S. Agency for International Development (USAID) has been assisting

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Uzbekistan’s Ministry of Health to address a multidrug-resistant tuberculosis epidemic. In addition, the U.S. Center for Disease Control (CDC) supported the launching of a National Antimicrobial Resistance Center on April 11, 2017. Uzbekistan is participating in the USAID Smart Waters program to train water management professionals, academic researchers, and policy makers among countries of the Aral Sea basin. On February 1, 2017, the Ministry of Agriculture and Water Resources of Uzbekistan signed a cooperative agreement with the Regional Environmental Centre for Central Asia for a five-year “Smart Waters” project. U.S. universities and government agencies are exchanging information and insights on how Uzbekistan can improve the efficiency and diversity of its agricultural sector. Uzbekistan’s Ministry of Foreign Trade has also sought U.S. help for Uzbekistan’s goal of joining the World Trade Organization.

U.S. companies are active in other sectors of Uzbekistan’s economy. At the Uzbekistan-U.S. Business Forum in New York, on November 20, 2017, some $2.6 billion worth of contracts were signed. In addition, Uzbek, U.S., and other law enforcement agencies are collaborating against commercial corruption. Uzbek and U.S. experts have strengthened cooperation in research and applied agriculture. In the educational field, the U.S. State Department supports English language study and other programs at Uzbekistan’s academic institutions.

Washington and Tashkent continue robust dialogue over human rights, child labor and political pluralism. In particular, USAID representatives regularly meet with Office of the Prosecutor General, the National Inter-Agency Commission on Counter Trafficking, local NGOs, the National Human Rights Center, and the International Organization for Migration.\textsuperscript{144}

The U.S. government sustains ties with Uzbekistan’s armed forces because, as an official statement put it, “Security cooperation is one way in which the United States shows its continued support of Uzbekistan’s sovereignty, independence, and territorial integrity.”\textsuperscript{145} Under Section 1004 of the National Defense Authorization Act, U.S. Special Forces have, since 2015, been training hundreds of Uzbek special forces troops each year.\textsuperscript{146} From December 13-15, 2016, a delegation led by General Michael Garrett, Commanding General of U.S. Army Central, met with representatives from the Uzbek Ministry of Defense and participated in a briefing at the Armed Forces Academy.\textsuperscript{147} Moreover, from June 19-22, 2017, close to two dozen officials from Uzbekistan, Kazakhstan, Kyrgyzstan, Turkmenistan, and Pakistan convened at the George C. Marshall European Center for Security Studies in Germany for a four-day workshop to discuss region-wide strategies for fighting organized crime—a multinational cooperative approach critical for countering illegal transnational activities such as narcotics, weapons, and human trafficking in the region.\textsuperscript{148} In its March 2017 Posture Statement, U.S. Central Command said:


We are cautiously optimistic about the possibility of Uzbekistan’s improved relations with its neighbors in the region following the first presidential succession in the nation’s 25-year history. This is a promising development given Uzbekistan’s central and strategic geographic location, in the heart of Central Asia and bordering Afghanistan. President Mirziyoyev has reaffirmed the country’s unwillingness to allow other nations to establish military bases in Uzbekistan, its restriction against aligning with foreign military or political blocs, and its self-imposed restriction against any type of expeditionary military operations. Despite these limitations, our bilateral mil-to-mil efforts are focused on helping the Uzbeks improve border security, enhance their counter-narcotic and counter-terrorism capabilities, and prevent the return of foreign fighters into the country, which are shared U.S. interests in the region. We remain committed to these security assistance efforts. We also are helping the Uzbek military, which is the largest military in Central Asia, to professionalize its forces through advisory support and assistance to its professional military institutions.\(^{149}\)

In his September 2017 UN General Assembly address, Mirziyoyev announced that Uzbekistan would support Trump’s call for Afghanistan’s neighbors to promote a peaceful resolution of the country’s civil strife.\(^{150}\) After an Uzbek national, who had left Uzbekistan many years earlier, conducted a terrorist attack in New York City in October, killing eight people and injuring 11 others, Mirziyoyev expressed his condolences to Trump and offered to expand counterterrorist cooperation.\(^{151}\) Despite concerns, the Trump administration has not tried to place Uzbekistan on its travel bans.\(^{152}\)

