



Feature Article
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Japan as no “other”: Decolonizing Alternative for Central Asia?

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Japan has been one of the first and most consistent partners of Central Asian (Central Asia) states in supporting their nation-building and regionalism. It was also the first country to propose the concept of the Silk Road to build interconnectedness and open partnerships for regional states. In this sense, the Japanese presence in the Central Asia region represents an engagement for diversifying and decolonizing Central Asia states' relations with international partners. While Japan has been active through its ODA policy in the region, recent years demonstrate how Japan attempts to reconceptualize its engagement in Central Asia by promoting international partnerships with the EU to utilize mutual strengths to dynamize the EU and the Japanese presence in Central Asia. Through regional and bilateral connections, Japan is attempting to empower these regional states while also changing its own approaches to international cooperation.



*Japanese Foreign Minister Toshimitsu Motegi chairs
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Over the past 30 years, the Japanese approach to Central Asia has been to secure the Japanese presence in the region by offering Central Asian nations an additional option of an international partner among

traditional choices, such as Russia, and, in most recent history, China. The schemes offered to facilitate engagement between Japan and Central Asia were vibrant and diverse, reflecting the changing realities of the Central Asian region and the

changing role and perception of the “self” in Japan.¹ As is well documented in previous studies, the search for engagement schemes started with the 1996 Obuchi mission to Azerbaijan and Central Asia, spearheaded by the Member of Parliament and later Prime Minister Keizo Obuchi, which produced a strong endorsement of wider engagement of Japan in the region. It resulted in P.M. Ryutaro Hashimoto’s 1997 Eurasian/Silk Road Diplomacy speech, in which the concept of the Silk Road was first used as a geopolitical concept, embracing Central Asian states, China, Russia and Japan in an imagined net of interdependence.² While the administrations of P.M. Obuchi (1998-1999) and P.M. Yoshirō Mori (1999-2000) did not proactively engage with the Central Asia region, it was P.M. Junichiro Koizumi’s administration (2001-2006) that aimed to aggressively shake up the Japanese approach to this region by announcing the Central Asia + Japan Dialogue Forum, a set of annual inter-ministerial and high-level talks to support Central Asian regional integration and to facilitate a larger corporate presence for Japanese corporate interests, in the face of growing Chinese and Russian pressures. The particular importance of the Central Asia + Japan forum is that it offered an alternative option of a distant yet powerful external economic partner to the region, which did not display a neo-colonizing tendency or strive for domination, as was widely feared regarding China and Russia³.

Most recently, PM Shinzo Abe (2013-2020) attempted to further dynamize Central Asia-Japan relations when he visited all Central Asian states and lobbied for larger participation of Japanese corporations in Central Asia. In his approach to strengthening Japanese competitiveness, PM Abe introduced the notion of high-quality infrastructure by arguing that Japanese infrastructure projects based on high-quality and sustainability standards⁴ offer more sustainable and reliable alternatives (as compared to Chinese projects, for example) for developing countries inclusive of Central Asia states.

Visions of the Region and Japanese Foreign Policy

In approaching Central Asia, the Japanese government utilizes both multilateral and bilateral channels, which include extending its support to individual state-building efforts and encouraging regional cooperation through Central Asia + Japan, as described above. In doing so, the Japanese government aims to display a certain degree of sensitivity toward disparities between regional states while facilitating long-term regional consolidation in light of growing pressures by other large players, such as China and Russia. In this sense, Japanese support for Central Asian states can be likened to Japanese support for nation- and regional-building in the ASEAN region.

¹ See Timur Dadabaev, *Japan in Central Asia: Strategies, Initiatives, and Neighboring Powers*, New York: Palgrave Macmillan, 2016; Sabina Insebayeva, “Japan’s Central Asia Policy Revisited: National Identity, Interests, and Foreign Policy Discourses,” *Nationalities Papers*, vol. 47 no. 5, 2019, pp. 853–867.

² See Nikolay Murashkin, *Japan and the New Silk Road Diplomacy, Development and Connectivity*, New York: Routledge, 2020; Timur Dadabaev, *Transcontinental Silk Road Strategies:*

Comparing China, Japan and South Korea in Uzbekistan, New York: Routledge, 2019.

³ For this point see Timur Dadabaev, *Decolonizing Central Asian International Relations: Beyond Empires*, New York: Routledge, 2021.

⁴ Shinzo Abe, “The Future of Asia: Be Innovative,” Speech by Prime Minister Shinzo Abe at the Banquet of the 21st International Conference on the Future of Asia, May 21, 2015 (https://japan.kantei.go.jp/97_abe/state-ment/201505/0521foaspeech.html).

As Japan is also the largest provider of Official Development Assistance (ODA) in the region, its ODA focuses on the following areas:

- Modernization of the Soviet-era infrastructure.
- Promotion of industrial development and employment opportunities both in the region and in Japan.
- Support of governance reforms and institutions of the market economy as well as human resource development.

