



June 2020

THE COST OF PRAGMATISM OF

KAZAKHSTAN'S FOREIGN POLICY

Nurseit Niyazbekov

KIMEP University, Kazakhstan

Kazakhstan's foreign policy is often credited for pragmatism in seeking 'friendships with everyone'. Its leadership is well aware of its strategic location in the heart of Eurasia and soon realized upon the dissolution of the Soviet Union that it could take advantage of new geopolitical realities. Post-Soviet geopolitical realities came both with blessings and curses. Thus, although Kazakhstan is a landlocked country missing out on major global trade opportunities, it is blessed with an abundance of natural resources where oil and gas amount to half of the country's exports. Energy is only one of the factors highlighting Kazakhstan's geopolitical significance; security is a second one. While Kazakhstan is not an immediate neighbour of Afghanistan, a country widely regarded to be a significant source of drug trafficking and Islamic fundamentalism, it is perceived by the West and Russia as a buffer zone against the spread of organized crime and other security threats. Envisioning upcoming growth of economic and political engagement of the West, Russia and China, Kazakh government adopted a foreign policy that would balance the interests of major international actors with an aim to pursue its national interests.

Coined as a multi-vectored foreign policy, it has been quite successful in branding Kazakhstan as a peace-loving country interested in international cooperation and helping it become a Central Asian leader. Kazakhstan achieved impressive economic growth thanks to creating an attractive investment climate and commitment to Nazarbayev's 'first economy, then politics' formula. As a result, Kazakhstan became an 'island of stability', a reputation which its diplomats tried hard to construct. Stability, in its turn, came at a cost. Since mid-1990s political prisoners, repressed journalists, oppressed human rights defenders, intimidated civic activists and thousands of aggrieved citizens with fraudulent elections, pervasive corruption and abusive police have been paying the high price of stability. This paper will survey the history of Kazakhstan's foreign policy with special attention paid to its engagement with the biggest of its foreign partners, namely Russia, China, the EU and the US. It will focus on the democratization agenda in Kazakhstan's dealings with the abovementioned countries. After surveying the past, the author will then discuss future challenges to Kazakhstan's foreign policy. Considering its current agenda and its immediate partners, will Kazakhstan continue to remain as a Central Asian island of stability?

Past

According to Freedom House, Kazakhstan is a "not free" state with a consolidated authoritarian regime. Yet, it is an active member of numerous international and regional organizations, enjoys the largest amount of investments in Central Asia, and ranks highest in the region in the World Bank's Doing Business 2020 report. While we should not expect a strong positive relationship between political regime and level of its economic development, one may wonder, how did Kazakhstan achieve economic success amidst frequent violations of human rights and little respect to civil liberties? Some scholars answer by referring to a resource curse theory which claims that resource-rich authoritarian countries redistribute export revenues to increase public spending (rentier effects) and finance law enforcement (repression effects) to repress dissent. Optimists, on the hand, claim that political liberalization should follow gradually in countries like Kazakhstan that have secured steady economic growth. Thus, proponents of modernization theory suggest that economic growth would lead to expansion of middle class and foster evolution of a vibrant civil society that would in its turn exert pressure on ruling elite to introduce democratic reforms. Many, however, overlook the role of foreign policy in boosting economic growth and managing public expectations. In the following sections, the author demonstrates how among other things foreign policy helped Kazakhstan achieve two-digit economic growth but failed to build a solid national identity and build viable democratic institutions.

Successes

What are the three major accomplishments of Kazakhstan's foreign policy since independence? The contemporary foreign policy of Kazakhstan has matured significantly since the 1990s and is often praised for its constructivism, rationalism and the utmost commitment to conflict resolution. While there are plenty of foreign policy accomplishments such as securing Kazakhstan a chairmanship in Organization of Security and Cooperation in Europe (OSCE) and observer status in the UN's Security Council, there are three particularly crucial achievements the author would like to highlight: nuclear disarmament, negotiating carbohydrates' export routes, and multivectorism.

Most scholarship on history and politics of Kazakhstan would mention Kazakhstan's transfer of Soviet inherited nuclear weapons to Russia and the US as the first achievement of its foreign policy. It is worth noting that this decision was not based on diplomatic cost and benefit calculations, but rather a reality of the day. The West made it explicitly clear that should Kazakhstan wish to be recognized as a fully-fledged member of the international community, it must accede to Nuclear Non-Proliferation Treaty and give up its Soviet inherited nuclear arsenal. By agreeing to these terms, Nazarbayev ensured Kazakhstan received foreign aid, investments and security guarantees.

