

**CENTRAL ASIA PROJECT**

**STABILITY IN CENTRAL ASIA:  
ENGAGING KAZAKHSTAN**

**A REPORT ON  
(with Policy Recommendations)  
U.S. INTERESTS IN CENTRAL ASIA  
AND  
U.S.-KAZAKHSTAN RELATIONS**



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## *Our Mission*

The National Committee on American Foreign Policy was founded in 1974 by Professor Hans J. Morgenthau and others. It is a nonprofit activist organization dedicated to the resolution of conflicts that threaten U.S. interests. Toward that end, the National Committee identifies, articulates, and helps advance American foreign policy interests from a nonpartisan perspective within the framework of political realism.

American foreign policy interests include

preserving and strengthening national security;

supporting countries committed to the values and the practice of political, religious, and cultural pluralism;

improving U.S. relations with the developed and developing worlds;

advancing human rights;

encouraging realistic arms-control agreements;

curbing the proliferation of nuclear and other unconventional weapons;

promoting an open and global economy.

Believing that an informed public is vital to a democratic society, the National Committee offers educational programs that address security challenges facing the United States and publishes a variety of publications, including its bimonthly journal, *American Foreign Policy Interests*, that present keen analyses of all aspects of American foreign policy.



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# FOREWORD

*The National Committee on American Foreign Policy (NCAFP) initiated a Project on Central Asia after 9/11 to focus on U.S., Russian, and Chinese interests in the former Soviet Republics of Central Asia and on the common interests of those parties and others in the region in stability, notwithstanding important differences among them. Mindful of the political, economic, and military significance of Kazakhstan to the region, the NCAFP decided to make the country its initial focus of inquiry and analysis. The Committee and representatives of the Kazakhstan Ministry of Foreign Affairs engaged in a series of meetings designed to find a way to improve understanding between the two governments. Kazakh authorities have been conducting a public relations campaign to remind the United States of Kazakhstan's voluntary renunciation of weapons of mass destruction (WMD), of common economic interests, of the secular nature of their state, and of the human rights record of the government, which is better than those of their neighbors.*

*The Kazakhstan government is bound by several imperatives:*

- Achieve a smooth “change of guard” that avoids the succession struggles that occurred in Azerbaijan, Georgia, Ukraine, and Kyrgyzstan.*
- Pursue prudent political reforms without disturbing the existing order.*
- Maintain a strategic balance among Russian, Chinese, Middle Eastern, and Western interests.*
- Address legitimate human rights concerns so that they no longer damage the image of the country.*

*In consultation with Kazakhstan, the NCAFP has designed its Central Asia Project to:*

- Provide a forum for a confidential exchange of views between U.S. and Kazakh experts on issues of common concern.*
- Achieve a better understanding of Kazakhstan's predicaments and a better way to convey American priorities.*

- *Find ways for taking advantage of Kazakhstan's friendship and its growing standing in the Muslim world to foster U.S. political, economic, and strategic interests in the area.*
- *Identify overlapping U.S. and other Great Power interests in the area.*

*Kazakhstan's Minister of Foreign Affairs Kassymzhomart Tokaev met with the NCAFP Central Asia Project group twice in New York City and invited the Committee to send a fact-finding delegation to Kazakhstan to meet with senior government officials and others in Almaty and Astana the last week in April 2005. The NCAFP's five-member delegation consisted of Senior Vice President Donald S. Rice, Treasurer Richard R. Howe, NCAFP Central Asia Project Director Dr. Michael Rywkin, Ambassador Peter Tomsen (ret.), and Dr. Peter Sinnott, director of the Caspian Sea Project at Columbia University. Before going to Kazakhstan, the NCAFP conducted a roundtable on Central Asian affairs in New York on March 23, 2005. In addition, the NCAFP delegation engaged in briefing sessions with U.S. government officials and other Central Asian experts in Washington, D.C., on April 6 and 7, 2005. On their return from Kazakhstan, the NCAFP delegation attended debriefing sessions with U.S. government officials in Washington, D.C., on May 11, 2005.*

*The NCAFP expresses its gratitude to the government officials, scholars, and policy analysts, both in the United States and Kazakhstan, who took time from their busy schedules to confer with our Central Asia Project group. A list is included in the appendix. All conversations were off the record. The National Committee on American Foreign Policy alone is responsible for the conclusions and policy recommendations in this report.*

*Special gratitude goes to the Committee's Central Asia Project Director Dr. Michael Rywkin, who is the author of this report. Without his deep substantive knowledge of the countries of the region and insight into the political situations, nationalities, ethnic relationships, and other issues of the former Soviet Republics, the NCAFP's Central Asia Project could not have developed to its present status that offers the potential for being a long-term Track I and/or Track II engagement involving the United States, Kazakhstan, and the other countries of Central Asia.*

