

The Role of Kazakhstan in Strategic Competition?

CDR Hubert MROZ, POL Navy, CSAG/CCJ5

The opinions and conclusions expressed herein are those of a number of international officers within the Combined Strategic Analysis Group (CSAG) and do not necessarily reflect the views of United States Central Command, nor of the nations represented within the CSAG or any other governmental agency.

Key Points

- Strategic competition in Central Asia (CA) is much broader than just between the “big three”. There are other powers who are already present and others that want to emerge in the region. After the Taliban took over Afghanistan, the importance of CA is growing even stronger.
- As regional influence expands, CHI-RUS are likely to direct joint efforts against U.S. interests, particularly in the economic and energy domains, to push U.S. based companies out of the CA region.
- Dynamically developing Kazakhstan with its multi-vector foreign policy is worthwhile for investment and market prospects. Kazakhstan is promoting its multi-vector foreign policy to attract foreign investments. At the same time, Kazakhs’ foreign policy has limited bandwidth, which may be affected by pressure from RUS and CHI.
- The recent riots in Kazakhstan (beginning of January 2022) put its multi-vector foreign policy under a test, and most likely President Tokayev was forced to “choose a side” in strategic competition. Outwardly, he made his call by asking a Eurasian military alliance (the CSTO) to stand in.

Introduction

Central Asia was once a geostrategic nexus during the 19th century and beginning of the 20th century, when the British Empire and the Russian Empire were entangled in what was called “the Great Game” – a political and diplomatic confrontation over regional leverages.¹ Now, CA is once again in the focus of the international community. This is where the interests of major powers – the United States, Russia, and China – must be confronted most directly. Strategic competition in CA is much broader than just between the so-called “big three” (the United States, Russia, and China).² There are other powers (sometimes referred to as the ‘junior players’) who are already present and others that want to emerge in the region. After the Taliban took over Afghanistan, the importance of CA emerges amidst a growing concern about global security and different countries are looking to position themselves conveniently in CA to monitor the tide in Middle East (ME).

1 Xiangming Chen and Fakhmiddin Fazilov, “Re-centering Central Asia: China’s “New Great Game” in the old Eurasian Heartland”, nature.com, June 19, 2018, <https://www.nature.com/articles/s41599-018-0125-5> (accessed November 03, 2021).

2 Brianne Tood, “Kazakhstan as the Epicenter of Great Power Competition”, Center for Eurasian, Russian and East European Studies, March 15, 2021, <https://www.youtube.com/watch?v=y5Hq5R1ELyM&list=WL&index=4> (accessed September 23, 2021).

As a leading country among the countries of Central Asia, Kazakhstan is a key partner for many of them. Kazakhstan is celebrating 30 years of independence, and since the dissolution of the USSR, the country has made significant progress in many domains, not to mention being ranked 25th in the World Bank's Ease of Doing Business Index – well ahead of other CA states. Kazakhstan is evolving gradually from a Soviet-command style economy to a more Western-style market economy to attract investors, develop new industries and gain new trade partners with ambition of becoming one of the 30 most developed nations by 2050. Kazakhstan is well known as a major global producer of oil, gas, and minerals, including uranium as the world's largest producer. Kazakhstan is already the recipient of significant European investment and trade, primarily in the energy field. In recent years, Nur-Sultan has sought to develop other industries including agriculture, banking services, cryptocurrencies, IT services, manufacturing, and tourism. Considering the geography alone, Kazakhstan is certainly a country that cannot be underestimated in strategic competition. Its geographical position means that the country is a natural partner to bordering global powers – Russia and China.