Kazakhstan's declaration of independence in 1991 did not mean Kazakhstan will obtain economic independence from its largest neighbour – Russia. The second success of

Kazakhstan's foreign policy in the 1990s can be attributed to its attempts to distance itself from economic dependence on Russia. This can best be seen in its oil and gas exploration and pipelines policies. During the USSR, all the oil and gas infrastructure was linked to Russia. According to Ipek (2007), Kazakhstan was reluctant to export its oil to the Western markets via Russia for its fear of Russian political and economic control of such routes. For this reason, Kazakhstan welcomed any pipeline routes that would avoid Russian transit. Western oil and gas companies offered Kazakhstan such options. Dissatisfied with Kazakhstan's engagement with the West, Russia then insisted it wanted to participate in the exploration of newly discovered North Caspian oil reserves. Here too, Kazakhstan gave its preference to the Western companies for it knew Russia did not possess the financial resources and expertise. These foreign policy manoeuvrings of Kazakhstan in economic projects could not leave Russia happy because it 'considered Central Asia to be under its sphere of influence' (Ipek, 2007). Kazakhstan's multivectored foreign policy allowed Kazakhstan to maintain close ties with Russia and post-Soviet countries without harming collaboration with Western investors. Kazakhstan's membership in Russia dominated the Commonwealth of Independent States (CIS) and the Collective Security Treaty Organization (CSTO) serve as examples of Kazakhstan's proximity to Russia. As we will see later, the growing ties with Russia may be regarded as the failure of the state's foreign policy.

The third accomplishment of Kazakhstan's foreign policy grows from the previous one. It is a highly sophisticated and skilful balancing act between the interests and objectives of regional and global powers. Hanks (2009) defines multi-vectored foreign policy as a 'policy that develops foreign relations through a framework based on a pragmatic, non-ideological foundation' (p. 259). Multivectorism ensured Kazakhstan could exploit its hydrocarbon resources based on cost-benefit calculations, and encompass itself by a security belt of multiple memberships in collective security organizations (such as CSTO and Shanghai Cooperation Organization (SCO), and gain security reassurances from both the West and the East. To illustrate, Kazakhstan's economy benefits from three different economic unions: Russia led the Eurasian Economic Union, China-led Belt and Road Imitative, and Western-dominated World Trade Organization. Speaking of security arrangements, Kazakhstan's membership in CSTO and SCO does not prevent it from collaborating with NATO's Partnership for Peace program. The location of Kazakhstan inside the Russian sphere of influence also did not isolate Kazakhstan from participating in the US-led War on Terror.

Failures

Accomplishments aside, what are the areas and issues where Kazakhstan's foreign policy did not quite make it? One would point in the direction of border disputes with China in the mid-1990s, resolution of which was not in Kazakhstan's favour. Others would mention a recent round of Astana Peace Process talks (2017-2019) on the Syrian crisis, which also did not help. However, none of these or other foreign policy mishaps has as long-lasting consequences as a failure to create a strong national identity, the

undermining of democratic institutions, and the accession to the Eurasian Economic Union (EEU).

According to Cummings (2012) and Hanks (2009), Nazarbayev used foreign policy to build a national identity. Dozens of decrees, national strategies and doctrines later only a minority of people can outline what the country's national identity is. Part of it has to do with difficulties associated with defining what a Eurasian identity is. Scholarly debates aside, Nazarbayev claims that Kazakhstanis are Eurasians, and therefore, should embrace the best of European and Asian values and beliefs. To aid entrenchment of this doctrine, Kazakhstan expanded its diplomatic ties with Asian states, namely with Singapore and Korea. Moreover, although Kazakhstan managed to avoid major interethnic confrontations, minor interethnic clashes and violence have always been there. In order to foster interethnic peace and accord in a state with over 100 ethnic groups, the government created the Assembly of People of Kazakhstan, which is often criticized for not possessing significant decision-making powers. Introduction of Rukhani Zhangyru program in 2017 that aims at revitalizing Kazakhstan's national identity program also failed to change public perception of themselves and the state. All in all, recent interethnic clashes in the Kordai region of Kazakhstan attest that neither foreign nor domestic policies constructed a strong national identity.

