



Central Asia Executive Summary Series

KAZAKHSTAN COUNTRY PROFILE

The Program for Culture & Conflict Studies

Naval Postgraduate School

Monterey, CA

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This paper on Kazakhstan provides a broad reaching, but detailed analysis of human, structural and cultural issues affecting security and development in that country. Part of our Central Asia Executive Summary Series, the profile on Kazakhstan provides significant and needed context to the overall international strategy in South and Central Asia.

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REPUBLIC OF KAZAKHSTAN

(*Qazaqstan Respublikasy* in Kazkh)

Short Form: Kazakhstan

State Emblem:



National Flag:



Source: Lonely Planet, <http://www.lonelyplanet.com/maps/asia/kazakhstan/>

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KAZAKHSTAN

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LOCATION

Kazakhstan, from the Kazakh language, means a land of Kazakhs (*Stan* – land). Kazakhstan is located in Central Asia, and is the ninth largest country in the world (after Russia, China, USA, Argentina, Brazil, Canada, India and Australia). It is situated north of Uzbekistan, northwest of Kyrgyzstan, northwest of Turkmenistan, east of China, and south of Russia. Kazakhstan shares the Caspian Sea with other countries on its western border. As its neighbors in the region, Kazakhstan is a landlocked country and the second largest republic of the Commonwealth of Independent States (CIS) after the Russian Federation, although the CIS is basically a symbolic organization.

CAPITAL

Astana¹ from the Kazakh language means capital. Astana, previously named Tselinograd and later Akmola, was announced as a new capital in 1994. The ministries and embassies were moved to Astana in 1997. Within few years, a giant construction project turned a small town into a magnificent city.

The population of the capital at that time was primarily comprised of Slavs. The population has increased to 860,368 residents, as of June 2016 according to Kaz Inform, an international news agency in Afghanistan,² with ethnic Kazakhs estimated at more than 60 percent.

The move of the national capital from Almaty to Astana, regarded as highly controversial and still causes some dislike from residents of Almaty, was explained to have occurred for several reasons:

- Northern Kazakhstan had a high concentration of ethnic Russians, who in early stages of independence, held strong irredentist sentiments. At the same time nationalists across the border were calling for the return of Russian lands. President Nazarbaev's strategic decision to move the capital to the north had a purpose of securing the territory under Kazakh sovereignty and bringing the ethnic proportion of Kazakhs into balance with Russians.
- Another reason was clan rivalry when Nazarbaev from the insignificant clan of the Great Zhuz (Horde) was threatened by "nobler" clan groupings of the same horde. His move to the north was meant to weaken their pressure by creating a new bureaucratic environment with many young ambitious career oriented professionals who had little influence from clanship and hordes.
- Other reasons justifying this geo-political move were:

¹ The official web site of the capital in English: <http://en.astana.kz/>.

² "Astana Population Reaches 860,368," accessed March 5, 2017, http://www.inform.kz/en/astana-population-reaches-860-368_a2789183.

- o distancing the capital from China;
- o frequent earthquakes in Almaty;
- o scarcity of land in Almaty preventing the city's expansion for administrative needs;
- o need for economic uplift of the poor northern regions.

INDEPENDENCE FROM THE USSR

December 16, 1991 is celebrated as Independence Day. Fearing the partition of Kazakhstan, considering its large Russian ethnic Diaspora in the north, the republic was last to announce its independence. Present day Kazakhstan was formed by the Bolsheviks in 1920, as Kazakh Autonomous Soviet Socialist Republic under the Russian Soviet Federative Socialist Republic sovereignty, and in 1936 was given the status of a full-fledged republic.

Map of Kazakhstan



Source: Geology.com, <http://geology.com/world/kazakhstan-satellite-image.shtml>.

TERRITORY

Total area: 2,727,300 sq km (1,049,150 sq miles). Water: 47,500 sq km

Land: 669,800 sq km

Border length with China: 1,460 km

Border length with Uzbekistan: 2,300 km

Border length with Kyrgyzstan: 980 km

Border length with Russia: 6,467 km

Border length with Turkmenistan: 380 km³

PUBLIC HOLIDAYS

January 1	New Year
January 7	Orthodox New Year
March 8	International Women's Day
March 21-23	Navrus (comes from ancient Zoroastrian tradition which many Central Asians take for an Islamic New Year)
May 1	Unity Day
May 9	Victory Day (over Nazi Germany in World War II)
July 6	Capital Day
August 30	Constitution Day
December 16-17	Independence Day (from the USSR)

The dates of the Islamic holiday Qurban Ait (*Eid al-Adha* in Arabic, the feast of the Sacrifice) change annually depending on the Islamic calendar. Another prominent Islamic holiday *Eid al-Fitr*, celebrated in Muslim counties commemorating the end of Ramadan, officially is not observed in Kazakhstan.

³ General information about the Republic of Kazakhstan, Official site of the Kazakh President, http://www.akorda.kz/kz/www/www_akorda_kz.nsf/sections?OpenForm&id_doc=079D5421E0113E4046257%202340019E81F&lang=en.

LANGUAGES

- Official language is Kazakh, a Turkic language which also includes many Arabic and Persian words. There are several major regional dialects such as northern and southern.
- Russian is widely used in Almaty, the northern Kazakhstan and major cities, among intelligentsia, political and business elites. It serves as the language of communication between various ethnic groups.
- Uzbek is spoken in the south, particularly in Shymkent, Zhambyl, and Turkistan.
- English is in big demand, particularly among the youth. The major reasons are educational and professional opportunities abroad and access to information.

POPULATION/DEMOGRAPHIC DATA

TOTAL POPULATION

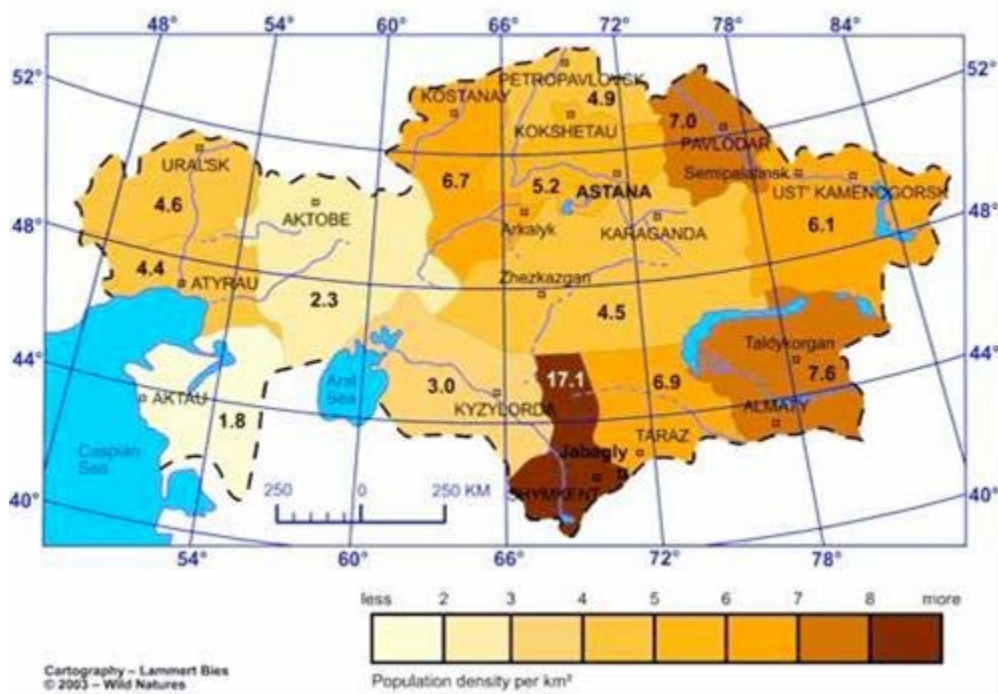
As of 2015 the total population was estimated at 17,506,000 people. Urban population constituted 53.2 percent (9,313,192) and rural 46.8 percent (8,192,808).⁴

The most densely populated region of Kazakhstan is South Kazakhstan province (SKP) at 17-19 people per square km.⁵ Although the province has the smallest area along with Atyrau province, the population of SKP is about 2.5 million or nearly one-sixth of total population. Fertile land, irrigation, and geographical importance of the once historical towns of the ancient Silk Road along with close proximity to Uzbek Khanate of Kokand explain the high density of population in this region. Almaty and Atyrau provinces follow the list as among the most populated areas of the country. Aktobe and Mangystau are the least populated provinces of Kazakhstan with an average of 1.8 and 2.3 people per square km respectively.

⁴ Urban Population, The World Bank,
<http://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS/countries/KZ?display=graph>.

⁵ Official web site of the South Kazakhstan Province: <http://ru.ontustik.kz/>.

Kazakhstan Population Density Map⁶
KAZAKHSTAN – POPULATION DENSITY



HUMAN TERRAIN

ETHNIC COMPOSITION OF POPULATION

Kazakhstan is a multiethnic society with several dozens of ethnic groups, including Azerbaijanis, Armenians, Bashkirs, Belarusians, Bulgarians, Chechens, Germans, Greeks, Ingush, Lezgins, Turkmens, Dungans, Kazakhs, Koreans, Kurds, Kyrgyz, Moldovans, Mordvins, Poles, Russians, Tajiks, Tatars, Ukrainians, Uyghurs, and Uzbeks representing many different religious, languages and cultural identities. During Josef Stalin's long and repressive rule, many ethnic groups were deported to Kazakhstan and many Jews escaped from Nazi Holocaust in Europe by fleeing to Central Asia, including Kazakhstan.

⁶ "Kazakhstan overview - people, oil, climate, government etc.,"
http://aboutkazakhstan.com/Kazakhstan_Overview.shtml.

MAJOR ETHNIC GROUPS

<u>Ethnic Group</u>	<u>Population</u>	<u>Percentage of Population</u>
German	280,096	1.6
Kazakh	9,068,108	51.8
Russian	5,496,884	31.4
Tatar	297,602	1.7
Ukrainian	770,264	4.4

**The total estimated population was 17,506,000.⁷*

Kazakhs

Kazakhs are a Turkic people most of whom have Mongoloid facial features and belong to one of three Zhuz (horde).⁸ As of June 2016, ethnic Kazakhs constituted 51.8 percent of the total population. Significant Kazakh ethnic Diasporas reside in China, Mongolia, Russia, and Uzbekistan. Until the Soviet period, Kazakh tribes were pastoral nomads coming from Mongolian, Turkic, Iranian and a few of them from Arabian roots. Kazakhs explain that the word Kazakh means a free spirit and that Kazakhstan is translated as land of Kazakhs. The majority of Kazakhs are Sunni Muslims and belong to the Hanafi School of jurisprudence. During the Soviet period many Kazakhs, particularly in northern regions, lost the knowledge of the Kazakh language. Russian became the first language for the majority of Kazakhs, including political and business elites. In recent years, thanks to independence and the feelings of national pride, the Kazakh language is gaining appreciation among the public.

Ethnic Kazakhs in neighboring states

China

Nearly 1.5 million ethnic Kazakhs live in China,⁹ and majority of that population lives in the Xinjiang province in northwestern China, the region populated by Turkic Muslim peoples. The areas of geographic concentration of Kazakhs are: Ili Kazak Autonomous Prefecture, Mori Kazak Autonomous County, and Barkol Kazak Autonomous County in the Xinjiang Uygur Autonomous Region. Many Kazakhs also reside in the Haixi Mongolian, Tibetan and Kazak Autonomous Prefecture in Qinghai Province and the Aksay Kazak Autonomous County in Gansu Province.¹⁰ President Nazarbaev's "Oralman" repatriation program is aimed at increasing the number of ethnic Kazakhs in Kazakhstan, by inviting ethnic Kazakhs from around the world to return to their fatherland. This has attracted many Chinese Kazakhs to migrate home where they have become part of the titular nation rather than an ethnic minority.