Regional states with significant mineral resources and human resource potential (such as Kazakhstan, Uzbekistan and Turkmenistan) remain the most important in terms of corporate interest for the Japanese business community. Kazakhstan retains the leading position in this aspect, with 52 Japanese companies registered in Kazakhstan (with interests in the areas of energy, finance, transportation, construction of infrastructures and trade sectors).⁵ Some of these companies frequently use their successful engagements in Kazakhstan as a launching pad for expansion into neighboring Central Asian states, as exemplified by Uzbekistan.

While Kazakhstan is no longer a recipient of ODA assistance from Japan due to the increase in its economic indicators, the past (1993 to 2007) ODA assistance focused on the areas of support for policy formulation, institutional improvement, human resource development, economic and social infrastructure improvement, environment and disaster preparedness.

In regard to Turkmenistan, only 6 Japanese companies are registered in Turkmenistan, primarily

focusing on its energy resource base symbolized by its enormous reserves of natural gas. Negotiations on wider Japanese participation in the construction of natural gas processing plants and other facilities were also held during PM Abe's visit in 2015, unfortunately with few practical outcomes.

However, post-Karimov Uzbekistan (after 2016) remains one of the countries generating the most enthusiastic expectations in Japan due to the change in its political environment, the Uzbek government's proactive position in attracting foreign partners and very strong pro-Japanese public sentiments, as demonstrated by a number of opinion polls.

In addition to being supported by 24 Japanese companies registered in Uzbekistan, bilateral relations with Uzbekistan are promoted by the large number of Japanese ODA projects (such as modernization of power plants) and the presence of the office of the Japan External Trade Organization (JETRO) in Tashkent, which is primarily responsible for data gathering and dissemination for Japanese companies interested in the Uzbek market. In line with ODA priorities, which often define corporate interests, Uzbekistan attracts Japanese public and private investments in the areas of the modernization of economic infrastructure (transportation, energy), human resource development and institution building for promoting the market economy and economic and industrial development. In addition, support for restructuring of the social sector (in areas such as agriculture, regional development, and health care) also prominently feature in the bilateral cooperation agenda.

⁵ For excellent analysis of the Japanese corporate advances in Central Asia and the challenges, see Manabu Shimoyashiro, "The current situation, challenge and perspective of the economic relations between Japan and Central Asia,"

Roshia Toou Kenkyu (Russian and East European Studies), no. 49, 2020, pp. 82-91.

Priorities and Potential Areas

Japan's contribution to making Central Asia states more self-reliant and regionally consolidated centers around five main areas: capacity development (to facilitate the trade and economic potential of these states), digital education and training development, energy resource processing and trade, modernization of energy facilities, and people-to-people cooperation.

Among the leading Japanese capacity development institutions in Central Asia are the Japan centers initially established in Uzbekistan, Kazakhstan and Kyrgyzstan under the Ministry of Foreign Affairs, which were later either transferred to local management (Almaty and Astana in Kazakhstan) or to the management of the JICA (in the case of Tashkent in Uzbekistan and Bishkek in Kyrgyzstan). They serve as institutions providing business courses (sometimes called mini-MBAs) taught by representatives of both the local and Japanese business communities, language courses and cultural exchange initiatives.

Qualitatively different are the training and education provided by the Japanese educational institutions and initiatives that aim to promote digital training education, exemplified by the Japan Digital University at the University of World Languages in Uzbekistan. Although it appears to be an educational institution, the Japanese partner that established it is the Japanese Digital Knowledge company, which focuses on the provision of digital products for educational purposes. The purpose of this type of Japanese training institution in Central Asia is to provide training to Central Asia youth, who can then find employment as programmers

either distantly or by traveling to Japan after they graduate from the university. As a training scheme, it aims to both provide needed expertise to Central Asia youth and benefit the Japanese labor market, which is currently experiencing shortages in certain professions due to the rapidly growing population.⁶

Other educational and training initiatives are championed by private Japanese foundations, such as the Nippon Foundation, which funds the Nippon Foundation Central Asia-Japan Human Resource Development Project financing graduate studies for Central Asia youth in Japan. It also funds the Japan Central Asia Friendship Association (JACAFA) serving as the bridge between the graduates of Japan-trained programs.

