

**Written evidence submitted by Dr Martin Smith, Visiting Fellow in Creative Industries, Goldsmiths  
in the University of London (ECA0001)**

**1. Introduction**

I work in the cultural and creative industries (CCIs), mainly in the spheres of investment and public policy. I was a founder member of the UK Creative Industries Council (CIC) and am currently a Visiting Fellow in Creative Industries at Goldsmiths in the University of London. From 2017-2020 I was chair of the advisory board of Creative Central Asia, a British Council backed cultural engagement and creative sector capacity development initiative.<sup>1</sup> I am currently a legislative adviser on the creative industries to the government of the Kyrgyz Republic and honorary adviser ('Okul Ata') to the Association of Creative Industries in Kyrgyzstan.

In this submission I argue that the UK has developed exceptionally strong cultural (and 'soft power') relationships in much of Central Asia in recent years. I hypothesise that, following successive rounds of cuts to FCDO and British Council budgets, there is a danger of these relationships being eroded to the point of dysfunctionality, with severely regressive consequences for UK influence in the region. My purpose is to invite the Committee to probe the rationale for these reduced levels of investment and to interrogate their consequences for continuing UK influence in a region marked by intense geopolitical contestation.

**2. What are the key challenges facing the region and its people in the coming decade and what implications do these have for UK foreign policy?**

The main challenge is geopolitical and is defined by the region's history and economic geography. In November 2017, at a private meeting in Astana (Nur-Sultan), capital of Kazakhstan, between the then Mayor of Astana, Asset Issekeshev,<sup>2</sup> the Mayor of London's ambassador for creative industries (John Newbiggin OBE), and me, Mr Issekeshev spoke eloquently, in English, about the reasons why he welcomed the inaugural gathering of 'Creative Central Asia', then in session. Central Asian countries, he explained, wanted good relations with their two big neighbours, China and Russia, but, equally, wanted to maintain their distance from them. They did not wish to be subservient to either power but rather to keep them in balance and at arms' length. Developing strong links with the UK, for example in financial services and cultural relations, helped to maintain this delicate equilibrium, in his opinion, hence his decision to support the event officially.

The countries of the region are far from homogeneous although they share a common history of Russian (and especially Soviet Russian) imperial rule. Kazakhstan, for example,

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<sup>1</sup> See [Creative Central Asia 2017 | British Council](#), [Creative Central Asia 2018 | British Council](#) and [Creative Central Asia 2019 | British Council](#).

<sup>2</sup> Mr. Issekeshev is now an adviser to the President of Kazakhstan.

with its vast steppes, is rich in oil, gas and mineral resources and has grown a privileged technocratic elite to manage these resources, whereas its small and mountainous neighbour, Kyrgyzstan, is poor in natural resources and depends on remittances from abroad for a large part of its national income.

All the countries in the region are more or less autocratic, which carries a continuing political risk of instability and popular unrest, as witnessed in 2021-22 in Kazakhstan and Uzbekistan (specifically in Nukus in the autonomous republic of Karakalpakstan, home of the wonderful Savitsky Museum of Fine Arts). Ethnic tensions simmer in some parts of the region. When I was last in Kyrgyzstan (September 2022) Tajik forces invaded the south of the country causing more than 100 fatalities. This led to a day of national mourning and the temporary postponement of my business schedule. This episode was much worse than a 'border incident' and caused considerable frustration and anger amongst future-facing business leaders in Kyrgyzstan.

There are other potential ethnic flashpoints in the region but its governments have worked hard to manage them, generally with success (the violence in Osh in 2010 was an exceptional failure). The contrast with the appalling cycle of ethnic violence in the Balkan Wars of the 1990s following the break-up of Yugoslavia, is instructive.

The key geopolitical challenge may summarily be characterised as follows. Russian influence, in governance, culture and commerce, remains ubiquitous in many parts of Central Asia but is widely perceived to be waning following the invasion of Ukraine and subsequent Russian military failures. Chinese influence, by contrast, is on the rise, at least in the economic sphere. Chinese loan finance is pouring into the region as a manifestation of the 'Belt and Road' programme.