*I also thank my fellow officers, Donald S. Rice, who headed our delegation to Kazakhstan, and Richard R. Howe. They join me in expressing the Committee's gratitude to Ambassador Peter Tomsen and Dr. Peter Sinnott for participating in the delegation and providing invaluable assistance and expertise.*

*The NCAFP delegation's trip to Kazakhstan would not have occurred without the generosity and hospitality of the Ministry of Foreign Affairs of the Republic of Kazakhstan and the Perspektiva Foundation. Funding for events in the United States and for travel to and from Kazakhstan was provided primarily by generous contributions from the Shelby Cullom Davis Foundation, as well the NCAFP, certain NCAFP trustees, and others.*

*The views expressed in this report are those only of the National Committee on American Foreign Policy*

**George D. Schwab, President  
National Committee on  
American Foreign Policy**

# INTRODUCTION

**T**he nations of Central Asia, surrounded by Russia, China, and South Asia, comprise the geopolitical centerpiece of the Eurasian continent. Their location makes them both a buffer and a passageway between East and West. Central Asia is a major energy producer. The region is capable of reducing the world's dependence on oil from the Middle East. Central Asia is thus subject to crosscurrents of political, economic, and military interests and pressures. It is also at the crossroad of narcoterrorist traffic that originates in Afghanistan and Pakistan.

Since the demise of the Soviet Union, the region has enjoyed relative stability because of its large population of moderate Muslims, secular governments, and (unlike the cast of mind that prevails in the Southern Caucasus) Moscow's positive or neutral attitude toward the region. This situation may be changing. The presidents of the five republics — all but one former Communist party leaders — are reaching retirement age. Nevertheless, presidential successions are far from settled. Kyrgyzstan's president, Askar Akayev, was recently ousted from power. Tajikistan, despite years of peace after a bloody civil war, is still unstable. Uzbekistan, led by an authoritarian leader, is experiencing turmoil. Turkmenistan, ruled by an isolationist dictator, appears stable on the surface but has the potential to erupt. Islamist extremist ideas are seeping through southern borders, and anti-American feelings, although not widespread, are growing. Burgeoning populations and economic stagnation are driving living standards down.

Of all the so-called *stans*, Kazakhstan is the richest and the largest state in the area. Like Kyrgyzstan, it has one of the least repressive regimes in Central Asia. The country has a considerable Euro-Russian population and a technically educated elite. It is predominantly secular and pro-American, harbors few extremists, and does not share borders with Iran and Afghanistan. Rich in energy and mineral resources, Kazakhstan has been able to extend the benefits of its economy to a larger share of the population than in any other Central Asian republic. In addition, Kazakhstan has absorbed a large migrant labor force from Uzbekistan, Kyrgyzstan, and Tajikistan.

But Kazakhstan is not without problems. Corruption and nepotism are endemic. Clan allegiance is still a factor in every aspect of life. As elsewhere in the Commonwealth of Independent States (CIS), economic development is uneven throughout society, resulting in great contrasts between rich and poor. The middle class, though growing rapidly, is still not sufficiently large. The human rights situation, though better than elsewhere in the region, is unsatisfactory. The opposition complains about the electoral process and the lack of access to the mass media.

### **The Regime in Kazakhstan**

The government of Kazakhstan is generally viewed as mildly authoritarian but benevolent. It is much less repressive than the government of Uzbekistan, Kazakhstan's principal neighbor and competitor for regional leadership. The regime's shortcomings can be attributed to the insecurities of the postindependence period; according to many observers, there is bound to be further political liberalization, which would reflect the economic liberalization that has already taken place. The U.S. system of the division of power is lacking in Kazakhstan. The president, essentially free from checks and balances, exercises the broadest executive power with considerable influence over, and little interference from, the legislature and the judiciary. Local governments are even more constrained — the principal rationale being the multiethnic, multicultural, and multireligious nature of the state, the fear that such diversity will result in appeals to the parochial interests of voters in local elections that must be countered only by the presence of a firm unifying force at the top. The power behind the president seems to reside in his immediate family and the permanent members of the National Security Council. However, young, modern thinking, and often Western educated members of the elite who have been given positions of power greatly improve the prospect for the ultimate political liberalization of the country.

The parliamentary election of September 2004, in which only one opposition candidate gained a seat, represented an overall reversal of progress that had been made. Subsequent developments have led to widespread criticism in the United States about the lack of progress toward democratization. In order to deflate U.S. pressures, the regime stresses its support of common goals from oil to Kazakh's participation in the coalitions that support operations in Iraq and Afghanistan. Its arguments both emphasize the menace caused by chaos and instability

and echo alternating refrains such as “You don’t understand our culture” and “Don’t interfere in our internal affairs.” Some officials contend that after the next presidential election, the president will give more emphasis to democracy and social programs.