⁷ "Kazakhstan overview - people, oil, climate, government etc.,"

http://aboutkazakhstan.com/Kazakhstan_Overview.shtml; Urban Population, The World Bank, <http://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS/countries/KZ?display=graph>.

⁸ See chapter "Traditional tribal grouping: three Zhuz (horde)"

⁹ <http://astanatimes.com/2016/09/one-and-a-half-million-ethnic-kazakhs-live-in-china/>

¹⁰ The Kazak ethnic minority, China.org, available at: <http://www.china.org.cn/e-groups/shaoshu/shao-2-kazak.htm>.

Mongolia

Mongolia's population as of July 2016 is 3,031,330; Mongolian Kazakhs make up about 3.8 percent of the population and comprise the largest ethnic minority.¹¹ They are concentrated primarily in Bayan-Ulgii Aymag, the westernmost province of Mongolia.¹² Bayan-Ulgii Aymag is predominantly Kazakh populated with Kazakh as the first language and Islam as a major religion of this western region.

During the Russian Bolshevik invasion thousands of resistance fighters were killed and the forceful collectivization led to mass starvation in Kazakh Soviet Autonomous Republic. Many thousands of Kazakh nomads fled to Mongolia. Kazakh President Nazarbaev's "Oralman" repatriation program allowed Mongolian Kazakhs to return to the fatherland. However some new returnees were disillusioned by conditions they found themselves in and soon went back to Mongolia.

Kazakhs of Mongolia are regarded as well-educated and highly professional labor workers and bureaucrats. Most Kazakhs speak Kazakh, Mongolian and Russian.

Uzbekistan

According to the Ambassador of Kazakhstan to Uzbekistan nearly 1.2 million Kazakhs oralmans¹³ resided in Uzbekistan as of August 2001.¹⁴ Between 1991 and January of 2009, under the repatriation program, approximately 159,559 ethnic Kazakhs immigrated to Kazakhstan from 21 different countries. Eighty-eight percent of these immigrants are Kazakhs from Uzbekistan.¹⁵ This number is declining further; July 2016 estimates place Kazaks in Uzbekistan at less than 890,000.¹⁶

The major reason for emigration is the worsening economy and lack of employment opportunities, especially in rural areas where most of Kazakhs reside. Land originally devoted to cattle breeding was converted into cotton and cereal plantations. This further motivated traditionally nomadic Kazakhs to abandon their homes in Uzbekistan.

¹¹ <https://www.cia.gov/library/publications/the-world-factbook/geos/mg.html>

¹² "About Mongolia: land and people," Embassy of Mongolia, Washington D.C., available at: http://www.mongolianembassy.us/eng_about_mongolia/land_and_people.php

¹³ Oralmans - ethnic Kazakhs residing in neighboring countries to Kazakhstan.

¹⁴ "Ethnic Kazakhs Want to Leave Uzbekistan," CACI Analyst, 29 August 2001, Available at: <http://www.cacianalyst.org/?q=node/584>

¹⁵ "Zameshayushaya demografiya: v Kazahstane popolnayut narodonaseleniye za schot oralmanov- "uzbekov" (Changing demography: Kazakhstan increases population by means of oralman-uzbeks), Russians.Kz, January 19, 2009, original source in Ferghana.ru. Available at: <http://www.russians.kz/society/993151-zameshhajushhaja-demografija-v-kazahstane.html>

¹⁶ <https://www.cia.gov/library/publications/the-world-factbook/geos/uz.html>

There has been tension in the past over the border areas between Uzbekistan and Kazakhstan. The most prominent incident took place in December 2001. Nearly 2,000 ethnic Kazakhs of Uzbek citizenship, declared the Turkestanets and Bagys villages the ‘Kazakh Bagys Republic’.

Russians and Ukrainians (Slavs) in Kazakhstan

In the early 1700s, capitalizing on the weakened position of Kazakh tribes fighting against Kalmyk, the Russian Empire extended its territories to the south. Invasions of the Cossacks (semi-independent Russian and Ukrainian tribes – fighters) and their fortresses served well the Russian’s strategic plans.

In 19th century, aimed at protecting her southern flanks from the British Empire marching from India north into Central Asia, and to satisfy growing economic needs, Russia continued occupation of territories of the Great/Senior Zhuz in the south and further advanced into Central Asia. This period of colonization led to the first waves of Slav migrants into Kazakhstan and other regions of Central Asia.

The Soviet period, which started with the introduction of the new Bolshevik rule enforced by the Red Army, was marked by an influx of millions of Slavs. They controlled and managed new colonies in the south and forcefully deported other ethnic groups into Kazakhstan during Josef Stalin’s rule. Until 1989, the population was mostly Russian ethnic migrants; they significantly exceeded the local Kazakhs population. The table below shows the ethnic proportion of Slavs in comparison to Kazakhs from 1959 to 1989.

Kazakhstan: Population of Slavs and Kazakhs 1959-1989¹⁷

Population of Slavs and Kazakhs in 1959			
<u>Ethnic Group</u>	<u>Number (in millions)</u>	<u>% of total population</u>	<u>Total population</u>
Kazakh	2,787,309	30	9,294,741
Russian	3,972,042	42.7	
Ukrainian	761,432	8.2	
Belorussian	107,348	1.2	
Populations of Slavs and Kazakhs in 1979			
<u>Ethnic Group</u>	<u>Number (in millions)</u>	<u>% of total population</u>	<u>Total population</u>
Kazakh	5,289,349	36	14,684,283
Russian	5,991,205	40.8	
Ukrainian	897,964	6.1	

¹⁷ Data is extracted from “Dinamika chislenosti i sostava naseleniya Kazahstana vo vtoroi polovine XX veka (Dynamics of size and composition of population of Kazakhstan in the 2nd half of 20th century), Table 3: Chislenost samykh mnogochislennykh natsionalnostei Kazahstana v 1959-99 godax (Size of most large nationalities of Kazakhstan) , E.P. Zimovina. Available in Russian at: <http://demoscope.ru/weekly/2003/0103/analit03.php>

Belorussian	181,491	1.2
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In late 1980s – early 1990s the tendency reversed – many ethnic Slavs migrants started returning to Russia, Ukraine and Belarus:

Population of Slavs and Kazakhs in 1989			
<u>Ethnic Group</u>	<u>Number (in millions)</u>	<u>% of total population</u>	<u>Total population</u>
Kazakh	6,534,616	39.7	16,464,464 (2014) 17.7 mil
Russian	6,227,549	37.8	
Ukrainian	809,204	5.4	
Belorussian	182,601	1.1	

Uzbeks of Kazakhstan

As of 2016 the population of Uzbeks, the third largest ethnic group behind Kazakhs, Russians, was 2.9 percent of the total population of Kazakhstan; it has gained numbers over the Ukrainian minority in the country, which now stands at 2.1 percent.¹⁸ Most Uzbeks reside in the Sayram, Tolebiy, Makhtaaral and Saryagash districts. Uzbeks in the cities of Turkestan, Shymkent, Kentau in South Kazakhstan Province, and in the Zhambyl Province are concentrated in the Merken district of Taraz, the capital of the province. Almaty, the largest city of Kazakhstan, is home to many ethnic Diasporas, including Uzbek. Uzbek tribes have inhabited southern parts of modern Kazakhstan for centuries, and today Uzbek cultural centers exist in Almaty, Shymkent, Taraz and Kyzylorda.

A new wave of immigration of Uzbeks into Kazakhstan began in the late 1990s and continues to the present. Ambitious entrepreneurs and skilled workers who were restrained by lack of economic and political freedoms have moved their businesses to Kazakhstan. Religious persecution of Muslims practicing their faith with devotion in Uzbekistan, have forced many Uzbeks to look for asylum in Kazakhstan and other countries through the United Nations Refugee Agency (UNHCR) office in the Kazakh Republic. Unfortunately, in order to keep friendly relations with former President Karimov of Uzbekistan, the Kazakh authorities deported many Uzbek refugees,¹⁹ and there were cases where agents of the Uzbek National Security Service successfully kidnapped “enemies of the Uzbek state” on the Kazakh territory with illicit and concealed approval of the Kazakh side.

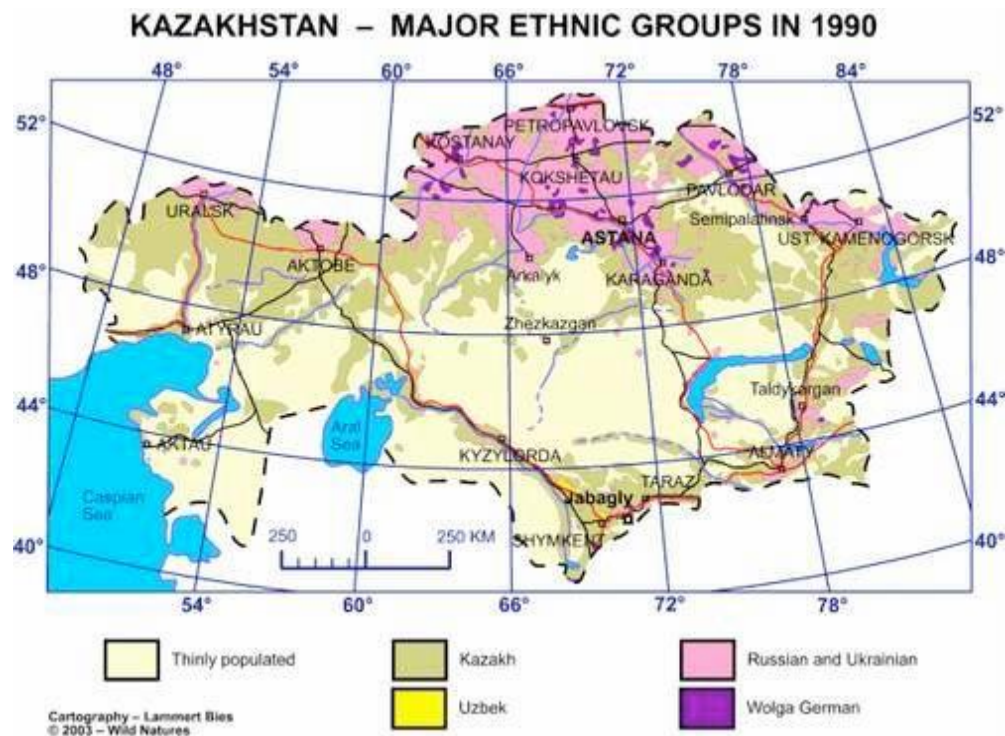
¹⁸ <https://www.cia.gov/library/publications/the-world-factbook/geos/kz.html>

¹⁹ On this subject read a recent article “Refugees Still Face Uncertainty in Kazakhstan,” Aygerim Beysenbayeva, Institute for War & Peace Reporting, June 5, 2009. Available at: http://www.iwpr.net/?p=rca&s=f&o=353068&apc_state=henprca

Another significant group of ethnic Uzbeks in Kazakhstan are the labor migrants from impoverished Uzbekistan. Despite the economic downturn in the Kazakh Republic, there is still a need for low pay, hard-working laborers. Although there are constant cases of abuse by Kazakh law-enforcement and unpaid service workers, thousands of Uzbeks take the risk for any job opportunities available in neighboring countries, particularly in Russia and Kazakhstan.

Ethnic diasporas are concentrated in certain geographic areas although their representatives can be found anywhere across the country. The ethnic Russians, Slavs and Germans primarily reside in the northern parts of the country on the border with Russia. Uzbeks live in Southern Kazakhstan province and in Zhambyl close to Uzbekistan. Uyghurs primarily reside in south-east of Kazakhstan, in the area from Almaty to the border with China.