Against that background, the question posed in 2017 by the then Mayor of Astana – how to keep the two neighbouring giants at arms' length and maintain genuine economic and political independence - is thus now more urgent than ever: the challenge is how most effectively to specify a continuing UK role of influence.

### **3. What are the opportunities and risks of the UK strengthening its partnerships with Central Asian states in areas of mutual interest?**

As regards opportunities, one characteristic shared by the urban centres of Kazakhstan, Uzbekistan, Kyrgyzstan and Tajikistan is that the rising generation of educated young people, many of them English speaking, aspire to work in open societies consonant with 'western' values. Implicit in their world view is a repudiation of post-Soviet models of governance, rejection of rent-seeking behaviour by public officials and escape from an intolerant and stultified, inherited cultural milieu. This generation is attracted to working in the ICT (Information and Communications Technology) and creative sectors, which together with adjacent sectors comprise the 'knowledge economy' and which offer the prospect of sustainable employment in fulfilling roles, including roles in the growing global market for cultural goods and services.<sup>3</sup> This aspiration was evident during the three successive in-

person iterations of the Creative Central Asia Forum (2017 and 2018 in Astana, and Tashkent in 2019), an initiative which, in retrospect, can be seen as having helped to catalyse change and has stimulated ambitions for 'creative economy' growth across the region.

Despite the interruption of the pandemic, the online and physical networks established during these events have continued to develop, nourished by the British Council. Since the Russian invasion of Ukraine in February 2022 some of these networks have been fructified by the exodus of thousands of young Russians, many of them highly skilled 'digital nomads', to more congenial locations in Central Asia: Bishkek in Kyrgyzstan is a prime example.

Many countries aspire to enlarge their share of the global market for cultural goods and services (and of course other markets). There is a great economic opportunity for 'Creative Central Asia' in the 'new Silk Roads'<sup>4</sup> of the region, and beyond, but realising this opportunity will require both leadership and investment - in skills and capital - to improve competitiveness from a low base. The UK is well placed to play a lead role in fostering this opportunity because it remains a trusted 'brand' and has a verifiable track record of positive intervention.

The main risks to the UK's continuing engagement are political fragility and the opacity of regional models of governance, the lure of Chinese money, Russian imperial overhang amidst war in Ukraine and (as regards the UK government) an apparently reducing capacity in diplomatic and financial resources for sustaining good will. UK 'soft power' in Central Asia more or less equals the BBC plus the British Council: both have been carelessly put at risk.

The Russian angles are especially complex and multi-layered. When I lectured last September at the Tashkent University of Cinematography (VGIK) in the aftermath of the 2022 Tashkent International Film Festival, I discovered that the University is an offshoot of, and regulated by, the Russian State Institute of Cinematography in Moscow, which provides half the teaching staff. I was asked by the organisers to remove references to the war from my presentation. This is a good example of the extent of continuing Russian cultural hegemony in regional state structures. Given that the Russian government has legitimised the theft of media IP (for example film rights) owned by 'unfriendly countries', and that I also work for a film investment business, this was a delicate moment.

**4. Where do the relationships between Central Asian states and neighbouring countries, including the People's Republic of China and the Russian Federation, pose challenges for UK Foreign Policy, and where do they provide opportunities?**

Others are better qualified to answer this question.

**5. What is the government doing to maximise UK soft power influence in Central Asian states?**

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<sup>3</sup> See United Nations Conference on Trade and Development (UNCTAD), *Creative Economy Outlook 2022*, Geneva, 2022.

<sup>4</sup> See Peter Frankopan, *The New Silk Roads: the Present and Future of the World*, Bloomsbury, 2018.

