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Factors That Helped Kazakhstan Be Elected Chair of the OSCE in 2010

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Foreign ministers from the OSCE's 56 member countries held the 15th Ministerial Council in Madrid on 29-30 November 2007. One of the meetings of this council discussed Kazakhstan's application to chair the OSCE in 2009. As a result, it was decided that Greece would chair this prestigious international organisation in 2009, while Kazakhstan would take up this post in 2010.

This was the outcome of the most remarkable event in the entire history of Kazakhstan, one which will unconditionally play an important role in its future development.

However, Kazakhstan's success was quite predictable. The election of Kazakhstan to the post of chair of the OSCE in 2010 could not have become a reality without a number of essential contributing factors. Of these, the most important ones were Kazakhstan's own achievements in economic and political reforms.

Our country's economy has produced outstanding results, which, according to the World Economic Forum, have enabled Kazakhstan to occupy 61st place in the world in terms of competitiveness, leaving behind all CIS countries. Kazakhstan's economic successes have been acknowledged by all international financial and rating agencies. Almost all of Kazakhstan's economic ratings have been stable and high over the past few years.

For example, the Moody's rating agency has maintained Kazakhstan's sovereign rating at Baa3 for several years. Moody's believes that Kazakhstan is preserving unusually high economic growth rates and properly managing public finances. In addition, the Standard & Poor's agency has assigned Kazakhstan a BB+ long-term credit rating on liabilities in foreign currency and BBB-/stable outlook/A-3 in the national currency. As a result, Kazakhstan was the first CIS country to obtain investment rating from the two leading agencies – Moody's and Standard & Poor's. These ratings reflect the stability and high potential of our country's economy.

Another significant factor in Kazakhstan's election as OSCE chair was the success the country has achieved in democratic reforms, which have received a new impetus for further development after the 2007 constitutional changes. The election held in August 2007 confirmed a significant improvement in the technical procedures used in the election process in our country. This was reflected in the final report published by the OSCE's Office for Democratic Institutions and Human Rights (OSCE/ODIHR) on the results of election monitoring on 30 October 2007.

Firstly, compared with a similar report on the previous parliamentary election in 2004, the OSCE/ODIHR in its latest report significantly reduced the level of critical remarks about the election held on 18 August 2007.

Secondly, most of this European organisation's critical remarks and recommendations were about the technical procedures governing the work of electoral commissions and some provisions of the *Law On Elections*. In particular, these remarks concerned the necessity to improve the preparedness of members of electoral commissions, the transparency of electronic voting and the rules of campaigning.

In general, the OSCE/ODIHR gave a positive assessment of all aspects of the election to the Mazhilis (parliament's lower chamber). The OSCE/ODIHR mission noted that the Central Electoral Commission had generally carried out its activities transparently and with a high level of professionalism and competence.

It also noted the efficient work of town, regional and district electoral commissions which in a short time had carried out an enormous information and organisational task. The work of electoral commissions during the voting was also praised highly. Like other international observers, the OSCE gave a positive assessment of the voting process in 94% of polling stations visited. As a result, the majority of Kazakhstan's election bodies held the election on 18 August 2007 without any significant violations of the election law.

This organisation also noted that political parties had been able to campaign without undue interference by the local authorities, while the media had covered the campaigns of all political parties.

At the same time, the OSCE/ODIHR made a number of justifiably critical remarks which need addressing. For example, it said that the opposition parties' representation in the electoral commission was very small.

Secondly, the OSCE noted that the 7% threshold was unfairly high and made the election process less democratic and reduced the pluralism of the political system.

The Kazakh authorities have already taken a number of measures to eliminate these negative aspects of Kazakhstan's election system which were noted by the OSCE. For example, local legislative bodies that elect members of electoral commissions, in line with the latest constitutional amendments, have become the basis for self-government bodies. This constitutional innovation will make it possible to expand the people's involvement in the work of local legislative bodies. As a result, the formation of electoral commissions will be more transparent and democratic.

As for reducing the 7% threshold, the authorities started discussing this immediately after the 2007 election. It became clear as a result of the election that it was necessary to lower this barrier in order to ensure the representation of other political parties in parliament, over and above Kazakhstan's dominant Nur Otan party. That is why this barrier is expected to be reduced shortly.

However, some demands made by the OSCE do not take into account that Kazakhstan is still testing many innovations in its election law. Such amendments to the Law *On Elections* and the electoral system cannot be made without taking into account Kazakhstan's cultural and historical heritage and its modern geopolitical and geo-economic position.

In particular, the OSCE/ODIHR recommended the adoption of various mechanisms in the Kazakh electoral system which would expand the representation of minorities in parliament.

Experience elsewhere in the world, however, shows that large-scale and hasty adoption of measures to ensure wider representation of the interests of minorities in the national lawmaking body can lead to interethnic conflicts in a multiethnic country.

That is why Kazakhstan's actions in this sphere should be regarded as a cautious, stage-by-stage expansion of measures to meet the interests of minorities. In this regard, the measure to elect nine MPs from the Assembly of Kazakhstan's People is another step in this direction.

Kazakhstan had previously confirmed its readiness to listen to remarks and recommendations made by the OSCE/ODIHR in the final reports on the parliamentary election in 2004, the presidential election in 2005 and the assessment of the constitutional Law *On Elections in the Republic of Kazakhstan*. For example, in 2004 and 2005 a number of articles of the Law *On Elections* were amended in line with the 1990 OSCE Copenhagen Document.

On 16 September 2005, the Kazakh Central Electoral Commission adopted a resolution to take measures to improve the transparency of the work of electoral commissions, adopt and gradually use an electronic voting system, hold open meetings of the Central Electoral Commission and so on.

In addition, in response to OSCE recommendations, the provision of the Law *On Elections* on banning protests between the end of voting and the official publication of election results was revoked on 29 December 2006.

The new wording of the Law *On Elections in the Republic of Kazakhstan*, with amendments to make the election process more transparent and democratic, was adopted on 21 June 2007. It is worth noting the following amendments made to the Law *On Elections* that meet all the requirements of the OSCE Copenhagen Document:

Firstly, the lower chamber of the Kazakh parliament will now be almost fully elected (98 seats) on a proportional basis, which is the most democratic of all election systems.

Secondly, legislative provisions were adopted to significantly increase state support for political parties. For example, parties that cleared the 7% threshold will be receiving financial support from the government and be exempt from paying the election fee in the next election.

Thirdly, the constitutional Law *On Elections in the Republic of Kazakhstan* has been amended to make almost all stages of the election process more transparent and accessible to independent observers and observers from the parties.

Fourthly, Article 20 of the Law *On Elections* has a new provision that bars MPs, members of local legislative bodies, judges and other government officials from being members

of electoral commissions. This should considerably reduce the possibility of administrative influence on the work of electoral commissions.

Fifthly, campaigning opportunities have been significantly expanded for both candidates for local legislative bodies and for political parties standing for parliament. It seems that the fact that these provisions have been adopted only recently did not leave enough time for the parties to make efficient use of these innovations in the latest parliamentary election.

As a result, Kazakhstan has already taken a number of steps towards meeting the remarks and recommendations made by the OSCE/ODIHR. This, in turn, creates greater confidence in a further expansion of dialogue, mutual understanding and cooperation between Kazakhstan and the OSCE in its task of developing democracy in its member countries.

It should also be noted that the CIS made a great contribution to Kazakhstan's victory on this issue. Firstly, Kazakhstan was proposed as a collective candidate for this post by the 12 CIS countries. Secondly, these countries, which make up a fifth of the OSCE, had been actively supporting Kazakhstan's bid at all stages of the process of its election to this high post.

An important point about Kazakhstan's bid for OSCE chairmanship was that this would facilitate the further development of this authoritative European organisation. The following facts back up this conviction:

firstly, our country has become a place where leaders of world and traditional religions meet every three years. These leaders have already held two congresses in our capital, in 2003 and 2006, which evoked a wide response in the world. In essence, Kazakhstan has become the first place in the world to host a global dialogue between religions.

There are many conflicts in the world now because of religious intolerance and confrontation. That is why the congress of leaders of world and traditional religions is very important. It helps develop and strengthen inter-denominational accord and, as a result, a dialogue between nations.

secondly, Kazakhstan has managed to create quite an efficient model of strengthening stability in interethnic relations. Its policy towards minorities is currently being actively studied all over the world. International organisations such as the OSCE and the UN admit that Kazakhstan has experience in developing interethnic accord that is an example for other countries and indeed that this Kazakh experience can become a model for application in the entire international community.

thirdly, in addition to the OSCE, Kazakhstan is an active member of a number of other international organisations in Eurasia and makes a significant contribution to strengthening security on this continent. These organisations are, above all, the Shanghai Cooperation Organisation, the CIS Collective Security Treaty Organisation and the Conference on Interaction and Confidence-Building Measures in Asia.

fourthly, for the first time a country which is closer to Asian, rather than European, cultural values and traditions, is to take the chair of the OSCE. This factor may play a considerable role in developing this organisation, enabling it to occupy an important place in expanding and strengthening a dialogue between the West and the East.

In summary, chairmanship of this authoritative international organisation will allow Kazakhstan to make a particular contribution to strengthening security in the Central Asian region and helping economic prosperity and regional integration. In addition, this post will turn Kazakhstan into a locomotive for integrating many post-Soviet countries into a system of regional security in Europe.

Central Asia: regional security and WMD proliferation threats*

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All countries of Central Asia—Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan—inherited elements of the vast Soviet weapons of mass destruction (WMD) production complex. Among the activities in which WMD facilities in Central Asia were engaged were uranium mining, plutonium production, the fabrication and testing of biological and chemical weapons, and the storage and testing of nuclear weapons. Early international efforts to address this proliferation threat emphasized ensuring that the Russian Federation became the only legatee of Soviet nuclear weapons; other proliferation risks posed by WMD materials, technology and expertise received less attention.

Materials that currently pose WMD-related threats in Central Asia can be classified into three main groups: nuclear weapon-related material, including fissile material (highly enriched uranium and plutonium) and radioactive material (“orphan”, or abandoned, sources); biological weapon-related materials and technologies; and chemical weapon-related materials and technologies. The leading WMD-related risk in Central Asia is the possibility of the theft of materials and their sale by smugglers or through brokers to terrorist or proliferant states. Another risk is the leakage of expertise either through the sale of critical information or through “brain drain”. A related risk is the possibility that Central Asian states could be used as a transit corridor for smuggling WMD-related materials and expertise originating from outside of the region.

This paper discusses the fragile security environment in Central Asia post-2001, the greatest proliferation risks in the region, and details some of the national, regional and international responses.

A new security environment in Central Asia after 2001

The 11 September 2001 terrorist attacks in the United States had direct and indirect effects on every country in the world. In Central Asia, the developments were particularly decisive because of the United States-led military campaigns in Afghanistan (2001) and Iraq (2003). The military operation in Afghanistan has been especially significant as the geographi-

cal proximity of Afghanistan to the Central Asian republics and political, religious, social and economic factors all make the region dependent on stability in its neighbour.

Although the overthrow of the Taliban regime in Afghanistan promised a generally positive impact on developments in the region, it has not been a panacea; serious problems in the reconstruction and political stabilization of Afghanistan remain and have the potential to destabilize the already fragile regimes in Central Asia. Some observers within Central Asia are disappointed in the failure of the United States’ engagement to have a positive influence on regional security.¹ The fact that the Taliban movement has not been eradicated completely—that, although considerably weakened, it still exhibits signs of life in some parts of Afghanistan and neighbouring Pakistan—is a matter of concern both for Central Asia and for the wider international community.

Radical Islamist sentiment in the region has escalated against a background of growing anti-Americanism since the US-led operation in Afghanistan (and later in Iraq), which has been exploited by fundamentalist movements. The Islamic Movement of Uzbekistan (IMU), whose stated goal since 1999 has been the overthrow of the government of Uzbek president Karimov and its replacement with a caliphate, was considerably weakened in the immediate aftermath of the war in Afghanistan in 2001, but since December 2002 has carried out some terrorist acts in the region.² IMU has also expanded its goal to include the whole of Central Asia and the Muslim-populated part of China (Xinjiang), and in 2001 renamed itself the Islamic Movement of Turkestan (IMT).³ Reports indicate that IMU/IMT guerrillas have operated with Al-Qaeda and Taliban units.⁴ If true, this indicates a worrying trend of radical Islamist movements from within Central Asia linking with international terrorist organizations. Another source of concern for Central Asian states is the activities of Hizb-ut-Tahrir in the region (most active in Tajikistan and Kyrgyzstan).

The true extent of Islamist revival in Central Asia is a question of debate, but its presence is indisputable. While the post-Soviet revival of fundamentalist Islam in Central Asia can be partly attributed to factors such as political oppression, economic hardship and social problems, increased foreign involvement in Afghanistan has strengthened this development. Overall, the impact of fundamentalist Islam

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in Central Asia and beyond is often exaggerated from one extreme to the other by different political groups seeking to achieve a variety of goals. Some fear that Central Asian governments (all of which are, to varying degrees, authoritarian regimes) sometimes use the pretext of counter-terrorism to crack down on internal dissent.

A related challenge to regional stability is posed by drug trafficking from Afghanistan into Central Asia and Europe. In 2007 Afghanistan cultivated 193,000 hectares of opium poppies and produced 8,200 tons of opium, thus reaching a position of disturbing "leadership" on the world opium market (Afghanistan is the world's near-exclusive supplier of the drug, with 93% of the global opiates market).⁵ It is widely recognized that drug smuggling is closely linked to insurgency, finances most of the radical Islamist groups like the Taliban, and spreads corruption among warlords and sometimes even government officials. Moreover, the smuggling routes are often used not just for drugs, but also for bringing terrorists across borders.⁶ Such extremely porous borders and still far from ideal export control systems make the region susceptible to illicit smuggling of WMD-related material and expertise, potentially either originating from Central Asian countries or passing through them.

The third major consequence of the 2001 attacks and the subsequent military operation in Afghanistan has been the emergence of new geopolitical pressures in Central Asia. Initially, Kyrgyzstan and Uzbekistan allowed US military forces to use their military and air bases in support of the operation in Afghanistan, and Kazakhstan agreed to allow US military aircraft to use its airports for emergency landings. These decisions resulted in closer strategic military and political cooperation between these Central Asian states and the United States.

The geopolitical context for US-Uzbek relations, however, changed significantly after 2005. In May of that year in the Uzbek town of Andijon (Fergana Valley), thousands protested against the growing poverty, corruption and repression of people who practise Islam outside of the tight restrictions on religion established by the Uzbek government.⁷ Hundreds were reportedly killed by law enforcement officers. The Uzbek government has denied any wrongdoing and has stated that the protests were organized by Islamic fundamentalists. The US government criticized Tashkent for what looked like a bloody reprisal against dissenting people by an authoritarian regime.⁸ Tashkent, stung by Western criticism, kicked US troops out of the Karshi-Khanabad base and appears to have turned to China and the Russian Federation for strategic partnership.

Although Central Asia had traditionally been in Russia's sphere of security interests, the long-term presence of US military bases in the region has significantly altered the degree of Russian influence. Nonetheless, Russia — and China — are not ready to give up on the idea of exercising significant influence in Central Asia. The shifting geopolitical paradigm (e.g. Uzbekistan swinging between a strategic partnership with the United States on the one hand and Russia and China on the other; the unpredictable and shifting Kyrgyz-Russian and Kyrgyz-US relationship; and Kazakhstan's "multi-vector" foreign policy of manoeuvring between the interests of major powers) demonstrates that great powers are continuing their struggle for dominance in the region, while Central Asian states continue to depend on these powers in terms of providing for their own security. None of this, however, provides a good foundation for a predictable and stable security environment in the region.

The long-term impact of the 2001 terrorist attacks on the United States, the anti-Taliban military campaign in Afghanistan, and the 2003 war in Iraq on geopolitics in Central Asia remains to be seen. The long-term implications for regional security continue to evolve. On the one hand, the removal of the Taliban in Afghanistan certainly contributed to regional stability in the long run. The active involvement of the United States in Central Asia — shaped by its interest in the region's political and economic stability — has also had a positive impact. At the same time, these very factors are potentially disruptive. The presence of US bases in Central Asia, potential political unrest, the ongoing economic and social crises in neighbouring Afghanistan, and the geopolitical redistribution of power among the traditional key players from outside the region could all contribute to instability in Central Asia.

Current WMD proliferation threats

NUCLEAR AND RADIOACTIVE MATERIAL

The continued presence of fissile and radioactive material in the countries of Central Asia poses a persistent proliferation risk. Obtaining fissile material such as highly enriched uranium (HEU) or plutonium is one of the most important steps separating terrorists from a nuclear device of very destructive power, while acquiring certain types of radioactive material is the principal hurdle to creating a radiation dispersal device (RDD) or "dirty bomb". Central Asia is a potential source for both types of material.

HEU remains at several sites in Central Asia. Kazakhstan has three HEU-fuelled research reactors,⁹ and its overall amount of HEU is believed to be about 10,590–10,940kg.¹⁰ The Mangyshlak Atomic Energy Combine (MAEK) in Aktau, Kazakhstan, is the site of the BN-350 fast breeder reactor, which produced plutonium prior to being shut down in 1999.¹¹ To date, 2,900kg of HEU fuel from BN-350 has been removed to the fuel processing facility in Ust-Kamenogorsk and blended down to low-enriched uranium (LEU);¹² the remaining material at the facility includes spent fuel that contains some three tons of better than weapon-grade plutonium.¹³ While this material is packed in special casks and stored at MAEK's storage pool, reducing the risks of theft,¹⁴ spent fuel constitutes a proliferation risk due to its high plutonium component; it will be better secured only by being removed from the facility completely and placed in long-term storage.¹⁵ Concerns about security are partly driven by Aktau's location on the shore of the Caspian Sea. The United States Department of Energy (DOE) assists Kazakhstan with providing long-term storage. In its most recent budget request (for financial year 2008), the DOE is asking for US\$ 31.7 million for this purpose. It is planned that all BN-350 spent fuel will be moved to the Baikal waste site (at Semipalatinsk) by 2010.¹⁶

Uzbekistan has one operating HEU-fuelled research reactor and less than 56kg of HEU (all of which is irradiated fuel).¹⁷ In 2004 the United States repatriated 11kg of fresh HEU fuel assemblies from Tashkent to the Russian Federation, and in April 2006 63 kg of spent HEU fuel was transported to the Mayak facility in Russia. Uzbekistan has committed to converting its only operating reactor to LEU.¹⁸

Lax accounting for fissile material during the Soviet era provides grounds for concern that not all the fissile material in Central Asia may be accounted for. The Soviet system encouraged facility managers to manipulate production figures, even

those involving fissile material. The nuclear facilities would produce extra uranium or plutonium without registering it as insurance against a possible shortfall in future production.¹⁹ There can be no guarantee that the region is clear of all fissile material, although there is no evidence of significant amounts of unaccounted material in Central Asia.

Another potential proliferation threat in Central Asia is the significant number of "orphan" radiation sources. These are sources abandoned by medical, scientific and industrial users who are either unable or unwilling to dispose of them properly, leaving them vulnerable to theft. Some of these sources could be used in unsophisticated radiological devices. It is also possible that sources could be stolen from industrial, medical or research facilities currently in use. According to the chairman of the Kazakhstan Atomic Energy Committee, Timur Zhantikin, and based on Soviet-era data, about 100,000 radiation sources were present in Kazakhstan in 1992. In 2005, Kazakh government officials admitted that they were unaware of the whereabouts of at least 20,000 radiation sources still believed to be in the country.²⁰ That same year it was announced that Kazakhstan would start a nationwide inventory of radioactive sources used by industrial enterprises and institutions, as well as search for orphan radioactive sources. It is believed that this process is under way. Also in 2005, and despite domestic instability in the aftermath of the "Tulip Revolution", Kyrgyzstan managed to conduct a partial search for lost or abandoned radioactive sources. About 1,000 items of radioactive material deemed to be vulnerable to theft or terrorism were secured or disposed of by October 2005. According to Kyrgyz authorities, there were 500 additional items to secure, and an unidentified amount of radioactive material was still missing.²¹

A study of the safety of commercial radioactive sources concluded that only a small fraction of such sources present a proliferation risk.²² Therefore, the risk posed by radioactive sources should not be exaggerated. The main challenge for the Central Asian states regarding these sources is the lack of comprehensive inventory information, which would make it possible to determine how many potentially dangerous radiation sources are in each country, and how many are currently unaccounted for. During the Soviet era, not all radioactive sources in the Central Asian republics were registered with local government officials (e.g. radioactive sources used by the military and thus controlled by the federal authorities in Moscow were not covered by local registration requirements). In addition, under a project known as "Gamma Kolos", radiation sources containing caesium-137 (an isotope suitable for a radioactive device) were sent to Kyrgyzstan, Turkmenistan and possibly other Central Asian republics for use in agricultural experiments. Officials from the International Atomic Energy Agency (IAEA) believe that 100 – 1,000 of these sources are unaccounted for in the former Soviet Union, and that some of them are probably in Central Asia.²³

Numerous organizations and facilities that ceased to exist in the chaotic aftermath of the Soviet collapse are sites of currently unaccounted-for radioactive sources. Many of these organizations simply abandoned radiation sources as they deserted the facilities. The privatization of formerly state-owned enterprises in the region has also contributed to the problem of lost radioactive sources—many were not properly transferred to the new owners.²⁴

BIOLOGICAL COMPONENTS

Four main biological-weapon proliferation threats exist in Central Asia.