Kazakhstan ethnic groups map²⁰



²⁰ Aboutkazakhsta.com, “Kazakhstan overview - people, oil, climate, government etc.,” http://aboutkazakhstan.com/Kazakhstan_Overview.shtml

RELIGION/SECTS

There are more than 40 different religious confessions and denominations represented in the Kazakhstan today. According to official statistics, there were 3,434 religious associations registered as of January 2014.

Registered religious associations in Kazakhstan as of January 2014²¹

No	Confessions	As of 01.01.2011	As of 25.10.2012	As of 01.01.2014
1	Islam	2811	2229	2367
2	Orthodoxy	304	280	293
3	Pentecostals	400	189	230
4	Evangelical Christians-Baptists	364	100	185
5	Catholics	118	79	84
6	Jehovah's Witnesses	70	59	60
7	Presbyterians	229	55	92
8	Seventh-Day Adventists	67	42	42
9	Lutherans	32	13	13
10	Methodists	18	11	12
11	The New Apostolic Church	47	8	25
12	Krishnaites	14	8	9
13	Baha'i	20	6	6
14	Judaism	26	4	7
15	Buddhism	4	2	2
16	Church of Jesus Christ of Latter-Day Saints (mormons)	1	2	2
17	Mennonites	6	1	4
18	Moon's Unification Church (Moonies)	-	-	1
	TOTAL	4 551*	3 088	3434

Islam and the Russian Orthodox Church have the largest number of adherents although the number of Protestant Christian congregations is about four times higher than Russian Orthodox

²¹ http://www.din.gov.kz/eng/religioznye_obedineniya/?cid=0&rid=691

churches. The large number of Protestant Christian organizations is explained by the enormous efforts of Protestant Christian missionary organizations having solid funds from the West to recruit local ethnic Russians and Kazakhs.

According to the U.S. State Department Report on Religious Freedoms 2008, there were two Baptist groups in the country, the Union of Evangelical Christians and Baptists ("Union of Baptists"), with an estimated 10,000 adherents and 227 registered groups. Also the Council of Churches of Evangelical Christians and Baptists ("Council of Churches") show some 1,000 adherents, while the Council of Churches Baptists refuse on principle to register. Other Christian religious groups with a sizable number of congregations include Presbyterians, Lutherans, Pentecostals, Jehovah's Witnesses and Seventh-day Adventists. Smaller communities of Methodists, Mennonites, and Mormons are also registered.²²

Most Kazakhs are Sunni Muslims of Hanafi School of Jurisprudence. Traditionally, the stronghold of Islamic teaching and practice has been in southern Kazakhstan. Here in close proximity with Uzbeks the settled tribes of Kazakhs were highly influenced by Islam. The ancient cities Taraz, Turkestan, Otrar, Sayram, and Shymkent were all centers of Islamic learning.

TAZA DIN (PURE FAITH) SOCIAL RELIGIOUS MOVEMENT

The Muslim community calling itself Taza Din, labeled as Salafi and often called Wahabi by Kazakh authorities, has been subjected to harassment. Some members were jailed for religious extremism. More than 200 members of this new movement had to flee persecution. They found a temporary shelter in the Czech Republic in anticipation of political asylum in other countries which guarantee religious freedoms. The Czech government having found no international reports about discrimination of this group at home and ignoring appeals of human rights organizations and journalists still refuses the Kazakh Muslim community asylum. However, the former chairman of Kazakh National Security Committee Alnur Musaev warned that they would face the threat of harassment and persecution if deported to Kazakhstan.²³ The members of this group are primarily ethnic Kazakhs from the western regions of Kazakhstan. At home, the government claims Salafis are not banned but some members were linked with religious violent Muslim extremist organizations. According to independent experts, the "Taza Din" strives to practice the Islamic faith by following the Quran and the hadiths (narrations of Prophet Muhammad) while refusing to adhere to local traditional Islam mixed with Shamanism and Tengriism (ancient religion practiced in pre-Islamic period) and controlled by the government

²² Kazakhstan: International Religious Freedom Report 2008, U.S. Department of State, Bureau of Democracy, Human Rights, and Labor. Available at <http://www.state.gov/g/drl/rls/irf/2008/108501.htm>

²³ "Former Kazakh Official Says Salafis May Face Problems In Kazakhstan," February 12, 2009. Available at: http://www.rferl.org/content/Former_Kazakh_Official_Says_Salafis_May_Face_Problems_In_Kazakhstan/1491907.html

appointed clergy.²⁴

Religious missionary activities are banned and therefore the Islamic propagation group that originated in India and now based in Pakistan, the “Tablighi Jamaat”. It is not permitted in Kazakhstan.

Another peaceful, apolitical group of Sufis following the Naqshbandi order, which originated in the city of Bukhara (in modern Uzbekistan), is also under surveillance.

ADMINISTRATIVE SETUP

Kazakhstan is administratively divided into 14 provinces with 159 districts, 84 cities, 241 settlements, and 2,042 aul (rural) counties.

Administrative Units (in area size sequence)		
<u>Administrative Unit (province/city)</u>	<u>Area (in sq. km)</u>	<u>Capital City</u>
Karagandy	428,000	Karagandy
Aktobe	300,600	Aktobe
Shygys (East) Kazakhstan	283,300	Oskemen
Kyzylorda	226,000	Kyzylorda
Almaty Province	224,000	Taldykorgen
Kostanay	196,000	Kostanay
Mangystau	165,600	Aktau
Batys (West) Kazakhstan	151,300	Oral
Zhambyl	144,000	Taraz
Pavlodar	124,800	Pavlodar
Soltusik (North) Kazakhstan	123,200	Petropavl
Akmola	121,400	Kokshetau
Atryau	118,600	Atryau
Ontustik (South) Kazakhstan	118,600	Shymkent
Almaty (<i>previous capital</i>)	324,800	
Astana (<i>current capital</i>)	710,200	

Source: <http://en.wikipedia.org/wiki/Kazakhstan>

²⁴ A well researched report on this movement and prosecution by the government had been produced by Moscow-based “Memorial” Human Right Center and is available at:
<http://www.memo.ru/2007/02/02/0202071.html>

Map of Provinces of Kazakhstan²⁵



REGIONS REQUIRING FOREIGNERS TO OBTAIN PERMISSION TO ACCESS

- Baikonyr city
- Karmakchinsky district of Kyzylorda oblast.
- Kazalinsky district of Kyzylorda oblast.

SETTLEMENTS TEMPORARY CLOSED TO FOREIGNERS

- Gvardeisky (75°16'25; 43°33'58),
- Matebulak of Almaty oblast (75°15'35; 43°36'9)
- Railway junction Kulzhabasy in Zhambyl oblast.

At times these regions have been closed to foreigners and the permit to access these areas can be obtained from the Ministry of Foreign Ministry.²⁶

²⁵ http://wpcontent.answers.com/wikipedia/en/thumb/f/fd/Kazakhstan_provinces.svg/500px-Kazakhstan_provinces.svg.png

²⁶ From the official web site of National Security Committee of Republic of Kazakhstan:
http://www.knb.kz/page.php?page_id=59&lang=2&article_id=4034&fontsize=12&fontfamily=Times%20New%20Roman&page=1

POLITICAL LANDSCAPE

THE GOVERNMENT



Nursultan Nazarbaev
President of Republic of Kazakhstan

LIST OF MEMBERS OF CABINET OF MINISTERS

AS OF March 2017



Bakytzhan Sagintayev
Prime Minister



Askar Mamin
First Deputy Prime Minister



Askar Myrzakhmetov
Deputy Prime Minister
Minister of Agriculture



Kairat Abdrakhmanov
Foreign Minister



Saken Zhasuzakov
Minister of Defense



Bebut Atamkulov
Minister of Defense and Aerospace Industry



Kalmukhanbet Kassymov
Minister of the Interior



Merat Beketayev
Minister of Justice



Yerlan Kenjeğaliұ Sagadiyev
Minister of Education and Science



Bakhyt Sultanov
Minister of Finance



Zhenis Kassymbek
Minister of Investment and Development



Yelzhan Birtanov
Minister of Healthcare



Tamara Kasymovna Duissenova
Minister of Labor and Social Protection



Arystanbek Muhamediuly
Minister of Culture and Sports



Kanat Aldabergenovich Bozumbayev
Minister of Energy



Timur Suleimenov
Minister of National Economy



Dauren Askerbekovich Abaev
Minister of Information and Communications



Nurlan Yermekbayev
Minister of Religious Affairs and Civil Society

OFFICIAL POLITICAL PARTIES

Following the example of then president Vladimir Putin and the “Unified Russia” party in Russia, President Nazarbaev controls the legislation through his proxy party the “Nur Otan” in bicameral parliament which consists of the Senate (47 seats) and the Mazhilis (107 seats).

The People’s Democratic Party “Nur Otan” is the pro-president party dominating the Kazakh parliament, holding 98 seats in Mazhilis while 9 other seats are elected by the Assembly of peoples of Kazakhstan. The success of the party at the 2007 parliament election was explained by the high party membership requirement - the barrier established by the election law which is designed to protect the pro-president party’s “success” during elections. The law on political parties, past parliamentary and the presidential elections do not satisfy international standards but provides necessary measures for the incumbent president and his lobbyists in the parliament to secure their lucrative positions. The party claims to have nearly 700,000 members nationwide. The Otan was founded in 1999 and was joined by *the Civic Party*, *the Agrarian Party* and Dariga Nazarbaeva’s *Asar* party and in 2006 it was named as the Nur-Otan party. The party was reported by local and international observers as having used administrative resources to gain large membership mostly among government officials who were willing to express their loyalty to Nazarbaev by joining the pro-president Nur-Otan.

Other (select) secular political parties loyal or in “mild” opposition to the government:

- The Rukhaniyat (‘Rebirth’) Party
- The Party of Patriots of Kazakhstan (PPK) Adilet (“Justice”)²⁷
- Democratic Party of Kazakhstan - Ak-Zhol (“Bright Path”)²⁸
- Village Social Democratic Party - Auyl (“Village”)²⁹
- People’s Communist Party of Kazakhstan – Aj Zhol (CPPK)³⁰

Secular “hard-core” opposition parties:

- Democratic Choice of Kazakhstan - Azat (Freedom)³¹
- Nationwide Social Democratic Party
- Alga (“Forward”) People’s Party (unregistered)
 - Alga originated from the banned Democratic Choice of Kazakhstan and as its mother party has never been refused registration by the authorities.
- Communist Party of Kazakhstan (CPK)³²

²⁷ Official web site: <http://www.dp-adilet.kz/>

²⁸ Official web site: <http://www.akzhol.kz/>

²⁹ Official web site: <http://www.ksdp-auyl.kz/>

³⁰ Official web site: <http://www.knpk.kz/>

³¹ Official web site: <http://www.azat-party.info/>

³² For more official information on this and other parties read the web site of the Central Election Commission’s page on political parties at http://election.kz/portal/page?_pageid=153,75212&_dad=portal&_schema=PORTAL

- On April 11 the Almaty Forum of democratic forces included the Azat Democratic Party, the National Social Democratic Party, the Communist Party of Kazakhstan, and the Alga People's Party, all of which constitute the core of political opposition to President Nazarbaev and his Nur-Otan party. They chose to unite into one political party. Political party blocs are not allowed under the Kazakh law on elections but the opposition views the merger of parties into one as the only strategy to win at future parliamentary and presidential elections.³³

RELIGIOUS MOVEMENTS/PARTIES

According to the constitution, Kazakhstan is a secular state and no parties based on religious platform may function legally, regardless if they use violent or peaceful means. At this moment the only religious organization which represents a security concern for authorities is Hizb-ut-Tahrir.

Hizb-ut-Tahrir (Party of Liberation)

The party's goal is rebuilding the single Islamic Khilafah State (Caliphate) through propagation and peaceful transformation of Muslim society and finally establishing 'Islamic household.'³⁴ The radical party which is predominantly Sunni, with Islam as an ideology, has not employ violent means but Central Asian governments have accused HT in terrorism. There has been recent talk, however, of some HT members starting to align with the Islamic State (IS).