### **Kazakhstan’s Strategic Interests**

Kazakh officials contend that their country’s national survival is dependent on the maintenance of a stable equilibrium among the great powers. From their point of view, the ideal would involve Kazakhstan’s assumption of a buffer position while outside powers exercise mutual restraint, permitting Kazakhstan to continue to strengthen its economic and political systems as an independent member of the international community. Kazakhstan’s nightmare depicts an aggressive great power rivalry, which could turn the country and the rest of Central Asia into an arena of great power contention. Analysis of the contemporary situation, however, suggests that concurrent advancements in Sino-Kazakh and Russian-Kazakh economic cooperation are diminishing the possibility of Great Power competition over Kazakhstan.

To break out of its landlocked isolation, Kazakhstan is pursuing a policy of diversification for its transit and exit routes — pipelines, railroads, and roads — and would welcome an Iranian option for one of its oil pipeline routes.

It is in the strategic interest of Kazakhstan to promote amicable U.S.-Russian and U.S.-Chinese relations, including cooperative consultations on Central Asia and Kazakhstan. It is in Kazakhstan’s interest to avoid a Russian-Chinese convergence, joined by Iran, against a perceived U.S. reach for hegemony in Central Asia. The enlargement of the U.S. military presence in Central Asia and prospectively in the Caucasus may eventually stimulate Chinese-Russian collusion, complicating Kazakhstan’s geopolitical environment. To quote Minister of Foreign Affairs Tokaev, Kazakhstan is “quite vulnerable at the geopolitical level.” So far nothing untoward has happened, permitting the Kazakhs to exercise free rein in pursuing closer relations with the United States, including military arrangements.

### **Regional Leadership**

Confident in the economic achievements of their country, Kazakh

officials spoke about their readiness to use the banking sector and surplus capital to extend Kazakhstan's economic influence into the region. In Kyrgyzstan these endeavors are already underway. We were informed that Kazakh capital is ready to fund capital-starved Georgia through joint ventures and supplying oil.

Obstacles to regional leadership are daunting because of the lack of substantial progress toward achieving free-market reforms in Uzbekistan, Turkmenistan, and Tajikistan and the ambitions of Uzbek leader Karimov to be the leader of the region. Regional instability may lead to a loss of Kazakh investment. Moreover, Central Asia accounts for only 3 percent of Kazakhstan's foreign trade—a situation that Kazakh officials attribute to the lack of economic liberalization in the region (“You cannot be half-pregnant with a market economy”) and to the overly repressive nature of the Turkmen and Uzbek regimes.

### **A Fragile Statehood**

Our interlocutors occasionally revealed worries that centrifugal ethnic sentiments may undermine national unity. The most striking rendition of this fear was voiced during our meeting with a high official who indicated that Russian, Uzbek, and other minorities appear to have a weak allegiance to the state. Moreover, according to a recent poll, only 40 percent of ethnic Kazakhs identify themselves with the Kazakh state rather than with their own horde, or tribe. The prospect of turmoil in Uzbekistan could send ripples of instability into Kazakhstan. A worst case scenario would produce regional fragmentation followed by increasing acts of outside interference undertaken by neighboring Great Powers. Some observers have attributed Nazarbayev's authoritarianism to an attempt to address the fear that ethnocentrism will spiral out of control.

### **An Economic Success Story**

The brightest achievement of the country is its economic success. According to data provided to us by government officials, Kazakhstan's gross domestic product (GDP) per capita grew from \$700 to \$2,700 during the last decade, a rate of growth second only to China's. Moreover, according to the same source, the purchasing power represented by this amount of money is equivalent to \$5,500 in the United States. During the same period, the living standard increased from 60 percent of Russia's to 90 percent, and projections indicate that both standards

will soon be equal. By the middle of this century, Kazakhstan expects to catch up with Poland and Hungary.

Foreign direct investment in Kazakhstan amounts to \$30 billion, of which \$20 billion is from the United States. Exports in 2004 amounted to \$21 billion (three-quarters from energy), and imports totaled \$13 billion. Kazakhstan's principal trading partners are the European Union and Russia. The government is hoping that Kazakhstan will be admitted to the World Trade Organization (WTO). It considers its application, submitted in 1996, to be as strong as Russia's, which also is pending. Though many of Kazakhstan's energy and mineral resources have been developed, many others can be harnessed. Kazakhstan is eager to attract private investment in the manufacturing and consumer sectors, which would be used for local consumption as well as exports as various new means of transportation are developed.