External presence

Among the external actors, China, Russia, and the U.S. have their own interests. These interests include security and economic sectors, natural resources as well as access to other markets. The latest one is to assure transfer between Middle East, Asia, Europe and further with the rest of the World, for example Beijing's BRI and its CA New Eurasian Land Bridge Economic Corridor – NELBEC. There are also regional organizations and multilateral fora. With the U.S. presence, there is the C5+1 forum, the NATO partnership for peace (PfP) and the Organization for Security and Co-operation in Europe (OSCE). In addition, the European Union has its own interests and a strategy for the CA. There are also organizations of selected post-Soviet states: the Collective Security Treaty Organization (CSTO) and the Eurasian Economic Union (EAEU). Finally, a more China-oriented group also exists – the Shanghai Cooperation Organization (SCO).

The U.S. interests

The U.S. vision on the Central Asia has been stipulated in the current strategy ('The United States Strategy for Central Asia 2019-2025').³ However, one of the criticisms of this Strategy is that it focuses too much on Afghanistan – three out of six points in the CA Strategy relate to Afghanistan. It raises the question: "how much of it is about CA"⁴ or it can give the impression that Central Asia has been overlooked, including the Republic of Kazakhstan. Over the past 30 years the interest has been consistent and many of the initiatives and goals are not new in comparison to the first CA Strategy in the early 90s.⁵ Dialogue on an Enhanced Strategic Partnership was an elevation of the bilateral relationship back in 2018 and over time this has expanded – the amount of activity and the depth of the relationship between the United States and Kazakhstan has been an accentuation of the inperson visits by the governmental representatives. President Nazarbayev visited the United States in January 2018 and met with President Trump at the White House. Under Secretary of State David Hale visited Nur-Sultan in August 2019 and in February 2020 Secretary of State Mike Pompeo visited Kazakhstan. All this is a continuation

3 U.S. Department of State, "United States Strategy for Central Asia 2019-2025: Advancing Sovereignty and Economic Prosperity", Bureau of South and Central Asia Affairs, February 5, 2020, <https://www.state.gov/united-states-strategy-for-central-asia-2019-2025-advancingsovereignty-and-economic-prosperity/> (accessed August 18, 2021).

4 Brianne Tood, "Kazakhstan as the Epicenter of Great Power Competition", Center for Eurasian, Russian and East European Studies, March 15, 2021, <https://www.youtube.com/watch?v=y5Hq5R1ELyM&list=WL&index=4> (accessed September 23, 2021).

5 U.S. Department of State, "United States Strategy for Central Asia 2019-2025: Advancing Sovereignty and Economic Prosperity", Bureau of South and Central Asia Affairs, February 5, 2020, <https://www.state.gov/united-states-strategy-for-central-asia-2019-2025-advancingsovereignty-and-economic-prosperity/> (accessed August 18, 2021).

of high-level initiatives, that have been initiated by the State Department and the Foreign Ministry in Kazakhstan. It was noted that there has been no visit by the U.S. President to Kazakhstan or the CA region. The Vice President visited the region in 1994 and then in 2006. Two visits in 30 years can be easily forgotten, so there is certainly room for the U.S. to develop this relationship and to continue to build the high-level meetings and to expand cooperation.⁶ Along those lines, over the past year, many efforts have focused on the pandemic and cooperation in support of the various initiatives in the region. The United States has provided over \$6 million in COVID relief, including personal protective equipment, technical training, and assistance. Over the last 20 years, Kazakhstan has received \$2 billion in support.⁷ Regarding support of economic development, it was announced in early 2021 that the Development Finance Corporation will cooperate with the Astana International Finance Centre in Kazakhstan and the government of Uzbekistan to create the Central Asia Investment Partnership.⁸ This is a fund that is expected to raise \$1 billion over the next five years to support various initiatives in the region and to continue to mobilize additional fundings and resources for the private industry and various other related projects in the region. Bilateral security cooperation is an area where the United States has also been very active in its relations with Kazakhstan over the past 30 years. The U.S. continues to provide support for regional security and stability through security cooperation programs. One of the leading initiatives is the Professional Military Education, which has slowed down in the past year due to the pandemic, but for many years there've been students from Kazakhstan coming to study at U.S. military academies and service schools. This has provided excellent professional development opportunities for Kazakh officers.⁹ Another initiative is the institutional capacity building initiative, which supports Kazakhstan in the development of its UN peacekeeping operations. They currently have a unit deployed to Lebanon as part of a UNIFIL mission which is supported by the U.S. Regarding border security and defence and C-terrorism, the State Department approved in December 2020 the sale of intelligence surveillance and reconnaissance capable aircraft that Kazakhstan intends to use for its border security operations. That \$128 million purchase was made by Kazakhstan with its own funds, and it indicates that there is an interest to continue military cooperation with the United States.^{7,10}