HT is anti-Western, anti-Semitic, anti-secular, considers democracy a Kufr system, and calls for the overthrow of Muslim governments which do not obey the party's vision of the Islamic governance and according to them, the country is currently a 'Kufr household.'³⁵

Hizb-ut-Tahrir members first appeared in Central Asia in mid-1990s in Uzbekistan. The massive arrest campaign launched by the government aftermath of the Tashkent February 1999 bombings brought the party into the spotlight, which has been unknown for Central Asians. The government blamed IMU and Hizb-ut-Tahrir but arrested not only alleged members of these organizations but anybody who regularly attended prayers and was known for religious piety. Hizb-ut-Tahrir's regular members openly criticized the unpopular government of Karimov and did not accept the offer from President Karimov for pardon. This gesture won the respect of many people who might not have shared the ideology of the organization but agreed with critical statements towards the ruling regime.

³³ For detailed information on political parties read "Parliament and Political Parties in Kazakhstan," by Anthony Clive Bowyer, Silk Road Paper, May 2008, Central Asia-Caucasus Institute, available at: <http://www.silkroadstudies.org/new/docs/Silkroadpapers/0804Bowyer.pdf>

³⁴ See 'About Hizb-ut-Tahrir' at the official web site of the party: <http://www.hizbuttahrir.org/index.php>

³⁵ Ibid.

Although the party claims to be peaceful some members left the party and either joined the militant movements or created their separate cells (not associated with HT) which use violence. The organization is banned in all Central Asian states.

Hizb-ut-Tahrir, despite its popularity in early stages of its appearance in Central Asia, failed to become a popular movement due to highly secretive recruitment, heavy repressions, little interest among populace in political Islam and theological discrepancies with mainstream Islamic doctrine called *Aqidah* in Arabic. Differences in doctrine of *Ahl as-Sunna wal-Jama'ah* (majority of Muslims) and of HT is a significant obstacle for broad public support and recruitment of new members, particularly among religiously educated Muslims. Regular members are more preoccupied with political work, despite religious rhetoric, that makes some believe they are a purely religious organization. The frequency and quantity of leaflet distribution among the populace in the region has been decreasing and the number of arrests of alleged members of HT has decreased, which indicates the party has lost ground in Central Asia.

Traditionally, HT was popular among ethnic Uzbeks; besides Uzbekistan the organization was also active in the border areas of neighboring countries populated by ethnic Uzbeks. Currently the group is most active in Kyrgyz and Tajik sections of the Ferghana Valley and the southern regions of Kazakhstan.

FOREIGN MILITARY BASES

Kazakhstan does not host any foreign military bases. Russia however leases the Baikonur Cosmodrome for launching her space stations and possibly fire-test intercontinental missiles.

BAIKONUR COSMODROME

The semi-arid area located at the Tyuratam railroad junction in the village of Tyuratam, on the right bank of the Syr Darya River in close proximity to the town of Jezkazgan, is known as the Soviet space program testing site. Built in 1950s it has launched all Soviet and Russian space stations, including intercontinental multistage ballistic rockets. The name Baikonur (official names of the site were NIIP-5 and GIK-5 and often referred to as Tyuratam) was given deliberately to mislead the West about the location of the secret site during the Cold War. The space program test site Baikonur, was given the name of a small mining town situated in a different place 200 miles away. The area of the

Baikonur cosmodrome is very large – it extends 85 km from north to south, and 125 km east to west, making it the largest space center in the world.

Under the renewed contract, the lease is extended until 2050 and is managed by the Federal Space Agency and the Space Forces of the Russian Federation. The once Soviet strategic missile

fire test ground, the Tyuratam still might be used by Russian Strategic Missile Forces to test fire intercontinental missiles. According to news reports, an SS-19 intercontinental missile was launched from Baikonur on October 22, 2008.³⁶ The area has restricted access.

EXPORTING OIL AND GAS: PIPELINES

The major importance of Kazakhstan for the international political economy lies in the country's principal wealth – oil and gas. Kazakhstan is among the world's top producers and exporters of crude oil and natural gas. According to the BP Statistical Review of World Energy June 2016, Kazakhstan's proven crude oil reserves are estimated, as of early 2016, at 30 billion barrels, which make up nearly 1.8 percent of the world's proven hydrocarbon reserves.³⁷ The republic's largest oil fields are Tengiz, Karachaganak and Kashagan. Of these Tengiz seems the most promising and is considered one of the world's largest fields.³⁸ The proven natural gas reserves have been found to reach 33.1 trillion cubic feet.³⁹

Kazakhstan and neighboring states try to diversify their energy export routes and are currently developing new projects to provide oil and gas to Europe, China and their traditional market in Russia. The energy rich region of Central Asia has become the magnet for geo-strategic ambitions of the major powers and as many observers now call it the “Great Game”, is sure to intensify. The control of the strategic commodities of oil and gas and their supply are not only important for Central Asians but also for all those who depend on these natural resources.

OIL PIPELINES

There are functioning pipelines and planned projects which (will) produce and export oil from Kazakhstan to its traditional markets and also to new international markets.

³⁶ “Russia test-fires old missile to extend lifespan,” Reuters, Oct 22, 2008, available at <http://www.reuters.com/article/worldNews/idUSTRE49L2L320081022>

³⁷ <http://www.bp.com/content/dam/bp/pdf/energy-economics/statistical-review-2016/bp-statistical-review-of-world-energy-2016-full-report.pdf>

³⁸ http://www.inform.kz/en/us-increases-kazakhstan-s-oil-production-forecast_a2859532

³⁹ <http://www.bp.com/content/dam/bp/pdf/energy-economics/statistical-review-2016/bp-statistical-review-of-world-energy-2016-full-report.pdf>

Existing and Planned Central Asian Oil Pipelines⁴⁰



⁴⁰ Source: Energy Information Administration, U.S. Department of Energy:
http://www.eia.doe.gov/emeu/cabs/Kazakhstan/images/IEA_oilmap.gif

Major Pipelines

Caspian Pipeline Consortium (CPC)⁴¹



CPC Shareholders: Russian Federation (represented by Transneft – 24% and CPC Company – 7%) – 31%; Republic of Kazakhstan (Kazmunaigaz) – 19%; Chevron Caspian Pipeline Consortium Company - 15%; LUKARCO B.V. – 12.5%; Mobil Caspian Pipeline Company – 7.5%; Rosneft-Shell Caspian Ventures Limited – 7.5%; BG Overseas Holding Limited - 2%; Eni International N.A. N.V. - 2%; Kazakhstan Pipeline Ventures LLC – 1.75% and Oryx Caspian Pipeline LLC – 1.75%.⁴²

Baku-Tbilisi-Ceyhan (BTC) pipeline

Since October 2008, Kazakhstan started transporting oil by tankers to the Turkish port city of Ceyhan through Georgia and Azerbaijan by using the Baku-Tbilisi- Ceyhan (BTC) pipeline. The security situation in Georgia has had a significant impact on the volume of oil transported to Turkey via Georgia where the political conflict between opposition and President Shaakashvili may lead to instability. On May 27, the radical opposition members blocked the railroads of the Tbilisi Central Railroad Station. On June 2, an explosion took place at the railroad station in Ingiri, West Georgia, which interrupted the movement of passenger and passenger trains for a day. According to experts, the perpetrators of the attack used explosive devices with a clock mechanism.⁴³

The volume of Kazakh transported oil via BTC evenly fluctuated from October 2008 to June 2009. In May, 163,000 tons were exported by Kazakhstan via this pipeline.

⁴¹ See: <http://www.cpc.ru/i/cpc-map-en.gif>

⁴² For more information on the consortium go to official web site of the CPC:
<http://www.cpc.ru/DesktopDefault.aspx?lang=en-US>

⁴³ “Positivnye prognozy na fone negativnoi dinamiki” (Positive prognosis on the negative dynamics background), Giorgi Tsiklauri, «Капитал.kz» № 21 (208), June 4, 2009. Available at:
<http://gazetkapital.kz/neftgaz/4178-pozitivnye-prognozy-na-fone-negativnoj-dinamiki.html>



Kazakhstan Caspian Transportation System (KCTS)

A projected oil transportation link with the Tbilisi-Ceyhan (BTC) pipeline will allow an increase of Kazakhstan's crude oil to flow to Europe via Azerbaijan. An agreement between the State Oil Company of Azerbaijan and the "KazMunaiGaz" Company was signed in November 2008, and its feasibility study was finalized. A new ambitious plan to transport oil from the Kashagan and Tengiz oil fields in Kazakhstan to countries of the European Union should bypass Russia. The plan also included construction of a Caspian port in Kuryk, additional pipelines from the oilfields to a new 729 km pipeline in "Eskene an - Kuryk port", and the building of a new tanker fleet - all of this was to bring additional Kazakh oil to the Tbilisi-Ceyhan (BTC) pipeline. The total cost of the project, excluding construction of tankers, was estimated at nearly US\$ 2.2 billion and was planned to start functioning in 2013.⁴⁴ However, due to project delays and Russian displeasure to bypass them, the KCTS was never fully started. According to Natig Aliiev, Azerbaijan's Energy Minister, his country and Kazakhstan "will construct an oil pipeline under the Caspian Sea to provide additional necessary routes for export of Kazakhstani oil from the offshore supergiant Kashagan field, which has finally entered commercial production after years of delay."⁴⁵

⁴⁴ "Kazakhstan Caspian Transportation System to be launched in 2013," Official web site of Akim's administration of Bostandyk District, Kazakhstan June 8, 2009. Available at:

http://www.bostandyk.almaty.kz/page.php?page_id=161&lang=3&news_id=3670

⁴⁵ <https://www.cacianalyst.org/publications/analytical-articles/item/13407-kazakhstan-and-azerbaijan-plan-an-undersea-trans-caspian-oil-pipeline.html>

Kazakhstan-China Oil Pipeline

Map of the Route⁴⁶



The first and second stages of the transnational pipeline are already completed. The third stage was completed in 2009 and became operational in 2010. This final 761 km link connects Kumkol and Kenkiyak, the final stages of the pipeline. China National Petroleum Corporation (CNPC) and Kazakh State Company KazMunayGaz were the two investors in this US\$ 3 billion project with capacity up to 20 million tons a year. Kazakh oil, from the Kumkol field of the Aktobe region, was pumped through 813 mm wide pipeline into China in May 2006. It marked Central Asia's energy export independence from Russia and became China's first direct source of oil that lessens Beijing's excessive dependence on the narrow 805 km Strait of Malacca, the traditional route for most of China's foreign oil that faces piracy issues.

Chinese National Petroleum Corporation's \$4.18 billion overpriced purchase of PetroKazakhstan in 2005 along with generous loans to Central Asian states and construction of oil and gas pipelines are aimed at securing energy resources in a close and stable neighborhood. The huge economic investment into neighboring states of Central Asia provides political importance to Beijing which is concerned with the presence of American bases and NATO's engagement in the region. And at the same time Beijing tries to weaken Moscow's influence over its former Soviet satellites.