Vozrozhdeniye Island in the Aral Sea, divided between Kazakhstan and Uzbekistan, was used during the Soviet era to fabricate and test biological weapons (BW). Buried caches of anthrax spores on the Uzbek side of the island were decontaminated and at present, scientists in Kazakhstan and Uzbekistan conduct disease surveillance campaigns on the island and check for plague and other diseases. The scientists fear that other pathogens tested on the island during the Soviet times might still be there and could spread to the mainland through rodents.²⁵ The United States is currently discussing possible cooperative projects with Uzbekistan to characterize the pathogens circulating among the fauna in the Aral Sea.²⁶

Remaining microorganisms on *Vozrozhdeniye Island* pose a potential proliferation risk because of the shrinkage of the Aral Sea and the increasing proximity of the island to the mainland. The potential for birds and rodents to carry diseases to the mainland, and the possibility of people who come to the island in search of scrap metal becoming carriers of disease are both causes for concern.

Collections of strains, pathogens and microorganisms remain at bioresearch facilities throughout the territory of Central Asia, such as the Scientific Center for Quarantine and Zoonotic Diseases (formerly the Anti-Plague Institute) and the Scientific Research Agricultural Institute in Kazakhstan, and the Institute of Virology and the Tashkent Center for Prophylaxis and Quarantine of Most Hazardous Infections in Uzbekistan. These collections are vulnerable to theft. For example, there have been several documented attempts to gain access to Kazakhstan's Center for Quarantine and Zoonotic Diseases.²⁷

Although security at these facilities has improved significantly and the US government provides funding to consolidate the number of facilities housing especially dangerous pathogens, risk persists. Apart from the above-mentioned main facilities there is a wide Soviet-era network of laboratories belonging to the Sanitary Epidemiological Services, of scientific centres and institutes working under the auspices of the Ministries of Health and Agriculture, and of smaller field stations of the former anti-plague network, which all work with highly dangerous infectious agents, field strains and museum cultures. These facilities are a potential source of BW agents for terrorists or proliferant states.²⁸

Beyond collections and research, *natural foci of especially dangerous diseases*, such as bubonic plague, tularaemia, Crimean-Congo hemorrhagic fever, anthrax and others are found throughout Central Asia. While at first the presence of such diseases might seem to be only a public health issue, potential proliferation risks are associated with these agents. The existence of natural foci of highly infectious diseases calls for research on vaccines and on means of epidemic prevention, which in turn requires research facilities to have extensive collections of strains and pathogens. The presence of such collections is a matter of concern if they are not properly protected. In theory, an experienced microbiologist could isolate the plague bacterium from infected humans or rodents and attempt to transform it into a biological weapon or could isolate a virulent (disease-causing) strain of anthrax bacterium from infected animals and humans and cultivate it; however, significant technical challenges would make it extremely difficult to achieve this goal.²⁹

There are a number of scientists in Central Asia with *chemical and biological expertise*, which could be turned to weapons production. This potential threat is amplified by the

slow conversion of BW-related facilities. For example, the US-sponsored dismantlement of the world's largest anthrax bioweapon production facility in Stepnogorsk (Kazakhstan) was implemented successfully and ahead of schedule, but bilateral Kazakhstan-US conversion projects aimed at establishing a drug packaging line in Stepnogorsk did not have the same degree of success.³⁰ The reason behind the failure was the non-performance of the US contractor chosen to do the job; the US Department of Defense (DOD) had to terminate its contract with this contractor in 1997. In the same year Congress prohibited the use of the DOD's Cooperative Threat Reduction funding for any further defence conversion projects.³¹ In recent years two US-administered programmes³² have begun to include bioscientists, but the number of scientists engaged is relatively small.

CHEMICAL WEAPONS THREATS

Chemical weapons (CW) were developed, tested and stored in various parts of Central Asia. The Chemical Research Institute situated in Nukus (Uzbekistan) was a part of the Soviet CW programme, and Ustyurt Plateau (Uzbekistan) was used for testing chemical defence equipment in hot weather conditions. In June 2002, US military forces stationed in Uzbekistan to support operations in Afghanistan announced that they had detected traces of nerve and mustard gas at Karshi-Khanabad air base. Prior to this episode, the presence of CW agents at Karshi-Khanabad was unknown. It is unlikely that any recoverable agents were involved or that there was any proliferation risk in this particular case. However, such cases indicate that a full account of the legacy of the Soviet-era chemical weapons programme is still lacking.

During the Soviet era, a part of Kazakhstan's Pavlodar Chemical Plant was designated for CW production, yet never entered into operation. When independent Kazakhstan acceded to the Chemical Weapons Convention (CWC) the government did not need to declare the plant since the production of chemical weapons never took place.³³ Since Soviet times, some of the production equipment has been sold off. The main proliferation threat at the plant concerns some specialized equipment such as high-nickel-steel production reactors, which are well suited for manufacturing highly toxic and corrosive metals and whose fate is unclear.

The main CW proliferation concerns in Central Asia relate to dual-use chemicals (a concern which is not unique to Central Asia) and the factor of the "unknown" (e.g. the possibility that there may be equipment or material of proliferation concern that has not so far been located). As a result of this legacy, Central Asia remains a possible (albeit not likely) source of CW-related materials, technology and expertise.

Confronting the threats

Since the break-up of the Soviet Union, a number of steps have been taken by the Central Asian governments and the international community to address the region's WMD legacy. These measures can be analysed on three levels: national, regional and international.

NATIONAL RESPONSES

The national responses of Central Asian countries to WMD threats consist of the domestic measures the states have taken to secure WMD-related material and technology, prevent the "brain drain" of specialists with WMD expertise, and limit the potential illegal export of material and expertise from and through their territories.

One aspect of the national response involves decisions about joining the treaties and agreements that form the basis of the international non-proliferation regime. All five Central Asian states have joined the Treaty on the Non-proliferation of Nuclear Weapons (NPT) as non-nuclear-weapon states. They have also all signed the Comprehensive Nuclear-Test-Ban Treaty (CTBT), the Chemical Weapons Convention and the Biological and Toxin Weapons Convention (BWC). In addition, all five states have signed not only IAEA Safeguards Agreements but also Additional Protocols committing them to even more intrusive and comprehensive IAEA verification measures.

The efforts of the five states to establish a sound national export control system have had mixed results. Overall, the Central Asian governments are continuing to develop the necessary legislation and to design and implement measures to strengthen export control systems, though the current level of control in Kyrgyzstan, Tajikistan and Turkmenistan remains weak—much more can and should be done. The Central Asian states have not been able to commit sufficient human and financial resources to this task, whether because of a genuine lack of resources or insufficient political commitment.

United Nations Security Council resolution 1540, adopted in 2004, requires that all states put in place and enforce effective accounting and physical protection measures, as well as border and export controls, to prevent trafficking of WMD and related materials. It recognizes that national governments are responsible for establishing effective domestic controls, but also acknowledges that some states may require assistance with implementation, and invites states in a position to provide such assistance to do so. An example of such assistance in Central Asia includes workshops organized by the James Martin Center for Nonproliferation Studies in Kazakhstan in 2006 (funded by the Norwegian Foreign Ministry and the MacArthur Foundation) and in Kyrgyzstan in 2007 (funded by the Norwegian Foreign Ministry and Carnegie Corporation of New York), aimed specifically at implementation of resolution 1540 in these countries.³⁴

In terms of specific national challenges, Kazakhstan's main non-proliferation goal in the early 1990s was to remove nuclear weapons from its territory, which was accomplished in April 1995. As a capstone to these efforts, Kazakhstan signed (1996) and ratified (2001) the CTBT, putting an end to the long history of nuclear tests on its territory. The country is now primarily concerned with securing its remaining nuclear material, providing adequate physical protection for nuclear and biological research facilities, recovering and securing orphaned radioactive sources, and preventing the natural spread of extremely dangerous diseases. Among the Central Asian states, Kazakhstan has the most developed export control system and is the only state to belong to one of the international export control regimes (the Nuclear Suppliers Group). However, even in Kazakhstan there is still considerable room for improvement.³⁵

Uzbekistan's main non-proliferation goal is also to secure or dismantle its Soviet WMD inheritance. Uzbekistan has HEU and LEU at an operational nuclear research reactor near Tashkent and it continues to produce uranium at Navoi Mining and Metallurgy Combine. The country also inherited two former BW facilities.

By contrast, Kyrgyzstan does not currently have important WMD-related facilities. Its main challenge is its geographic location, which makes it a potential transit route for WMD-related materials and technology. Kyrgyzstan is in vital need of strong export controls and a strengthened border control system. It is working on improving its border control, but its capabilities remain underdeveloped.³⁶

Tajikistan has a uranium milling plant (and may once have had an enrichment facility) at the Vostochnyi Rare Metal Industrial Association (Vostokredmet) in Chkalovsk; it also has a plant in Taboshar that used to manufacture solid-propellant rocket motors for Soviet strategic missiles.³⁷ So it faces the task of adequately securing the materials and technology at those sites. Like all the other Central Asian states, Tajikistan also has unaccounted “orphan” radioactive sources on its territory. Tajikistan’s location requires an improvement in the existing export control system, currently characterized as very weak.³⁸ In 1997 Tajikistan adopted a Law on Export Control. Due to difficult economic situation, the country has to rely on Russia and other foreign states on assistance with guarding the borders and strengthening export control.

Turkmenistan has no WMD-related infrastructure or materials on its territory, apart from a reported abandoned uranium mine in the north-west of the country.³⁹ Its priority goal should be the development of export controls, as its export control system seems to be the weakest in the whole former Soviet Union.⁴⁰ Turkmenistan is the only Central Asian state that does not have a law on export control. Some presidential decrees were adopted that outlined goods that required licence for import or export. However they were considered to be export control decrees but not non-proliferation export decrees (since their primary goal was to protect Turkmenistan’s domestic market by controlling the flow of items in and out of the country).

REGIONAL EFFORTS

In addition to individual national efforts, there have been some region-wide non-proliferation endeavours. In September 2006 Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan concluded a treaty that established a nuclear-weapon-free zone (NWFZ) in Central Asia, and which reiterated their adherence to non-proliferation values. By establishing a NWFZ the states agreed to ban nuclear weapons from the region and accepted stricter safeguards to prevent proliferation.

The Treaty on a Nuclear-Weapon-Free Zone in Central Asia (Semipalatinsk Treaty) was concluded after several years of complex negotiations and is seen as a major achievement by the Central Asian states. The five republics were successful in alleviating their differences on specific aspects of the Treaty and reaching a consensus on its provisions. Two crucial points of disagreement concerned the issue of transit (how Central Asian states would treat possible transit of nuclear weapons through their territories) and how the treaty would relate to previously signed agreements (specific concerns were raised about any potential clash between some provisions of the 1992 Tashkent Collective Security Treaty and new obligations under the NWFZ Treaty).

During the NWFZ treaty negotiations, Kazakhstan, Kyrgyzstan and Tajikistan were in favour of more permissive provisions with respect to the issue of transit. On the other hand, Uzbekistan and Turkmenistan argued for more stringent rules for transit. The final text of the treaty allows each country to independently resolve issues related to transit through its territory.

The question of which treaty takes precedence (the Tashkent Treaty or the NWFZ Treaty) was a difficult one, both internally (within the region) and externally (US, UK and France are still in opposition to the language adopted on this issue). Article IV of the Tashkent Treaty states that signatories will render each other “all necessary assistance, including military” in response to aggression. Russia indi-

cated to four Central Asian parties to the Tashkent Treaty (Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan) that it preferred a broader definition of “military assistance”. Three other nuclear weapon states – US, UK, and France – assumed that it could include use (or stationing) of nuclear weapons on the territory of Central Asia which, according to their view, would undermine the effect of the nuclear weapons-free zone treaty as a whole.

The governments of Kazakhstan, Kyrgyzstan, and Tajikistan took into account Russia’s position and proposed that the NWFZ treaty should not affect any obligations under the previous security arrangements. Uzbekistan and Turkmenistan were not party to the Tashkent Treaty at the time of negotiations and refused to accept such arrangements (Turkmenistan was not a party to the Tashkent Treaty; Uzbekistan temporarily suspended its membership in 1999 but later rejoined it).

Finally, the Central Asian states reached a consensus and agreed on the following text of the relevant Article 12: “This Treaty does not affect the rights and obligations of the parties under other international treaties which they may have concluded prior to the date of the entry into force of this Treaty. The parties shall take all necessary measures for effective implementation of the purposes and objectives of this Treaty in accordance with the main principles contained therein.”⁴¹

The US, UK, and France continue to object to Article 12 on the grounds that the provisions for transit are too vague and ambiguous. As such, there is a concern that these three countries might not sign the additional protocol to the Treaty establishing a nuclear weapon-free zone in Central Asia. All nuclear weapon-free zone treaties contain a special protocol that is open for signature by the nuclear weapon states (USA, UK, France, China, Russia), in which those states pledge to respect the NWFZ and refrain from the use of or threat of use of nuclear weapons against the states that are part of the nuclear weapon-free zone. Nonetheless, the three nuclear powers are willing to conduct consultations with the Central Asian states.⁴² This gives hope that progress can be made and all five nuclear states will sign the required protocol (Russia and China did not express any objections to the final language of the Semipalatinsk Treaty and are likely to sign the protocol as soon as it is open for signature).

Some arms control experts believe that the provisions of the Tashkent Treaty and of the new treaty establishing a nuclear weapon-free zone in Central Asia are not incompatible since stationing nuclear weapons on the territory of an aggressed state is not necessary to defend that state (the missiles can be launched from an area outside of the zone). Therefore, “military assistance” under the Tashkent Treaty can be rendered without placing any nuclear weapons in a denuclearized zone. As a result, provisions of the Tashkent Treaty may not necessarily interfere with the obligation accepted by the Central Asian states of not stationing nuclear forces on their territory.⁴³

To enter into force, the Semipalatinsk Treaty has to be ratified by all five Central Asian states. So far, it has been ratified by Kyrgyzstan and Uzbekistan. A Central Asian nuclear weapon-free zone would be the fifth denuclearized zone in the world and a major contribution to the global non-proliferation regime.

INTERNATIONAL COOPERATION

International involvement has been an important catalyst for national efforts to address proliferation threats in Central Asia. The main source of external assistance is the United States, as the US government has been concerned with potential WMD

proliferation in the former Soviet Union since the early 1990s. US-funded cooperative non-proliferation programmes are financed by the US Departments of Defense, State, Energy and Commerce, as well as some other government agencies. These programmes originated under the legislation passed by US Senators Richard Lugar and Sam Nunn in 1991. Countries other than the United States also provide substantial resources to assist Central Asia; major contributors include Canada, Japan, the United Kingdom and other EU countries.

With assistance from the Cooperative Threat Reduction (CTR) programme, Kazakhstan removed all nuclear weapons and intercontinental ballistic missiles from its territory and destroyed all the silos associated with these weapons. CTR also helped shut down the former nuclear test site at Semipalatinsk and financed the dismantlement of the BW facility in Stepnogorsk (both in Kazakhstan) and the CW research facility in Nukus (Uzbekistan). The CTR programme provided funds for projects to establish a new laboratory complex for anti-plague research at the Kazakh Scientific Center for Quarantine and Zoonotic Diseases. CTR funds also paid for improved safety and security in the Scientific Research Institute in Otar (Kazakhstan), and in three bioresearch institutes in Uzbekistan (the Institute of Virology, the Center for Prophylaxis and Quarantine of Most Hazardous Infections and the Samarkand Veterinary Institute).⁴⁴ The CTR programme also provides opportunities for bioscientists to work on biosafety and biosecurity projects. For example, Kazakh scientists mapped and completed the genetic fingerprinting of 93 isolates of anthrax found in Kazakhstan. Also, they were able to participate in a joint diagnosis of avian influenza in Georgia and Kazakhstan and diagnosed and identified the source of an outbreak of Congo-Crimean hemorrhagic fever (a tick, in Uzbekistan).⁴⁵

Vozrozhdeniye Island has been partly decontaminated thanks to financial and technical assistance. The United States provided Uzbekistan with US\$ 6 million to dismantle former BW infrastructure and disinfect Uzbekistan's part of the island.

Kazakhstan's government asked the United States for assistance in the early 1990s when almost 600kg of inadequately secured HEU fuel was discovered at the Ulba Metallurgical Plant in Ust-Kamenogorsk. This amount was reportedly enough to build 20–25 nuclear bombs.⁴⁶ In 1994 the HEU fuel was removed to a safe location in the United States.⁴⁷

Several non-proliferation assistance programmes are helping Central Asia with the development of regulatory frameworks for export control and providing training and equipment for export control officials, border guards, and customs inspectors. For example, the US State Department, Customs Service and Department of Commerce have been active in providing assistance through seminars, workshops and training for Central Asian specialists in order to enhance countries' export and border control capabilities.

The International Science and Technology Center (ISTC) programme, an international organization financed by Canada, the European Union, Japan, Norway, the Republic of Korea and the United States, provides employment to former Soviet weapons specialists who seek to turn their skills to civilian use. While initially ISTC focused on employing former nuclear scientists, with time it has recognized the need to provide alternative employment to BW and CW experts. ISTC provides grants for peaceful research projects, thus reducing the potential threat of experts selling critical knowledge. Its activities in Central Asia should be expanded even further to help prevent the leakage of WMD know-

how from the region. The Science and Technology Center in Ukraine (STCU) funded by the EU, the US, and Canada, an organization identical in structure and function to the ISTC, is also dealing with this issue. At present, Kazakhstan, Kyrgyzstan and Tajikistan are parties to the ISTC, and Uzbekistan is a member of the STCU. The Global Initiatives for Proliferation Prevention (GIPP) programme, administered by the US Department of Energy, is also aimed at preventing "brain drain" from the former Soviet republics by engaging scientists in collaborative commercially viable projects.⁴⁸

An important contribution to government-led efforts is being made by the non-profit Nuclear Threat Initiative (NTI, co-chaired by former US Senator Sam Nunn and media magnate Ted Turner). For example, NTI is helping Kazakhstan with the elimination of HEU stockpiles by assisting with blend-down of HEU and by supporting conversion for the Alatau nuclear research reactor.

Conclusion

The geopolitical situation in Central Asia remains unstable. In addition, there are insecure WMD-related materials located in the region and areas of terrorist activity can be found nearby. Overall, the geopolitical conditions in modern Central Asia together with the Soviet WMD legacy in the region create a dangerous combination of security risks and threats to Central Asia itself and the world.

The WMD proliferation threats in Central Asia thus require unfailing attention from both national governments and the international community. Although important work on reducing proliferation risks in the region of Central Asia has been completed in the last decade and a half, much remains to be done. It is critical that additional measures be taken. Sustained political and financial support is necessary if non-proliferation measures in the region are to be effective and durable.

The current three-layered response to existing WMD proliferation threats at national, regional and international levels is laudable but would benefit from additional commitment on behalf of the Central Asian states and international donors. The Central Asian republics are limited in how they can implement non-proliferation policies; a lack of financial and human resources is by far the biggest problem, although not the only one. At the regional level, the five Central Asian states have succeeded in reaching agreement on the creation of a NWFZ, but the urgency of current challenges suggests a need for greater cooperation, especially in the export and border control areas. At the level of international assistance programmes, significant achievements have been reached in terms of reducing proliferation threats. More attention, however, needs to be paid to conversion and the environmental and socio-economic needs of the Central Asian countries to complement the dismantlement of WMD infrastructures, if positive long-term results are to be achieved.

¹ For example, Dosym Satpayev, head of the Risk Assessment Group, based in Kazakhstan, stated that "Americans failed to help Central Asians strengthen their stability after the Afghan war". Quoted in Gulnoza Saidazimova, "Five Years After 9/11: Crackdowns Loom Behind Central Asia's War on Terror", *RadioFreeEurope/RadioLiberty*, 8 September 2006, at <www.rferl.org/featuresarticle/2006/09/23b8c124-00f0-4ee5-b694-bcfb2772a5e9.html>.

² See, for example, "Explosion Destroys Newspaper Archives", *Reporters Without Borders*, 1 June 2007, at <www.protectionline.org/Ekko-Osha-Attack.html>; and "Islamic Movement of Uzbekistan", in *Patterns of Global Terrorism 1985–2005: U.S. Department of State Reports with Supplementary Documents and Statistics*, Berkshire Publishing Group, 2005, p. 179, available at <www.berkshirepublishing.com/bpg/pogt_intro.asp>.

³ James Purcell Smith, 2003, "The IMU: Alive and Kicking?" *Central Asia-Caucasus Analyst*, 24 September, at <www.cacianalyst.org/view_article.php?articleid=1761>.

⁴ Ibid.

⁵ *Afghanistan—Opium Survey 2007: Executive Summary*, United Nations Office on Drugs and Crime and the Government of Afghanistan (Ministry of Counter Narcotics), August 2007, p. iv, at <www.unodc.org/pdf/research/AFG07_ExSum_web.pdf>.

⁶ Purcell Smith, op. cit.

⁷ See, for example, Human Rights Watch, no date, *Uzbekistan: Andijan Crisis Aftermath*, at <hrw.org/campaigns/uzbekistan/andijan>.

⁸ See United States Department of State, "US Urges Credible International Investigation in Uzbekistan", 24 May 2005, which includes the United States' *Statement on Recent Violence in Uzbekistan* to the OSCE, at <usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2005&m=May&x=200505241225561CJsamohT0.4526026>.

⁹ Matthew Bunn, 2007, *Securing the Bomb 2007*, Cambridge, MA, Project on Managing the Atom for the Nuclear Threat Initiative, September, at <www.nti.org/e_research/securingthebomb07.pdf>.

¹⁰ Nuclear Threat Initiative, 2006, *NTI Civil HEU Stocks Map*, at <www.nti.org/db/heu/map.html>.

¹¹ "Kazakhstan: Mangyshlak Atomic Energy Combine (MAEK)," *Country Profiles*, Nuclear Threat Initiative (produced by Center for Nonproliferation Studies), 22 October 2003, at <www.nti.org/db/nis-profs/kazakst/reactors/powerrea.htm>.

¹² Bunn, op. cit., p. 10; Jon Fox, "Kazakhstan Signs on to Downblending Program", *Global Security Newswire*, 6 October 2006, at <www.nti.org/d_newswire/issues/2006_10_3.html#327E7EC6>.

¹³ Bunn, op. cit., p. 74.