My answer focuses on the Creative Central Asia (CCA) initiative previously referred to and the recent enactment of the Creative Park Law in Kyrgyzstan (2022), but note also my answer to question 3 above, which speaks to the opposite of maximisation. A further British Council initiative known as the 'Creative Spark' programme will be addressed in a separate submission by my colleagues at the Institute for Creative and Cultural Entrepreneurship (ICCE) at Goldsmiths in the University of London, one of many British universities engaged in Creative Spark.

### **Creative Central Asia**

CCA was the brainchild of Jim Buttery, then (2017) British Council country Director for Kazakhstan and now country Director for Iraq.<sup>5</sup> The idea was to stimulate the development of a regional creative identity, supported by regional networks, by deploying the formidable convening power of the Council. For successive three-day annual events the Council flew out a delegation of some twenty cultural leaders and creative entrepreneurs (plus a couple of politicians) from across the UK. In Astana (2017 and 2018) and Tashkent (2019) they mixed with representatives of the rising creative class from Kazakhstan, Uzbekistan and Kyrgyzstan (and latterly from Tajikistan) within the framework of a series of thematic and structured programmes of presentations and workshops. Everyone had the opportunity to contribute and, most importantly, *connect with each other*. Topics for discussion ranged widely across the spectrum of the 'creative economy' – the role of public policy and regulation, cultural leadership and cultural markets, policies for stimulating entrepreneurship, innovation and the impact of the digital shift, the 'mapping' of the creative industries, public and private investment and audience development – were all on the agenda. There were also some great parties.

This programme, developed under the guidance of an advisory board which contained representatives from Kazakhstan, Uzbekistan and Kyrgyzstan as well as from the UK (UK representatives included Professor Andy C. Pratt, now UNESCO Professor of Creative Industries and a leading global scholar in the field), has been widely acknowledged as a success. The second Astana Forum (in 2019) was attended by the British Council's then CEO, Sir Ciaran Devane, and members of the Council.

In March 2021, following the first year of the pandemic, the Council launched a successor initiative in the form of the Creative Central Asia Network (CCAN).<sup>6</sup> Other Council supported 'mapping' and leadership development programmes are in train in Kazakhstan and Uzbekistan, led by ICCE/Goldsmiths and other agencies.

### **Kyrgyzstan**

Kyrgyzstan is a small, land-locked and mountainous country bordered by Kazakhstan to the north, Uzbekistan to the west, Tajikistan to the south and China to the east. The economy is

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<sup>5</sup> After Jim Buttery moved on from Kazakhstan to Iraq, the lead organisational role was performed by his deputy in Almaty, Galina Koretskaya, now British Council Head of Arts and Creative Economy in Central Asia.

<sup>6</sup> British Council, *2020-21: Annual Report and Accounts*, p.22.

dependent on small deposits of gold, coal and uranium and foreign remittances. There has been a history of economic policy failure since the collapse of the Soviet Union which has for many years prompted an exodus of labour, mainly to the Russian Federation. The underlying rationale for the development of the Creative Park Law (CPL) was to try to stem this outflow of skills, particularly amongst young people, by taking legislative and fiscal steps to stimulate the development of the country's 'creative economy' as defined by UNCTAD and the UNDP.<sup>7</sup>

The policy development work on the CPL has been led by the Policy Innovation Facility (PIF) in Bishkek, administered by DAI International, as part of a four year programme in Tajikistan and Kyrgyzstan funded by the FCDO (previously DFID), 2019-23.<sup>8</sup> I was contracted in 2021 to work with the local PIF team in the role of external consultant and fiscal policy specialist. New legislation (the CPL) designed to encourage creative sector growth by means of the introduction of a fiscal incentive regime, was approved by President Japarov in 2022. It is hoped that supporting institutional arrangements, including the inauguration of a supervisory board with a remit to implement the new law, will be in place by Spring 2023.