⁴⁶ Source: Kazakh Institute of Oil and Gas: <http://www.king.kz/files/tmp/Image/test/KCP-small.jpg>

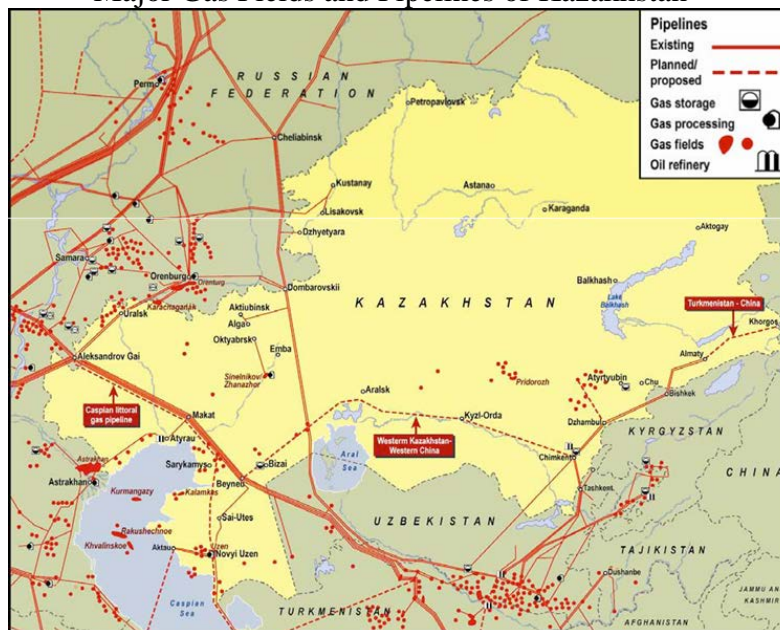
Gas pipelines

The country's natural gas reserves represent about 0.5 percent of the world's reserves.⁴⁷ Most of Kazakhstan's gas reserves are located in the west of the country near the Caspian Sea, with roughly 25% of proved reserves located in the Karachaganak field.⁴⁸

During the Soviet period Kazakhstan was a transit point for natural gas from Turkmenistan and Uzbekistan to Russia, European parts of the Soviet Union and further to the Caucasus. In 2000, Kashagan oil and gas field were discovered and Kazakhstan turned itself into an exporter when these new reserves were found.

The growing need for gas in Europe and China and the increase in prices of these commodities have attracted investment into Kazakh oil and gas sectors. Currently, there are several international projects under development and/or consideration to export Kazakh gas abroad.

Major Gas Fields and Pipelines of Kazakhstan⁴⁹



⁴⁷ <http://www.bp.com/content/dam/bp/pdf/energy-economics/statistical-review-2016/bp-statistical-review-of-world-energy-2016-full-report.pdf>

⁴⁸ "Kazakhstan's gas reserves 1.82 tcm; crude reserves 39.8 billion barrels – BP," Silk Road Intelligencer, June 23, 2009, available at: <http://silkroadintelligencer.com/2009/06/23/kazakhstans-gas-reserves-182-tcm-crude-reserves-398-billion-barrels-bp/>

⁴⁹ Map 1 Major Gas Fields and Pipelines of Kazakhstan, p.35 from "Kazakhstan's Gas: Export Markets and Export Routes," Shamil Midkhatovich Yenikeeff, Oxford Institute for Energy Studies, November 2008. Available at: <http://www.oxfordenergy.org/pdfs/NG25.pdf>

Central Asia-Center Pipeline System⁵⁰



The construction of the first Soviet pipeline to transport Central Asian gas to the north started in late 1960s and was expanded into a five parallel pipeline system. But in the late 1980s Gorbachov's *perestroika* and *demokratizatsiya* preoccupied the minds of inhabitants of the Kremlin and the pipeline expansion ended. The CAC system supplied natural gas from the fields in Turkmenistan and Uzbekistan to the Soviet republics of the northern Caucasus, Russia, Kyrgyzstan and southern Kazakhstan.

After the collapse of the USSR, Kazakhstan and its neighbors became frustrated with Russia's monopoly on oil and gas. Moscow dictated price and volume of export and transit of their commodities and used pipelines as a tool of political manipulations. Such circumstances along with Europe's search for alternative gas supplies and China's growing economy offered energy rich "Stans" new gas markets. In the growing battle over Central Asian energy resources between Europe, China and Russia, Moscow views this pipeline system as strategic economic and geopolitical priority and has tried to revitalize the gas transport link in order to keep the supply of gas to Europe under Kremlin control.

However, Kazakhstan and the other states of the region offer higher gas volumes than what Russia is willing to buy. Kazakhstan has used the CAC system to export its gas but Russia with her CAC system monopoly have become a barrier for Astana to earn more currency from her rich gas fields.

⁵⁰ Official web site of Gazprom Joint Stock Company: <http://eng.gazpromquestions.ru/?id=9>

A significant political blow to the Central Asia-Center pipeline system occurred in April of 2009. On April 8, an explosion of the CAC-4 pipeline branch in Turkmenistan near the Uzbek border occurred. Moscow, one day earlier, decided to cut the import of Turkmen gas (main export commodity) and it decreased pressure in the pipe, which caused the accident. This resulted in significant damage to the Turkmenistan's economic interests. This accident pushed the Turkmen government to aggressively look for alternative markets for natural gas, Ashgabat's major income.

The new gas export route under construction is:

- Trans-Caspian Gas Pipeline

ANTI-CORRUPTION CAMPAIGN—WHAT IS BEHIND?

The growing number of arrests of high profile individuals highlights the confrontation between powerful elites in present day Kazakhstan. President Nazarbaev was able to dominate for a long time thanks to a powerful and ruthless security apparatus. The system used was that of rewarding loyalty and punishing dissent to weaken and empower business and political elites.

A widespread campaign punishing corruption and other financial and economic crimes is used to neutralize the potential threat to Nazarbaev's power. Pressuring powerful political and business figures, and not necessarily those critical of the current regime, is a part of a broader political game used to increase tensions between powerful clans. Regionalism and Zhuz alliances are important ingredients to the mix of rivals for regional and central powers.

Turkmenistan and Uzbekistan government officials control the private sector through relatives or by what they directly own themselves. This direct dependency of business elites on the political establishment was designed to prevent the rise of independent business elites. The government of Kazakhstan (in comparison with the above mentioned countries) allowed independent businesses and tolerated, to some degree, opposition parties, journalists, and NGOs' criticism of Nazarbaev's policies. Kazakhstan's comparative political and economic freedoms allowed local entrepreneurs and bankers to become extremely rich.

The politically and economically more liberal environment produced the new class of wealthy businessmen. Some of them connected with government officials critical of President Nazarbaev, seeing themselves as alternatives to the president. The case of former Prime Minister Akezhan Kazhegeldin was the first high-level official to turn against the president. The former Premier criticized Nazarbaev for strengthening authoritarianism, nepotism, and for his lack of commitment to human rights. He left the official post and got involved in politics but had to flee Kazakhstan in 1998.

The government claims some former officials and current wealthy entrepreneurs turned into oppositional politicians when under investigation, pointing at a prominent businessman and previous Minister of Energy, Mukhtar Ablyazov. Mr. Ablyazov was the chairman of the Board at BTA Bank JSC which was the largest private bank in Kazakhstan and one of the largest private banks in the former Soviet Union. Banker Ablyazov was also one of the founders of an opposition party *Democratic Choice of Kazakhstan* created in 2001. He had to flee Kazakhstan in 2009 when the national security agents resumed the investigation into his business operations. The government has nationalized the BTA Bank which faced insolvency disaster amid the world economic crisis in 2008.

Arrests and reshuffling of the top officials and business executives has become a regular procedure in Kazakh politics. For instance, in November of 2008 the chairman of the Kazakh National Railway Company Zhaksybek Kulekeev was imprisoned for what was reported as accepting bribes in large amounts. Later Serik Burkitbaev, the former head of the oil and gas state company *KazMunaiGaz*, was also sent to prison for allegedly committing economic crimes.

In April 2009, Deputy Defense Minister of Kazakhstan Kazhimurat Maermanov was arrested on charges of buying flawed military hardware from Israel. In late May– early June 2009, the government conducted a series of arrests of senior officials and businessmen on the pretext of corruption and other financial offenses. Dr. Mukhtar Dzhakishev, president of KazAtomProm State Company, was arrested after the financial investigation of BTA Bank JSC. It allegedly discovered illegal practices that led to KazAtomProm's top executive to face charges of large scale embezzlement of state property.

In early June 2009, the State Agency for Combating Economic Crimes and Corruption submitted the criminal cases to the court against ex- Minister for Environmental Protection Nurlan Isakov and his former deputies Zeynulla Sarsembaev and Alzhan Braliev.

The financial police also arrested Birlik Mendybaev, the deputy-chairman of the Agency for Statistics for misappropriation of 764, 8 million *tenge* (approximately US\$ 5 million) that the agency officials claimed were spent for conducting the national census in 2009.

The most scandalous episode of the war on the political elite is the case of Rakhat Aliev, the former son-in-law of President Nursultan Nazarbaev. He served as the deputy chief of the Kazakh Intelligence Service and earned the rank of Major General. Aliev turned against the patron and his father-in-law in 2007 when President Nazarbaev sent him abroad for alleged illegal activities involving racketeering, kidnapping, torture and even the murder of businessmen. Receiving full benefits from a senior government position and access to the inner circle of the president, Aliev became critical of Nazarbaev when the Parliament approved a constitutional amendment in May of 2007 allowing the current president to run for elections with no limit of

terms. Rakhat Aliev, who tried to conceal his uncontrollable ambition to become the next president, realized that he could not come to power as long as his father-in-law was in power, so he turned to the West for asylum as a democrat reformer. Austria dismissed the evidence provided by Kazakhstan against Rakhat Aliev and his associates that they were allegedly involved in criminal activities in Kazakhstan including the abduction of top managers of the Kazakh commercial bank *Nurbank*. This scandalous case is known as *Rakhatgate*.⁵¹ Observers critical of Vienna's decision to keep Aliev free believe Austria uses him as a political asset in EU's negotiations with oil rich Kazakhstan. Rakhat Aliev died in February of 2015 in an Austrian prison awaiting trial on charges of murder. His trial was planned to start in Vienna in first half of year 2015.

Most former government officials and business people arrested by the authorities for alleged criminal activities deny wrongdoing and claim the arrests are politically motivated. President Nazarbaev insists that he is combating corruption – the state policy he announced and launched in 2006. However, the law is obviously not applied equally to all who have engaged in criminal activities, but rather only to those who may pose a danger to Nazarbaev's grip on power. The world economic crisis hit the country and has had a negative impact on the reputation of the president. The timing is convenient and suitable for clamping down on potential dissent. The jailed bankers and top executives of state companies are blamed for the economic difficulties. People associated with Mukhtar Dzhakishev, the president of KazAtomProm State Company, claim the government and international audit firms conducted regular inspections of the state company's operations. If Mr. Dzhakishev was involved in shadowy financial activities he did it on the order of President Nazarbaev himself.⁵² Some observers suspect that the real reason for arresting Mukhtar Dzhakishev is his personal ties with Nazarbaev's first enemy Rakhat Aliev. Aliev has very close personal and business relations with the president's ideological foe Mukhtar Ablyazov. The first statements by the government authorities that the KazAtomProm is involved in criminal financial activities appeared a decade ago although no action took place at that time. Mukhtar Ablyazov's departure abroad threatens to leak information on the involvement of the highest government officials, including the president, in possible machinations that KazAtomProm forced Nazarbaev to change the leadership of the state company which is a strategic asset for the ruling family clan of the president.

The modern political history of Kazakhstan under Nazarbaev is also marked by political assassinations and threats of the regime's ideological opponents and journalists critical of the authorities. In November of 2005, Zamanbek Nurkadilov, a prominent opposition leader and former governor of Almaty province was found shot dead. Many ordinary citizens and the prominent figures of civil society, including opposition figures and independent media suspected

⁵¹ More information on this case can be found at the web site "The Surgeon's Case" at <http://rakhataliyev.com/en/item.php?item=1019>

⁵² Anonymous email interviews with the employees of KazAtomProm State Company, June 2009.

he was murdered on the order of Rakhat Aliev (president's son in law) who then held the post of the Deputy Chairman of National Security Committee. However, the official investigation concluded the vocal critic and a potential political rival of the president committed suicide and the case was closed.

