

CSAG INFORMATION PAPER:

China and Russia Competition for Afghanistan (AFG)

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The opinions and conclusions expressed herein are those of a number of international officers within the Combined Strategic Analysis Group (CSAG) and do not necessarily reflect the views of United States Central Command, nor of the nations represented within the CSAG or any other governmental agency.

1. **Subject: China and Russia - Competition for Afghanistan (AFG)**
2. **Purpose:** The aim of this paper is to present CSAG's analysis of competition between Russia and China for agreements and strategies for the Central Asian Heartland.¹
3. **BLUF:**
 - The US withdrawal from AFG was accompanied by the advance of the Taliban into Kabul and the disintegration of the ANDSF, causing international uncertainty about possible repercussions on the strategic balance of the region.
 - In 20 years of military presence on the ground, the US and NATO have failed to complete the process of state-building, which has remained in an embryonic state, and inhibited by ethnic and religious feuds.
 - Currently, AFG is internationally isolated, the Afghan Central Bank assets held abroad have been frozen, and international financial support has been interrupted. Yet, the US has not stopped supporting AFG with billions of dollars of humanitarian aid.²
 - International fear is growing together with security concern in AFG, as the country may once again be a new breeding ground for VEOs (Al-Qaeda and ISIS).³
 - Beijing and Moscow held unofficial dialogues with the Taliban leaders, who recently allowed China to sign an oil deal.
4. **Agreements and strategies in the "Great Game" for the Central Asian Heartland:**
 - To avert destabilizing scenarios on their respective borders, Russia and China have maintained open dialogue with the Taliban, but they have avoided direct interventions and involvement in the Afghan quagmire, which would imply excessive political and economic costs.
 - The ongoing humanitarian crisis, along with the increase in violent attacks by other militant parties, has worsened living conditions in AFG and put pressure on the Taliban to secure oil and gas imports.

¹ Heartland was coined during the second half of the 19th century to describe central Asian and Caucasus region which were under the control of Tsarist Russia.

² 2023 reports of The Special Inspector General for Afghan Reconstruction (SIGAR) to Congress.

³ The regional affiliate of the Islamic State of Khorasan (ISK) has carried out dozens of attacks targeting Shia and other minorities, demonstrating the Taliban's inability to quell the threat from ISK. (Just Security, 20 Apr 23, Timor Sharan)

Negotiations are ongoing with Iran (oil), Kazakhstan and Turkmenistan (fuel at a discount), as well as with China and Russia.

- Due to the sanctions the European Union had imposed on Russia for the war in Ukraine, Putin had to seek economic partners elsewhere and a preliminary agreement for the supply of oil, gasoline and wheat⁴ was signed with the Taliban (Sept. 28, 2022). However, it remains unclear how the two countries will navigate international sanctions and their exclusion from the global banking system.
- In January 2023, Taliban leaders and Chinese ambassador Wang Yu announced the signing of the first international energy agreement, which authorizes the Chinese company *Xinjiang Central Asia Petroleum and Gas Co* (CAPEIC) to extract the oil in the north of the country in the Amu Darya Basin. It is a 25-year agreement with an investment of \$ 150M USD a year.⁵ The Afghan side will participate in the partnership with a 20% share, while the Chinese side will commit to extract hydrocarbons in the country and build a refinery that will provide employment for the local workforce.
- The Russian deal appears to be focused on satisfying contingent issues and needs but the Chinese have signed a 25-year agreement that allows Beijing to enter the country with an oil refinery and other facilities. *“Give a man a fish and you feed him for a day. Teach him how to fish and you feed him for a lifetime”* is a quote from the Chinese philosopher Lao Tzu, reflecting the two different approaches.
- However, AFG instability could prevent the implementation of the agreements with Moscow and Beijing. The armed attacks carried out by Daesh in the last quarter of 2022 in Kabul against the Pakistani and Russian Embassies, as well as on the hotel in Kabul where Chinese citizens were staying, show that the Taliban are unable to guarantee security in the country. International fear is growing together with security concerns in AFG as a new breeding ground for VEOs. In this respect, Russia and China both have a concrete interest in averting destabilizing scenarios that affect their respective borders.
- Putin has repeatedly expressed his concern about the emergence of new terrorist activities and his wariness of militants camouflaging as refugees from AFG, crossing into neighboring states and planning terrorist acts.⁶ To prevent Afghan instability from threatening Russian strategic presence in Central Asia, the combat readiness of Russian military bases in former buffer Soviet countries (such as Kyrgyzstan and Tajikistan) has been increasing.⁷
- China intends to protect the security of the "Pakistani branch" of the BRI by focusing on preventing Uyghur terrorist activity on its borders.⁸ The Afghan territory is contiguous to the Chinese region of Xinjiang, inhabited by the Muslim Uyghurs minority. Stability and economic interests therefore seem to be the watchwords for Beijing, which has been holding talks with Taliban leaders since late July 2021 (which was attended by Chinese Foreign Minister Wang Yi), even before the group took control of Kabul.⁹