¹⁴ "Kompaniya KazAtomProm edinstvennyi pretendent na imushchestvo MAEK, kotoryi stanet ee strukturnym podrazdeleniem," *Interfax-Kazakhstan*, 1 September 2003.

¹⁵ Jon Brook Wolfsthal et al. (eds), 2001, *Nuclear Status Report: Nuclear Weapons, Fissile Material, and Export Controls in the Former Soviet Union*, no. 6, June, Washington, DC, Carnegie Endowment for International Peace and Monterey Institute of International Studies, at <cns.miis.edu/pubs/print/pdfs/nsr/status.pdf>, p. 65.

¹⁶ Daniel Horner, "DOE Increases Request for GTRI; Some Say Larger Boost Needed", *Nuclear Fuels*, 12 February 2007.

¹⁷ Nuclear Threat Initiative, 2006, *NTI Civil HEU Stocks Map*, op. cit.

¹⁸ Ibid.

¹⁹ Jessica Eve Stern, 1997, "Cooperative Activities to Improve Fissile Material Protection, Control, and Accounting," in John M. Shields and William C. Potter (eds), *Dismantling the Cold War: US and NIS Perspectives on the Nunn-Lugar Cooperative Threat Reduction Program*, Cambridge, MA, The MIT Press, p. 314.

²⁰ NTI, "16–20 May 2005: Kazakhstan Hosts Seminar on Search for and Security of Radioactive Sources; Inventory of Radiation Sources to Be Held in Kazakhstan," "Kazakhstan Profile: Export Control Developments in Kazakhstan," *Country Profiles*, Nuclear Threat Initiative (produced by Center for Nonproliferation Studies), July 2007, at www.nti.org/e_research/profiles/Kazakhstan/print/index_5542.prt.

²¹ "Kazakhstan and Kyrgyzstan Conduct Inventory of Radioactive Sources and Reinforce Controls on Such Material", *International Export Control Observer*, Center for Nonproliferation Studies, December 2005/January 2006, at <cns.miis.edu/pubs/observer/pdfs/ieco_0512e.pdf>, p. 9.

²² Charles Ferguson et al., 2003, *Commercial Radioactive Sources: Surveying the Security Risks*, Center for Nonproliferation Studies Occasional Paper no. 11, at <cns.miis.edu/pubs/opapers/op11/op11.pdf>, p. v.

²³ "Hunting a Deadly Soviet Legacy", *The Washington Post*, 11 November 2002, p. 1.

²⁴ Author's interview with Nysangali Kozhahmetov, Kazakh Republic Sanitary Epidemiological Station, Almaty, Kazakhstan, February 2003.

²⁵ Sonia Ben Ouagrham-Gormley, Alexander Melikishvili, and Raymond Zilinskas, "The Soviet Anti-Plague System: A Recent History 1992–2004," James Martin Center for Nonproliferation Studies web-site, forthcoming.

²⁶ Communication with a DOD official, 31 October 2007.

²⁷ See, for example, *Izvestiya*, 11 June 2002, no. 203 (26282), p. 7; and "Break-in Reported at a Biological Facility in Kazakhstan", *NIS Export Control Observer*, Center for Nonproliferation Studies, January 2003, at <cns.miis.edu/pubs/nisexcon/pdfs/ob_0301e.pdf>, p. 11.

²⁸ Kenes Ospanov, "Organizatsiya meropriyatiy po preduprezhdeniyu bioterrorizma", paper delivered at the Biological Weapons Nonproliferation Training Seminar, Center for Nonproliferation Studies, Almaty, Kazakhstan, 12–14 May 2003.

²⁹ It is technically challenging to weaponize the plague bacterium; however, the Soviet bioweapons program had developed a means to permit

its spread as an aerosol and some former Soviet bioweapons scientists may still possess the necessary expertise. If any of these scientists could be recruited by a terrorist organization, the threat of converting plague into a weapon would be real. Anthrax is much easier to weaponize than plague, but producing it in the form of highly refined powder in large quantities and disseminating it over large areas are technically difficult processes. A terrorist group would probably require the expertise of skilled BW scientists to turn anthrax into weapons of mass casualty attack, although smaller-scale attacks, entailing less technical sophistication, can still have a significant psychological and economic impact (for example, the "anthrax" letters sent within the United States in 2001). (This description on proliferation risks associated with natural foci of highly infectious diseases in Central Asia was provided to the author by Jonathan Tucker, James Martin Center for Nonproliferation Studies.)

³⁰ "Bakteriologicheskoe oruzhie: vchera, segodnya, zavtra", *Delovaya Nedelya*, 11 February 2001.

³¹ Communication with a DOD official, 31 October 2007.

³² The International Science and Technology Center (ISTC) and Global Initiatives for Proliferation Prevention (GIPP). GIPP was previously called Initiatives for Proliferation Prevention. In 2006, it was expanded to include another programme—Nuclear Cities Initiative (NCI)—and to reflect broader geographical application (e.g. work with WMD scientists in Libya and Iraq). In mid-2006 the original agreement was not renewed and NCI ceased to exist.

³³ Kazakhstan signed the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction on 14 January 1993. The Convention entered into force in Kazakhstan on 22 April 2000.

³⁴ James Martin Center for Nonproliferation Studies, no date, "Seminar on Implementing UNSC Resolution 1540 in Central Asia and the Caucasus", at <cns.miis.edu/cns/media/pr061023.htm>.

³⁵ "Kazakhstan Profile: Export Control Developments", *Country Profiles*, Nuclear Threat Initiative (produced by James Martin Center for Nonproliferation Studies), July 2007, at <www.nti.org/e_research/profiles/Kazakhstan/index_5542.html>.

³⁶ "Kyrgyzstan Profile: Export Control Developments in Kyrgyzstan", *Country Profiles*, Nuclear Threat Initiative (produced by James Martin Center for Nonproliferation Studies), July 2007, at <www.nti.org/e_research/profiles/Kyrgyzstan/index_2508.html#report>.

³⁷ "Tajikistan Profile", *Country Profiles*, Nuclear Threat Initiative (produced by James Martin Center for Nonproliferation Studies), October 2007, at <www.nti.org/e_research/profiles/Tajikistan/index_5039.html>.

³⁸ "Tajikistan: Export Control Developments", *Country Profiles*, Nuclear Threat Initiative (produced by James Martin Center for Nonproliferation Studies), May 2006, at <www.nti.org/e_research/profiles/Tajikistan/index_5167.html>.

³⁹ "Turkmenistan Profile", *Country Profiles*, Nuclear Threat Initiative (produced by James Martin Center for Nonproliferation Studies), November 2007, at <www.nti.org/e_research/profiles/Turkmenistan/index.html>.

⁴⁰ "Turkmenistan: Export Control Developments", *Country Profiles*, Nuclear Threat Initiative (produced by James Martin Center for Nonproliferation Studies), May 2006, at <www.nti.org/e_research/profiles/Turkmenistan/index_5190.html>.

⁴¹ Treaty on a Nuclear-Weapon-Free Zone in Central Asia, 2006.

⁴² Jozef Goldblat, "The Treaty of Semipalatinsk Has Been Signed but the Controversies Overt Its Contents Remain," UNIDIR and GIPRI note, January 24, 2007.

⁴³ Jozef Goldblat, "Denuclearization of Central Asia," *Disarmament Forum*, United Nations Institute for Disarmament Research, Vol. 4, 2007, p. 30.

⁴⁴ Laura Schmidt, "Threat of Chemical Weapons and US Programs on Nonproliferation of Chemical and Biological Weapons", paper delivered at Biological Weapons Training Seminar, Center for Nonproliferation Studies, Almaty, Kazakhstan, 12–14 May 2003.

⁴⁵ United States Department of Defense, 2006, *Cooperative Threat Reduction Annual Report to Congress Fiscal Year 2008*, at <www.dtra.mil/documents/oe/ctr/FY08%20CTR%20Annual%20Report%20to%20Congress.pdf>, p. 2.

⁴⁶ The Kazakhs maintained that only 5% of the material was weapon-grade while the rest would require further enrichment. See "Kazakhstan Nuclear Facilities: Ulba Metallurgy Plant", *Country Profiles*, Nuclear Threat Initiative (produced by James Martin Center for Nonproliferation Studies), March 2007, at <www.nti.org/e_research/profiles/Kazakhstan/Nuclear/4278_4302.html>.

⁴⁷ Ibid.

⁴⁸ The Office of Defense Nuclear Nonproliferation, National Nuclear Security Administration, no date, at <www.nnsa.doe.gov/na-20/gipp.shtml>.

Kazakhstan and India Perspectives on Regional Security

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The global changes occurring in the world in the beginning of the third millennium, compel to look at the problems of security of Kazakhstan and the other states of the Central Asian region in a new perspective. The region of the Central Asia in this context plays an important role since the succession of events in the region to a certain extent reflects and will continue to reflect the development of the situation at the global level.

The changes in the field of security have led to the essential shift of emphasis in connection with its new measures. A lot of other issues like ecological, social, etc. have been added to the military factors of security. More attention is given to the humanitarian aspects of security, like the need to protect the interests of individuals and social groups. Security issues of the individuals and the society earlier having secondary importance were placed in the foreground.

Today the Central Asian region represents a territory with high degree of terrorism. The president of Kazakhstan identifies the following problems that encourage terrorism: presence of extremely unstable regional environment (Afghanistan, Kashmir, Northern Caucasus); porous borders; expansion of drug trade; factors leading to expansion of religious extremism; conflicting interests of the leading powers and interstate contradictions.

The factors encouraging the growth of terrorism also include instability due to influence of growing criminality, increasing tendencies to solve the problems by force, poor performance of the state machinery and the law enforcement bodies etc. Keeping in mind, that terrorism is taking increasingly developed and carefully disguised forms — especially dangerous in such conditions are lack of proper security measures, weak counter divertive protection of the objects of heightened risk, and also the irresponsible attitude towards storage of fire-arms, ammunitions and explosives.

Effectiveness of the fight against terrorism depends on a number of factors taken as a whole: comprehensive and objective identification and consideration of the reasons and conditions leading to the emergence of terrorism, or factors encouraging this phenomenon; a degree of technical and special equipment and professional preparedness of the divisions engaged in the fight against terrorism; the level of development and effectiveness of the nation-wide system of counteraction against the terrorist threats and the degree of realization of those dangers by the society which ensue from terrorism, etc.

Presently the fight against terrorism is basically directed to suppression of terrorist activities while the main focus of this activity should be on their prevention. In the formulation of the policy to fight against terrorism the onus should be on the identification and elimination of the causes and the conditions leading to terrorist activities. Consequently all the means of prevention should be set in motion: political, social, economic, legal, educational, informative, propagandist, etc. Thus, it is necessary to create an interstate mechanism, capable of tracing and blocking the channels of financing of the international terrorism without which this phenomenon cannot show its destructive potentiality.

The important point in the fight against terrorism is adequate *legislative measures* at the state level. However, each country differently perceives the threat of terrorism, and terrorism itself has various, typical for the given country objects of infringement that excludes an opportunity of speedy unification of antiterrorist legislations and their merger into a uniform complex of legal norms for all the states.

There are internal and external factors *for the potential existence of the extremist groups*. The internal factors are — low standard of life of the population and generally unfavorable socio-economic situation in the Central Asian region, lack of proper social security leading to increasing threat on the part of radical elements. External factors are — international terrorist organizations, powerful external financial support, military-political instability in the Middle East and negative impact of an adverse geopolitical situation and transit of drug trafficking.

Under the banners of Islamic extremism there can be any criminal forces interested in destabilizing the situation (drug trade, weapons smuggling, the nationalist parties, hidden criminal elements, etc.).

After the events on September 11th, 2001 the fight against terrorism, extremism and drug trade became the main concern of internal and external policy of many countries. More often this began to be considered as a problem since drug trade remains the main support of terrorism and religious extremism.

The illegal distribution of drugs as one of the negative factors of modern development undermines the foundation of stability and safety of any state. In the words of an international expert, “significant growth of illegal transportations of drugs in the republics of the Central Asia threatens not only the health of the local population, but also exerts a negative impact on political, economic and social stability and also on the process of democratic reforms” [1].

In Kazakhstan, as well as in the others states of Central Asia, the situation of drug trade is quite complex. The number of drug addicts increased 4 times. In the overall structure of drug addiction heroin registered significant increase. 10 % of all crimes happen to be drug related. According to the experts fighting against drug trade antiterrorist operation of the coalition forces in Afghanistan has not resulted the decrease of production of Afghan opium and heroin. On the contrary, the drug trade operating through the countries of the region has increased. Today on the territory of Kazakhstan there are four main routes of drug trafficking.

The Republic of Kazakhstan has taken independent measures, as well as steps within the framework of the international community to fight against consumption of narcotics and drug trading. Nevertheless, for the liquidation of the problem it is necessary to do much more including strengthening of borders and development of effective regional and international cooperation. It is necessary to design a common strategy for the fight against consumption of narcotics. Priorities in the fight against consumption of narcotics and drug trading should be:

- Appropriate legal provisions: perfection of judicial system, strengthening of criminal suits for the crimes related to illegal drug trade;

- Establishment of reliable police forces for the control and implementation of the laws forbidding drug trading. In order to prepare such personnel the services of former officers who served in Afghanistan may be utilized, since they can render substantial help as advisers in controlling the problem;

- Effective measures that should be taken to restrict drug related problems include: customs control, strict regulation of illegal circulation of drugs and their eventual destruction, introduction of other special mechanisms;

- Provision for medical-rehabilitation;

- Warning - development of drug immunity, involvement of nongovernmental and public organizations, educative programs for teachers, creation of specialized information-analysis centres in the districts.

For an effective fight against drug trade, a clear understanding of its military, economic and political implications is important. The countries of the Central Asia should play a key role to fight against drug trading and insist on the international control over the modes of financing of drug trade and thereby curbing the income by drug trafficking

Thus, to solve the problem concerning fight against the emergence of international terrorism in Central Asia, religious extremism, drug trade, illegal circulation of arms, illegal migration, it is necessary to evolve a joint policy leading to the formation of regional and inter-regional systems of security on a bilateral basis.

From the first days of its independence the Republic of Kazakhstan has defended the principle of indivisibility of security in its foreign policy that means the close relationship of all its elements. Security must be indivisible, that is, all security issues must be solved in an integrated manner. That is the national security can not be separated from state, regional can not be separated from the continental, continental can not be separated from global. In the world of globalization, all security issues are closely interlinked. The President of our country has said in a statement at 47th Session of the UN General Assembly, that “the security of one State may not threaten the security of another, as well as regional and global security. It is important that all nations are equally protected against current threats and the risks

and bear common responsibility for their security. This is the stability of international relations system.

One of the goals of Kazakhstan’s foreign policy is the involvement of the state in the establishment of collective security system. Kazakhstan became a non-nuclear state by the collective efforts. The antinuclear policy of Kazakhstan has helped in the establishment of positive relations with the world community; it has received guarantees of security enabling it to pursue internal political reforms independently with the aim to strengthening of the statehood without outside intervention, in other words it took full advantage of the “confidence” it enjoys from the world powers. The antinuclear policy of Kazakhstan has created the conditions to support regional and global security, facilitating Kazakhstan to involve in the decisive process of building up a system of international security and disarmament.

As far as the question of possibility to create a system of security in the Central Asia is concerned, it is necessary to take note of the weak functional relations of the states of the region among themselves. There is little to speak about the evolution of the system of security of post-soviet space and the Central Asian region, which in reality has not gained momentum. Each of the countries of the region of the Central Asia independently defends its own interests on the issue of national security. This explains the intention of the big international players “dealing” with these countries separately not at the level of regional cooperation.

Realizing that in case of incapability of the region to conduct a coordinated policy in the external environment, it is threatened “with the possible loss of that significant status, which it has achieved in the recent years in the world geopolitical and geoeconomic system” Kazakhstan consistently supported implementation and improvement of principles of multilateral structures. Thus, addressing to the priority areas for further strengthening of the international authority of Kazakhstan, regional stability and international security, President of the Republic of Kazakhstan N. Nazarbayev, in his Annual Address to the people of Kazakhstan on February 7, 2008 said: “Inter-state organizations established on the initiative or with the direct participation of Kazakhstan proved its relevance. CICA, SCO, CSTO provided the foundation for building an effective system of regional security. [2]

It is necessary to consider the fact, that the Western countries, while supporting Kazakhstan on the issue of its integration into world politics and economy, and the attitude of the leadership of our country vis-a-vis large-scale reforms in all the spheres of the state and socio-political life, simultaneously identify our republic by virtue of its geographical location and its natural potential as an object of geopolitical interests. Therefore the position of Kazakhstan regarding important world problems may be dependent on the alignment of forces in the world, the interests of the world powers, and also the development of events in the international arena.

Kazakhstan supports the formation of additional guarantees of security, both in the territory of CIS as a whole, and in Central Asia, in particular. Not by coincidence, it is Kazakhstan that has taken the initiative to create a new structure of cooperation in Asia — by creating a Conference on interaction and confidence building measures in Asia (CICA), which occupies a special position in its system of the foreign policy priorities.

In terms of its objectives and functions CICA is often compared with the OSCE. It is a perspective the realization of strategic objectives to establish partnerships with many countries in Asia, for the prevention of crises and conflicts.

Kazakhstan defines the role of CICA as a forum for negotiations and consultations in the sphere of security and stability in Asia. The initiatives by Kazakhstan are directed towards the creation of a common area for security covered by CICA, which is "free from dividing lines where the states are partners of equal rights". According to the diplomats of Kazakhstan CICA also presumes "the refusal of the concepts of the spheres of influence", "the regional approach to solve the problems of security", "ensuring transparency in interstate relations, keeping in mind, that the foreign policy of each participant state should be built on the principles of predictability and openness taking into consideration individual and collective needs in the sphere of security" [3].

The Shanghai Cooperation Organization is becoming more popular in the region of Central Asia. This is proved not only by participation of Russia and China in the regional organization, but also by the interest of the observer countries - India, Pakistan, Iran. SCO is an organization that emerged from the desire of states to jointly address the issues of mutual security and confidence-building measures. Then interests of the participating states included the political, economic, cultural and humanitarian cooperation. All efforts of the SCO member-states are aimed solely at maintaining peace and stability in the region and expansion of the geographical areas of cooperation is discussed.

No doubt, the existence of external threats and challenges to the stability and security of the region, especially an escalation of terrorism and extremism, as well as economic problems in the world are crucial to the process of the SCO member-states cooperation.

Maintenance of the military security of the SCO member-states is an important function, but not the main task for the organization. The main task is to ensure confidence, friendship, good neighbourliness in the region, as well as to counter new threats. The main is the terrorist threat. It should be noted that initially one of the main tasks of the SCO was fight against terrorism, separatism and extremism. The Convention on Combating Terrorism, Separatism and Extremism was signed at the "inaugural" SCO summit (June 2001). Subsequently, SCO Regional Anti-Terrorism Structure - a permanent body to facilitate coordination and inter-activity of the corresponding authorities of the SCO countries was established.

The Shanghai organization is not involved in defense issues. The priority of this organization is opposition to separatism and international terrorism, the fight against the smuggling of weapons and drugs and protecting borders of the Asian continent. The SCO is not a military alliance, not a political union of states. It is a regional security structure aimed at expanding the scope of cooperation. Now important tasks for the strengthening of comprehensive cooperation of SCO are not only military and political cooperation, but also economic. The SCO is an organization, capable of providing security in the Central Asia. Now it is at the stage of self-development and possibly in the future will exert significant influence.

The Central Asian countries are also member-states of the Collective Security Treaty Organization (CSTO). At the present the role of the Collective Security Treaty Organization is of great importance because it is a regional organization established to ensure the stability and security of Kazakhstan and the Central Asian region. It has undergone a major transformation and is consistent with the realities of today's stage of the development of the CIS and the entire system of international relations.

In the 1990s, the post-Soviet space has become a new geopolitical and geostrategic field, where a new modern

geopolitical scene was developed. The threat of unleashing World War II and the application of both nuclear and other weapons of mass destruction in the Central Asian region was reduced. The trend of forming a multipolar world is consistently growing. Significant progress in the field of arms control, the strengthening of stability and security in the world is achieved.

At the same time, global changes that have taken place in the world, carry some contradictory trends: on the one hand, the world community has taken concrete steps to increase cooperation and the peaceful solution of disputes, control arms race and proliferation of nuclear weapons, on the other hand - the new risks and threats to security were emerged.

The CSTO originally is political, open and is not aimed to create a military bloc. It became the basis for a qualitatively new level of maintenance of member-states security, mainly by political, peaceful means, joint efforts to build a new security system.

CSTO remains an important mechanism of Russia's participation in the Central Asian processes. In this case leadership of Russia can use it to strengthen its influence in the Central Asian region. The Central Asian region has played an important role in the national and military security of Russia. Russia has long been closely associated with the countries of Central Asia and sees the region as a zone of its vital interests. The Central Asian region for Russia serves as a kind of "buffer" to protect their own southern borders from infiltration, first of all, of Islamic religious extremism and terrorism. Therefore the military dimension in the relationship between Russia and the Central Asian States plays a key role.

CSTO is one of the few still working the CIS structures. It has the article like the NATO treaty, according to it an attack on one of the participating countries in the Collective Security Treaty Organization is regarded as an attack on all member countries, which inevitably involve them in military action.

In evaluating the role of the CIS Collective Security Agreement Nursultan Nazarbayev wrote that "unfortunately, the CIS is not fully lived up to expectations" [4]. Yet the official position of Kazakhstan regarding the CSTO is that the system of collective security, despite all the problems and difficulties, is the real basis for the formation of a regional security system and it is necessary to take further steps to improve the effectiveness of the organization [5].

Obviously, the only solid pillar of the multilateral cooperation within the framework of the Collective Security Treaty Organization is a concurrence of interests. The national and state priorities of the post-Soviet countries are determined now. Therefore it is possible to define the principal spheres of concurrence of their interests.