In 2006, another influential contender for the post of president Altynbek Sarsenbaev, the leader of the opposition party Naghz Aq Zhol (from Kazakh means True Bright Path), was shot along with his two assistants. Erzhan Utembaev, the chief of staff of the Kazakh Senate, wrote a letter to the president accusing himself of murdering the president's opponent. He and nine officers of the National Security Committee were imprisoned for an alleged personal dispute murder, but many experts believe Erzhan Utembaev and officers of the security service were victims of President Nazarbaev's war on powerful rivals. Other observers suspect that Rakhat Aliev targeted his future competitors but the president, his father-in-law, had to cover his ambitious and vicious relative because they both were "in the same boat." Chairman of the political council of the Atameken opposition party, Erzhan Dostmukhamedov, requested President Nazarbaev openly to investigate the involvement of his other son-in-law Kulibaev in the murder of Altynbek Sarsenbaev. Analysts say both men – Rakhat Aliev and President Nazarbaev possess enormous compromising materials against each other but can't reveal all they know as it can hurt both parties. Aliev's new book "Godfather-in-law" published in 2009 in Europe and banned in Kazakhstan, fails to tell the whole story about President Nazarbaev.

Despite a more open political system than Turkmenistan or Uzbekistan, these murder cases indicate what tactics Kazakh authorities have used and are willing to use to preserve their power. Although Nazarbaev was reelected in 2012, as the amendment to the Constitution gives him the right to do for an unlimited number of terms, the ambitions and resources of other powerful figures may constitute a significant threat to his power in the future. In June 2000, legislation was passed that granted himself and family lifelong rights and blanket immunity to any future charges.

ACTIVIZATION OF CLAN NETWORKS RIVARLY—A SOURCE OF INSTABILITY

Local and regional experts explain the nationwide reshuffling of government officials, arrests of prominent business people and political assassinations as the battle between powerful clans over political, economic and administrative resources and ultimately – over the post of the presidency. As some observers predict the country is in the wake of anticipated change of cabinet of ministers, including the prime minister.

The diminished resources of the elites amid the global economic crisis, which has had a significant effect on Kazakhstan's economy and on the stability of elites, has sharpened tensions

between the groups trying to seize and obtain political and economic power.

The clan rivalry leads to negative consequences for economic recovery, and more importantly, international investment confidence. Presently, the President is preoccupied with trying to balance power between the elites and pacify rising social tensions. Understanding the traditional and modern clans, based on family, region, personal loyalty, political and business interests is key in predicting Kazakhstan's internal political trajectory which affects foreign policy and regional stability. Although not likely, it is important to consider which clans will shape Kazakhstan's politics if Nazarbaev decides to depart or is unable to resist the growing pressure from other influential groups? There are two major types of alliances - the traditional tribal alliance, or Zhuz system and the modern political/economic power grab represented by political, regional and business figures. Thanks to capitalist injections into post-tribal and post-Soviet Kazakh society, both networks can include a mixture of players.

TRADITIONAL TRIBAL GROUPING: THREE ZHUZ (HORDE)

Despite common Mongoloid physical features Kazakhs have diverse ethnic origins, including Turkic, Mongol Indo-Iranian groups and Arabs (spreading Islam in Central Asia during the 8th century).

Most of ethnic Kazakhs belong to one of three Zhuz (hordes): Uly Zhuz (the Great/Senior Horde), Orta Zhuz (the Middle Horde) and Kishi Zhuz (the Small/Young Horde). Some scholars argue each zhuz originates from the family of three sons of the mystical forefather of Kazakhs. The names of the hordes do not represent the size, but the age superiority of these brothers who became the founders of the modern Kazakh nation. Other scholars believe steppe nomadic Kazakhs built territorial confederations of tribes in the 1600s to be able to control the areas of the disintegrating Kazakh Khanate which were being seized by neighboring khans. Each zhuz consisted of many tribes which were further divided into clans. The Great/Senior Zhuz consists of the Alban, Dulat, Zhalair, Kanly, Oshakty, Suan, Shaprashty, Ysty, Srgeli and Sary-Uysun tribes. President Nazarbaev is from Shaprashty (which is considered a less important group) tribe of the Great/Senior Zhuz. The Middle Horde is represented by Argyn, Kerey, Kypshak, Konrat, Nayman and Uak tribes. The Young/Small Confederation includes Alimuly, Bayuly and Zheteru. Each Zhuz was ruled by Khan and had a separate army. Brotherly relations were sometimes marked by bloody conflicts. Geographically the zhuzes populated the area of modern Kazakhstan in the following locations: the Great/Senior Zhuz occupied the region located south of the Lake Balkhash, known as Semirechye ("Land of the Seven Rivers;" in Russian). The tribes of the Middle Zhuz resided in central and eastern parts of the country and the Young/Small Zhuz controlled western Kazakhstan.⁵³

⁵³ For the detailed map of Kazakh Zhuz and clans see separate attachment to this document or the web site http://www.brief.kz/eng/maps/pdf/Kz_Tribe_e.pdf

The map is produced by "Brief" Research Group based in Kazakhstan.

Kazakhs who descend from *Tore* (Genghis Khan) or *Khaji* (the first four Khalifas following Prophet Muhammad and Arabs missionaries who spread Islam in the region), and descendants of Jungar (Kalmyk) war prisoners are not members of the zhuz.

The Soviets tried to erase the Zhuz identity by substituting it with the universal Soviet citizen identity. Despite the formal equal status of all peoples and ethnicities residing in the Soviet Union the passport would still bear one's nationality; with separate ethnicities, ranks were given to different ethnic groups. The inability or unwillingness to genuinely dismantle the tribal network system during the 70 years of Sovietization and Russification, sharpened the rivalry between zhuz. After the collapse of the Soviet Union the newly elected first president of Kazakhstan Nursultan Nazarbaev tried to strengthen his grip on power by balancing influence between the local elites that have built powerful political and financial groupings guaranteeing access to resources and to the President.

Today the role of zhuz in cadre politics is more important on regional levels. In the capital, the traditional tribal networks are largely substituted by alliances built on personal ties and common political/business interests.

MODERN POLITICAL AND BUSINESS ALLIANCES

There are several powerful political-business alliances that compete for influence over the president. Nursultan Nazarbaev's family clan is the dominant grouping among the rival elites.

President Nazarbaev Family Clan

Dariga and Dinara are two of three daughters of the president who are known for their political and/or financial activism and for their enormous wealth.

Dariga Nazarbaeva, Oldest Daughter of President Nazarbaev⁵⁴



Nazarbaev's oldest daughter Dariga, ex-wife of Rakhat Aliev, was the head of the news agency

⁵⁴ <http://www.telegraph.co.uk/telegraph/multimedia/archive/00579/news-graphics-2004-579550a.jpg>

Habar (news) from 2001- 2006 and was chairwoman of the Congress of journalists. She politically supported her father by forming the political party *Asar*, which in 2006 merged with the pro-Nazarbayev party Otan dominating the parliament. She and her son Nurali are major share holders of the Nurbank. Dariga was viewed as the president's first pick to run the country after his departure. However, her criticism of policies was viewed as support for her late-husband Rakhat Aliev's political ambitions whom she divorced in 2007 before his death. This reduced her chances to receive political support from her father who began to doubt his eldest daughter's true loyalty. The once politically and financially powerful tandem of Rakhat and Dariga was significantly weakened amid *Rakhatgate*. However, she is now again viewed as potential successor and on 11 September 2015 she was appointed deputy prime minister of Kazakhstan.

Dinara Nazarbaeva-Kulibaeva, Middle Daughter of President Nazarbaev⁵⁵



Middle daughter Dinara Kulibaeva (Nazarbaeva) was director of the Educational Foundation named after her father, President Nazarbaev. She is married to Timur Kulibae, a politically powerful billionaire businessman. According to Forbes, their net worth is US\$ 2. 7 billion, made the world's #428 billionaires in 2008.⁵⁶ Dinara and her husband are major shareholders of the Halyk Bank, the third-largest bank in the country. She is not involved in politics like Dariga and professionally focuses on issues of public and private education in Kazakhstan. She is known for avoiding the press and not posing for photographs.

⁵⁵ <http://www.forbes.com/profile/dinara-kulibaeva/>

⁵⁶ http://www.forbes.com/lists/2008/10/billionaires08_Dinara-Kulibaeva_USQ0.html

Timur Kulibaev, Dariga's Husband and Son-in-Law of President Nazarbaev



Timur Kulibaev, Dariga's husband and son-in-law of President Nazarbaev, is considered to be among the possible candidates to succeed Nazarbaev. Timur is a member of the inner circle of the family of the president. Nazarbaev was irritated with Kulibaev's out of marriage relationship with Goga Ashkenazi (maiden name Gauhar Berkalieva, an ethnic Kazakh residing in the United Kingdom) who gave birth to Adam, third son of Timur. His overtures with expensive foreign escorts who fly on Kulibaev's private jets to join his lavish parties, stains the reputation of the president's family. On May 21, Timur was appointed chairman of the Board of directors of KazMunayGas company, Kazakhstan Temir Zholy (Kazakhstan Railways JSC)⁵⁷ and SamrukEnergo which are subsidiaries of Kazakhstan's State Holding for Management of State Assets.⁵⁸

Previously Kulibaev held a key position in oil and gas sectors which allowed him to generate a significant amount of political power and wealth. He and his spouse Dinara are primary shareholders of the Halyk Bank. They were named the world's #428 billionaires in 2008. Timur who tried to better his family ties by expressing loyalty to Dinara improved his image in the eyes of the president elevating his chances to receive Nazarbaev's blessing when he decides to step down.

⁵⁷ The official web site of the national company: <http://www.railways.kz/>

⁵⁸ More information on the holding can be obtained from its official web site of the holding: <http://www.samruk.gov.kz/page.php?lang=2>

The 2016 World's Billionaires from Kazakhstan⁵⁹

<u>Rank</u>	<u>Name</u>	<u>Citizenship</u>	<u>Age</u>	<u>Net Worth</u>	<u>Residence</u>
771	Bulat Utemuratov	Kazakhstan	58	\$2.3 B	Astana, Kazakhstan
906	Timur Kulibaev	Kazakhstan	49	\$2 B	Almaty, Kazakhstan
906	Dinara Kulibaeva	Kazakhstan	48	\$2.1 B	Almaty, Kazakhstan
1198	Alijan Ibragimov	Kazakhstan	62	\$1.72 B	Almaty, Kazakhstan
1198	Vladimir Kim	Kazakhstan	55	\$1.48	Almaty, Kazakhstan

Aliya, Youngest Daughter of President Nazarbaev⁶⁰



Aliya, the youngest daughter of President Nazarbaev, is considered the least interested in a public career. She prefers to focus on her business constructing apartment buildings and other facilities for the elite and is also a professional singer. She spent many years in the West where she received her education. She speaks English, German and Russian. In 1998, at the age of 18 she married Aidar Akaev, son of the then president of Kyrgyzstan Askar Akaev. Soon the couple divorced and in 2002 Aliya married Daniyar Khasenov, a professional soccer player for *Lokomotiv* team and one of the managers of the Kazakhstan Temir Zholy a national company.

She is the chairperson of the board of directors of ElitStroy and owns a spa center. Despite her many talents, Aliya did not try politics and, so far, has not been considered a potential candidate

⁵⁹ http://www.forbes.com/billionaires/#/version:static_country:Kazakhstan

⁶⁰ http://www.exclusive.kz/i_data/1173070791.jpg

for her father's post. Her husband Daniyar Khasenov is a small player.

President Nazarbaev's Other Relatives and Children

Many of President Nazarbaev's extended family hold key positions in public offices, particularly in law-enforcement, and the private sector. Sarybay Kalmurzaev, Kayrat Satybaldy, Nurali Aliev, Samat Abish, Svetlana Nazarbaeva, and Bolat Nazarbaev – is a partial list of Nazarbaev family clan which professionally and personally benefit and guard the father of the clan – Mr. Nazarbaev.