According to government statistics, Kazakhstan's GDP amounts to 73 percent of that of Central Asia and the Southern Caucasus combined. Taxes from small- and medium-size enterprises furnish 53 percent of the country's revenues. (Oil provides 25 percent.) Unemployment in the capital is almost zero compared with 8 percent in the country as a whole.

The most critical issue for Kazakhstan is breaking out of its landlocked, isolated geographic position by opening exit routes (rail, roads, and pipelines) in all possible directions. Historically Kazakhstan has been constrained by its location and the mandate that was enforced when it was part of the Soviet Union to export through Russia on terms that were not always favorable. Recent events, however, have opened new opportunities. In particular, the Baku-Tbilisi-Ceyhan pipeline provides an alternative route to the West through territory that is not Russian. Moreover, it is available on a nondiscriminatory basis, making the Russians more reasonable in negotiating terms for the use of their facilities. Furthermore, the American presence in Afghanistan is promoting the peaceful development of trade routes from that country to and through Central Asia. Although much of that trade today consists of narcotics shipped through Central Asia to Russia and the West, the possibility of using those routes to find outlets to the south for Kazakh exports is a welcome prospect. Iran is also said to be interested in developing trade with Central Asia, although the outlet in that direction

would be relatively small unless a pipeline or other transit facilities (roads, rails) that traverse Iran to the Persian Gulf could be built.

Many businessmen express serious concerns about recent developments in the country. Complaints have been made about unreasonable or unrealistic tax audits. Also, many contend that the most promising economic opportunities are made available to or are directed toward certain favored companies and groups. Some areas of the country remain backward and untouched by modernity. These developments may account for the reluctance of some investors to commit further investment capital even though objective macro indicators indicate a favorable climate for investment.

### **Kazakhstan's Powerful Neighbors—China and Russia**

The Chinese play an important role in shaping Kazakhstan's geopolitical balancing. Bilateral and multilateral ties reflect Beijing's inroads into Central Asia. A pipeline paid for entirely by China is currently under construction from the Chinese border to a point close to the Caspian Sea. Moreover, plans are being developed to construct a uniform gauge railroad from China through Kazakhstan and Russia all the way to Berlin, enabling Chinese goods to reach European markets relatively rapidly. Although the construction of the railroad will primarily facilitate Chinese exports to Europe, the project offers numerous opportunities for Kazakh goods to move in both directions. Still the Kazakhs are worried about the signs of Chinese expansionism around the periphery. A top Kazakh official surmised that despite Russian inducements, all of Central Asia could end up in the yuan zone rather than the ruble zone.

Russia is considered as both a potential long-term threat to Kazakhstan's survival as a sovereign state and as a counterweight to Chinese ambitions. But the diversification of oil routes, as well as the Chinese and American presence, counterbalances Russian influence. Expressions of concern were voiced about the Russian population's doubtful allegiance to Kazakhstan in the event of a crisis. If the 32 percent of the population in Kazakhstan that is ethnic Russian is added to the 60 percent of Kazakhs who reported in a recent poll that their allegiance is subnational rather than national, the situation appears even more ominous. Consequently, good relations with its powerful neighbor to the north remain imperative for Kazakhstan. President Nazarbayev reportedly makes a point of staying in close contact

with President Putin — twice a week by phone.

### **Renunciation of Weapons of Mass Destruction (WMD)**

The NCAFP delegation was told many times about the dimensions of the arsenal of WMD that fell into Kazakhstan's hands after the dissolution of the Soviet Union in 1991: 1,216 nuclear warheads (plus the means of delivery), as well as chemical weapons. During Soviet times some 456 nuclear tests were performed on Kazakh soil at the enormous Semipalatinsk testing grounds. In addition, 116 tests were conducted above ground. In 1991 Kazakhstan possessed the fourth largest nuclear arsenal in the world (equal to 55,000 Hiroshima bombs). In the field of space research and exploration, the Baikonur space facility on Kazakh soil is still operating under a renewed Russian lease. Numerous complaints were voiced that Kazakhstan's goodwill and leadership in making the historic decision to destroy its WMD have neither been completely understood nor appreciated.

### **Muslim Extremism**

From the perspective of the officials we met, the danger of Muslim extremism in Kazakhstan is different from that in neighboring Uzbekistan or Tajikistan. Extolling the stability that Kazakhstan has achieved as contrasted with the possibility of ferment and chaos elsewhere in the region appeared to be the general line. The arrest last year in Uzbekistan of ethnic Kazakhs from Uzbekistan, as well as the capture in Kazakhstan of a 16-member cell of a splinter group from the radical Islamic Movement of Uzbekistan, seemed troubling but not alarming. The name Hizb ut-Tahrir (an Uzbek extremist group) drew little comment. Our Kazakh interlocutors did not treat this issue as a priority for Kazakhstan. Moreover, there seemed to be an air of complacency about Muslim extremists within Kazakhstan's borders and evidence of relaxed security around key government buildings. A recent law, however, requires the registration of all religious groups and prohibits some that are known to be associated with extremist movements.