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However, the U.S. authorities have applied sanctions against Gulnara Karimova, the former president’s eldest daughter, for corruption.
The December 2017 U.S. National Security Strategy states that the Trump administration “seek[s] Central Asian states that are resilient against domination by rival powers, are resistant to becoming jihadist safe havens, and prioritize reforms.” Indeed, Uzbek analysts see that further economic and political reforms could make Uzbekistan a more attractive partner for U.S. investors and policy makers. On May 21, 2017, at the Riyadh Islamic Counterterrorism Summit, Mirziyoyev briefed Trump about his government’s political and economic reforms. When he met Lisa Curtis, Deputy Assistant to the President and Senior Director for South and Central Asia at the National Security Council, in Tashkent in November 2017, Mirziyoyev said that the bilateral dialogue had “acquired a constructive and stable character” that both sides confirmed their interest in the “practical expansion and deepening of bilateral relations, primarily in trade-economic and investment spheres.” On December 19, 2017, the two presidents discussed “regional security,” Uzbekistan’s economic reforms, and other “opportunities for improved cooperation” in an end-of-year phone call. The Uzbek government emphasized that Trump had welcomed Uzbekistan’s developing productive relations with neighboring countries and had backed the “democratic changes and economic reforms taking place in our country, aiming at strengthening of the civil society, rule of law, and liberalization of economy.”

Conclusion

Uzbek-Russian ties have continued to expand in the past year. Mirziyoyev’s April 2017 state visit to Moscow yielded new trade and investment deals. There has also been expanded collaboration regarding arms sales, military exercises, and regional diplomacy. Nevertheless, the Uzbek government has continued Karimov’s non-membership policy regarding the EEU and CSTO. The good

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155 “President of Uzbekistan received Deputy Assistant to the U.S. President,” Press Service of the President of the Republic of Uzbekistan, November 9, 2017, http://president.uz/en/lists/view/1217
economic ties that developed between Uzbekistan and China under Karimov have expanded under Mirziyoyev, who is eager for Uzbekistan to assume a prominent role in Beijing’s OBOR. Uzbek officials want to expand economic and security ties with the United States as well as secure U.S. support for their domestic reforms, whose success would make Uzbekistan a more attractive partner for U.S. business and diplomacy.
Conclusions

In his December 22, 2017, speech to the national parliament, President Mirziyoyev observed that “the positive transformations that are occurring in our country are increasing the world community’s interest in Uzbekistan.” He noted that this elevates Uzbekistan’s international prestige, but then quickly added that these changes represented only “the first steps on a long, difficult, but only correct path.”

Despite the change in presidential administrations, substantial continuities in Uzbekistan’s foreign policy are evident. Uzbek policy makers still uphold non-intervention in the domestic politics of other states, abstain from foreign defense alliances or foreign military deployments, and pursue a multipower balance of power in Central Asia. However, Tashkent’s tactics have recently emphasized developing deeper international economic ties, resolving disputes with neighboring countries, and overtly prioritizing Central Asian solidarity. Although the new Uzbek government has initially focused on developing ties with other Eurasian states, the declared intent to transform Uzbekistan into a regional transportation hub should also lead to deepening Uzbekistan’s ties with Europe (including the South Caucasus), Asian countries beyond China (especially India, Japan, and South Korea), and the Middle East.

The speed with which Mirziyoyev has fostered improved relations with the other Central Asian states, including Afghanistan, suggests that these partners anticipated and welcomed Tashkent’s new approach. Uzbekistan’s regional importance also remains unchanged. Not only does it have the largest population in Central Asia (excluding Afghanistan), but many ethnic Uzbeks live in neighboring countries, amplifying the interrelationship between events in Uzbekistan and the rest of the region. The country lies at the heart of Eurasia,

situated among many possible east-west and north-south transportation corridors, making Tashkent’s support critical for major regional projects and vital for Eurasia’s stability and prosperity.
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