The first constitution of Kazakhstan adopted in 1993 declares that Kazakhstan is a democratic state respecting human rights and guaranteeing civil liberties. It was clear that post-Soviet Kazakhstan was promising to become a liberal democracy with an open market economy. It was deepening its ties with the EU and the US. Thus, it welcomed major democracy promoting organizations such as the International Foundation for Elections Systems (IFES), National Democratic Institute (NDI), OSCE, etc. However, by early 2000s, it was clear that Kazakhstan unfulfilled its promise (Olcott, 2002). The publication of Carothers' (2002) 'End of Transition Paradigm' shifted Western countries' approaches to Kazakhstan and Central Asia in general. Both the US and Europe realized that Central Asian states had no intention of democratizing. Violent suppression of Zhanaozen oil workers' protest in December 2011 illustrates just that. New US and European Central Asian strategies reflect the West's more realistic approach to collaborating with authoritarian regimes in the fields of environmental protection, sustainable development, economic growth, and a lesser emphasis on democracy promotion.

The third major failure of Kazakhstan's foreign policy could be joining the EEU. Few people know that the idea of creating a Eurasian economic space originally came to Nazarbayev who spoke of creating Euro-Asian Union (EAU) in 1994. However, the union that Nazarbayev spoke of was supposed to be more transparent and egalitarian. The body and the content of EEU satisfy none of these conditions. Critics doubted the benefit of EEU to Kazakhstan by arguing that the developing market of Kazakhstan would not be able to compete with Russia's huge economy. Public's condemnation of Russia and its hegemony in EEU is not rare in Kazakhstan. For example, raising import tariffs on vehicles imported from outside the EEU is viewed by Kazakhs as Russia's imposition of Russian made vehicles on Kazakh buyers. When in power, Nazarbayev had little leverage against Russia due to the fear that Russia can play the 'nationalities card'. It is worth

noting that approximately 20% of the population in Kazakhstan are Russians. Fears among Kazakhs about the possibility of Georgian or Crimean scenarios in Kazakhstan are not uncommon. Add to it rare nationalistic statements among Russian scientists or politicians claiming northern regions of Kazakhstan to be historically Russian. Kazakh Foreign Affairs Ministry is often hard-pressed to comment provocative statements of Russian politicians. To illustrate, on 15 March 2018, Russian Foreign Minister Lavrov said that Kazakhstan's 'provision of visa-free entry to US citizens would require the approval of the EEU' (Pannier, 2018). Astana had to respond by saying that visa issues are the exclusive right of any sovereign country.

Future

As we have seen, Kazakhstan's foreign policy has not centred on promoting democracy. Quite the opposite, according to Ipek (2007) in the 1990s Nazarbayev concentrated on bolstering his position by stripping civil society and elites of power to have a strong influence on foreign policymaking. Foreign policy was an instrument of legitimizing Nazarbayev's power and forging an image of stability to attract investments and stimulate economic growth. There was no room for democracy which was framed as something alien to nomadic post-communist political culture. Framing non-violent prodemocracy colour revolutions in Georgia (2003), Ukraine (2004) and Kyrgyzstan (2005) as attempts of 'foreign agents' to sow similar chaos, disorder and destruction in Kazakhstan is a good example of anti-democratic indoctrination and state propaganda.

Resignation of Nazarbayev in March 2019 and election of the new president, Kassym-Zhomart Toqaev, a few months later gave hopes to civic activists that democratic change may be possible. After all, Toqaev is a professional diplomat and expressed his dedication to reforming electoral, party, and public gatherings' legislations in addition to reforming the government into one that listens to public concerns. So, what are the challenges faced by the new government and president now? What are the potential challenges for future foreign policy? What kind of opportunities are there to address the aforementioned challenges? In this section, the author outlines three such challenges and speculates about the ways Kazakh leadership can address them: deepening Sinophobia, US-China trade wars, and the rise of Uzbekistan.

No one can ignore the elephant in the room, which is the China factor. Kazakhstan's engagement with China began in 2005 with the inauguration of Western Kazakhstan – Western China oil pipeline. Trade between the two countries was steadily increasing and amounted to \$20 billion of Chinese investment in Kazakhstan. With it were also growing anti-Chinese moods and public fears of Chinese purchase of Kazakh lands. Sinophobic moods culminated in May 2016 nationwide protests against the amendments to the Land Code that would allow foreign entities to rent land for business purposes. Antagonism against growing Chinese presence in Kazakhstan got worse when China started sending Uighur, Kazakh and Kyrgyz minorities living in Xinjiang to re-education camps on official charges of extremism. After local and international human rights watchdogs reported

that Muslims were detained only based on their religion and ethnic belonging, numerous protests broke out in Kyrgyzstan and Kazakhstan.