### **Kazakh View of Kazakh-American Relations**

On the positive side, the Kazakhs welcomed America's enhanced post-9/11 attention to Kazakhstan, regarding it as beneficial in a number of ways such as smashing the Taliban in Afghanistan, stopping the infusion of Muslim extremism and its jihadists into Central Asia from northern Pakistan and Afghanistan, positioning American forces at the

route of narcotics from Afghanistan (not many positive results so far), and balancing the influence of Kazakh's huge Russian and Chinese neighbors. The government recently decided to increase dramatically — from 500 to 3,000 — the number of Kazakh students whom it is sponsoring at colleges and universities abroad. After studying primarily in the United States, the students will return to Kazakhstan, where their predecessors now occupy positions of power and influence, cementing mutual understanding and good relations between Kazakhstan and the West.

The Kazakh military seemed satisfied with their country's increasing military relationship with Washington. They emphasized all aspects of military cooperation, including cooperation in combating terrorism, promoting Caspian security (the Caspian Guard Project), and establishing air corridors and implementing landing rights offered to the U.S. Air Force.

On the negative side was the suspicion that the real U.S. goals in Kazakhstan mainly center on U.S. access to current and future Kazakh energy resources. One Kazakh's comment, "Do they want oil or democracy?," suggested that the United States would be satisfied only with oil. Statements by some Kazakh officials also reflected the suspicion, probably fanned by Russia, that the U.S. policy emphasis on democracy and human rights is ultimately aimed at regime change in Kazakhstan, specifically at installing a government that will do American bidding.

### **The New Capital in Astana**

A great deal of Kazakhstan's efforts and investment has gone into building a new capital in Astana (the former Tselinograd, capital of the Virgin Land region chosen by Nikita Khrushchev for a grandiose agricultural venture). Moving the capital from Almaty to Astana was motivated by several considerations: the desire to assert a greater Kazakh presence in a predominantly Russian region of the country and to create distance between the capital and the Chinese border—away from both the influence of the dominant Elder Zhus (Horde) and the more liberal Almaty environment. Between 1997 and 2004 the population of Astana increased from 270,000 to 530,000. (By 2030 the population of the capital at Astana is projected to reach 1.2 million compared with the approximate 1.7 million inhabitants who are living in Almaty. We were told that \$5 billion has been invested in this modernistic city, and an additional \$2 billion is slated for subsequent

investment. Two other priorities are central to Kazakhstan's state-building effort: the development of oil fields and oil pipelines and private developments such as a massive financial center that is in the planning stages in fast-growing Almaty.

### **Views Expressed by the Opposition**

The opposition leaders we met emphasized the judgment that stability and democracy are linked. They would like U.S. officials and visitors to discuss human rights and electoral issues during all their encounters with local officials (“We long for Western values” and “reject the examples of Singapore and Malaysia”). They wonder why resolutions of the kind introduced in the U.S. Congress criticizing Belarus have not been extended to Kazakhstan. They complain of the lack of access to radio and television and oppose Kazakhstan's efforts to gain the presidency of the Organization for Security and Cooperation in Europe (OSCE) in 2009. Opposition leaders dismissed recent polls evaluating their popular strength at 15 percent as government sponsored. They also dismissed the National Commission on Issues of Democratization and Civil Society, a presidential commission created under the sponsorship of the National Security Council to promote exchanges of opinions among political parties, because they consider it as a bogus substitute for genuine political competition.

The opposition is afraid that the United States will not do much to ensure the transparency of the next presidential election. This conclusion, they contended, proved correct for all Kazakh elections held since 1991.

### **Main Conclusions**

The NCAFP delegation reached the following conclusions at the completion of its fact-finding mission in Kazakhstan.

- During the decade and a third that has elapsed since achieving its independence, Kazakhstan has become the leading state in former Soviet Central Asia in terms of such criteria as GDP, GDP per capita, privatization of the economy, volume of exports, rate of economic development, volume of energy production, effectiveness and transparency of the banking system, development of transportation,

growth of technical education, and so forth.