Formation of new structures of security in the Central Asia cannot yield expected result, and will make the process bureaucratic, if it is to be conducted on the basis of old principles. In the era of globalization it is not enough to have new regional designs on the basis of interstate agreements and contracts. It is also necessary to talk about "the formation of the uniform economic law and order and acceptance of the Uniform code of regional and world security".

Kazakhstan believes, that concrete step in the solution of actual problems of the region could be the creation of the Regional Center in the republic, which would coordinate the activities related to border security of the region, including the fight against terrorism, drug trade and other illegal transaction [6].

Kazakhstan supports the initiative about prompt acceptance of the universal International Convention against international

terrorism. It is necessary to build a system of counteraction to illegal transit of drugs with joint efforts. It is quite logical to set up an international structure to fight against such threats to security like illegal migration in Central Asia under the aegis of OSCE. OSCE can also play an important role in the security on the Caspian Sea. In this context Kazakhstan proposes to sign "A Pact on stability on the Caspian Sea" prohibiting the use of military force in Pre-Caspian region.

The South Asian region is of great importance in Kazakhstan's multivector foreign policy. India was one of the first announced the recognition of the independence of the Republic of Kazakhstan. It also provided support to the country, when the issue of its admission to the UN was considered. Her selflessness and willingness to help Kazakhstan felt throughout everything. This is not a random phenomenon. India has long advocated the freedom of peoples and peaceful cooperation with all countries. The roots of our ties and friendship lie in the past centuries. Central Asia and India have established trade and cultural relations before B.C. and the beginning of our era.

India always played a constructive role in the international scene. India always considered the world as a uniform system and mankind as one family and had her own position in the world politics, manifested, first of all, in the policy of non-alignment and peaceful co-existence. India in the XXI century will remain a factor of peace and stability in the region. The policy of non-alignment and peaceful co-existence has given India high moral authority in the world in the XX century and has created a new philosophy of international relations in the beginning of the XXI century.

The political leadership of India exhibits serious interest in the establishment of full-scale and close relationship with the new independent countries of the Central Asia. Thus, the eminent political public figure of India, diplomat Inder Kumar Gujral pointed out, that "the Central Asian region has strategic importance for us. We should restore our general historical relations with the Central Asian republics and transform our traditional relations in short term as well as long term economic and political cooperation directed towards stability and prosperity of the region". The "Gujral Doctrine", which has not been implemented, is still relevant. Regarding the Doctrine the approach based on the second circle of the concentric circles approach combines extended neighborhood, including the countries of Central Asia. [7]

There are no frictions and controversies in the political relations between Kazakhstan and India. Both sides actively oppose international terrorism, drug trafficking, and against the aggressive fundamentalism. India supported the initiative of President Nazarbayev to hold the Conference on Interaction and Confidence-Building Measures in Asia (CICA). Its representatives have participated in all stages of convening of the Asian nations summit. The former Indian Prime Minister A.B. Vajpayee took part at the first meeting of the participating countries in Almaty in summer 2001. Many noted then about the useful role played by Kazakhstan in reducing tensions between Pakistan and India.

It should be recognized that the CICA Almaty Act, signed by the heads of State and Government, has laid a solid foundation to look optimistically at the future of the Eurasian space. As India insisted there are no provisions concerning bilateral issues in the document. The main focus of the Act is given to the general international challenges.

In any bilateral or multilateral meetings and negotiations Kazakhstan supports India's aspiration to become a permanent member of the UN Security Council. Foreign Minister of Kazakhstan K. Tokayev confirmed our position at the UN Summit on 60th anniversary of its establishment in September 2005 in New York.

The Indian side appreciates Kazakhstan's position. Our country welcomes the emerging military-political unity among China, India and Russia. Importantly, it will not be directed against anyone and had no evil deeds against the world. Only such a policy has a prospect in the contemporary changing world. And in this changing world, there is a sprout of a kind of peace and security, which is grown by joint efforts of Kazakhstan and India.

During the recent years relationship between Kazakhstan and India acquired concrete content in the line of interstate political, economic, scientific and technical and cultural relations. Kazakhstan expresses satisfaction for the support by the Indian side in the establishment of the Conference on interaction and confidence building measures in Asia (CICA). The prospects of expansion of mutual relations were repeatedly discussed during the meetings of the political leaders of Kazakhstan and India.

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Japan: Problems and Prospects of Central Asian Diplomacy

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The geopolitical space of Central Eurasia has long been a wrestling ring for the leading global and regional players. During the fifteen years since the U.S.S.R. disintegrated, specific actors have taken up their position in this process, formulated their goals and interests, and drawn up explicit game rules. Japan did not previously feature on the list of powers taking part in the intensive geopolitical struggle in the region. Since the Central Asian states gained their independence, Japanese policy toward the Central Asian Region (CAR) was not distinguished by high activity. Nevertheless, in the past few years, this player has been showing increased interest in Central Asia, which was aroused by several political and economic factors.

Japan appears to have noticeably activated its diplomatic resources recently for the explicit purpose of enhancing its relations with the CAR countries. It is generally thought that Tokyo's Central Asian diplomacy has its sights set on the energy resources it requires for guaranteeing Japan's energy security against the background of the steadily mounting price of oil. As we know, Tokyo is currently carrying out a new energy strategy aimed at ensuring long-term stable deliveries of oil, gas, and other energy resources in order to boost its economy, which is the second largest in the world. But if we look closer, it becomes clear that Japan is trying to play an even greater geopolitical role. In so doing, Japanese ambitions are aimed not only at Central Asia, but at Eurasia as a whole - in counterbalance to the growing influence of Moscow and Beijing, as well as, most likely, under Washington's patronage, the Land of the Rising Sun being its long-standing and devoted ally.

Whereas Japan's policy used to focus mainly on humanitarian and economic aid to the region's states, Tokyo is now expanding its range of interests in Central Asia and building a more concise foreign policy strategy toward the CAR. The Japanese leadership probably understands that its former approach and emphasis on building its international image as a peace-loving economic power is no longer sufficient. As Central Asia becomes gradually integrated into the world globalization processes, relations with the Central Asian countries must be developed in other more practical areas of cooperation.

The changes in Japan's policy largely go hand in hand with Central Asia's new role as a potential alternative to

the Far Eastern Region for the export of energy resources. Japan's initiation of projects aimed at comprehensive interaction with the Central Asian countries in the economy, politics, and security shows that Tokyo is activating its policy toward CAR. In August 2004, during the visit of Japanese Foreign Minister Junko Kawaguti to the Central Asian states, a Central Asia + Japan dialog (CAJD) was launched. Since its meetings are held irregularly and the interaction among the member states of this forum is low, it is difficult to talk confidently about the effectiveness of this structure. However, several Japanese researchers claim that the Central Asia + Japan dialog is a new stage in the establishment of relations between Tokyo and the Central Asian states. For example, some Japanese experts note that since the CAJD began, cooperation with the Central Asian countries has been raised to a higher level. But this claim is extremely disputable, and the success of Tokyo's diplomacy will largely depend on what it can offer the region's states.

Within the framework of the dialog, Japan intends to promote a multilateral approach in regional cooperation between the Central Asian countries. In comparison with Eurasian diplomacy, the Central Asia + Japan dialog advanced institutionally largely because decisions in the Japanese government are made «from the bottom up,» particularly in the Foreign Ministry.¹ It has recently become obvious that Tokyo is trying to raise the authority of the dialog, which is shown by the fact that meetings are being held more frequently at different levels within the framework of the CAJD. Last February, the second meeting of high-ranking officials of the dialog member states was held in Astana. In June 2006, a meeting was held in Tokyo at the level of foreign ministers of the CAJD states.

The increased interest of the world mass media in the policy conducted by Japan toward CAR is also indicative. For example, Japanese Prime Minister Junichiro Koizumi's visit to Kazakhstan and Uzbekistan at the end of August 2006 aroused a wide response in the international press.

¹ T. Yuasa, "Stroitelstvo dvustoronnego partnerstva v ramkakh dialoga 'Tsentral'naia Azia + Iaponiia,'" in: Kazakhstansko-iaponskoe sotrudnichestvo: sostoianie i perspektivy: materialy mezhdunarodnogo "kruglogo stola," 5 December, 2006, Kazakhstani Institute for Strategic Studies under the Kazakhstan President, Almaty, 2007, p. 33.

This event attracted the lively interest of several leading publications of the world mass media, such as Japan Today, Arab News, Reuters, and the BBC. According to well-known Kazakhstani political scientist Murat Laumulin, this visit «was largely symbolic, since it designated the end of an era of indefiniteness in Japan's policy and strategy toward Central Asia. When looking over the one-and-a-half decades of the post-Soviet era, our attention is drawn to Japan's perfunctory declaration of its interests in Central Asia and Eurasia. I am referring to the Great Silk Road doctrine. But in reality, Tokyo did not begin taking specific steps in the political, economic, and broader geo-economic respect until the second half of Koizumi's term as prime minister».²

An analysis of Japan's regional initiatives shows the following foreign policy interests of this country in CAR:

1. Ensuring the country's energy security by increasing its access to Central Asia's energy resources. The Middle Eastern states are the main oil exporters to Japan. Taking into account the high conflict potential in this region (escalation of the Israeli-Palestinian conflict, aggravation of the political situation in Iraq, and growing pressure from the U.S. and the West on Iran regarding its nuclear program), Tokyo is interested in looking for new partners capable of guaranteeing stable and uninterrupted deliveries of energy resources to Japan. Diversifying the routes for importing energy resources should lower Japan's dependence on the Arab world. In August 2006, before leaving for Astana, Premier Koizumi announced Tokyo's interest in Central Asia's energy resources. «As for our strategy regarding energy resources, it is not good for Japan to be too dependent on the Middle East. Whereas Kazakhstan and Uzbekistan are the fortunate owners of vast supplies of resources», he emphasized.³ This statement unambiguously shows Tokyo's interest in the energy sector of the Central Asian countries.

The following facts show Japan's interest in developing and intensifying its relations with the Central Asian states in the energy sphere:

– In May 2006, the Japanese Ministry of Economics, Trade, and Industry published a new national energy strategy, in which the need was emphasized for expanding Japan's ties with states rich in energy resources. This project was to be based on the creation of powerful transnational corporations for extracting, processing, and transporting raw materials. That is, if, for example, the share of Japan's domestic oil production and transportation companies currently amounts to approximately 15%, by 2030, it should reach 40%.⁴

– Japanese officials are emphasizing the need in their statements to expand partnership with the Central Asian countries in the energy sphere. The Japanese prime minister made his first visit in history to Kazakhstan and Uzbekistan on 28-31 August. At his meeting with Kazakhstan President Nursultan Nazarbaev, Junichiro Koizumi emphasized that the Japanese side intended to intensify cooperation with Kazakhstan in the nuclear energy sphere, including in the development of uranium fields. The meeting ended in the sides signing a Memorandum of Intent between the governments

of Kazakhstan and Japan on advancing their partnership in the use of nuclear energy.

2. Tokyo is also interested in cooperating with Central Asian states to counterbalance the extreme increase in China's and Russia's influence in CAR. Japan is a strategic rival of the PRC on the international arena. These two nations are locked in a geopolitical struggle for leadership in the Asia Pacific Region. A case in point are the regular visits by high-ranking Japanese officials to the Yasukuni Shrine, which arouses severe criticism from the PRC and accusations of Tokyo adhering to its militaristic past. The situation is aggravated by China's territorial claims against Japan over the Senkaku or Diaoyutai islands, as well as the rivalry between the two countries in gaining access to Siberia's energy resources. In this respect, Tokyo is keeping a close eye on the strengthening of Beijing's international position, as well as the build-up of its military-political and economic potential, viewing this as a threat to its own strategic interests.

There are also diplomatic difficulties in interrelations with Russia, the main reason for which are Japan's territorial claims to the Southern Kuril islands, which periodically give rise to conflicts between Russian border guards and Japanese fishing boats. In addition, misunderstandings regularly arise in Russian-Japanese relations over cooperation in developing East Siberia's natural riches.

It should be noted that the contradictions in Japan's interrelations with China and Russia are aggravating the rivalry between these actors in Central Asia. In this respect, it appears obvious that the PRC's stronger position in the region and, moreover, the more reliable partnership between China and the Russian Federation within the framework of regional organizations are not to Tokyo's advantage. The increased role of the Shanghai Cooperation Organization in ensuring regional security, as well as the active participation of Chinese and Russian energy companies in Central Asia, are arousing Japan's great concern. In particular, Tokyo regards these initiatives as direct growth in Russia's and China's political and economic influence in Central Asia, which could in the future prevent the Land of the Rising Sun from realizing its interests in this region. According to some Japanese experts, the Shanghai Cooperation Organization is largely to blame for the fact that the Western countries, as well as Japan, have developed negative impressions about this structure. For example, Japanese expert A. Ivashita believes that these negative images must be eliminated in order to resolve this problem. This could be achieved by involving the Western states in the SCO, whereby Japan could also possibly join the SCO. This step would demonstrate the organization's openness to the world community and, in particular, to countries showing an interest in the Central Asian region.⁵

The second meeting of the Central Asia + Japan dialog member states held in Tokyo on 5 June, 2006 at the foreign minister level showed that Tokyo is trying to counterbalance its own initiatives in Central Asia against the growing influence of China and the SCO. Kazakhstan was represented at this meeting by deputy foreign minister and charge d'affaires of the republic's government K. Abdrakhmanov. It is worth noting that the meeting was organized on the eve of the SCO summit, which was closely followed by the international community and particularly by the Western nations.

¹ M. Laumulin, "Strategiia Iaponii v Evrazii," in: Kazakhstansko-iaponskoe sotrudnichestvo: sostoianie i perspektivy: materialy mezhdunarodnogo "kruglogo stola," 5 December, 2006, p. 33.

² A. Dubnov, "Proshchalnyy visit Koizumi," Vremia novostei, 29 August, 2006.

³ See: B. Sultanov, "Aziatskiy vector vneshney politiki RK," in: Kazakhstansko-iaponskoe sotrudnichestvo: sostoianie i perspektivy: materialy mezhdunarodnogo "kruglogo stola," 5 December, 2006, p. 8.

⁵ A. Ivashita, "Geopolitika v Tsentral'noi Azii: vzgliad iz Iaponii," in: Kazakhstansko-iaponskoe sotrudnichestvo: sostoianie i perspektivy: materialy mezhdunarodnogo "kruglogo stola," 5 December, 2006, p. 14.

The main result of the meeting was that the participants adopted a plan of action defining the priority areas in cooperation between the Central Asian countries and Japan in the mid-term. Under the said project, the following decisions were made: on holding similar meetings (at the foreign ministerial level) on a regular basis; on reviewing the question of organizing a summit within the framework of the CAJD: Russia will most likely not approve of convening such a symposium, and China will also regard it as a threat from Japan to the regional interests of the two powers; on intensifying Tokyo's partnership with the Central Asian countries to ensure regional security: this sphere of interaction will include questions of reinforcing the border, intercepting drug trafficking, destroying antipersonnel mines, and combating terrorism; on increasing Japan's assistance to the Central Asian states in combating poverty and resolving environmental problems.

Moreover, at the above-mentioned June meeting in 2006, the member states agreed to continue cooperating in drawing up projects for forming new routes to deliver oil, natural gas, and other raw materials from CAR to the world markets via Afghanistan to the Indian Ocean. The very fact that the action plan was adopted shows that Tokyo has its sights set on developing comprehensive relations with the Central Asian states. Japan is actively supporting projects for building oil and gas pipelines from Central Asia in the southerly direction with the prospect of access to the Southeast Asia market, which, of course, will also include the Land of the Rising Sun in the future.

Tokyo's support of U.S. policy in CAR. Japan is the U.S.'s ally and junior partner in ensuring security in the Asia Pacific Region, Southeast Asia and, most likely in the future, Central Asia. Washington's increased influence in Central Asia, in counterbalance to the growing foreign policy ambitions of Russia and China, seems advantageous to Tokyo, since in this case the projects for exporting energy resources from the Central Asia Region to Japan will have more active support from the White House administration. Another important geopolitical aspect of Tokyo's policy in Central Asia is regional security, which implies active support of the U.S.'s initiatives in CAR to fight international terrorism, strengthen democracy, and enhance human rights.

The tasks to ensure regional security and combat terrorism raised by the participants in the Central Asia + Japan dialog largely coincide with the SCO's tasks, which shows that the foreign powers have similar interests in the region. In this respect, it is obvious that Tokyo, which is posing itself as a reliable partner of the Central Asian states, is also playing the role of mediator in stabilizing and developing relations between the Central Asian countries and the United States.

It is very possible that the dynamic development of interaction among the CAR states in the Shanghai Cooperation Organization does not correspond to the strategic interests of the U.S. and Japan in Central Asia. Both Tokyo and Washington clearly understand that if they do not take active measures, this forum will soon take on the form of an open division in the sphere of influence and their subsequent reinforcement in the Eurasian expanse. When analyzing Japan's strategy, it becomes obvious that the country's establishment positioned CAJD as a foreign policy tool capable of enlarging Japan's presence in Central Asia and realizing Tokyo's above-mentioned geopolitical interests in the region. This is also shown by the regularity with which meetings are held within the framework of the dialog, but it is still too early to draw any conclusions about their effectiveness.

In order to ensure its geopolitical interests, Japan is strengthening its interrelations with the Central Asian republics within the framework of CAJD in the following areas:

- Economic cooperation - development of the market economy and advancement of the Japanese model of economic development are helping to raise Tokyo's international prestige.

- Political cooperation - development of democracy, but keeping in mind the special features and cultural-historical specifics of the region's states, which also means their interests.

- Cooperation in ensuring security and building regional stability - combating terrorism and drug trafficking. Due to several objective circumstances to be discussed below, this is a secondary priority for Japan in streamlining its relations with the CAR countries.

- Humanitarian cooperation - combating poverty and cooperating in environmental security are traditional spheres of Tokyo's partnership with the post-Soviet states.

Japan's tactics in CAR are distinguished by great caution. This is understandable, since when Central Asia is only just starting to attract the attention of contemporary Japanese diplomacy, the U.S., Russia, and China are already flexing their muscles in this energy-rich region and vying with each other for access to the energy resources. On the whole it is obvious today, both based on reality and on the conclusions of most experts, that Tokyo's policy in Central Asia is based on a relatively low level of involvement in the region's affairs, and so it is having a minimal effect on the regional processes (if any at all).

Japan's participation in CAR mainly boils down to financing joint projects in energy, transport, and communications. Trade relations between the CA countries and Tokyo are also at a low level, although they are showing a steady tendency toward growth. For example, whereas in 2005, the overall trade turnover between Kazakhstan and Japan amounted to 736.1 million dollars, in 2006, this index was equal to 1,128.2 million dollars, i.e. almost double.⁶ But if we take the economic potential of the two states into account, these indices are insignificant compared with Kazakhstan's trade turnover with other countries.

Tokyo's relatively insignificant participation in the regional processes in CA is explained by the following objective factors, which are hindering an increase in Japan's influence in CAR:

- Japan's geographical distance from Central Asia makes it difficult to increase its influence in the region in the same way as Russia or China, with respect to which the Central Asian states historically do not belong to the sphere of Tokyo's direct political and economic interests.

- Japan is not a powerful military nation and cannot use the force factor to bring more pressure to bear on the Central Asian countries. Moreover, Tokyo does not have broad prospects for participating in the regional security processes. In this respect, the Land of the Rising Sun also loses out to Moscow and Beijing.

- Japan's cultural remoteness and the low use of the Japanese language in Central Asia are important factors that interfere with Tokyo reaching its strategic goals in the region.

- The absence of direct common interests between Japan and the Central Asian countries in ensuring security. In this

⁶ According to the data of the Republic of Kazakhstan Statistics Agency, available at [www.stat.kz/index.php?lang=rus&uin=1171355564].

sphere, the priority areas of Japanese foreign policy are the United States of America, the Asia Pacific Region, and Southeast Asia. On the other hand, the following factors can be described as being conducive to the further intensification of Tokyo's relations with the Central Asian countries:

– Broad financial possibilities. Japan has vast investment potential for implementing expensive joint projects with the CA states in energy and the development of the region's transportation and communication network.

– The Central Asian countries have formed a positive image of Japan as a peace-loving power, which is raising mutual trust on the way to bilateral and multilateral cooperation. Japan's image as an economically developed Asian state is promoting further intensification of economic contacts with the region's countries.

– Tokyo is in favor of advancing democracy and enhancing human rights, but it is not imposing its own opinion on the Central Asian states. Japan is willing to take into account the cultural and traditional characteristics of the region's countries in the democratization process. For example, at a meeting between Uzbekistan President Islam Karimov at the end of last August, Prime Minister Koizumi did not make any harsh comments about human rights violations and restrictions of democratic freedoms, but at the same time noted that Tokyo would like to see Uzbekistan a democratic state. Japan's sufficiently correct and diplomatic position regarding political reforms is conducive to building favorable relations with the Central Asian countries.

Summing up the positive and negative factors that are having a determinative effect on the formation of Tokyo's policy in Central Asia, it can be stated that, on the whole, Japan has sufficient possibilities for successfully advancing cooperation with the Central Asian countries in the economy, finances, and energy. But, taking into account the trends toward an augmentation in the influence of the major regional actors (Russia and China) in Central Asia, it should be noted that Japan cannot compete with these nations at present for leadership in CAR. In this respect, CAJD should be regarded as a platform for gradually strengthening contacts with the Central Asian countries, as well as for further opening up cooperation prospects at new and more important stages of partnership.

Tokyo's initiatives in Central Asia correspond in general with Kazakhstan's economic and geopolitical interests for the following reasons:

1. Economic importance. At present, Kazakhstan's economy is increasingly in need of foreign direct investments. Attracting Japanese capital into building the country's energy potential, as well as into small and medium business, transport, communications, infrastructure, and high technologies are urgent tasks of Kazakhstan's foreign policy aimed at transferring its industry from production to processing and achieving the goal of becoming one of the 50 most developed states of the world, set by the country's president, Nursultan Nazarbaev. Efforts to exchange experience in economic development are just as important.