Kazakh Government has largely ignored the protesters' demands on pressuring China against intimidation of ethnic Kazakhs in Xinjiang. It is understandable why Kazakh authorities are reluctant to spoil relationships with the largest trading and investment partner. However, if the new government really wants to be the one that listens, they ought to act as soon as possible. Kazakhstan should be more accountable to its citizens about the bilateral treaties with China. It also should take proactive measures to join the international community, including the US and EU in pressuring China to shut down reeducation camps and respect minorities' human rights. Civil society organizations and media should be admitted to monitor and cover policymaking in the area of Chinese investments. By following such measures, the Kazakh government can win the trust and show its real commitment to democratic values. Naturally, such policy recommendations are easier said than done. However, if Toqaev really wants to consolidate civil society and reform political institutions, this is the opportunity he should take. Are not political trust, peace and accord with one's society more important than investment and loan offerings by China?

Next thirty years would definitely be very difficult for Kazakhstan's dealing with China in the context of growing competition between the US and China. Once again, Kazakh multivectorism will be put to the test. Will Kazakhstan follow the West and its conditional aid - in other words, investments and aid in return for democratic reform – or will it rather cooperate with China, which is happy to fund without demanding anything but low interest in return. None of the decisions should significantly bother Russia, who continues to enjoy political domination in Central Asia. The West should expect to witness growing involvement of China in securing its investments in the region via the establishment of a military base in Tajikistan or free provision of 5G technology, surveillance mechanisms, and face-recognition software to all Central Asian countries.

Another issue that Kazakhstan will face pretty soon is the growing appearance of Uzbekistan in the regional and international lens. Ongoing socio-political and economic reforms in the most populous Central Asian state will affect Kazakhstan's foreign policy by stealing some of its foreign investors, high-skilled labour, and overall leadership role in the region. Without creating even more attractive investment opportunities, boosting the tourism industry, combatting corruption, reforming political institutions, and assisting local small and medium enterprises, Kazakhstan might face outflow of capital, loss of business and investment opportunities. Instead of competing with Uzbekistan, Kazakhstan may consider cooperating with Uzbekistan and other neighbouring countries by restoring a Central Asian Economic Union (CAEU). The Central Asian Summit held in Kazakhstan in March 2018 could be the building block of such a regional organization. The development of CAEU may not please Moscow, which might lose economic control of such a body. Instead, Russia might seek to incorporate Uzbekistan, Tajikistan and Turkmenistan into EEU. Speaking of the US and EU, both may welcome regional integration to see the diminishing role of Russia. China, too, may not object to the evolution of a new regional organization. That way, it would find it easier to adopt a universal approach to Central Asia.

References

Carothers, T. (2002). The End of the Transition Paradigm. Journal of Democracy, 13(1).

Cummings, S. (2012). Understanding Central Asia: Politics and Contested Transformations. London and New York: Routledge.

Hanks, R. R. (2009). 'Multi-vector politics' and Kazakhstan's emerging role as a geo-strategic player in Central Asia. *Journal of Balkan and Near Eastern Studies*, 11(3).

Ipek, P. (2007). The role of oil and gas in Kazakhstan's foreign policy: Looking east or west? *Europe-Asia Studies*, *59*(7).

Olcott, M. B. (2002). *Kazakhstan: Unfulfilled Promise*. Washington, D.C.: USA: Carnegie Endowment.

Pannier, B. (2018, March 23). Kazakhstan: Old Leader, New Foreign Policy Challenges. Retrieved June 11, 2020, from https://www.rferl.org/a/kazakhstan-old-leader-new-foreign-policy-challenges/29119901.html

World Bank. (2020). *Doing Business 2020*. Washington, D.C., USA: World Bank. Retrieved from http://documents.worldbank.org/curated/en/688761571934946384/pdf/Doing-Business-2020-Comparing-Business-Regulation-in-190-Economies.pdf

About the author

Nurseit Niyazbekov is Assistant Professor in the Department of International Relations at KIMEP University in Almaty, Kazakhstan. He does research and consulting for various international media and think tanks in the areas of post-communist transitions, democratization, Central Asian state-building and protest mobilization. He was a visiting research fellow at the University of Michigan and Sciences PO. Niyazbekov obtained his PhD and MSc degrees in Politics and Sociology from the University of Oxford.





the Hollings Center for international dialogue Crossroads Central Asia is an independent research institute based in Bishkek. Crossroads Central Asia supports, promotes and practices professional research and analysis for the purpose of open, secure and prospering Central Asia. W: https://www.crossroads-ca.org/

The policy paper is produced as part of a project "Debating International Relations in Central Asia: Regional Developments and Extra-Regional Actors". The project is led by Shairbek Dzhuraev and Eric McGlinchey with support of the Hollings Center for International Dialogue.

The views expressed in this publication are those of the author and do not necessarily reflect the views of Crossroads Central Asia and/or the Hollings Center for International Dialogue.