In the energy sector, Japanese corporations have been active in establishing their presence in resource-rich countries, such as Kazakhstan and Turkmenistan, for the past 30 years. However, the new frontier for the Japanese corporate community comes with the Japanese government's drive toward decarbonization of the Japanese economy. While this drive diminishes the importance of the carbon energy-rich Central Asia region, it offers new opportunities for Japanese corporate communities to promote renewable energy technology in the Central Asia region. In particular, the projected fall in demand for natural gas and oil which would come with decarbonization pushes Central Asia states to develop their own responses, such as seeking to process their carbon-based energy resources into hydrogen. As outlined by the Presidential Decree (March 2021) and announced by the Ministry of Energy of Uzbekistan in 2021, the road map for developing hydrogen is now in process of being

⁶ For patterns of educational migration from Uzbekistan to Japan see Timur Dadabaev, Shigeto Sonoda and Jasur Soipov, "A guest for a day? An analysis of Uzbek 'language

migration' into the Japanese educational and labour markets," *Central Asian Survey*, vol. 40 no. 3, 2021, pp. 438-466.

compiled in Uzbekistan. In addition, the same Presidential document established a National Research Institute on Renewables and Hydrogen and a laboratory for renewable and hydrogen energy technologies indicating the priorities that government sees for cooperation with foreign partners. As such, it is the first of its kind in Central Asia, and the Japanese support and assistance can be very timely.

Finally, infrastructure development has long been an area of interest to Japanese corporations, especially in light of the intensification of corporate competition for various projects between the Chinese, Russian, Korean and other business communities.⁷

In addition to corporate participation in such infrastructure development, Japan has the advantage of its important voice in international institutions, such as the Asian Development Bank and its CAREC (Central Asia Regional Economic Cooperation), which is a partnership of 11 countries (including five Central Asian countries, Azerbaijan and Georgia) facilitating multimodal transportation networks, free movement of people and freight, and various economic corridors.

The Uzbekistan-Afghanistan transit route can serve as one such project if the situation in Afghanistan stabilizes⁸, as discussed during the Tashkent conference on connectivity between Central and South Asia, to which Japanese policymakers paid careful attention. However, the changing situation in

Afghanistan prevents any long-term planning among the Japanese policy officials at this stage.⁹

Competitive Advantages of Japan in Central Asia

Japan faces a few challenges in Central Asia as it attempts to define the role and importance of Central Asia for its economy and society. While in the early 1990s, Central Asia was framed by the foreign policy of Japan as a region that could potentially provide much-needed energy resources for the Japanese market, the difficulties of logistics in delivering these resources to Japan, a range of Japan-unfriendly countries between Japan and Central Asia (China and Russia, for example) and the declining importance of carbon-based energy resources in Japan call for a new framing of the importance of the region. As importantly suggested by JETRO officials, there is a need to consider the prospects of shifting from the pattern of Japanese corporations reimporting products produced outside of Japan back into the Japanese market toward producing products made by Japanese corporations in third country markets for international consumers. The suggested concept is referred to as “Made by Japan in Central Asia” and is proposed by certain officials as a way to reframe the purposes of Japanese engagement in the Central Asia region and make use of the convenient geographic location and young and well-educated work force of the region to enhance the competitiveness of Japanese corporations internationally¹⁰.

⁷ Timur Dadabaev, *Chinese, Japanese and Korean In-roads into Central Asia: Comparative Analysis of the Economic Cooperation Road Maps for Uzbekistan*, Policy Studies Series. Honolulu, HI: East West Center, 2019.

⁸ For Japan’s Afghan policy, see Jagannath Panda, “Tokyo and Taliban 2.0: Gauging Japan’s Political Stake in Kabul,” *Focus Asia: Perspective & Analysis*, 2021.

⁹ For important points to be considered by the Japanese government see Tomohiko Uyama, “Recommendations for responding to the situation in Afghanistan,” Japan Forum on International Relations, 2021 (<https://www.jfir.or.jp/j/activities/studygroup/2020/geopolitics/210907ut.htm>).

¹⁰ See Shimoyashiro, “The current situation, challenge and perspective of the economic relations between Japan and Central Asia,” p. 90.

In addition to the need to reconceptualize Japanese involvement in the region, the hesitance of Japanese corporations to enter the Central Asian markets is another challenge. One aspect relates to the fact that large Japanese corporations with long traditions and knowledge of the Soviet, Russian and Central Asia markets consider the scale of the region and the margins to be gained in it to be slimmer than those in Southeast Asia or Europe and therefore choose not to launch their businesses in Central Asia. Middle-sized and small enterprises that could have benefitted from Central Asia engagements do not have basic information, cultural fluency or experience in these markets, preventing them from challenging Central Asia frontiers. In this sense, the task of making the information¹¹ of both the JETRO and Central Asia governments available to Japanese corporations remains one of the key ones to facilitating the expansion of the corporate presence of Japanese companies in the region and offering more alternatives, which are currently often limited to Chinese, Korean, UAE, Russian and a few European corporations.