- The process of democratization, though still unsatisfactory by U.S. standards, has been superior to that undertaken by each of the other post-Soviet republics of Central Asia. Opposition parties and groups, though restricted in their access to electronic media, are allowed to publish newspapers, to hold small meetings, to equip their offices with telephones and fax lines, and to travel abroad. Opposition leaders are more often harassed than jailed, although there have been some violent episodes. On the positive side, both the Kazakh political establishment and the opposition are conscious of the geopolitical position of the country, which necessitates maintaining a balance among Russian ambitions, growing Chinese influence, Middle Eastern Islamist inroads, and Western pressures. The principal disagreement between the U.S. and Kazakh governments relates to whether political and economic liberalization can proceed simultaneously or whether economic liberalization must occur first.
- Kazakhstan is fast becoming a key energy producer— behind the Gulf States and Russia but on par with North Sea producers. Its production and known reserves are growing, and its role is steadily increasing. The country is doing what it can to diversify pipeline routes in order to decrease its dependency on Russian pipelines (and their often high transit fees) for its exports to the West.
- Kazakhstan's armed forces, though small in number, are the best trained in the region. They receive assistance from the United States and other sources. The army is becoming professional, has a qualified officer corps, maintains close contacts with the U.S. armed forces, and participates in the International Military Education and Training (IMET) program. The training language of the army is still Russian, but an understanding of English is growing rapidly. The percentage of ethnic Russians in the armed forces, though declining, remains substantial.
- Kazakhstan is ethnically, religiously, and linguistically tolerant. It shows little discrimination against non-Kazakhs, non-Muslims, or Russian speakers. Ethnic Russians, however, are less visible than in the 1990s, and since independence the ethnic Kazakh proportion

of the population has increased from less than 40 percent to a majority. Concurrently the ethnic Russian representation in public institutions has declined. The urban population is predominantly secular, the Russian language still predominates, and mixed marriages are not uncommon—at least in the capitals. Affirmative action from Soviet times benefits native Kazakh job applicants to the detriment of Russians. It has reduced rather than eliminated opportunities for non-Kazakhs.

- The principal political preoccupations of the present regime, which has been in power since independence, are internal political stability, the preservation of the country's independence through balancing relations with its Great Power neighbors, the war on terrorism, and narcotraffic. The Confederation of Independent States is dismissed as outdated, and a new Kazakh foreign policy doctrine is under consideration. Except for objections raised to the levels of internal controls maintained in Kazakhstan in the name of stability, U.S. interests coincide with all other Kazakh policies.
- Most governmental agencies and independent observers are concerned about the situation in the rest of Central Asia, especially neighboring Uzbekistan where they predicted an almost imminent danger of “explosion” (i.e., violent political unrest and turmoil) triggered by declining standards of living, harsh rule, and the rise of religious fanaticism provoked by the desperate situation. The Kazakh government is concerned about the possibility of a massive influx of refugees into southern Kazakhstan in such an event. The stability of post-Turkmenbashi Turkmenistan is regarded as questionable, though less threatening to Kazakhstan given the relatively small common border. The situations in Kyrgyzstan and Tajikistan are viewed as unsettled.
- Russian ideas about enticing Kazakhstan into the ruble zone are dismissed as unrealistic. Kazakhstan sees itself as a partner rather than a client of Russia and perceives China, not Russia, as the fastest growing force in the area. The presence of American capital is welcome for its value and as a counterweight to Chinese inroads.
- Kazakh officials maintain that the country is ready to become

the locomotive of a Central Asian economic “union” by providing capital and assistance to neighboring states. Given relations with Uzbekistan and the isolation of Turkmenistan, Kazakhstan’s plans appear to be premature, awaiting regime changes in those countries. Kyrgyzstan, on the other hand, is a recipient of Kazakh aid, and Tajikistan may be a candidate as well.

- Kazakh officials were very concerned about whether the U.S. secretary of state would certify Kazakhstan as a country that “has made a significant improvement in the protection of human rights during the preceding six-month period” as required by Congress before funds can be allocated. Although U.S. assistance to the Kazakh military is significant and Kazakhstan has benefited from other U.S. foreign aid funding, the officials were primarily concerned about the political impact of a negative decision, which could discourage foreign investments and blacken the image of the country. (Subsequent to our meetings with Kazakh officials, Secretary of State Rice notified Congress that she could not make the certification but had granted a waiver in light of U.S. national security interests.)
- Kazakh authorities are appealing to the United States for support of their candidacy to assume the chairmanship of the OSCE in 2009. Germany reportedly supports Kazakhstan’s candidacy. This issue is important to the government because occupying the OSCE chair would buttress President Nazarbayev’s prestige both domestically and internationally. It would also strengthen Kazakhstan’s claim to regional leadership and remind the world that Kazakhstan is an important “European” nation.
- Kazakh officials contend that the country’s post-Soviet renunciation of its arsenal of WMD, its secular attitude combined with its ability to maintain an atmosphere marked by the absence of religious tension, the lack of serious conflicts among ethnic groups, the positive feeling toward the West in general and the United States in particular, and especially President Nazarbayev’s role in implementing those policies should be better appreciated.