The link between the regional CCA and national (Kyrgyz) CPL programmes is Mr. Daniyar Amanaliev, the founder and CEO of the Ololo group of companies, who was the Kyrgyz representative on the CCA advisory board and is an outstanding business leader. The striking success of the CPL process (although it is too early to judge outcomes) has been dependent on four interconnected factors: first, the quality of the leadership of the PIL leadership team in Bishkek; second, the sponsorship of the Ololo group and its critical role in the establishment (2021) of the Association of Creative Industries in the Kyrgyz Republic (ACI); third, the strong participation of a small group of public officials in the Ministry of Economy and Commerce; and fourth, the enthusiastic personal support and encouragement of Mr. Charles Garrett, the UK's Ambassador in Kyrgyzstan from early 2019 until the end of 2022.

## **6. What opportunities exist for the UK to work more closely with Central Asian states in multilateral institutions and to foster respect for the rules-based international order?**

From the perspective of creative industries and the 'creative economy', a policy domain in which the UK has acknowledged expertise and which lies at the heart of the 'soft power' proposition, a one-time only diplomatic opportunity has recently presented itself. The World Conference on Creative Economy (WCCE) is a broad coalition of largely developing states led by Indonesia. The WCCE has met in full session twice within the last eighteen months: 23 countries were represented at ministerial level in Dubai in December 2021 and 27 countries in Bali in October 2022. The UK government was not represented at either event, although the British Council was a key partner at both.

The next WCCE plenary event is expected to take place in Uzbekistan in 2024. Uzbekistan bid, successfully, to host it in the ancient Silk Road city of Samarkand, although at the time of

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<sup>7</sup> The key text remains *Creative Economy Report 2010: Creative Economy – a Feasible Development Option*, UNCTAD/UNDP, Geneva 2010. The Central Asian states largely do not feature in this report because of the lack of data then available on their creative industries.

<sup>8</sup> [Kyrgyzstan and Tajikistan—Policy Innovation Facility \(The Facility\) · DAI: International Development.](#)

writing no MoU had been formally signed by the two governments (Indonesia and Uzbekistan). If this plan is realised as proposed there will be a unique opportunity to play a leading role in planning and execution via the FCDO and the British Council.

As noted above, the global market for cultural goods and services is growing fast.<sup>9</sup> All Central Asian states aspire to take a greater part of this market as part of their desire to diversify out of dependence on oil, gas and other extractive industries and to expand the range of employment opportunities available to their young populations, but in most cases they don't know how to do this and they start from a low base, especially as regards creative and cultural *services*. This is an opportunity for the UK, which could be crystallised in the planning for Samarkand 2024.

The issue is one of ambition and resource – how most effectively to contribute to the planning process and to resource the work involved. For the British Council, Central Asia appears somewhat incongruously to be classified for administrative purposes under the heading of “Wider Europe”, which makes little sense but is doubtless a pragmatic decision. In its *Corporate Plan 2022-25*, there is a welcome articulation of the Council's broad creative economy objectives, but Central Asia is not a designated “priority” zone, unlike the Western Balkans.<sup>10</sup>

During my visits to Bishkek in 2021 and 2022 I noted, by way of illustrating a longer term trend, that there is a British Council plaque displayed outside the offices of the British Embassy, but in fact no dedicated official has represented the Council there for many years. Several officials have told me non-attributably that Council and other government resources in the region have been cut back since 2019, and that diplomatic representations designed to secure a reversal of this process have fallen on stony ground in Whitehall. Given the geopolitical challenges and opportunities referenced in this submission, this is surely an illogical and self-defeating response in foreign policy terms.

The FCDO could itself decide to get involved with the proposed WCCE event in Samarkand and commit the necessary resource to do so. In the interests of maintaining the UK's ‘soft power’ influence in the region I urge the Committee to consider making a **recommendation** to this effect.

Martin Smith, 21<sup>st</sup> February 2023

(2926 words)

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<sup>9</sup> House of Lords, Communications and Digital Committee, *At Risk: Our Creative Future*, HL Paper 125, 2023, pp. 8-9. China is currently dominant in the export of creative goods, and the USA in the export of creative services.

<sup>10</sup> British Council, [corporate plan 2022-25.pdf \(britishcouncil.org\)](https://www.britishcouncil.org/corporate-plan-2022-25), p.16.