According to Rakhat Aliev, President Nazarbaev hides two other wives besides Sara, his first wife. Gulnara Rakisheva who was a flight attendant of the president in 1996 later became his second wife and gave birth to two daughters.⁶¹ After a few years the relationship cooled down and since 2004 Gulnara has been living in Spain. Nazarbaev's third wife is Asel Isabaeva, 28, former Miss Kazakhstan 1999. In 2005 she gave a birth to Nazarbaev's first son in a clinic in Turkey. Rakhat Aliev claims Nazarbaev intends to install his only son as the next president in 2035 when his offspring will turn 30. Although Aliev's claim is aimed at instigating public anger at Nazarbaev, this alleged plan to stay in power until 2035 is not realistic - Nazarbaev would be 95.

According to unconfirmed reports the personal wealth of president Nazarbaev is estimated at no less than US \$15 billion.

Other Powerful Politicians

Imangali Tasmagambetov, Ambassador to Russia, Former Mayor of Kazakh Capital Astana



⁶¹ Rakhat Aliev, the newly published book "Godfather-in-law" available at : <http://www.europolar.info/2009/06/5-2.html>

Imangali Tasmagambetov – former mayor of Kazakh capital Astana, former mayor of Almaty (2004-08), Prime Minister (2002-03), and has held other important positions. People close to Tasmagambetov and locals of Atyrau believe this representative of the Young/Small Zhuz is the next president of Kazakhstan. His ambitions to follow Nazarbaev are widely known and some local experts believed Tasmagambetov's transfer to then Mayor of Astana was not a promotion but Nazarbaev's strategy to keep this ambitious politician under control. Tasmagambetov in the Aliev – Kulibaev clan rivalry was an ally of Kulibaev. As a separate player in the game over the throne, Imangali Tasmagambetov is considered by many as the second most powerful figure after Kulibaev.

Prime Minister Bakytzhan Sagintayev



In addition to serving as the Prime Minister, Bakytzhan Sagintayev, was appointed the chairman of the National Welfare Fund “Samuruk-Kazyna,” which owns wholly or in part many important companies in the republic.⁶² He has served in multiple government positions including Deputy Chairman of Small Business Agency, as the Governor of Pavlodar region, Minister of Economic Development and Trade of Kazakhstan, and First Deputy Head of the National Democratic Party.⁶³

⁶² <http://kazworld.info/?p=59465>

⁶³ <http://kazworld.info/?p=59465>

Sarybay Kalmurzaev



Sarybay Kalmurzaev – manages president’s affairs at the administration of President Nazarbaev. Former chairman of the Agency fighting against economic crimes and corruption (often called “the financial police”). In the past also held important government positions such as deputy head of administration for the president, chairman of the State Committee for the management of state property, deputy chairman of the State Statistics Committee. Kalmurzaev is considered amongst the wealthiest people in the country and is a trusted government official of Nazarbaev.

Adilbek Dzhaksybekov



Head of administration of the President, former mayor of Astana is considered a possible candidate for the next prime-minister. He had been Astana’s mayor since October 2014. His appointment to the Head of administration of the President is not surprising since he has previously served in the same position from 2004–2008. His other prominent roles include serving as the secretary of state, defense minister, ambassador to Russia, and minister of industry and trade.

Umurzak Shukeev



Served as a mayor of Astana, governor of South Kazakhstan province, deputy head of the administration of president, minister of economy. Shukeev who is viewed as candidate for the president's post belongs to Great/ Older Zhuz; according to unofficial sources his personal wealth is estimated at nearly US \$1 billion.

The future major reshuffling of key government officials including the prime minister are expected in Kazakhstan.⁶⁴ The major aim of these cadre maneuvers, according to the president's plans, is to weaken potential rivals by the election year and to balance the power of clans whom Nazarbaev wants to see fighting against each other rather than himself.

KAZAKHSTAN'S CHAIRMANSHIP IN OSCE IN 2010

In 2010, Kazakhstan assumed the chairmanship of the Organization for Security and Cooperation in Europe. Although Kazakh government officials claim the country implements pro-democratic reforms, but needs a gradual approach,⁶⁵ the reality on the ground proves just the opposite: restrictive rules for political party registration and limits on freedom of expression. Problems with conducting free and fair presidential and parliamentary elections clearly indicate Astana's further move towards authoritarianism.

U.S. Representative Alcee Hastings, a Florida Democrat, talking to journalists at a press conference in Astana on July 1, 2008 warned that "It is imperative that the [Kazakhstani] government undertake concrete reforms on human rights and democratization to demonstrate to the international community and to Kazakhstan's civil society that they [officials] are ready to assume the [OSCE] chairmanship."⁶⁶ The then-deputy chief of the U.S. mission to the OSCE,

⁶⁴ Email interviews with officials from Astana, late May – mid-June 2009.

⁶⁵ For instance Kazakh Ambassador Erlan Idrissov's presentation on security on Central Asia at James Martin Center for Nonproliferation Studies, MIIS, April 2, 2009.

⁶⁶ Eurasia Insight: "KAZAKHSTAN: NAZARBAYEV HINTS THAT DEMOCRATIZATION WILL

Kyle Scott, admitted to RFE/RL's Kazakh Service in late June of 2008 that "Until now I have to say we haven't seen as much progress as we would have liked," Scott said, "but the year is not over and I am optimistic that in the second half of the year we will see further progress by the government of Kazakhstan."⁶⁷

However, eventual developments in Kazakhstan proved Nazarbaev's interest at the OSCE's Parliamentary Assembly session in Astana in late June 2008. His speech about human rights and democracy was given towards the end of Kazakhstan's chairmanship agenda at the OSCE. Kazakhstan's Senate Speaker Qasymzhomart Toqaev was more explicit in describing Kazakhstan's vision of OSCE who believes it was a "security organization and not a human rights, or an election- monitoring organization."⁶⁸ Russia and its former Central Asian colonies have been trying to dismantle the Office for Democratic Institutions and Human Rights, the democratization arm of the OSCE. Unwilling to accept America's criticism, Askar Tazhiyev, then charge d'affaires at the Kazakhstan Embassy in Washington, rebuffed the critical comments made by the U.S. legislators at the congressional hearing and went on the offensive saying, "It is very offending to us to hear when someone continuously doubts the sincerity of Kazakhstan's efforts to further our own goals and priorities coinciding with the international community's ones."⁶⁹

Although it is obvious that Kazakhstan does not fulfill its obligations and pledges,⁷⁰ neither EU nor the United States risked preventing Astana from presiding over the OSCE due, in part, to the importance of Kazakh state in Eurasian security and fossil energy supply.

Europe's efforts to provide energy resources from gas and oil rich Central Asia, bypassing Russia and NATO's dependence on Central Asian governments to deliver non-military cargo to Afghanistan, shifted the West's policy in the region towards Realpolitik relationship vis-à-vis rulers of former Soviet states of Central Asia.

TAKE BACK SEAT ON OSCE AGENDA," Joanna Lillis: July 9, 2008 Available at:
http://www.eurasianet.org/departments/insight/articles/eav070908_pr.shtml

⁶⁷ Eurasia Insight: "U.S. ENVOY TO OSCE SAYS KAZAKHSTAN LAGGING IN REFORMS," June 26, 2008, <http://www.eurasianet.org/departments/insight/articles/pp062608.shtml>

⁶⁸ EurasiaNet: "RUSSIA AND KAZAKHSTAN STRIVE TO PUT OSCE DEMOCRATIZATION ARM IN A SLING," Jean-Christophe Peuch, July 2008. Available at
<http://www.eurasianet.org/departments/insight/articles/eav071408.shtml>

⁶⁹ EURASIA INSIGHT: "KAZAKHSTAN: ASTANA DIPLOMAT, ON THE HOT SEAT, GIVES US CONGRESSMEN AN EARFUL," Joshua Kucera, July 25, 2008. Available at:
<http://www.eurasianet.org/departments/insight/articles/eav072508.shtml>

⁷⁰ For instance Foreign Minister Tazhin promised in November of 2007 at the OSCE Ministerial Council in Madrid that the government would liberalize the registration requirements for political parties, reform the law on elections, the media law, and incorporate recommendations by the Office for Democratic Institutions and Human Rights (ODIHR) in election legislation.

Kazakhstan's chairmanship of the organization was viewed in Central Asia as the West's card to please Astana for the sake of geo-strategic interests of Washington and Brussels.

U.S.— KAZAKHSTANI RELATIONS

The Russian-Georgian conflict over Abkhazia and Southern Ossetia intensified U.S. – Russia's rivalry over the influence in energy rich Central Asia. But over the last decade visits of world-class political figures to Astana indicated Kazakhstan as an important country for the geo-strategic interest of the major global and regional powers.

While Washington attempts to neutralize Moscow's efforts in bringing Astana under the Kremlin's orbit, President Nazarbaev long seemed willing to satisfy Russia's demands for more loyalty from her neighbors. At the briefing with journalists following then-Secretary Rice's meetings with Kazakhstani leaders in Astana in October of 2008, Kazakh Foreign Minister described the relationship with the United States as stable and of strategic character but the relations with Russia Mr. Tazhin characterized as, "just like excellent and very politically correct." "Russia is our strategic partner," he added.

Kazakhstan, Turkmenistan and Uzbekistan refused to sign the Nabucco Declaration at the "Southern Corridor-New Silk Road" summit in Prague in early May of 2009. Russia's negative stance towards the strategic energy project and particularly after the Russian-Georgian conflict, the Central Asian leaders need to seriously consider Russia's position. The "Russian-Georgian conflict syndrome," eliminated the illusion that the West, and particularly the United States, will militarily intervene to defend their pro-Western allies. This need has shifted the world assessment of Central Asian leaders worried about the stability of their personal regimes. The outcomes of the war - a significant psychological victory for Russia that even Azerbaijan (having anti-Russian posture amid the Armenian-Azeri conflict) now seeks warm relations with the "Russian Bear."

Russia's willingness to employ military means in protecting its "privileged interests" in her "southern backyard" has just, once again, been emphasized in the new "national security strategy up to 2020." The document was signed by then-President (Now Russian Prime Minister) Medvedev on May 12. The Russian Government predicts that, "In conditions of rivalry for resources the resolving of problems by use of military power is not excluded – the established balance of power near the borders of the Russian Federation and borders of her allies can be broken." Medvedev considered the development of close ties with the Commonwealth of Independent States as a priority in Russian foreign policy. Key concerns of national security for Kazakhstan are its dissatisfaction with the course of relations, security of its northern borders (6,846 km border with Russia) and the mood of the large Russian Diaspora in Kazakhstan.

There are other important factors influencing the U.S. - Kazakhstan relations. Kazakhstan, although reluctant to accept independence of Abkhazia and Southern Ossetia, fully supported the intervention of Russian troops into Georgia in August. During his press conference with President of Latvia Valdis Zatlers in Astana on October 10, 2008 President Nazarbaev stated he “understands the actions of Russia after Georgia attacked Southern Ossetia.” “I am personally a witness that Georgia started first,” added Kazakh president.⁷¹ Director of Kazakhstan Institute of Strategic Studies under the President of Kazakhstan Bulat Sultanov said, “Georgia’s aggression against Southern Ossetia is a genocide of Georgia against the people of Southern Ossetia” while addressing the third high level Russian-Kazakhstan conference on bilateral relations held in Almaty in late September.⁷²

On September 22, 2008 Kazakhstan’s Agriculture Minister Akyrbek Kurishbaev announced that his country had canceled plans to build a grain terminal in Georgian port Poti. “This issue now is linked with international problems, with the situation in Georgia,” Mr. Kurishbaev explained.⁷³ According to Reuters, the Kazakhs had previously told the Georgians, “Astana had no intention of putting the investment project in danger but that Kazakh companies decided to abandon investment plans in Georgia, while others continue to invest in our country,” acknowledged First Deputy Economy Minister of Georgia.⁷⁴ Kazakhstan exports 6 million tons of wheat via the Russian and Ukrainian Black Sea ports. Earlier, Kazakhstan’s National Company “KazMunayGaz” stated it had abandoned the idea of building an oil refinery in Batumi sea port in Georgia. Before cancellation of these two investment projects, Kazakhstan was considered Georgia’s second largest investor after the United States.