2. Political importance. The Central Asia+Japan dialog is a forum that promotes free exchange of opinions and experience with Tokyo regarding Kazakhstan's sustainable and democratic development. From this point of view, Japan is a valuable partner for Kazakhstan in the further intensification of cooperation.

3. Geopolitical importance. Building friendly relations with Tokyo within the framework of a multi-vector policy will make it possible to more efficiently maintain the geo-

political balance of forces in Central Asia. The CAJD forum could become an additional structure in the region that will help to reduce the West's apprehension over CAR becoming a zone of China's or Russia's political influence. In this respect, Japan's initiative in maintaining regional security, combating terrorism and drug trafficking, and reinforcing the borders within the CAJD framework appears important for strengthening overall stability in the Central Asian Region.

So it is obvious that Kazakhstan is focusing its attention in cooperation with Japan on developing partnership in the economy, politics, and security. The above-mentioned dialog being actively promoted by Japan at present is opening up possibilities for Kazakhstan to augment its interaction with Tokyo in the indicated areas. Expanding contacts with Japan within the CAJD forum is having a positive effect on raising the state's image in the eyes of the world community and having a beneficial influence on the economic development of both Kazakhstan and the Central Asian Region as a whole.

The Land of the Rising Sun's policy in Central Asia is acquiring increasingly clear contours at present. Tokyo's obviously increased interest in the CA is manifested in the specific tasks it has set: augmenting Japan's political significance in the region's affairs and increasing the country's access to CAR's energy resources. Tokyo's proposal to initiate regional cooperation in certain areas indicates its striving to make a qualitative change in its role in the processes going on in Central Asia. Whereas Japan was previously bent on creating its positive image as a nation wishing to help the young independent CA republics at a difficult time, being guided by «strictly altruistic considerations», but in reality trying to gain the support of the Central Asian countries to obtain the status of permanent member in the U.N. Security Council, now it is offering «to work together for the sake of the common good» in its initiating role; admittedly, far more serious intentions could be hidden behind this.

As some experts believe, the role Tokyo is playing in certain areas of regional partnership can be seen in the long term as an alternative to any form of CAR integration with the participation of Russia and China. Moreover, Japan might be much more preferable for the region's states since, first, it presents a unique example of economic success, technical progress, and prosperity, and, second, due to its distance from Central Asia, any possible increase in its influence will not be perceived as a potential threat, as frequently applies to China, and, possibly, to Russia. Nevertheless, it should be remembered that Tokyo's active participation in the region will be closely tied with the US's policy in Central Asia. In the long term, America's military power and Japan's economic potential, taking into account the streamlined mechanism of interaction along these lines in other areas of the world, could become serious factors of influence when divvying up Central Asia's energy resources.

At the same time, it should be noted that the Land of the Rising Sun's presence in Central Asia is still very insignificant compared with the other regional players. Japanese companies do not have any significant influence in CAR's energy sector, which is primarily related to the high level of competition from Russian, Chinese, and Western companies, as well as to Japan's geographical distance from the region. On the other hand, Tokyo is continuing to initiate various projects in other areas of cooperation, such as ensuring stability and regional security, advancing democratic values, and enhancing human rights. However,

the nature of its participation in these processes is declarative and, consequently, it objectively remains an outsider in the regional geopolitical game. It is no accident that the functions of the CAJD forum are universal and do not only boil down to strengthening multilateral economic partnership, thus showing Japan's desire to raise the level of its relations with the Central Asian states, as well as in other key areas of interaction. It is presumed that the following factors will have an influence on Tokyo's position in Central Asia:

– first, the Russian factor: Japanese-Russian relations - despite their outward constructivism - have serious historical contradictions involving the territorial issue. In addition, taking into account that CAR is a zone of Russia's strategic interests, the Kremlin is unlikely to silently look on as Japan, America's ally, ensconces itself in the region;

– second, the Chinese factor: China, as we are well aware, has its own far-reaching plans and interests regarding Central Eurasia. The PRC has long been positioning itself as an empire with corresponding ambitions; moreover, if we take into account the historical memory of the Chinese people and all its claims against the Japanese, revenge is probably only a matter of time;

– third, the U.S. factor: Washington is rapidly losing its foothold in Central Asia, the situation in Afghanistan has

become aggravated, and it is becoming increasingly difficult for America to retain its military presence in Kyrgyzstan. So if Japanese diplomacy is unable to prove that it has its own goals in the region, and is not lobbying American interests, its chances are extremely small;

– and, fourth, the Central Asian factor: the Central Asian countries have already formed their priorities. They have their own interests, they are gradually acquiring confidence in international issues and augmenting their role in the regional processes. On the whole, it can be said that the CAR countries are developing their own policy of interrelations with the major foreign players and, as we have already indicated above, Tokyo's geopolitical and energy prospects will largely depend on Japan's proposals and on how beneficial they will be to the region.

Nevertheless, as the foreign players (primarily Russia, China, and the U.S.) step up their activity in Central Asia and, consequently, the struggle for influence gains momentum, Kazakhstan and the other CA republics will also have to develop other foreign policy vectors to keep pace. In this respect, Japan, as a leading Asian economic power, could become precisely that force, the advancement of close cooperation with which will make it possible for both Kazakhstan and the other Central Asian states to establish a certain geopolitical balance in the region.

Foreign Political Priorities of the Republic of Kazakhstan in the Modern World

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The main priority for the RK is to create favourable foreign policy conditions to achieve a speedy economic, social and political modernisation of the country.

Kazakhstan continues to adhere to the multi-vector foreign policy strategy that was announced by Nursultan Nazarbayev on 1st December 1991, immediately after his election as president. At his first news conference in Almaty, for both foreign and domestic journalists, Nazarbayev stressed, in particular, that Kazakhstan, which is located right in the centre of the continent, can serve as a bridge between Europe and Asia. Therefore, Kazakhstan will strive to develop ties not only with Asian countries but will maintain a sensible balance between Europe and Asia. The RK will develop economic and political ties with all countries. Our country pursues this policy largely because of its geopolitical location, multiethnic and multiconfessional composition and the state of the economy in general.

Taking the current international situation into account, President Nursultan Nazarbayev's Address "The main purpose of state policy is to improve the welfare of citizens of Kazakhstan" (2008.02.06) sets new foreign policy priorities.

The foreign policy strategy is mainly focused on ensuring an effective security system in Central Asia aimed at preventing threats (international terrorism, religious extremism, drug trafficking and illegal migration), the source of which is mainly found in neighbouring countries. To address these tasks, Kazakhstan is planning to take active part in the work of interstate associations, such as the Conference on confidence-building measures in Asia, the Shanghai Cooperation Organization, the Collective Security Treaty Organization, secondly, to strengthen economic and political cooperation with neighbouring states, such as Russia, China and the Central Asian states, and thirdly to expand constructive interaction with the USA, EU and NATO. At the same time the Kazakh leadership believes in the importance of finding common ground and a mutually beneficial and mutually acceptable approach to solving disputes.

Preparations for the chairmanship of the Organization for Security and Cooperation in Europe (OSCE) in 2010 is

particularly interesting. A special programme, the "Road to Europe", which is currently being drawn up, should prepare Kazakhstan for the OSCE presidency.

For many years, the Kazakh leadership has been pursuing a policy of developing and deepening the dialogue between civilizations and religions: an important foreign policy priority.

In 2003 and 2006 Kazakhstan hosted two congresses attended by representatives of many world faiths and world leaders. At the 62nd session of the United Nations (September 2007), President Nazarbayev called for the 3rd congress of religious leaders in 2009 to be held under UN auspices. On the initiative of Kazakhstan, a forum of foreign ministers of Muslim and western countries "Common World: towards progress through diversity", will take place in Astana in October 2008.

The current system of foreign policy priorities can be explained first of all by the spread of ongoing and non-traditional threats and challenges, which have acquired a stable and long-term character in Central Asia. On the one hand, this can be explained by the fact that the Central Asian republics have not yet completed political reforms and have a complex socio-economic situation, and also by their proximity to the areas of political instability and by the presence of latent and local conflicts (Afghanistan, Pakistan, Middle and Near East). At the same time, our region is turning into a transit area for such threats to other countries.

We believe that the Conference on Interaction and Confidence-Building Measures in Asia can play a role here as it was set up with a view to strengthening cooperation by promoting multi-faceted approaches to ensuring peace, security and stability in Asia. Afghanistan, Azerbaijan, China, Egypt, India, Iran, Israel, Kazakhstan, Kyrgyzstan, Pakistan, Palestine, Russia, Tajikistan, Turkey and Uzbekistan are amongst its members. Australia, Indonesia, Japan, Korea, Mongolia, Ukraine, the USA, Lebanon, Vietnam, Thailand and Malaysia have observer status. The UN, the OSCE, the Arab League and the Central Asian Economic Union are also involved.

The 2nd summit of the organisation took place in Almaty on 17th June 2006, demonstrating its viability and future

potential. President Nursultan Nazarbayev believes that Asia, with its rich natural resources and huge human potential, is going through a transitory stage of development with many "protracted" conflicts. Therefore the Asian continent should have a comprehensive approach to the issue of security and cooperation and introduce confidence-building measures in a stage-by-stage and practical manner. The Kazakh president believes that the organisation should become an integral part of a global system of dealing with the challenges facing the modern world.

By adopting a list of confidence-building measures, the organisation laid the legal foundation for Asian security, with specific mechanisms for ensuring stability in the region. As a result, the organisation makes an important contribution to ensuring peace and security in the world.

Kazakhstan plays an active part in the Eurasia Economic Community which it co-founded in 2000. The organisation consists of Kazakhstan, Russia, Belarus, Kyrgyzstan, Tajikistan and Uzbekistan. The goal of the organisation is to promote economic integration and create a free trading zone and a customs union. It is expected to conduct joint research in priority science and technology spheres and to bring national systems of education, science and culture into compliance with each other the.

At a summit in Dushanbe (6 October 2007), the Kazakh, Belarusian and Russian leaders signed documents on the creation of a common customs territory and customs union. The legal basis for the Customs Union is expected to be finalised by 2010. At the summit in Dushanbe, Kazakh diplomat Mansurov was elected secretary-general of the organization.

The military and political element of regional cooperation plays an important role in ensuring Kazakhstan's national security. Further escalation of tension and conflicts, which have become quite regular in the territory of the CIS, call for the need of joint steps aimed at counteracting various threats that undermine stability and further development. An important step in that direction was the signing in Tashkent in May 1992 of a Collective Security Treaty, later renamed the Organization for Collective Security (OCS).

At the OCS session in Minsk on 23 June 2006, the heads of states – members of the organisation – signed a political declaration to promote the efficiency of its work and turn it into a multifunctional international security structure. They also signed a programme of joint measures aimed at coordinating the work of the OCS law-enforcement agencies and special services in the fight against drug-trafficking and terrorism. Special attention was paid to the system of managing the collective rapid reaction force in Central Asia.

Addressing the Minsk summit, President Nazarbayev said that integration is not possible without security. Therefore the Kazakh president said, the OCS, as an organisation of allies, should jointly respond to foreign aggression, not just military, extremist, but also political, extremist and information.¹

Particular attention should be paid to Kazakhstan's cooperation within the framework of the Shanghai Cooperation Organization, which was set up in April 1996. Kazakhstan,

Kyrgyzstan, China, Russia, Tajikistan and Uzbekistan are among its members.

Members of the organisation cooperate in a wide range of areas. At the same time, we must stress that the organisation is not a military and political union directed against other regions and states. Its main goal is to ensure peace, security and stability in its territory and step up its role in the world fight against the proliferation of nuclear weapons, terrorism and cross-border crime. As usual, the Kazakh side has been paying a lot of attention to environmental issues, first of all to the Aral Sea and effective use of the cross-border rivers, Amu-Darya, Syr-Darya and Irtysh.

Also important was the signing of a treaty on long-term cooperation, good-neighbourliness and cooperation at the Bishkek summit on 16th August 2007.

Together with the document, the charter outlines strategic directions for future cooperation. The energy sector is a promising sphere of cooperation. Speaking at the Bishkek summit, President Nazarbayev called for the creation not just of an energy club, but also of an energy agency, which could be used as a cooperation database. He added that specific trade operations on the energy market could be carried out on an Energy Stock Exchange.

Kazakh diplomat Nurgaliyev has been acting as the secretary-general of the organisation since January 2007.

On the whole Kazakhstan's cooperation with regional and international organisations is a sign of the openness and readiness of the country's leadership to build and develop both bilateral and multilateral relations. The main principle is mutual respect, partnership and prospects.

The development of economic, political and cultural and humanitarian relations with our immediate neighbours – Russia, China, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan – is an important factor in ensuring stability and security in Central Asia and creating conditions for mutually-beneficial cooperation.

The Russian Federation recognised the independence of Kazakhstan on 17 December 1991 and is a strategic foreign-policy priority.

For its part, Kazakhstan in turn recognised the independence of Russia on 20 December 1991.

The treaty on friendship, cooperation and mutual assistance between Russia and Kazakhstan (signed on 25 May 1992) is a legal basis for bilateral relations. Under the treaty Russia and Kazakhstan, with their historically close ties, are building friendly relations on the basis of mutual respect for the state sovereignty, territorial integrity and inviolability of state borders.

Of principal importance are the provisions of the treaty on a peaceful settlement of disputes and non-use of force, including economic and other forms of pressure, non-interference in the internal affairs, respect for human rights and other liberties and adherence to undertaken commitments.² The signing of a declaration on eternal friendship and alliance in the 21st century was a logical follow-up to the development of political, economic, cultural and humanitarian ties.

Kazakh-Russian relationships have passed through a number of stages: the search for a new format for bilat-

² National Security: results for the decade. – Astana, 2001. – P. 300-311.

¹ www.akorda.kz

eral relationships; the search for an optimum model for economic and political collaboration; improvement and enhanced integration in the areas of trade, research, and humanitarian issues; and the implementation of a strategic partnership.

The two countries are closely linked by various economic, political, ethnic, language, demographic, confessional and geographic reasons (the longest land border in the world, a considerable number of the Russian-speaking people in Kazakhstan and ethnic Kazakhs in Russia, interest in political and trade and economic cooperation, etc).

The figures for bilateral trade and economic cooperation clearly demonstrate that. Kazakhstan's trade with Russia exceeds that with all Central Asia states. It totalled 16.3bn dollars in 2007 (to compare with 9.5bn dollars in 2005). The trade growth amounts to 30% a year. Kazakhstan accounts for 15% of Russia's overall trade with other CIS states. For its part, Russia accounts for 24.7% of Kazakhstan's trade. There are more than 1,600 plants in Kazakhstan with Russian involvement.

In 2000, Kazakh-Russian relationships strengthened, after Vladimir Putin was re-elected as President of Russia. Cooperation between Russia and Kazakhstan is not only bilateral: it is also being developed on a multilateral basis, within the context of the Commonwealth of Independent States (CIS), the Eurasian Economic Community (EAEC), the Collective Security Treaty Organization (CSTO), the Shanghai Cooperation Organization (SCO), and the Organization of Central Asian Cooperation (OCAC). Relationships between Kazakhstan and Russia provide a foundation for the building of Eurasian financial, power, transport and customs infrastructures.

The reality of this mutually beneficial collaboration is illustrated by the fact that in June 2005, our countries agreed to establish an investment bank with an authorized capital of \$1.5m, which would accept shareholders from other countries, primarily from members of EAEC. Currently, the bank is considering over twenty investment projects with a combined value in excess of \$2.5bn. It has already been decided to invest some \$600m in order to upgrade Kazakhstan's Ekibastuz Hydropower Plant No. 2. This project is aimed at eliminating power deficiencies in northern Kazakhstan and bordering regions in Russia.

Kazakhstan and Russia agreed to launch a joint venture to process Karachaganak gas at the Orenburg Gas Processing Plant. Discussions are now taking place regarding the improvement to the Caspian Pipeline Consortium (CPC) oil pipeline and increasing the capacity of the Atyrau-Samara oil pipeline.

Another important item is the agreements to establish three joint ventures to extract and enrich uranium, and to build power generating plants using low and medium power atomic reactors.

Under the umbrella of joint projects, Kazakhstan is actively implementing its own space program. The first Kazakh satellite KazSat 1 was launched in 2006 and plans to send a number of other satellites into orbit are being developed. Kazakhstan, which owns the unique Baikonur Space Center, will benefit by collaborating with Russia as

this will assist Kazakhstan to both tackle the global market in space satellites, as well as enable the country to develop its own production technology.

Cultural-humanitarian cooperation is actively developing as well. We must note that the Year of Russia in Kazakhstan and the Year of Kazakhstan in Russia were celebrated in 2004-05. A monument to the great Kazakh poet Abai was opened in Moscow in 2006. Eight Russian universities, including the Moscow State University named after Lomonosov, have set up affiliates in Kazakhstan. A decision was taken to open an affiliate of the Moscow Institute of International Relations in Astana in 2008. Kazakhstan is Russia's most significant partner in terms of geopolitical and geostrategic priorities. In his address to President Nazarbayev on the occasion of the 16th anniversary of Kazakhstan's independence, President Putin stressed the importance of deepening Russia's strategic partnership with Kazakhstan. Putin said that due to the unprecedented high level of Kazakhstan-Russian political dialogue the implementation of several large-scale infrastructure projects in the fuel and energy sector, transport and peaceful use of nuclear energy had become possible.

President Nazarbayev said that Kazakhstan-Russian relations are characterised by a high level of trust and strategic partnership. The head of state added that there isn't a single political or economic issue that the two countries won't be able to tackle "by taking into account their mutual interests and having a constructive dialogue".

This was reiterated at the Moscow summit on 20 December 2007. Nazarbayev and Putin stressed, in particular, that according to a plan of joint actions between Kazakhstan and Russia for 2007-08, priority attention will be paid to economic cooperation in the fuel and energy sector, space, transport and integration processes in the post-Soviet space.

Both countries aim to increase oil exports from Kazakhstan through the Atyrau-Samara pipeline (up to 20 million tonnes), increase the capacity of the CPC pipeline (up to 67 million tonnes), build the Caspian gas pipeline, build an atomic power station in Aktau, and increase the transit of goods between Western Europe and Western China.

During a telephone conversation with Nazarbayev on 3rd March 2008 the day after the presidential elections in Russia, president-elect Medvedev confirmed that relations with Kazakhstan will continue as before. Medvedev, in particular, said that he sees Kazakhtan as Russia's most reliable and closest ally. At the same time the president-elect was confident that the traditional ties of friendship and multi-sided economic cooperation will continue to develop for the benefit of two fraternal nations.

Cooperation with the People's Republic of China remains a priority in Kazakhstan's foreign policy. Diplomatic relations were established with that country in January 1992. Sovereign Kazakhstan had to build its policy towards China from scratch. Analysing the situation at that time, President Nazarbayev recalls: "Both sides had formed an enemy image, while their military doctrines declared each other the most likely adversary... A common policy, common propaganda, warned us all that China was enemy number one... On gaining its independence, Kazakhstan had to establish relations with China afresh. We had to free ourselves of the legacy inherited from the party ideologues".

The Chinese leadership also showed willingness to open up a full-scale dialogue with Kazakhstan on all aspects of relations between the two countries. As the former president of China, Jiang Zemin, said, "China will always be a true friend, a good neighbour, no matter what changes occur in the world".

The two countries signed a treaty on good-neighbourliness, friendship and cooperation in Beijing on 23rd December 2002, laying the legal foundation for a high level of bilateral relations and enshrining existing accords in the military, economic and cultural and humanitarian fields. Most noteworthy among the provisions laid down in the treaty were the development and reinforcement of good-neighbourliness, friendship and mutually advantageous cooperation, the historic significance of the demarcation of the Kazakh-Chinese state border, the territorial inviolability of the state borders, adherence to the principle of one China, non-use of nuclear weapons and confirmation of guarantees of Kazakhstan's security, the reinforcement of security, stability and confidence-building measures in the Central Asian region within the framework of the Shanghai Cooperation Organization, and the promotion of peace, security and stability on the Asian continent within the framework of the Conference on Interaction and Confidence-Building Measures in Asia, etc.

Economic cooperation between the two countries is currently developing at a vigorous rate. Kazakhstan occupies second place among CIS states in terms of trade with China, after Russia. Trade between the two countries in 2007 totalled \$9.1bn (for comparison, the figure in 2005 was \$3.7bn).

Both countries aim to increase oil exports from Kazakhstan through the Atyrau-Samara pipeline (up to 20 million tonnes), increase the capacity of the CPC pipeline (up to 67 million tonnes), build the Caspian gas pipeline, build an atomic power station in Aktau, and increase the transit of goods between Western Europe and Western China.

In December 2005, the Atasu-Alashankou pipeline was commissioned. Its current capacity is 10 million tonnes, which should be increased to 20 million tonnes in the second stage of the project. The pipeline owners are KazTransOil and the China National Oil Development Corporation, each holding a 50% share of the project.

The purchase of PetroKazakhstan (value \$4m) by the China National Petroleum Corporation (CNPC) guarantees that this pipeline will operate successfully. On January 1, 2005, the proven and probable oil reserves in the Kumkol group of fields located in the south of Kazakhstan were estimated at 549.8 million barrels (75 million tonnes).

In addition to the 448.8 km Kenkiyak-Atyrau oil pipeline, commissioned in January 2003, plans are in place to build a 752 km Kenkiyak-Aralsk-Kumkol pipeline and upgrade the 627 km Kumkol-Karakoin-Atasu pipeline, by 2011. This will enable oil distribution to the Atasu-Alashankou pipeline and will complete the construction of the pipeline between Western Kazakhstan and Western China.