### **NCAFP Policy Recommendations**

To sum up: The United States and Kazakhstan share a vital interest

in the continuation and ultimate success of Kazakhstan's political and economic transition to a mature, functioning, secular, democratic state. U.S. interests in Kazakhstan transcend oil and Kazakh support for the war on terrorism. They include Kazakhstan's strategic importance as a moderate, pro-Western, secular Muslim state that contains a large non-Muslim population that can serve as both a model and a stabilizing force in the region; Kazakhstan's strategic location as a land bridge from Europe to East and South Asia; and its potential for being the engine of growth, investment, and economic development in Central Asia. As seen through the prism of the Bush Doctrine, Kazakhstan, of all the Central Asian countries, has the greatest potential for achieving a relatively fast-track transition from authoritarian pluralism to an acceptable form of functioning democracy.

Based on the fact-finding conclusions of the NCAFP delegation and the summary of U.S. interests presented above, the National Committee on American Foreign Policy makes the following recommendations consistent with American foreign policy interests.

- U.S. policy should assist and not undermine the basic Great Power equilibrium that Kazakhstan is attempting to sustain in order to maintain its independence and pursue economic development and modernization. It is in the interest of the United States to forge special relationships with Central Asian countries in order to contribute to the stability of the region. U.S. policy should be sensitive to the fragility of Kazakhstan's geopolitical position.
- The United States must show more understanding of the Kazakh reality given that it has experienced only 13 years of independence; has pursued privatization and democratization for only a brief time; must accommodate a multiethnic, multitribal, and multireligious population; and has to confront instability in neighboring states. Steady improvement, not rapid progress, should be the expectation. American pressure should be exerted but not overused. To promote mutual understanding, the United States must make an effort to explain to the Kazakhs how the American political system functions, something a society that has emerged from a Soviet system finds difficult to comprehend.

- The United States must continue to emphasize that American interests in Kazakhstan are not limited to oil, security, and counterterrorism. It also must communicate the fact that because Kazakhstan is a secular Muslim state that contains a large non-Muslim minority, is sympathetic to the West, and is undergoing rapid economic development that is providing a better standard of living for the diverse population, the country is of vital importance to U.S. interests and those of the entire region as well.
- U.S. interests would be served if Kazakhstan's burgeoning free market becomes the engine of growth in Central Asia and if Kazakhstan becomes more financially engaged in the Southern Caucasus. Kazakhstan's ability to play a leading role in the economies of the other republics of the region, as well as make investments in the Southern Caucasus, would have a stabilizing effect on the region as a whole. According to all accepted criteria, Kazakhstan, as the leading state in former Soviet Central Asia, should be the centerpiece of U.S. efforts in the region. Its rapid development requires the informed attention of the U.S. government and the skillful formulation of an appropriate foreign policy.
- The United States should encourage Kazakhstan to create an opening to the south through Kyrgyzstan, Tajikistan, and Afghanistan to Pakistan, India, and the Indian Ocean. This opening would proceed slowly as trade and transport routes develop naturally in the wake of the Soviet Union's collapse. Transregional commerce between Central and South Asia will have a beneficial effect on world politics. Substantial progress has been made in rebuilding and augmenting Afghanistan's road network connecting South Asia, the Indian Ocean, and Central Asia. Railroads and pipelines are on the drawing board and could go forward if stability in Afghanistan is attained.
- The United States has a legitimate interest in promoting democratic values by basing foreign aid to Kazakhstan and Central Asia on individual regimes' records of protecting human rights. The current certification process mandated by Congress, which requires the secretary of state to find that significant improvement has taken place during the preceding six-month period or grant a waiver for national security reasons, is hardly the most effective leverage that can be

exerted. Consideration should be given to a revised process that would give the secretary of state more discretion in responding to the observance of human rights in the region by rewarding progress or withholding benefits in a time frame that would not be limited to six months. The NCAFP supports the recent decision of Secretary of State Condoleezza Rice to waive the requirement. We believe that it would have been counterproductive to American foreign policy interests to cut off such U.S. foreign aid to Kazakhstan as IMET and U.S. democracy projects.

- The United States should make clear to the Kazakh leadership what incremental steps Kazakhstan can take to achieve a favorable finding; for example, the appointment of independent observers or monitors to electoral commissions, the proper counting of ballots, the public posting of protocols at the precinct level, improved access to media, and the right of assembly. How to devise and implement such measures may be an appropriate focus of Track I or Track II engagement.
- The United States should coordinate its efforts with the European Union to promote open societies, free and fair elections, and humanitarian goals in Central Asia in order to prevent the inference that American preoccupations with the area are mere reflections of U.S. foreign policy aimed at achieving U.S. dominance and securing the flow of oil. Coordination with EU countries would increase leverage on human rights issues and electoral reform in Kazakhstan given its interest in acceding to the OSCE chair in 2009.
- The United States should continue to support and encourage educational and cultural exchanges with Kazakhstan as a means of stimulating mutual interests and understanding. Kazakhstan has begun to increase its support for these exchanges, and the United States should advance this effort by facilitating both the processing of visas and the acceptance of Kazakh students at U.S. universities.