⁴ 1 million tons of oil, 1 million tons of diesel, 500k tons of liquid natural gas, 2 million tons of grain per year.

⁵ CNN - [Amu Darya, Afghanistan: Chinese company signs oil extraction deal with Taliban | CNN Business](#)

⁶ Claudia Chia Yi “Russia and Afghanistan’s partnership of convenience” – EASTASIAFORUM [Russia and Afghanistan’s partnership of convenience | East Asia Forum](#)

⁷ Catherine Putz – THE DIPLOMAT [Russia Voices Aim to Increase Combat Readiness at Bases in Central Asia – The Diplomat](#)

⁸ White paper “The Fight Against Terrorism and Extremism and Human Rights Protection in Xinjiang” - [\[white paper\] The Fight Against Terrorism and Extremism and Human Rights Protection in Xinjiang \(china-mission.gov.cn\)](#)

⁹ Ian Johnson, - [How Will China Deal with the Taliban? | Council on Foreign Relations \(cfr.org\)](#)

5. **Conclusions:**

The geopolitical dynamics triggered in Central Asia after the withdrawal from AFG, seem to have an impact on Moscow's historical hegemony in the region.

However, the network of economic alliances that China is establishing with the former Soviet states suggests a potential change in today's structures. China is paving a golden path for becoming the partner of choice in the Central Asia region, and the accession of CASA countries to the *Chinese Belt and Road Initiative* (BRI) can be seen as a way to loosen the historical dependence on Moscow, at least in economic terms.

Beijing is a geopolitical actor willing to counter Russia's historical influence on the "Central Asian heartland", the Central Asian states have begun to look to China, perceived as a purely economic partner that does not interfere in the internal affairs of friendly countries.

Therefore, despite the official proclamations reaffirming boundless friendship¹⁰ and the support of both sides for a new multipolar world order, there will be a shift in the medium term from partnership to competition between Russia and China, as the two countries aim to exercise their own strategic projection on the same geopolitical space.

Security and the economy are the two interconnected drivers that could lead China and Russia to compete and cooperate in the same region. In this context, an "apparent" US disinterest in Central Asia could minimize costs and fuel Russian-Chinese competition.

In order to pursue a common security goal to counter the VEOs, the US may have to rethink its policy regarding the Taliban and prepare for a difficult but necessary collaboration with Russia and China to prevent the country from becoming a stage for terrorism again.¹¹

6. **Recommendations for USCENTCOM:**

- a. Consider engagement with the Taliban using all leverage instruments.
- b. Continue working through security cooperation with all regional countries bordering AFG.
- c. Continue countering VEO's by:
 - collaborating with China or even Russia for a better situation awareness and sharing intelligence.
 - promoting security programs which may involve Taliban and other components in AFG.

¹⁰ Xi Jinping's visit to Moscow (March 20-22, 2023)

¹¹ Washington Post, 22 Apr 23, Dan Lamothe and Joby Warrick.