The function of this pipeline increased significantly following the linking of Russia with the Kazakhstan-China pipeline project. The 2008 Protocol concerning the intergovernmental agreement between Russia and

Kazakhstan on cooperation and development of the fuel and energy industry (signed on 26 November 2007 in Astana) provides for the transportation of Russian oil via the Omsk-Pavlodar-Atasu-Alashankou pipeline, with a potential to transport 5 million tonnes a year. In reality, this pipeline has been transporting oil from Russia since 2006. This oil was bought by KazTransOil, a counter-agent, on the Kazakh-Russian border. In the same year, the oil supplies from Kazakhstan and Russia to China reached 2,161,000 tonnes. The China National Petroleum Corporation stated that the Kazakhstan-China pipeline had delivered 5.29 million tonnes of crude oil to China as at October 15, 2007.

China is most interested in the energy sector. Talks between President Nazarbayev and President Hu Jintao on 18th August 2007 reaffirmed mutual interest in completing construction of the oil pipeline Kenkiyak-Kumkol by 2011, and also commissioning of the oil pipeline West Kazakhstan-West China, with a design capacity of 20m tonnes of oil per annum.

As the problem of cross-border rivers is of particular importance to Kazakhstan, in particular the rivers Ili and Irtysh, their resolution was reflected in the joint communique between the two countries following summit-level talks; exchanges and cooperation will be continued within the mechanism of the bilateral joint commission for the use and protection of cross-border rivers, on the basis of the principles of justice and rationality, and with due observance of mutual interests in developing and using the resources of cross-border rivers.

Kazakh-Chinese cooperation has to be seen in the light of the fact that China's role in the modern world is expected to grow substantially in the first half of the 21st century. We believe the long-term aim of China's foreign policy lies in preserving a peaceful international situation, which is essential for the country's successful modernisation.

Developing and deepening relations both bilaterally and multilaterally with the states of Central Asia – Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan – is one of Kazakhstan's strategic foreign-policy priorities. Kazakhstan believes that we share not only economic interests, but also the future of our peoples, since fate has decreed that we are destined, in the good sense of the word, to live in close friendship.

A consultative summit meeting of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan on 12th December 1991 adopted a statement on the need to coordinate efforts in forming the CIS. The heads of state said that all states comprising the CIS should be recognised as founders.

On 30th April 1994, the treaty on the creation of a single economic space between Kazakhstan, Kyrgyzstan and Uzbekistan was signed.

During a visit by the president of Kyrgyzstan to Kazakhstan in April 1997, the two states signed a treaty on eternal friendship. A similar document was also signed with Uzbekistan during an official visit to that country in October 1998.

During a meeting of the leaders of the countries of the Central Asian Community in Bishkek on 9th-10th January

1997, a treaty was signed, for the first time in the history of international relations among the Central Asian states, on eternal friendship between Kazakhstan, Kyrgyzstan and Uzbekistan. Article 3 of the treaty enshrines a provision that “the parties will afford each other broad support, primarily with regard to averting any threat to independence, sovereignty and territorial integrity”.

After the collapse of the USSR, all countries in the region had to build relationships independently, and on an equal basis. The disruption of traditional links in the economy, politics and culture gave rise to specific negative consequences which are still felt today. It should also be noted that there is political instability in some countries, as well as real threats to regional security such as extremism, terrorism, drug trafficking and illegal migration.

An essential means of neutralising both traditional and non-traditional threats to the countries of Central Asia lies in regional integration. Kazakhstan takes an active part in the work of virtually all inter-state associations in the post-Soviet area, and many were created at its initiative. As regards economic cooperation with its neighbours in the region, up until now Kazakhstan has been exercising it within the Organization for Central Asian Cooperation. But unfortunately, the work of this body has not led to any major results, and the organisation itself is clearly unable to play the role of a nucleus of regional integration.

There are many factors, both external and internal, that impede Central Asian integration. These include: Different models, as well as the pace, of economic and political reforms within the Central Asian countries; Individual variations in national legislation; Different priorities and interests of the ruling elites; Variations in foreign policy priorities; External influences; and Incomplete systems for intergovernmental interactions.

Inadequate integration within Central Asia has negative consequences: The possibility of interstate conflicts still exists; Disintegration of the region's economies is increasing, as these are no longer unified; and There is an increased risk of developments which threaten social stability in the region.

It should be acknowledged that, in spite of different approaches to the regional integration issues, some common aims have been identified as a potential basis for managing integration in Central Asia. These include: Having similar strategic objectives for the market economy, democracy, and building secular states; Sharing in potential economic benefits by participating in regional and global economic projects; Making use of rich natural resources and mineral reserves; Making use of a beneficial geographical location; and Having common security threats.

Regional integration must be developed in order to address these goals, and currently, the main objective is to develop a viable model. Interaction within the region can only be achieved if all countries understand the common problems in the areas of trade, economics and security.

The Kazakh president's initiative to create a Union of Central Asian States still retains its relevance. This project envisages, initially, the creation of a favourable business climate throughout the territory of the region by concluding intergovernmental agreements to remove protectionist barriers

in the way of, on the one hand, imports, exports, investment and labour, and on the other, the joint implementation of projects of importance to the entire region. The next stage could be the creation of regional consortiums – food, water and energy, and transport and communications.

Nevertheless, this latest Kazakh initiative has not yet received an appropriate response from the political elites of the Central Asian countries. There are many factors – both external and internal – which hamper Central Asian integration. These include: differing models and rates of economic and political reform in the countries of Central Asia; substantial differences in the national legislations; differing priorities and interests among the ruling elites; differences of approach to foreign-policy priorities; the factor of external influence; and failure to complete the process of forming a system of inter-state relations.

That said, it has to be acknowledged that for all the diversity of approach among the countries of the region to regional integration, there are objective factors which could form the bedrock of integration in Central Asia. These include identical strategic aims (a market economy, democracy, a secular state), potential economic dividends from taking part in regional economic projects and, through them, in global ones, the region's richness in minerals and other natural resources, a favourable geopolitical situation, and common threats to security.

The need to pool the efforts of the countries of Central Asia in order to resolve region-wide problems was graphically demonstrated by the events of late 2007 and early 2008 (the rise in prices of staple food products, the unusually cold winter, and flooding) linked to global climate change, population growth, man-made disasters, and the egoistic policies pursued by the great powers and transnational corporations in the economy, finance and trade.

However, Kazakhstan's latest initiative has not yet been adequately supported by the political leaders of Central Asian countries. For this reason, institutionalization of the integration processes within EAEC and, first of all, the establishment of a customs union between Belarus, Kazakhstan and Russia may be more realistic.

According to the Kazakh president's address, in order to strengthen security in the region we need “constructive cooperation”, primarily with the USA, considering that state's leading role in the modern world.

The USA was, of course, one of the first foreign countries to recognise the sovereignty of the Republic of Kazakhstan (25th December 1991). The foundation of Kazakh-US relations was laid during the official visit by President Nazarbayev to the USA in May 1992, when the two heads of state announced the establishment of “new relations”. From the very outset of direct contacts both sides took as their basis that the security of Kazakhstan is one of the “most important conditions for stability in Europe and Asia”, and that it represented a long-term foreign-policy priority for the USA.

A special role in the establishment of constructive relations with the USA was played by the principled decision by the Kazakh leadership to renounce the status of nuclear power. It was to a large extent precisely this fact that determined the subsequent nature of bilateral relations. As

former US President Bill Clinton put it, "The world has been freed from another threat of nuclear terrorism and proliferation of nuclear weapons. I value the leadership President Nazarbayev has shown in this." [15] A consequence of this policy was the memorandum offering guarantees of security to the Republic of Kazakhstan, signed in Budapest on 5th December 1994 by Britain, Russia and the USA, which underpins the strategic aim of ensuring the country's security.

The power industry plays a particular role in the development of economic collaboration. Amongst the first foreign companies to launch businesses in Kazakhstan was Chevron, which began developing the Tengiz oilfield in 1993. In 2001, the CPC oil pipeline was commissioned with the participation of Chevron and Mobil. In June 2006, Kazakhstan joined the Trans-Caucasian Baku-Tbilisi-Ceyhan oil pipeline.

The USA is currently one of the major investors in the Kazakh economy. The volume of direct US investments in the Kazakh economy totals about \$15bn. The USA's share in Kazakhstan's overall foreign trade in 2007 was \$2.046bn (2.5%). There are 374 joint enterprises and 91 offices of American companies registered in Kazakhstan.

The energy sector plays a key role in the development of economic cooperation. Great hopes are being pinned on the Kazakh-US initiative for state and private partnership, adopted in February 2008 and designed to support not only the development of US energy projects in Kazakhstan but also to attract American investment and innovation to the non-raw material sector of the Kazakh economy.

Overall, the prospects for Kazakh-US relations have to be seen in the light of Washington's geopolitical interests in Central Asia.

The establishment of relations with the countries of the EU and the maintenance and further deepening of mutually advantageous political and economic contacts with them remain among the key foreign-policy priorities of our country.

Diplomatic relations between Kazakhstan and the EU were established in 1992. January 1995 saw the signing of an agreement on partnership and cooperation between Kazakhstan and the EU, under which a political dialogue was established between them and a system of consultations not only on European problems but also international ones. The treaty on trade and related issues between Kazakhstan and the EU, signed in December 1996, made it possible to launch the trade and economic aspect of the previously signed document.

Since our country gained its independence, EU countries have invested substantial funds in its economy – about \$40bn of direct investment, which makes up about half of the total foreign direct investment in Kazakhstan over that period. The EU countries are important trading partners for Kazakhstan. Total trade between our country and the EU in 2007 was \$27.5bn, against \$15.3bn in 2005. The EU accounted for 34.2% of our overall foreign trade in 2007.

Kazakhstan is becoming more and more important to the EU in terms of energy security. Our republic is the main regional exporter of hydrocarbons to the EU. Kazakhstan provides up to 20% of total imports of oil and gas to the EU annually. The EU's energy interest in Kazakhstan and Cen-

tral Asia is clearly borne out by the strategy "The European Union and Central Asia", adopted in 2007. In particular, the document stresses that the EU's dependence on foreign energy resources and its need to diversify the provision of its energy security opens up "new prospects for cooperation between the EU and Central Asia".

Overall, in assessing the results of cooperation between Kazakhstan and the EU states it can be said that partnership based on the recognition of such universal values as democracy and human rights and aimed at developing mutually advantageous cooperation across the range of trade and economic interests is an important aspect of Kazakhstan's further development.

Kazakhstan pays special attention to the development of relations with the states of the Islamic world. Our country builds its relations with Muslim countries not on an ideological or religious basis, but on the basis of its own state interests and commonly recognised standards of international law.

Kazakhstan has established economic and cultural cooperation with all the leading Islamic states. It is a member of the Organization of the Islamic Conference (1995), and it cooperates with the Islamic Development Bank and with the Islamic Education, Science and Culture Organization.

Islamic countries, and the Arab ones in particular, take an active part in investing in our economy. Saudi Arabia has granted Kazakhstan about \$100m in advantageous credits, while other countries in the Gulf have offered about \$40m. For the development of the new capital, Astana, alone, Saudi Arabia granted \$15m in no-strings aid, while Kuwait offered \$10m and Oman \$10m.

It should be noted that Kazakhstan is not just a receiver of Arab investment. Restoration work on the Sultan Beybars mosque – an outstanding ruler of Egypt in the 13th century – is under way in Cairo with Kazakh financial support, and in Damascus, construction of the Abu Nasr al-Farabi historical and cultural complex on the site of his burial.

Considering the growing economic importance of the countries in the Asia-Pacific region, forecast by experts to play a dominant global role in the 21st century, it is of great interest to Kazakhstan, lying on a crossroads of the transport routes of Eurasia and possessing considerable economic potential, to deepen cooperation with them, and primarily with Japan, India, the Republic of Korea and Pakistan, while Malaysia, Singapore, Thailand and Indonesia are of importance to Kazakhstan in terms of increasing foreign trade and diversifying international political relations.

The leadership of Kazakhstan attaches special importance to the development of cooperation with regional and international integration associations and organisations which promote the development of trade and economic relations and ensure stability and security in the world. Kazakhstan is not only an active participant in international organisations but itself acted as an initiator for their creation in a number of cases.

On joining the UN in March 1992, Kazakhstan gained an opportunity to become involved in world affairs and problems common to all mankind, and to gain access to the achievements of civilised human development in the political, economic, social, humanitarian and other key fields of its activity.

Taking account of the range of international problems dealt with at the UN, it is of great importance in this universal structure to have one's own national, clearly set-out positions on all areas of international life, based on the state's place and role in the world. At the 62nd session of the UNGA, on 26th September 2007, President Nazarbayev tabled a whole package of proposals which prompted a worldwide response. In particular, he proposed implementing the following measures: creating a register of world ecological problems within the UN; granting the status of UN institution to the international fund for the salvation of the Aral Sea; developing a global energy-ecology strategy; adopting a Eurasian pact on stability of energy supplies with a view to ensuring a global energy balance; establishing dialogue between the world faiths on key issues of the modern world order; holding a 3rd congress of religious leaders (Astana, 2009) under UN auspices; and declaring a forthcoming year international year for bringing cultures and religions closer to one another.

An important area of Kazakhstan's foreign policy remains cooperation with international cultural and humanitarian associations (UNICEF, UNDP, UNESCO, UNDCP, UNHCR and others), and financial institutions (IMF, World Bank, EBRD, ADB and others) etc.

Kazakhstan's accession to the OSCE in January 1992 was prompted by a desire on the part of our country to take an active part in Europe-wide processes, making it possible to develop and apply in practice the principles laid down in the Helsinki Final Act of 1975 and other OSCE documents.

Kazakhstan's cooperation with the OSCE is pursued in three key areas: politics and security issues; economics and ecology; democracy and human rights. There is also a constructive and partnership dialogue in providing methodological, consultative and financial assistance to Kazakhstan in the above areas. The leadership of the organisation has on several occasions given a good assessment of Kazakhstan's policies as a state whose leadership openly and willingly engages in dialogue with various international structures, in particular the OSCE.

This assessment is also borne out by Kazakhstan's election to chair this influential organisation in 2010. On the president's initiative, a special programme is currently being drawn up, "the Road to Europe", which should promote the improvement of Kazakh laws and the development of an agenda, of the country's own vision of its presidency of the OSCE.

In this regard, Kazakhstan's initiative to broaden cooperation between the OSCE and the Islamic world as part of its presidency is of interest. Thus, at the 11th summit meeting of the Organization of the Islamic Conference (Dakar, 13th-14th March 2008), Kazakh Foreign Minister Tazhin suggested to the Islamic countries that they help draw up an agenda for OSCE activity in 2010. In particular, it was proposed to study the possibility of cooperation between the OSCE and the OIC on issues of migration and the integration of Muslim communities in European countries, the rights of Muslim women and youth in Western society, and the modern understanding of international law and the problems of ecology.

Kazakhstan attaches great importance to developing cooperation with such an influential military-political organisation as NATO, and calls for the realisation of existing potential in such areas as defence policy and strategy, planning and organisation of scientific research, development of technology in the defence field, and political and defence measures in preventing the proliferation of weapons of mass destruction.

Kazakhstan's relations with NATO are marked by positive, progressive development, and are based on three international legal documents:

- The framework document "Partnership for Peace", signed on 27th May 1994;

- The agreement between the member states of NATO and other states participating in the "Partnership for Peace" programme regarding the status of their armed forces and regulating the status of the forces and military personal of the member countries of NATO and the "Partnership for Peace" countries on each other's territories (ratified by Kazakhstan on 3rd July 1997);

- The agreement on security between NATO and the member states of the Euro-Atlantic Partnership Council and/or "Partnership for Peace", which sets out the parties' mutual obligations in protecting information exchanged in the process of partnership.

If Kazakhstan is an active participant in international organisations, then in regional organisations in the post-Soviet space our country is considered one of the driving forces behind integration processes.

Priority continues to be given in Kazakhstan's foreign policy to cooperation within the Commonwealth of Independent States and to the development of integration relations with its members. Since the signing of the declaration on the creation of the CIS (Almaty, 21st December 1991), Kazakhstan has been actively seeking the strengthening of the CIS, the all-round development of relations within the body, and the maintenance and intensification of the trade and economic and cultural and humanitarian relations that have been preserved among the member states.

At the summit meeting of CIS member states in Moscow on 22nd July 2006, the chairman of the organisation, President Nazarbayev, noted the commonwealth's positive role in alleviating the effects of the collapse of the USSR and preventing events from unfolding in an unpredictable manner. At the same time, he noted that the CIS had failed to become an effective mechanism for integration. Also, trends in the direction of disintegration had become stronger in the area of the commonwealth. And so he underlined the need to choose pragmatic and key areas for mutually advantageous cooperation affecting the interests of all peoples inhabiting the states of the CIS. In particular, he proposed five key areas for reform of the CIS: a) improving migration policy; b) reinforcing contacts in the field of transport; c) stepping up cooperation in the sphere of education and science; d) joint action against current threats and challenges; e) resolving humanitarian problems.

By 2007, Nazarbayev's ideas had already been implemented. In particular, the Kazakh formula for the work of the CIS, "One year, one theme", was adopted. The theme in

the CIS for 2007 was migration policy. Under this theme, the Kazakh president suggested creating an international council of information on supply and demand on the labour market of the CIS states.

The CIS summit held in Moscow on 22nd February 2008 focused attention on the problems of humanitarian cooperation – in education, science, information, culture, youth, sport and tourism. It is expected that 2008 will be the year of literature and reading in the CIS.

Any examination of topical areas of Kazakhstan's foreign policy in 2008 has to take into account that the current geopolitical situation in the world conceals a whole range of problems which could become threats and risks to the security and stability of Kazakhstan and Central Asia in general. Most noteworthy are the following objective and subjective realities which require constant monitoring and prompt response:

- “the period of monopolarity” is giving way to a growing aspiration on the part of leading world and regional players to form a new world order on the basis of “plurality”;
- the crisis of the leading international organisations, particularly the UN, and the erosion of the international system of law;
- the return of Russia to the leading players and China's conversion to a regional power with claims to becoming a world power;

- the creation of active regional organisations in Eurasia with a tendency towards becoming world-level organisations;
- implementation of the US project to create a greater Central Asia;
- egoistic policy on the part of the great powers and transnational corporations in the field of the economy, finance and trade;
- the continuation of numerous protracted centres of conflict, including in the immediate vicinity of Central Asia (Afghanistan, Iraq);
- the unstable situation in Pakistan, which is a member of the “nuclear club”;
- the growth of separatism, caused by the “Kosovo syndrome”, in countries bordering Central Asia – in Turkey (Kurdistan), China (Tibet, Xinjiang), and a possible upsurge of separatism on the “domino” principle in other countries bordering Kazakhstan;
- the continuing growth of religious extremism, international terrorism, international organised crime and drug trafficking;
- an increase in problems relating to energy resources and their transportation routes;
- global climate change;
- world population growth;
- global migration, including illegal migration.

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The International Importance of Parliamentary Elections in Kazakhstan in 2007

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In 2007, the most significant event for Kazakhstan's domestic politics was the elections to the lower chamber (Majilis) of the Kazakhstani Parliament. That episode radically changed the country's political configuration and balance of power, and affected its continued national political development. In addition to its consequences for domestic policy, the elections influenced the country's international status.

First, I would like to summarize the essence of these changes. The Parliament adopted a number of constitutional amendments altering the functions of representative power.

Then, by presidential decree, the main representative body, the Majilis, was dissolved. After that, early Majilis elections were announced for August 18, 2007.

For the first time ever in Kazakhstan's parliamentary elections, all mandates for members of the lower chamber were distributed on a proportional basis, except for the quota of the Assembly of the People of Kazakhstan. This new mode of operation diversified the party system and increased the importance of the legislature for the development of the state.

The proportional electoral system minimized factors favoring corruption, as well as ethnic and regional factions, which were dominant at previous elections. A competition between electoral platforms was proposed to opposition parties. If in 2004, the list of the opposition included rather solid leaders and the ruling party had no such outstanding figures, this time, the Nur Otan party recruited some representatives from the administrative elite.

The previous composition of the Majilis did not reflect all social and political forces in Kazakhstan. The political parties that comprised the Majilis of the third convocation did not represent all social perspectives or political preferences. The previous mixed electoral system and the constitution did not provide incentive for political parties to work with the electorate. At the time, political parties only worked actively during the election campaigns. However, it is well known that a political party may only be a part of a civil society if the party is closely connected with its electorate.

Recently, issues connected with parties and the electoral systems have become pressing in Kazakhstan. A proportional regime, in which the entire party (all members) is elected, rather than an individual politician, encourages emergence

of a multi-party system. A majority system, when only one politician wins with the majority of votes, favours a two-party system or a one-party dominated system. The state administration leans toward the latter, but has constitutionally established a proportional electoral system by supplementing it with a quota for the Assembly of the People of Kazakhstan.

Kazakhstan's system was improved and balanced via constitutional reform consisting of strengthening parliamentary powers through a redistribution of the Presidential authority. In implementing the reforms, the President agreed to redistribute a number of his authorities to the Parliament. These powers include the ability to influence the formation of the government and monitor constitutionality, the election process and budget utilization. As a result, government accountability has been increased, not only to the President, but also to the Parliament.

At the same time, the role of the Parliament has become more individual and accountable. In the event of an irresolvable disagreement with the government, the Majilis can be dissolved. In that event, the Senate will continue to function as a lawmaking body to avoid failures in the system of administration and minimize effects of a possible political crisis on the economy and social sector. Due to the constitutional reforms, political parties are transforming from marginal to central structures in the political system, serving as a deeply integrated mechanism to protect civil society's interests within the state. As a result, political parties shall become the main generator of the political process in the country.

After the constitutional reform, a number of protective and extraordinary changes were preserved together with steps for encouraging individual political initiative. Instruments were created to serve as protectors of the political system in the event of unfavorable circumstances. Such mechanisms include maintaining the strength and functionality of the institution of presidential authority.

A strong institution of presidential power has important mobilizing characteristics needed for Kazakhstan to modernize its political system. Kazakhstan's preventive and anti-crisis mechanisms are close to the French model. To preserve the importance of the presidential power, Kazakhstan has considered both regional and international trends.