# ***Appendix***

## **Hosts: Kazakhstan**

The NCAFP expresses special thanks to our hosts in Kazakhstan. We are especially grateful to Minister of Foreign Affairs of the Republic of Kazakhstan H. E. Kassymzhomart Tokaev. He met with the NCAFP Central Asia Project group twice in New York and invited us to send a fact-finding delegation to Kazakhstan. Also, we thank H. E. Kanat, B. Saudabaev, and H. E. Yerzhan Kazykhanov, Kazakhstan's ambassadors to the United States and the United Nations, respectively, for their assistance and express our appreciation as well to Serik Zhanibekov, counselor of Kazakhstan's Mission to the United Nations, who handled all the technical arrangements with great skill and accompanied us in Kazakhstan. We express thanks as well to the Perspektiva Foundation, whose representatives, Birjan Murataliyev, Alexander Sosnin, Victor Seipulnik, and Shamil Tyncherov, assisted in making our appointments; keeping us on schedule; translating when necessary; and wining, dining, and accommodating us in every way imaginable.

## **Interlocutors**

We are grateful also to the following high-level government officials in the Republic of Kazakhstan and the United States and to other individuals and nongovernmental organizations that took time to meet with us to discuss the issues covered in this report.

### **Republic of Kazakhstan**

*(in chronological order)*

*Government Officials*

**The Hon. Imangaly Tasmagambetov,**  
akim (mayor) of Almaty

**The Hon. Askar R. Yelemessov,**  
deputy governor of the National Bank of Kazakhstan

**The Hon. Semylok Raimbayev,**  
deputy minister of justice

**The Hon. Nartay Dutbayev,**  
chairman of the National Security Committee

**The Hon. Alexei Y. Volkov,**  
vice minister of foreign affairs

*(continued)*

**The Hon. Erik M. Utembayev,**  
deputy to the secretary of the Security Council

**The Hon. Vladimir Shkolnik,**  
minister of energy and mineral resources

**The Hon. Marat Y. Tolibaev,**  
deputy akim (mayor) of Astana

**Major General Bulat Sembinov,**  
deputy minister of defense

*Other Individuals*

**Bektas Mukhamedzhanov,**  
general director, International Institute for Modern Politics

**Zharmakhan Tuyakbay,**  
chairman of the Democratic Forces Forum of Kazakhstan

**Amirzhan Kossanov,**  
cochairman of the Democratic Forces Forum of Kazakhstan

*Nongovernmental Organizations*

The Friedrich Ebert Stiftung and the Kazakhstan Institute for Strategic Studies, which cohosted a “Conference on Central Asia as a Land Bridge Between Europe and China” with the cosponsorship of the Embassy of the People’s Republic of China in Kazakhstan.

**The United States**

*Department of State*  
*(in Washington)*

**Daniel Russell,**  
director of the Office of European Security and Political Affairs

**John Fox,**  
director of the Office of Caucasus and Central Asian Affairs in the  
Bureau of European and Eurasian Affairs

**Kent Logsdon,**  
deputy director of the Office of Caucasus and Central Asian Affairs  
in the Bureau of European and Asian Affairs

**Jonathan Mudge,**  
Kazakhstan desk officer

*(continued)*

**John Parker,**  
division chief, Bureau of Intelligence and Research

*(in Kazakhstan)*

**The Hon. John M. Ordway,**  
U.S. ambassador to the Republic of Kazakhstan

**Mark Asquino,**  
deputy chief of the U.S. Mission to Kazakhstan

*Department of Defense*

**Brigadier General Jeffrey Remington,**  
deputy director of political and military affairs for Asia, the Joint Staff

**Colonel Randy Warner,**  
Central/South Asia division chief

**Colonel Jerry Sullivan,**  
Central Asia branch chief

**Colonel Scott Norwood**

*National Security Council*

**Matthew J. Bryza,**  
director, Aegean, Caucasus, and Central Asian Affairs

*Other Individuals and Nongovernmental Organizations*

**Martha Brill Olcott,**  
senior associate, Carnegie Endowment for International Peace

**Michael Ochs,**  
staff adviser, Organization for Security and Cooperation in Europe

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We are grateful to the following individuals who participated in a roundtable on March 23, 2005, at the NCAFP's headquarters at 320 Park Avenue, New York City.

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