Japan as Central Asia's Third Partner

There are two potential trajectories of the Japanese presence in Central Asia in the nearest future. One trajectory depends on the ability of Japanese

corporations and the government to define their competitive advantages in the Central Asia region compared to those of other powers. This also relates to how Japan can define not only what it can do for the Central Asian region but also what benefits it can gain from it. While Japanese corporations previously aimed to search for resources and products in Central Asia to import back to Japan, there is a need for a shift of this mentality to create a pattern of mutually beneficial relations when products produced by Japanese corporations in the region do not have to be imported back to the Japanese market but can rather target international markets. This can be accomplished in line with the concept of "Made by Japan in Central Asia" for international markets, as explained above.

Another angle relates to the international partnerships of Japan with like-minded partners to increase Japan's competitiveness in the region when compared to China and Russia.¹² As a sign of such an approach, Japan is seeking alliances with other countries, as exemplified by its Strategic Partnership Agreement (SPA) with the European Union,¹³ applied in February 2019.¹⁴ The SPA provides the platform for cooperation between the EU and Japan in third regions, such as Central Asia, based on shared values of democracy, rule of law, human rights and fundamental freedoms¹⁵. The SPA

¹¹ Shimoyashiro, "The current situation, challenge and perspective of the economic relations between Japan and Central Asia," p. 89.

¹² For EU comparison to China in Central Asia, see Fabienne Bossuyt, "Engaging with Central Asia: China Compared to the EU," in Jan Wouters, Jean-Christophe Defraigne and Matthieu Burnay, eds., *China, the European Union and the Developing World: A Triangular Relationship*, Cheltenham: Edward Elgar, 2015, pp. 210–235.

¹³ See Axel Berkofsky, *Moving Beyond Rhetoric? The EU–Japan Strategic Partnership Agreement (SPA)*, Stockholm: The Institute for Security and Development Policy, 2020

(<https://isd.dp.eu/content/uploads/2020/04/EU-Japan-SPA-IB-09.04.20.pdf>).

¹⁴ Ministry of Foreign Affairs of Japan, Japan–EU Strategic Partnership Agreement (SPA), Tokyo, 2018 (www.mofa.go.jp/files/000381944.pdf). Also see Ministry of Foreign Affairs of Japan, EU–Japan Strategic Partnership Agreement, February, 1, 2019 (https://eeas.europa.eu/sites/eeas/files/factsheet_eu-japan_strategic_partnership_agreement_japan.pdf).

¹⁵ For analysis of the Japan–EU cooperation in Central Asia see Timur Dadabaev, "Emerging Japan–EU strategic

framework supports cooperation between the EU and Japan in a wide range of areas, from promoting the market economy to financial policy, renewable energy, science and technology, among many others.¹⁶ To complement the SPA, Japan and the EU signed an agreement on a Partnership on Sustainable Connectivity and Quality Infrastructure at the Europa Connectivity Forum held on 27 September 2019 in Brussels.¹⁷ This allows Japan to further promote its standards of quality infrastructure and turn its apparent weakness of having costly technology into an advantage of offering high-quality know-how, in addition to paying careful attention to the needs of Central Asia nations in terms of debt alleviation and sustainability and financial, social and environmental sustainability. The European

Investment Bank (EIB)¹⁸, European Bank of Reconstruction and Development (EBRD), Asian Development Bank (ADB), Japan Bank of International Cooperation (JBIC)¹⁹, and Nippon Export and Investment Insurance (NEXI)²⁰ and Japan International Cooperation Agency (JICA)²¹ are considered the key actors in such cooperation, supporting the needs of the EU and Japanese corporate communities and governments.

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partnership and its implications for Central Asia,” in *Decolonizing Central Asian International Relations*, 2021, pp.64-75.

¹⁶ Marie Söderberg, *EU-Japan Connectivity Promises*. European University Institute, 2021 (<https://hdl.handle.net/1814/71619>).

¹⁷ Ministry of Foreign Affairs of Japan. Partnership on Sustainable Connectivity and Quality Infrastructure Between Japan and the European Union, 2019 (<https://www.mofa.go.jp/files/000521432.pdf>).

¹⁸ European Investment Bank. EIB Expands its Partnership with Japan’s JICA. 2019 (www.eib.org/en/press/news/eib-expands-partnership-with-japan).

¹⁹ Japan Bank for International Cooperation, “JBIC Signs MOU with European Investment Bank: Promoting

cooperation between Japan and the EU to create business opportunities both in Europe and beyond,” October 23, 2018, (<https://www.jbic.go.jp/en/information/press/press-2018/1023-011505.html>).

²⁰ Nippon Export and Investment Insurance (NEXI), “MOU on Corporation between the EIB and NEXI,” October 23, 2018 (www.nexi.go.jp/en/topics/news-release/2018102205.html).

²¹ Japan International Cooperation Agency (JICA), “Signing of Memorandum of Understanding with the European Investment Bank,” October 18, 2019 (https://www.jica.go.jp/english/news/press/2019/20191018_41.html).