A new stage in the development of the Kazakhstani political system began in May 2007 with the amendments

to the constitution. The modernization of the political system took a new direction toward transforming presidential power into a presidential - parliamentary mode of government.

By that time, some political parties backing a national model of social democratic development taking into account world experience and Kazakhstan specificity consolidated their leading positions. The Nur Otan party adopted the following five main guiding principles, as proposed by President Nursultan Nazarbayev: equality between different ethnic groups living in Kazakhstan; the ethnic group forming the state of Kazakhstan is the Kazakh nation; respecting peoples' religious identity; building respect for the rule of law and the development of small and medium sized businesses.

Considering the absence until recent time, of a conflict-free mechanism for the succession of power, the transition to a presidential - parliamentary system was of no surprise for people in Kazakhstan. The rejection of an electoral system that was a mix between a majority and proportional one, and the decision to distribute power between the President and the Parliament was natural for the further liberalization of the political system. It will also assist in increasing the authority and importance of the Parliament and political parties and expand the people's participation in the administration of state affairs and will consolidate national concord.

The Nur Otan party is not only integrated into the contours of state administration, but it actually forms these contours. The planned further consolidation of the political and administrative elite within the majority parliamentary faction following the fourth convocation of the Majilis has been demonstrated with the move to bring the President together with the Senate, and the Prime Minister and other members of the government into the presidential party.

Any administrative decision prepared and adopted by government structures automatically receives the support of the ruling party. In addition, any political decision adopted by Nur Otan becomes binding on the government. At the same time, both the parliamentary group and the government will complement each other when implementing presidential policy.

In accordance with the new provisions of the constitution, the President proposed a vote of no confidence in the government to the Majilis. If the newly convoked Majilis expressed its confidence in the government; the government would continue to carry out its duties. The work of the Cabinet of Ministers would be planned in close cooperation with parliamentary factions.

It should be noted that parliamentary groups control the activity of the government, which demonstrates that people should choose the direction of national development. The proportional electoral system provides a possibility to reflect the political interests of the people in a most adequate manner.

The lower chamber of the Parliament was formed in accordance with the system reflects the interests of all groups of the public. Driving the government activities, party groups implement the wish of the people and represent their interests. This, in its turn, increases the responsibility of the legislative power for implementing reforms in Kazakhstan. Therefore, specialized mechanisms were required to ensure the smooth operation of the Parliament and the responsibility of its members. For that purpose, a binding mandate was established to impose responsibility on each member of parliamentary groups for his/her activity.

The formation of the Majilis of the fourth convocation completed another stage of institutional modernization and personnel shifts orientated toward a consolidation of the political regime headed by Nursultan Nazarbayev. Political stability is insured through establishing new public institutions and providing existing public institutions with supplementary functions.

The institution of the state secretary is transforming into an important ideological instrument for public work. With shifting the focus to political parties, the President may more fully and efficiently control the Parliament by combining this function with administrative control over the government and the Assembly of the People Kazakhstan, which is a special institution of the representative power.

In terms of functional characteristics of the electoral system, the manner of publicizing the election campaign brought it closer to international election standards. Actions aimed at ensuring equal conditions for all parties in getting access to mass media were very important part of the electoral campaign.

According to observers and public organizations that carried out the monitoring of printed and electronic mass media, all political parties were provided with equal opportunities for a publicity campaign.

The election campaign was run under the supervision of a great number of independent observers from international organizations and foreign countries. The total number of accredited international observers was 1,129. Four hundred forty eight observers took part in the CIS Mission, which consisted of 6 member-states.

Thirteen observers were accredited to the Mission of the Shanghai Cooperation Organization (the SCO), 137 observers were accredited by 7 foreign states and 71 observers by international organizations. Four hundred sixty observers from 28 member states of the OSCE were accredited to the Mission of the Office for Democratic Institutions and Human Rights.

In addition, the OSCE appointed Canadian Senator Consilio de Nino, its Special Coordinator and the Head of the Mission of Short-Term Observers in the parliamentary elections in Kazakhstan, and that fact shows increased interest in Kazakhstan.

The assessments of the elections were ambiguous: on the one part, the organization was transparent, but the result was surprising for all: the state authorities, the public and international experts. The foreign experts noted that the results of the elections disagreed with the purpose declared by the government to make the political system more transparent with constitutional reforms carried out this year.

The foreign mass media encouraged this debate without clear a understanding of the essence of the matter and the specific character of the political process in Kazakhstan. On the other part, people of Kazakhstan itself support the ongoing transformations. Isn't this the main requirement for a democratic society?

Observers noted the civility of the competition between political parties, their equal access to the media and the tranquil political situation in Kazakhstan. Steps orientated to ensure equal conditions for pre-election publicity campaign for all political parties were also positively assessed.

All assessment made by foreign observers may be divided into the following three categories: positive, moderately objective, and overtly critical.

Positive assessments were given generally by observers from Central Asia, the CIS and the SCO, but also from some

Asian and European countries. Those assessments are based on the obvious fact that the elections revealed the will of the majority of Kazakhstan people irrespectively of the results. If people agree with the policy carried out by the government, people vote for the ruling party in accordance with their political preferences and economic interests.

The latter argument should be noted as the most reasonable.

Moderately objective assessments do not deny the positive effect of the elections, which objectively reflected the socio-economic and political situation in Kazakhstan. However, the idea of the usefulness of a one-party parliamentary system for democracy and political development is expressed in a careful manner.

Some critics were uneasy over figures reflecting the victory of Nur Otan in the elections. Some Russian mass media and commentators and, strangely enough, many reputable international and western organizations took such a position. The OSCE also shared that position.

"The majority of our conclusions are more positive than negative. We should congratulate the government of Kazakhstan on this occasion", Consilio de Nino, the Head of the Mission of Short-Term Observers from the OSCE Bureau for Democratic Institutions and Human Rights (BDIHR), said, "The creation of democracy is a long-term and difficult goal to achieve", David Willshar, the Head of the Parliamentary Assembly of the European Council observers, said, "however, people of Kazakhstan demonstrate the progress in this process".

Critics of the political process in Kazakhstan are well-known forces that traditionally criticize all processes carried out in Kazakhstan and other CIS countries. These are mass media engaged by certain political forces in carrying out a special order, which is actually not aimed at supporting democracy and has a geopolitical character. These critics consider any results to be reason for political assaults.

Nevertheless, the acute critics were supported by political realities. The last elections were not an exclusion resulting in the absolute victory of the presidential party. After 18 August, these commentators talked about the "one-party dictatorship in the Parliament".

The main arguments of the critics were based on the provision of a 7% limit required for representing a party in the Parliament that gave the winning parties a possibility to elect members from its own list. Another reason was that a non-elected body (the Assembly of the People of Kazakhstan appointed by the President) appointed 9 from 107 members to the Lower Chamber of the Parliament.

Another critical comment was that the President dissolved the Lower Chamber of the Parliament and declared pre-term elections to the Majilis, and that declaration was a surprise for opposition parties. However, early elections are common practice in western countries and deemed an element of developed democracy. In the practice of Western European countries elections are declared less than one month before starting the election campaign.

For example, when 16 April 2002 the government of the Netherlands announced its resignation because of the failure of the peace-support operation in Bosnia in 1995, the pre-term elections to the Chamber of Representatives from the Parliament were declared for 15 May 2002. You see that the election campaign lasted less than a month.

Moderately objective or moderately critical assessments were based on the fact that the Central Election Committee of Kazakhstan made efforts to improve the transparency and

integrity of the elections and that the pre-election period was progressive as compared to the previous election campaigns. Klaas Bergman, representative from the Parliamentary Assembly of the European Council, said that "...a big progress was made in improving the electoral system and the election process in Kazakhstan. This was achieved thanks to the government".

Chinese observers concluded that the legal basis of the elections was significantly improved and that created necessary conditions for participants in the election process. The legal basis guarantees rights and ability to vote, be elected or elect on an equitable basis through voting by a secret ballots.

Representatives from the CIS including republics not participating in integration associations noted the elections were held in a peaceful, democratic and transparent atmosphere. Not engaged European observers from Great Britain and Austria stressed that when counting votes, representatives from opposition parties were permitted to verify all voting bulletins of the Nur Otan party. This confirms the transparency and fairness in the election process. The elections were held in accordance with the legislation of Kazakhstan, and it should be noted that Kazakhstan Standards for the election process are no lower than western.

Some observers noted that for many years the opposition has not learned to perform public relations function, i.e. to influence the administration and make it consider the interests of the opposition electorate. With this in mind, the administration itself deepened democratic reforms and strengthened representative power. Russian observers believe the results of the elections reflect the real will of the majority of people of Kazakhstan.

The OSCE report missed the fact that the opposition injured itself. Social democrats should join with the Ak-Zhol party because there is a 7% limit for being elected to the Parliament.

A number of Russian analysts say Kazakhstan should not be compared with Turkmenistan or Uzbekistan, because the latter two countries have never had real elections to the Parliament or a real opposition. On the contrary, the political elite of Kazakhstan is always forced to manoeuvre. Changes in the political life of Kazakhstan may be assessed in different ways, but the changes themselves prove the capability of the political system. There was an opinion that Kazakhstan is ahead of Russia in some matters. Local political analysts assure that Kazakhstan is a strategic source of energy resources for the USA and western countries and that the USA and the European Union realise the importance of Kazakhstan when planning the construction of through-passages for supplying oil and gas to Europe bypassing Russia.

From technical and logical points of view, some declarations were masterpieces of oratory. The US State Department declared that in spite of the progress of Kazakhstan, "serious faults were found" in the election process. At the same time, the representative from the US State Department meaningfully added that Kazakhstan "slowly steps toward a developed democracy".

Similarly, Liubomir Kopai, the head of the OSCE Mission, said that he "didn't see any democratic country with a one-party parliament". This ambiguous statement reflected the difficulties that international observers encountered in Kazakhstan.

The influential US newspaper The Washington Times gave a rather objective assessment to the elections noting that Nur Otan party would have taken 10% votes less, but

zealous local governors competed in their allegiance to the President. Nevertheless, the result is almost identical to the one of 2005 elections (91 % of the votes were for the President) and shows that people of Kazakhstan are satisfied with its government.

Why did the OSCE and CIS missions give so different assessments to the results of the elections and why did the West not severely criticise the administration of Kazakhstan? The reason is that the latest elections should not be considered to be out side of the political reforms.

In general, one more time, representatives from western countries advocated uniform European standards for assessing elections and the representatives from the CIS also advocated election standards but taking into considering the country's specific character.

Let us conclude. The political reform carried out in Kazakhstan has become a milestone, changing the political arena and the configuration of domestic political forces. This process started with the adoption of amendments to the Constitution in May 2007 in order to balance the processes of economic and political development ongoing in Kazakhstan.

The main purpose of the amendments was to introduce a presidential and parliamentary form of government in Kazakhstan. The President's decision to transfer a part of authority to political parties and the Parliament means both the positive development of the political system and a strategic step accelerating the political modernization of Kazakhstan.

The elections were held for the first time using a proportional system and were innovative for all political forces and all of society, and tested the maturity of the political system. It was difficult to anticipate the political parties' strategy and

relations with the local and state political elite under new conditions. A list of leaders as the combined image of a party was proposed to the electorate for the first time.

The Nur Otan party will act as a public party, and as a party of a combined elite. However, the interests of different groups of the political elite will never be the same. Thus, it cannot be ruled out that the multi-party system will be replaced by a struggle between groups inside a dominant party.

Now, as some quantitative results have been achieved, economic and political reforms in Kazakhstan require qualitative development. Qualitative diversification of economic and political systems is possible only by mobilizing the entire potential of the state. The last constitutional reform is principally aimed at solving this strategic goal for the future of our country. For this purpose, all resources, governmental and social, have to be mobilized.

As a non-western country, Kazakhstan manages to smoothly adopt western democratic standards under Central Asian and post-Soviet conditions. The advancement of democracy to this part of the world shows both the adaptability of democracy and the capability of the country striving for its adoption.

One may conclude that the main achievement of the last elections is the mature feeling of citizenship on the part of the people, who recognized their increasing importance in the management of the state.

Now, people will be able to protect their interests and solve their problems more effectively due to the modernization of democratic institutions of representative democracy, the lower chamber of the Parliament and maslikhats. One cannot deny that the effect of the last elections has a long-term character.

Cultural Inheritance as a Basis for Spiritual Reneissance of Contemporary Society in Kazakhstan

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There is more than a decade during which Kazakhstan develops as an independent state choosing its course of free market and democratic reforms for realizing the purpose of free and independent development. Scarcely, there is somebody nowadays who seriously is likely to argue the movement and first success of the society in Kazakhstan at this course, especially what it concerns of economic transformation and development of market mechanisms of state economic complex. The society in Kazakhstan is changing gradually transforming its political system, economic base and public relations. These changes avoid the sphere of public consciousness, cultural basis of the society in Kazakhstan as well. This is understandable. Cardinal transformation of public system fundamental basis is not possible without values' basis changing whereas these values are in basis of its culture.

Culture plays a prominent role in society. It is as no one of the occurrence of public character fully forms the value system of the society, maintains and directs values flows, stipulates their creative or destructive potential and favours the values acceptance or seizure by the society. That is why it maintains a constant values communication: values born in the bosom of preceding cultures, and values formed in the bosom of contemporary culture that is just contouring future culture or presenting it evidently.

In this process where constantly and even most unexpectedly encountered the past and future being connected up present is achieved the complex and ambiguous process of succession of cultures.

Modern history of independent Kazakhstan being too short in its historical period, however, showed to what extent the authentic culture is important to the society, culture that is crystallized and sharpened in the flow of history due to creation of essential efforts of human being. Situation makes this conclusion a special one when not otherwise as in the commotion of changes and especially consumer understanding of market, for the change of our culture, which, at least, during fifty years was realized as the culture of the highest order, became a negative creation of the element of

market relations - "culture" of distribution, bribery, mass character, popularity and a lack of culture at the end. Our independent development showed that without a spiritual culture, a serious and thoughtful treatment all citizens of the country, young people in particular, in the way of high moral, aesthetical and intellectual values, an advance on the way of material prosperity will be hardly successful, since pragmatism and success cultivate the values being often distant from the spirituality.

If democracy is not the best form of administration, but a better one which by humanity did not thus far yet found, then our movement in the course of general human development, solidly defined nowadays as a democratic development will require for its successful realization of creative potential's concentration of the society in Kazakhstan. This concerns the involvement of the intellectual potential of the past in the creative activity of present to a greater degree, since it is impossible to construct the stable foundation of future without being based on the positive experience of present, not relying on the values formed in the past, but highly appreciated in the present.

The history of the Soviet society had presented to us already a tragic example of the treatment where there was no past; where we attempted to establish society after rejecting its national culture, its spiritual- moral values to the curb of history forgetting them as about the weight not needed in our movement "going forward - to the best society". As itself an idea of construction of a new through destruction of an old one is not healthy. It has already originally included a threat to development of society, since destruction always closes the way into the future. In the Soviet development period Kazakhstan society began to move towards progressive motion to the society of social uniformity and general socialist culture in such a haste that the Kazakh people began to forget their own language and official history entirely pulled out pages from its rich history and cultures. Now the society is forced to restore these pages lost. But as once it was zealous in the oblivion of its historical and cultural roots, also accurately it is zealous in the giving a special significance of

its history and culture at present. This is not too dangerous, if this concern did not lead to a scientific non-objectivity and a celebration of subjectivism, whereas the society moved with consciousness of its importance comes to absurd assertions about its own history and culture, sources of which go back almost to Sumerians and Babylonians. This is an extreme originated by leveling cultural inheritance, absence of actual cultural treatment. Both the process of cultural inheritance destruction, which leads to oblivion of the past, and the absolutization of the past, which forces contemporary Kazakhstan society to remain in the past, are equally barren and deprived of future.

However, justice requires restoring truth overcoming equally extreme of cultural and historical nationalism and complete leveling of its own history and culture. Evidently, there is a straight interrelation between the cultural inheritance and the problem of national identity. There cannot be a human being, personality as well as the people without the specific "luggage" of culture, which of an integral part is the cultural inheritance of the past connected with present. The richer is the cultural inheritance of society, undoubtedly, the richer the society in general, the more it is opened for others because the culture of society exists only on the boundaries of cultural interaction of ethnoses absorbing the effect of the cultures of different ethnoses. Kazakhstan is a poly-ethnic state striving for openness to the entire world collaboration, and culture determines a national identity.

In the contemporary philosophical, culturological, political scientific literature discussing the world experience of modernization the attention in three conceptual positions is accentuated, which study cultural inheritance and national identity. The first emphasizes the cultural inheritance of the past as the system-forming factor for national identity, the second - the harmonious connection of the cultural inheritance of the past and the present, the third one - the contemporary culture and its aspiration in the future. What model or concept will become the most productive in the transformation of the Kazakhstani society, time will show. The processes of national identity in context of transformation, modernization of society are very complicated and unhealthy in practice. There are not too many examples of harmonious solving this issue, perhaps, except Japan, it is difficult to name the countries that connected traditions and cultural inheritance of the past with the needs and demands of technological and informational society successfully. But it is necessary in order to realize who we are at present and what we will be in the foreseeable future. Profound role is to our cultural inheritance in this.

These problems in the context of the threats of contemporary peace are actualized, in this case the discussion deals with the threats to culture by the contemporary globalization processes fraught with the loss of originality and uniqueness of cultures and the variety of those. The changes proceeding in the name of Islam need deep comprehension, since globalization as itself, its consequences are understood and estimate in the world ambiguously from the categorical non-acceptance to the complete acknowledgement as a universal way of the development of humanity. Moreover, it is important to be dismantled with the internal peace, self-consciousness and sensation of people under conditions when the economic and financial development erased the boundaries between the states and the countries because of information and informational technologies, when a new social place of human is revealed in focus and interlacing information and communication flows.

In this context the key issue is: what is impossible in principle without differing the objective process of globalization under the contemporary conditions - to preserve national sovereignty, original and unique culture of the people of Kazakhstan, the great values of the traditional Kazakh culture, which in the centuries-old experience of people creation and wisdom are.

Cultural inheritance is nutrient medium, which forms the consciousness of people, which is the most sensitive to the cultural inheritance, and, not being afraid to assert, it carries responsibility for spiritual vacuum and impoverishment of the descendants of in former times great predecessors. Self-consciousness of people cannot be torn from the culture and history, moreover, it cannot be developed without support to cultural tradition, "inscribed" into the trend of innovative development as, in its turn, it is difficult to visualize any cultural innovations not taking into account traditions. Considering the issue of correlation tradition and innovation in the culture being connected with issue of people's self-consciousness in many respects it is solved in a right way when based on development of active, creative possibilities of human developing a free personality being a purpose and condition for the development of independent Kazakhstan.

Inasmuch as the development of contemporary Kazakhstan society is impossible without cultural inheritance as it assumes status of component of our national security. The concept of national security as a humanitarian safety includes understanding not only external or internal threats but also entire complex of conditions, measures of ensuring the full-blooded and meaningful side of spiritual life societies, where worthy relation to the cultural tradition and great values of the past out is worked and supported. Therefore, the role of cultural inheritance in the guarantee of safe vital activity of society is great, but it should not be exaggerated and fraught underestimated.

In the contemporary society the threat to humanitarian, spiritual and moral safety consists of general cultivation of ersatz of culture; and frequently of explicit lack of culture in preservable phenomenon of mancurtism, in obtrusion of alien views and ideology, world view and stereotypes of behavior. Spectrum of these threats is sufficiently wide beginning from mass culture pressure to the ideas of extremism, which practically constantly discussed in the media. One of the first priority tasks of our republic is to preserve and increase positive cultural-historical experience accumulated by us, also to bring up subsequent generations of the Kazakhs in the way of respect and adoption both traditional and contemporary cultures, to increase overall level of population education. This will serve as one of conditions of "ideological filter", which will not make possible to receive wide acceptance to ideas and views, content of which contradicts to common human values and assertion of humanistic values of democracy in Kazakhstan.

Cultural inheritance solves the issue of large-scale ideological formation in Kazakhstan. In recent years significantly ideological activity was weakened in the Republic in view of the deideologizational processes connected with withdrawal from total implementation of Marxist-Leninist ideology, which is necessary for society. Even more, any healthy society filled with variety of ideological views needs common national ideology and creates conditions for selection of ideological orientations that, first of all, require familiarity and a profound knowledge after of both world and its own cultural inheritance. Spiritual renovation of Kazakhstan society as taking root of occurred replacement of values system

in public consciousness of the Kazakhs cannot occur without a free choice allowed by the state in ideological way and out of process of cultivating and strengthening of the values of democratic society.

To what extent parallels in history are appropriate from here on in comparison with that colossal role particularly played by French enlighteners of the XVIII century injecting in the public consciousness ideals of equal rights, freedom, respect for rights of personality, etc., to such extent ideological activity in the contemporary Kazakhstan society is immediate. Here cultural inheritance did not say its last word yet. It needs a wide propaganda and popularization among all layers of Kazakhstan society by means of mass media through diverse educational, scientific and curricula programs.

Since cultural inheritance is subordinated to purpose of humanization of our society, to task of expanding humanitarian formation, then one of its prerogatives is development of general human potential of the Kazakh culture, its values, possible adaptation to conditions of democratic development of Kazakhstan. Kazakhstan is a poly-ethnic and poly-confessional state, where the state formational ethnoses is the Kazakh ethnoses and the most important condition and foundation of steady development is interethnic, intercultural and inter-confessional dialogue. It can be productive under the conditions of free cultural development and safety of this free development. Granting free access to publications of world culture in official language for the Kazakh ethnoses and publications of rich cultural inheritance of Kazakh people for other ethnoses of our country is the important factor of this development. The Kazakh language will become a valuable state one when world thinkers will speak this language, when lexical reserve, communicative and cultural functions of it to be enriched, new terms and concept appear so forth, which is directly referred to cautious and thoughtful relation to cultural inheritance.