To reward Kazakhstan’s support for Russia on the crisis in the Caucasus, the Kremlin signed eight documents, at the fifth jubilee border region forum of the Russian Federation in Kazakh city of Aktobe on September 22, 2008, chaired by the Kazakh and Russian presidents. The forum served as a catalyst for closer ties which promises significant economic and political gains for Kazakhstan. Economic benefits of closer ties with Russia is a significant determinant in the decision making process.

Kazakh leadership official statements, although carefully worded, was critical with regards to its

⁷¹ “Nursultan Nazarbaev svidetelstvuet chto Gruziya napala pervoi”

(“Nursultan Nazarbaev witnesses that Georgia attacked first,” in Russian), October 3, 2008. Available at: <http://news.ng.ru/2008/10/03/1223025443.html>

⁷² “Eksperty Kazakhstana i Rossii vnov obratilis k analizu dvustoronnix otnosheniy” (“Experts from Kazakhstan and Russia again turned to analysis of bilateral relations,” in Russian), September 26, 2008, Available at: http://panorama.vkkz.com/index.php?option=com_content&task=view&id=4392&Itemid=1

⁷³ “Gruziya stalkivaetsa s izolatsiei” (“Georgia faces isolation,” in Russian), ‘Vzglad’ Russian newspaper, September 22, 2008. Available at: <http://www.vz.ru/economy/2008/9/22/210668.html>

⁷⁴ “Kazakhs Drop Georgian Port Plan, Citing Instability,” September 22, 2008 Available at: http://www.rferl.org/content/Kazakhs_Drop_Georgian_Port_Plan_Citing_Instability/1201911.html

relations with Moscow and Washington. There is discontent in Astana regarding America's criticism of Nazarbaev's commitment to implement political and economic reforms. The ongoing bribery scandal of "Kazakhgate" inflicted enormous damage to reputation of President Nazarbaev and his government and it is another major issue that impedes smoother relations between the United States and Kazakhstan.

Dariga Nazarbaeva, the elder daughter of Kazakh president hired 'GlobalOptions Management,' an affiliate of Washington consulting firm 'Global Options Group Inc.' to gather information on the process of a bribery investigation that may have negative political implications for the Nazarbaev's family and his close associates. This again underscores the importance Nazarbaev gives to his image on the international stage.

The authors of the Wall Street Journal, revealed the story about Dariga Nazarbaeva's intelligence operation. With the help of a well-connected private security consultant in Washington, WSJ asserted that the investigation is in the minds of Kazakh authorities. The effort underscores how concerned Kazakh leaders were with the bribery investigation, which had been an impediment to broader ties with the U.S.⁷⁵

The U.S. Government has been vocal [with support of many local opposition groups, international and local independent media, NGOs and think tanks] in criticizing the Kazakh government's performance in political and economic reform. Europeans have been promoting warm relations with Kazakhstan and other Central Asian countries to secure their economic interests. Hearings in the United States Congress have signaled concern over the lack of progress on promises made by Astana's to conduct democratic reforms.

The Government of Kazakhstan has been concerned with its image on the international arena and it undertook PR campaigns abroad. One such effort was discovered in the U.S. press. To improve the image of the government, Kazakhstan's emissaries paid both the Central Asia-Caucasus Institute at Johns Hopkins University and the Washington lobbying firm 'APCO Worldwide' to produce positive reports on Kazakhstan. The ABC report claims "The payments, brokered through the government's Washington lobbying firm, APCO Worldwide, were part of Kazakhstan's broader effort to bring attention and burnish its image inside the Beltway."⁷⁶ Ken Silverstein, another investigator of Kazakhstan's image making efforts in Washington, states, "Kazakh government paid CACI about \$26,000 per study".⁷⁷

⁷⁵ "Kazakh Leader's Daughter Monitored U.S. Bribe Case: Washington Firms Were Used to Gather Information on Probe," GLENN R. SIMPSON, SUSAN SCHMIDT and MARY JACOBY, May 12, 2008. Available at: http://online.wsj.com/article_email/SB121056056698384341-1MyQjAxMDI4MTEwMjUxNjIwWj.html

⁷⁶ "Kazakhstan Pays for Academic Reports: Johns Hopkins Institute Says It Had Complete Independence," Emma Schwartz, September 29, 2008. Available at <http://abcnews.go.com/print?id=5908348>

⁷⁷ "Lobbyists and Fred Starr Team Up to Promote Kazakhstan," Ken Silverstein, Harper's Magazine, October 1, 2008. Available at <http://harpers.org/archive/2008/10/hbc-90003642>

The promotion of Nazarbaev's personal prestige, and his chairmanship of the OSCE (Organization for Security and Cooperation) in Europe in 2010, did not go smoothly. The American government was cautious in approving Kazakhstan's candidacy, given that country's poor human rights and democratization record. The United States has been promoting economic reforms, democracy and human rights since the birth of independent Republic of Kazakhstan. Now however, the Kazakh leadership is less tolerant of internal and outside criticism - Nazarbaev feels more confident in himself, thanks to his country's vast natural resources and geostrategic location that brought economic growth and leverage to Kazakhstan. His importance gives him an opportunity to exploit the situation visa-via Russia and the United States.

President Nazarbaev understands that the President of Uzbekistan was forgiven by the West for his massacre of innocent people in Andijan in 2005 and the absence of political and economic reforms in his country. Therefore, Nazarbaev feels he should not be humiliated by the on-going corruption investigation by the US Department of Justice on the Kazakh president himself and his high-ranking officials in cabinet.

Central Asian leaders have been anxious about their image abroad and particularly in the West, which explains the cosmetic reforms aimed at outsider perceptions. A positive image abroad gives them more legitimacy at home. Nazarbaev has been able to secure his position through successful economic policies and some shadowy political measures. In combination with his growing wealth and the rich energy resources of the country, Nazarbaev has elevated his self-assessment which makes outside players harder to deal with him on others' terms.

Despite Kazakhstan's high value, the U.S. should not surrender to Nazarbaev's refusal to deliver genuine reforms. The US and its European partners should foster the firm stand that the West will not tolerate any further steps towards authoritarianism. After the Russia-Ukraine conflict over energy prices in late 2005 – 2006 raised concerns about energy security in Europe, the EU became more tolerant of Central Asian authoritarian regimes. Search of alternative gas and oil supply to Europe explains Germany's bridging role in improving ties between the West and Central Asian leaders despite their repressive and corrupt practices.

The geostrategic importance of the region and continued efforts to fight terrorism in Afghanistan is another influence shaping the West's positive view towards the "Stans." OSCE members' approval of Kazakhstan's candidacy for chairmanship in 2010 was also motivated by the importance of the country for energy security in the West.

APPENDIX I

LINKS TO NEWS AND RESOURCES ON KAZAKHSTAN/CENTRAL ASIA

News on Kazakhstan/Central Asia in English and Russian

Information Agency Ferghana.ru:

<http://www.ferghana.ru/>

EurasiaNet:

<http://www.eurasianet.org/index.shtml>

CentralAsiaNews:

<http://en.ca-news.org/>

News on Kazakhstan/Central Asia in Russian:

Russian news web site Centrasia.ru:

<http://www.centrasia.ru/>

News on Kazakhstan/Central Asia in English:

RFE/RL in English:

<http://www.rferl.org/section/Kazakhstan/158.html>

BBC Asia:

<http://news.bbc.co.uk/2/hi/asia-pacific/default.stm>

Institute for War & Peace Reporting:

http://www.iwpr.net/?p=rca&s=f&o=346738&apc_state=henprca

The Times of Central Asia:

<http://www.timesca.com/>

CentralasiaNews.net:

<http://www.centralasianews.net/>

Transitions On Line News:

<http://www.tol.cz/look/TOL/section.tpl?IdLanguage=1&IdPublication=4&tpid=16>

Turkish Weekly:

<http://www.turkishweekly.net/category/5/central-asia.html>

Central Asia – Caucasus Institute Analyst:

<http://www.cacianalyst.org/>

News on Kazakhstan in Kazakh:

RFE/RL in Kazakh:

<http://www.azattyq.org/>

Analytical Reports

International Crisis Group:

<http://www.crisisgroup.org/home/index.cfm?id=1251&l=1>

Russian and Eurasian Security Network:

<http://www.res.ethz.ch/news/sw/index.cfm>

National Bureau of Asian Research:

<http://www.nbr.org/>

RAND Center for Asia Pacific Policy:

http://www.rand.org/international_programs/capp/pubs/central.html

Regional International Organizations

Shanghai Cooperation Organization:

<http://www.sectesco.org/>

Eurasian Economic Community:

<http://www.evrazes.com/>

Collective Security Treaty Organization:

<http://www.dkb.gov.ru/>

Government Agencies and Ministries

Official Web site of the Office of the President of Kazakhstan

www.akorda.kz

Official Web site of the Government

www.government.kz

Ministry of Foreign Affairs

www.mfa.kz

Ministry of Agriculture

www.minagri.kz

Ministry of Defense

www.mod.kz

Ministry of Education and Science

www.edu.gov.kz

Ministry of Environment Protection

www.nature.kz

National Environmental Action Plan for Sustainable Development

www.neapsd.kz

Ministry of Finance

www.minfin.kz

Ministry of Health

www.dari.kz

Ministry of Internal Affairs

www.mvd.kz

Ministry of Industry and Trade

www.mit.kz

Ministry of Labor and Social Security

www.enbek.kz

National Security Committee

www.knb.kz

Agency on Information and Communications

<http://www.aic.gov.kz>

Kazinvest - the official investment promotion agency

www.kazinvest.kz

Kazpost National Postal Service

www.kazpost.kz

Parliament of Kazakhstan

www.parlam.kz/

Central Election Commission

www.election.kz and www.kazelection2004.org

National Bank of Kazakhstan

www.nationalbank.kz

Foreign Investors Council under the President of Kazakhstan

www.fic.kz

Investment Fund of Kazakhstan

www.ifk.kz

Kazakhstan Development Bank

www.kdb.kz

Kazakhstan Contract Agency

www.kca.kz

National Innovation Fund of Kazakhstan

www.nif.kz

US—Kazakhstan Commerce

United States-Kazakhstan Business Association

www.uskba.net

BISNIS Online

www.itaiep.doc.gov/bisnis/bisnis.html

US-Kazakhstan Chamber of Commerce

www.uskazakhstanchamberofcommerce.8k.com

Almaty Business Communications Centre

www.almatybcc.kz

News Agencies and Newspapers

Khabar News Agency

www.khabar.kz

“Kazakhstanskaya Pravda” daily newspaper
www.kazpravda.com

“Express-K” newspaper
www.express-k.kz

Kazakh Information news agency
www.inform.kz

“Kazakhstan Today” news agency
www.gazeta.kz

“Argumenty i Fakty Kazakhstan weekly” newspaper
www.aif.kz

“Delovaya Nedelya” weekly newspaper
www.dn.kz

“Liter” newspaper
www.liter.kz

“Novoe Pokolenie” weekly newspaper
www.np.kz

Panorama weekly newspaper
www.panorama.kz

“Vremya weekly” newspaper
www.time.kz

“Continent” analytical magazine
www.continent.kz

“Nomad” web site
www.nomad.su

Information about Kazakhstan
www.site.kz

Link to sites about Kazakhstan

<http://welcome.to/kazakhstan>

Kazakhstan Development Gateway
www.kazakhstan-gateway.kz