Finally, there are two poles of threats of the degradation of our society we are in between: these are loss of culture and decrease in the "educational level, from one side, and supremacy of technocracy, from the other, which is equally dangerous for cultural development of the society. Cultural inheritance contributes to increasing the educational level of society, always being a component part of educational process and served as one of the most reliable means in its strengthening. Previously, especially under the conditions of totalitarianism, cultural inheritance reliably fulfilled ideological, ideological and educational functions. It was included in educational process - into the curricula of school at all levels, IHE (VUZ) - Institute of Higher Education and system of post-graduate education. Nevertheless, the absence of endeavor and integrity was an essential deficiency in implementation of a cultural inheritance in education and educational process. Moreover, in such case serious misalignments and ideological stamps were observed frequently. If not everywhere this position led to a fact that its own culture and inheritance began to be considered as waning, undeveloped, disdainful relation has been worked out to them in particular from the side of young people by engrossed in western culture. European-centric accents predominated in its evaluations of cultural inheritance. It cannot be declared that under contemporary conditions the situation changed abruptly but one should recognize that a political independence involved an increase of national self-consciousness and, consequently, the deeper realization of role and value of national cultural inheritance.

Under the contemporary conditions when system of development of the republic is reformed independently in the light of requirements of international educational standards, cultural inheritance has to become a base of production of the national model of formation and treatment of young generation, its reorientation from the directions of technocratic intellectualism and utilitarian pragmatism to the position of humanism and spirituality, the social lever of revival of which is a culture. Full value and endeavor of introduction of cultural inheritance in treatment and educational processes requiring the assertion of new concept of continuous formation through treatment with aid of cultural inheritance, where cultural and moral education must prevail.

Philosophical development of society is a guarantee of a reasonable development of Kazakhstan society under conditions of supremacy of technology and information, threats and challenges of post-industrial society; therefore it is hardly expedient to pinch its interests in the sphere of formation and science and to prevent widespread introduction into public consciousness of society, that, unfortunately, is observed at the moment. Therefore one of the urgent tasks of philosophy is not only a theoretical solving the issues of cultural development, but also its practical realization to what not truly having analogs a state but actually truly public program "Cultural inheritance" may contribute to a greater degree in the modern history of Kazakhstan, realization of which began in this year.

Briefly dwelling on its role in the cultural renovation of Kazakhstan society, one should note, for the first time in our country unique possibility to publish the foil-blooded philosophical inheritance of the Kazakh people and world philosophical inheritance in the Kazakh language appeared. The work on the publication of the philosophical inheritance of Kazakh people is called to outline general panorama of cultural and spiritual inheritance of the Kazakh people to decipher its components, to exarticulate the philosophical content from the earliest times to the present. Need for systematization and for the unification of the scattered philosophical thoughts is no less important being presented in the artistic, myth and poetic, folklore form. The world cultural inheritance, published in the Kazakh language, will give a special value, to a scientific and educational process in our country. It will considerably replenish the fund of humanitarian formation, which is in a need for publishing the works of the great philosophers of the East and West, it will raise the Kazakh language to apexes of intellectual thought, it will strengthen its categorical and scientific apparatus, it will enlarge the horizons of use. The historical chance of the revival of the spiritual inheritance of the past given to Kazakhstan society, the best of its models, hopefully, are to be used completely, with the responsibility will become a guarantee for further advance of the Kazakhstan society on the way of progress and democracy.

Philosophical Program "Cultural Inheritance" consists of three volumes: 1) the "Philosophical inheritance of the Kazakh people from the earliest times to the present" in 20 volumes in Kazakh (each volume of 30 printed sheets); 2) "World philosophical inheritance" in 30 volumes in the Kazakh language (each volume of 30 printed sheets). Besides of that, in 2007-2008 years will be prepared and published in Kazakh language "Inheritance of al-Farabi" in 10 values. In 2009 year first time will be prepared and published works about "Kazakh philosophy" in 5 values in English language. Now we talk about entering this inheritance into education process.

Perhaps, with exception of inheritance al-Farabi, for the first time, the unique possibility to publish the full-blooded philosophical inheritance of Kazakh people and world philosophical inheritance in the Kazakh language appeared in our country. By this the problem of a large-scale ideological formation in Kazakhstan is for the first time solved.

Certainly in the process of preparation and work on the publication of multi-volume cultural and spiritual inheritance various questions of organizational and methodological nature arise and appear, as for example, by what criteria of the selection of one or other thinker's work we must be guided - by the needs of education and educational programs or by the needs of development of culture and national self-consciousness of people, that is not one and the same. How to organize most effectively and rationally the preparation of each volume from the point of view of compressed timetable, high quality and opportuneness of publication; how to create efficiently working editorial board of entire series publication, etc.?

All this together, says that there are large and complex tasks before associations of executors. The work on the first unit of program on the Philosophy is to outline the general panorama of cultural and spiritual inheritance of the Kazakh people from the earliest - "saky" - times to the present, to decipher its components, to exarticulate the philosophical and scientific content. Need for systematization and for the unification of the scattered philosophical thoughts is no less important being presented in the artistic, mythological, poetic, folklore, musical, oral-people-creative form. This work, as four spoken about already, is conducted for the first time; therefore it assigns the great responsibility on its executors.

The labor-consuming process of transfer must be achieved by philosopher-professionals but not by others, since it is not possible to allow the distortion of sense and

content of categorial apparatus of Philosophy. Excellent translators of literal texts or journalists - translators involuntarily can make not those accents, working at the text, which in it is important to exarticulate philosophical sense and content, thus to change the meaningfulness of text or not to report its sense to the reader. Therefore in order to ensure the quality of work as a whole, it is necessary to pay a special attention both to an intellectual and to financial relations at the preparatory stage, which includes selection of the most important in the text, especially antiquity, that has relation to the Kazakh culture, translating the text and checking their identity, philosophical editing and producing of united categorial apparatus and standardized terminology, preparation of comments of basic conceptual ideas and positions, etc.

In regards with "World philosophical inheritance" in 30 volumes in the Kazakh language one should say that this critical and complex work requires providing its with professionals that are translators-philosophers together with the noted issue of the human recourses, first of all, by selecting the richest treasure-house of the world philosophical thought of the most outstanding thinkers. The selection of their works must be directed by needs of cultural and spiritual development of our country.

Special value the world cultural inheritance, published in the Kazakh language, will give to scientific and educational process in our country, since they do not prepare scientific translators, in particular in the field of philosophy from Chinese, English, Arab, Persian and other languages of the world, into previous Soviet time translators had a unique ideological brain-washing from the positions of the Party spiritual class and atheistic approaches. At present connection with the tasks of the transformation of poly-ethnic Kazakhstan society the goal of objective text translations of the thinkers of the West and the East sharply stands.

Priority Directions for and Stimulation of Developing Kazakhstan's Export Potential

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Kazakhstan's economy, which is becoming open, has predetermined the need to develop its export potential, considering the advantages of the international division of labor.

Kazakhstan's foreign trade is currently developing in line with the national trend towards stabilizing its economy, liberalizing foreign economic activities, expanding the country's involvement in the organization of multilateral economic cooperation and improving the state of world markets for the main Kazakh export goods.

There is a stable increase in the country's exports. Kazakhstan's exports reached \$38.3bn in 2006, which is up 37 percent compared to 2005.

Between January and November 2007, Kazakhstan's foreign trade turnover (according to the Customs Control Committee of the Kazakh Ministry of Finance's) amounted to \$72,349.3m, which is up 28.9 percent when compared to the same period of 2006, including exports to the tune of \$42,579.1m (up 22.3 percent) and imports – \$29,770.2m (up 39.8 percent) (see Table).

Exports are increasing annually, first of all, thanks to the growth in world prices for basic export products. In 2007, the world economy encountered the problem of price hikes in commodity markets. With limited reserve capacity of oil production, the demand for oil, mainly by the dynamically developing countries, is steadily increasing and geopolitical risks are growing. Oil prices have been growing steadily since the beginning of 2007. Thus, according to IMF reports, the average price for Brent crude oil in December 2007 grew by 46.8 percent as against January 2007 and amounted to \$91.45 per barrel.

Prices for basic metal and food products also continued to grow in 2007. The IMF estimated that the price index for non-fuel goods, including food and industrial products grew by 6.1 percent in the first nine months of 2007. At the same time, the price index for metals and food products increased by 1.5 and 18.2 percent, respectively [1].

Considering the fact that crude oil and ferrous metals remain the main export product, Kazakhstan's economic development in many ways depends on the state of world

Indicators of Kazakhstan's exports and imports in 2000-2006 (million US\$)

Indicators	2001	2002	2003	2004	2005	2006	Jan-Nov 2007
Foreign trade turnover, including:	15085.1	16254.3	21335.4	32877.5	45201.2	61927.2	72349.3
- with CIS countries	5954.1	5237.6	6912.8	10215.1	12200.7	16637.5	20420.5
- with other countries	9131.0	11016.8	14422.6	22662.4	33000.6	45289.6	51928.8
Exports, including:	8639.1	9670.3	12926.7	20096.2	27849.0	38250.3	42579.1
- with CIS countries	2644.6	2194.3	2980.5	4097.2	4066.8	55740	7148.2
- with other countries	5994.5	7476.0	9946.2	15999.0	23782.2	32676.3	35430.9
Imports, including:	6446.0	6584.0	8408.7	12781.3	17352.2	23676.8	29770.2
- with CIS countries	3309.5	3043.2	3932.3	6117.9	8133.9	11063.5	13272.3
- with other countries	3136.5	3540.8	4476.4	6663.4	9218.3	12613.3	16497.9
Balance	2193.1	3086.3	4518	7314.9	10496.5	14573.5	12808.9

Source: report by the Kazakh Statistics Agency

markets, especially, the energy market. Sharp fluctuations in prices for raw hydrocarbons are creating uncertainty and making the country more dependent on raw material consumers in the world, which, in turn, is destabilizing the economy.

In this connection, Kazakhstan is now facing the important task of shaping an export-oriented model of economic development based on advanced and high technology sectors. Amid severe competition on the world commodity markets, the state export support policy must play an important role in the country's foreign economic strategy.

At present, the country is implementing a state program for effective integration into the world economy as the basis for a quality breakthrough in national economic development. In this respect, the main sources for industrial development and modernization and improving the country's export potential are in the sphere of establishing the institutional basis.

With a view to stimulating the production of non-primary export products and services, the government has created national development institutions, which must share the risks with investors in implementing projects that will facilitate a moderate, and in the long term, significant, reduction in the raw-material orientation of Kazakhstan's economy. In this connection, the Sustainable Development Fund Kazyna was set up and deputed to administer the state development institutions: Development Bank of Kazakhstan, Kazakhstan Investment Fund, National Innovation Fund, State Insurance Corporation for the Insurance of Export Credit and Investment, Kazinvest, Small Entrepreneurship Development Fund, and Center for Marketing and Analytical Research. As part of Kazyna's group of development institutions, a specialized structure for promoting investments and improving exports, including a network of trade and investment representative offices abroad, is being established as well as a system of institutional support for exporting non-primary goods and importing high-technology equipment.

It should be noted that this export stimulating policy pays special attention to the financial security of exports and the institution of insurance. Taking into consideration the experience of similar and successfully functioning institutions in a number of foreign countries, State Insurance Corporation for the Insurance of Export Credit and Investment was established with a view to diversifying Kazakhstan's economy and its export structure.

The corporation's main tasks are the following:

- insuring the export of non-primary goods and services;
- insuring direct investments in foreign countries;
- providing consultation services on matters related to insuring foreign economic activities.

Since its establishment, the insurance corporation has performed much organizational works, namely:

- necessary documents have been drawn up;
- a database of Kazakh exporters and importers has been set up;
- staff members have been recruited and trained;
- insurance products have been developed.

According to reports by the corporation, its owned capital stood at 8.3bn tenge as of 1 April 2007. At the same time, 100 percent of its shares belong to the state in the form of the Kazakh Industry and Trade Ministry. The number of insurances in force is growing with every passing year. While in 2004, the corporation undertook the commitment to insure

export credits and investments to the tune of 823.9m tenge (\$6.3m), in 2006 – 2,969.6m tenge (\$23.2m), and in only the first six months of 2007 – 3,145.6m tenge (\$25.5m).

At present, the corporation is supporting types of production that are capable of meeting the world market's high requirements. At the same time, great attention is being paid to the development of international cooperation. State Insurance Corporation for the Insurance of Export Credit and Investment is a member of the Paris Club, which unites 33 export-credit agencies from various countries, and a member of the Credit Alliance, which includes 96 insurance companies. This cooperation is opening wide opportunities for sharing information about unreliable customers and debt repayment. Access is available to the database of companies from all around the world in order to facilitate signing contracts with customers.

The corporation is expanding its partnership with banks as insuring export credits allows banks to extend the volume of trade funding and, thus, to increase operational income. At the same time, the insurance corporation manages up to 80 percent of risks. The corporation boasts the highest financial reliability rating in the CIS, which is a qualitative guarantee for loans. Exporters insured with the corporation are actively expanding their scope and countries of supplies and obtaining funds from banks.

The indicators of the insurance corporation's financial activities and its current financial policy have been highly assessed by the international rating agency, Moody's Investors Service. In August 2006, the rating of the corporation's financial reliability was raised from Baa1 to Baa1, and its rating forecast is "stable". The corporation was the first Kazakh insurance organization to receive this international rating of financial reliability. Moreover, this is the highest rating among the insurance companies of the CIS.

On 5 December 2007, Moody's published a new rating report that confirmed the financial stability rating level Baa1 and the rating forecast as "stable". Moody's points out the following strong aspects of the corporation: very strong capitalization as regards to current and expected insurance liabilities, a conservative investment policy that is focused on Kazakh state securities, 100-percent ownership by Kazakhstan and good prospects for becoming a significant player on Kazakhstan's profitable reinsurance market.

An important task for Kazakhstan is to participate actively in investment and innovation projects together with international financial institutions. This promotes the country's integration into the global economy and supports the domestic exporters. In this connection, in the near future, the plan is to implement a set of measures aimed at ensuring Kazakhstan's participation in the syndicated funding of major international projects, considering the interests of domestic business, especially enterprises that are engaged in exporting. Also, cooperation with international financial institutions will be activated and close attention will be focused on projects of the World Bank, the European Bank for Reconstruction and Development, the Asian Development Bank and the newly established Eurasian Development Bank. Work on presenting Kazakhstan's investment opportunities and searching for foreign partners, particularly transnational companies, will be continued.

It is important to note that cooperation with leading transnational companies will allow Kazakhstan to develop the export of products with high added cost, to use modern experience of international marketing, which will improve the rating of the country as a partner in world economic

relations. It is also important for the country to create major, medium and small industrial enterprises that will be capable of reaching the level of interstate exchanges and developing foreign trade relations in the international arena. Amid developing scientific and technical progress, Kazakhstan must develop international technological cooperation with major companies and create all the conditions for that to take place.

Kazakhstan is already backing the creation and development of types of production aimed at exporting finished products; joint ventures in the oil and gas sector, transport and other sub-sectors in the machine building, metallurgical, chemical, agricultural and biotechnological areas with active international involvement.

In November 2007, the Kazakh government took a number of decisions that are important for the country's future economic development and modernization. This is the purpose the governmental decree to ratify the *30 Corporate Leaders of Kazakhstan Program*. This state program identifies major corporate leaders that must become the locomotive of industry and ensure an economic breakthrough in the country. Their products will make up Kazakhstan's brand in the global economic system in the future. Today, the program includes 97 projects, 22 of which were suggested by the President, and the rest by major domestic businesses. Their total cost amounts to \$60bn. These include projects in the spheres of machine building, mining, petrochemical industry, transport and logistics services, communications, agricultural products processing and the manufacturing of construction materials.

The program provides for support for projects capable of manufacturing competitive products and promoting them in world markets. The main criteria for selecting this kind of project are export orientation, promoting the country's human capital development, and the ability to manufacture products with high added cost.

The Kazyna fund is acting as the facilitator of partnership between state bodies and business structures, and the Ministry of Economy and Budget Planning as the operating body. Funds of the holding companies Samruk and KazAgro and social-entrepreneurial corporations will also be attracted to implement relevant projects.

It is assumed that the program itself will be funded by foreign and domestic investors, the national budget, the National Fund, second-tier banks and other financial organizations.

The state is helping to prepare professional members of staff and promoting the development of infrastructure around construction sites. It is expected that interstate trade agreements will be signed as part of the program. In addition to state guarantees, other forms of sharing risks with entrepreneurs, especially the introduction of export insurance, are being used. The government is also undertaking to develop tax, customs tariff, migration and energy policies. In order to ensure the most comfortable conditions for business, the authorities are considering the possibilities of cutting taxes and creating a fully competitive environment. The state support in areas such as staff, power engineering, telecommunications and authorization procedures will not only promote domestic companies' sheer growth but also the country's economic breakthrough as a whole.

It is also important that the program implementation will strengthen the basis of partnership between the state and private sector. There are many examples of effective cooperation between states and private companies in the

world, which promote national businesses reaching global markets. The so-called "Asian tigers", at their early stages of development, conducted the policy that supports enterprises engaged in exporting. The export economy of this group of countries was developed in many ways thanks to state protectionism towards the more promising enterprises and industrial sectors. Their governments created competitive sectors, redistributed budget funds and foreign investment in favor of national enterprises, promoted searching for markets and so on.

At the cost of centralizing the income of enterprises, the corporate sector has the opportunity to re-equip their enterprises step by step based on the latest scientific and technical achievements, implementing technological and management innovations.

It is major corporate structures that are demonstrating their effectiveness to the world. Thus, for instance, the existing conglomerates (the chaebols) in South Korea have been private firms since their establishment. The industrial conglomerates came into existence in that country thanks to expanding production and increasing sales in world markets. It is these conglomerates that became the main form of industrial organization in South Korea. Virtually all the major and medium-size enterprises belong to various groups, which number several dozens. The biggest ones among them are Samsung, Hyundai, Daewoo and others.

In a similar way, this country's industrial policy is now underway. Industrial projects aimed at exporting high-quality products are being implemented in Kazakh regions, which will constitute the basis for developing Kazakhstan's innovative potential in the future. The *30 Corporate Leaders Program* is aimed at Kazakhstan's joining the top 10 oil exporters by 2015, which envisages doubling industrial manufacturing and oil and gas extraction. At the same time, the flow of foreign investment will be redirected from extractive industries to processing ones.

In this connection, providing informational and organizational assistance is a key factor in promoting Kazakh products and boosting exports.

It should be noted that, without a clear knowledge of the state of world markets, including both the physical and geographical ones, it is impossible not only to establish a highly efficient foreign economic system in the country but also to prove the expediency of different export-import operations. Therefore, Kazakhstan's establishment of structures that collect and process information related to the state of world markets is the most important condition for its successful foreign economic activities today.

Considering all the basic factors, which determine the current condition and the future of developing export potential, it is obvious that there is a need for informational and organizational assistance in achieving the following objectives:

- implementing successive measures aimed at Kazakh entrepreneur associations' joining appropriate international associations whose membership will ensure the adoption of advanced technologies, knowledge and standards;
- conducting analytical research into goods markets in a number of countries to reveal administrative, infrastructure barriers that impede exporting and determining more promising markets for Kazakh goods;
- with a view to strengthening the international image of Kazakhstan as a producer of a wide range of high-quality goods and services and positioning domestic brand names, it is necessary to create a network of trade representations

in those countries which are Kazakhstan's main trade partners;

- support for Kazakh exporters abroad must be carried out through coordinating the efforts by trade representative offices, trade and distribution nets and Kazakh banks operating in foreign markets, and assisting Kazakh enterprises in purchasing transport and logistic stock and production assets.

- preparing mass training for enterprises in implementing ISO standards;

- work to establish national brands and effectively organize exhibition and fair activities outside Kazakhstan;

- providing financial support to exporters participating in overseas fairs and exhibitions, supplying them with information about the state of markets in separate countries (on distributing and ensuring access to service guides and service providers in the sphere of quality control and security, a catalogue of trade information service providers in Kazakhstan, and providing access to interactive databases of international trade information (Trade Map, Market Access Map).

Overall, it is crucially important further to develop national programs that are aimed at specifying measures to implement the country's economic policy to distribute resources, in achieving general target objectives in line with selected priorities.

The country's export potential may be improved by further developing regional trade and economic blocs within the framework of the Eurasian Economic Community, the Economic Cooperation Organization and the Single Economic Space. To achieve this, it is important to speed up economic integration with countries by developing production and scientific and technical cooperation,

trade and economic ties, creating new free trade zones and customs unions. In order to implement the export policy effectively, it is necessary to focus attention on strengthening integration with key partner countries, which will give impetus to the development of existing national competitive advantages and the creation of new ones, ensuring an effective system of cooperation between domestic and international entrepreneurs.

The country's foreign policy must be directed at maintaining existing small-scale economic relations and expanding and strengthening wider economic ties with other groups of countries. This would help to overcome current difficulties in economic development and contribute to Kazakhstan's economic growth to a certain extent, considering the development strategy for the near and long term future.

Thus Kazakhstan's export policy is taking shape, based on structural moves that taking place in the world economy and the detection of new opportunities and competitive advantages. The realization of this strategy envisages Kazakhstan's further participation in regional integration blocs and institutional reforms in the foreign economic sphere. This will make it possible to resolve matters related to the development of a competitive and innovative economy, taking into account world market requirements.

Kazakhstan's participation in small-scale economic relations in a more effective way is possible through focusing the country's foreign economic regulations on diversifying its economy and improving the competitiveness of domestic production, concentrating efforts in the management of enterprises on manufacturing products whose quality and prices can compete with similar foreign products.

SOURCES

1. Main Directions of the Monetary Policy for 2008-2009. The National Bank of Kazakhstan, 24 December 2007, No.146.