The Russian interests

⁶ Brianne Tood, "Kazakhstan as the Epicenter of Great Power Competition", Center for Eurasian, Russian and East European Studies, March 15, 2021, <https://www.youtube.com/watch?v=y5Hq5R1ELyM&list=WL&index=4> (accessed September 23, 2021).

⁷ U.S. Agency for International Development, "U.S. assistance to Kazakhstan for the COVID-19 crisis", May 28, 2021, <https://www.usaid.gov/kazakhstan/fact-sheets/us-assistance-kazakhstan-covid-19-crisis> (accessed September 25, 2021).

⁸ DFC, "Uzbekistan, and Kazakhstan Announce Central Asia Investment Partnership to Bolster Investment in the Region", U.S. International Development Finance Corporation, January 7, 2021, <https://www.dfc.gov/media/press-releases/dfc-uzbekistan-andkazakhstan-announce-central-asia-investment-partnership> (accessed November 11, 2021).

⁹ Sebastian Engels, "Cooperation Between Kazakhstan and the United States in Military Professionalization Programs", The George C. Marshall European Center for Security Studies, March 30, 2018, <https://www.marshallcenter.org/en/publications/occasionalpapers/cooperation-between-kazakhstan-and-united-states-military-professionalization-programs-0>, (accessed October 01, 2021).

¹⁰ "Kazakhstan to Buy Planes and Equipment for Reconnaissance Mission from U.S.", C4Defence, December 24, 2020, <https://www.c4defence.com/en/kazakhstan/>, (accessed November 12, 2021).

Russia has often looked at CA as part of its sphere of privileged interests, including Kazakhstan as one of the peripheral countries that were part of the former Soviet space.¹¹ Kazakhstan, along with its neighbours, share historical, cultural, linguistic, political and security ties. These will all be maintained and further elaborated on the areas of trade and energy. One of the areas where Kazakhstan is really looking to Russia is its military technical cooperation. A large part of the equipment that Kazakhstan uses is old Russian equipment, and therefore a lot of the sustainment maintenance that Russia is currently working with Kazakhstan relates to Russian provided equipment. Regarding the CSTO, Kazakhstan was one of the original members, having been a member since 1994, when this organization went into force under the Collective Security Treaty. Interestingly though, Kazakhstan never had a Secretary General of the CSTO. It might be both – either a coincidence, or a signal of dissatisfaction of Moscow to Nur-Sultan regarding its engagement with NATO and its multi-layered relation with the U.S. While Moscow is working to stop the West from engaging in security dialogue with Central Asian states, Kazakhstan recently ratified an updated military cooperation deal with Russia (on Dec 22, 2021).¹² The current agreement replaces a previous version (from 1994) with an emphasis on issues like nuclear disarmament in favour of regional security, anti-terrorism and cybersecurity, and dwells more on operational concerns.¹³ There are opinions that the renewed deal is part of a broader Russian campaign to prevent NATO from expanding its influence further eastward, specifically to countries like Ukraine and Georgia. For the Russian-Chinese competition, Kazakhstan is probably in the best position towards Russian security interests as it is already actualized by close military cooperation. This idea was also proven by the large-scale riots in the major cities of Kazakhstan that broke out at the beginning of January 2022. Over time, there will be more understanding about what happened, what the real causes were and whether someone was behind the riots to achieve their own ends. What is known today though, is that President Tokayev, by asking the CSTO to intervene, took a side in strategic competition – he chose Russia, or at least that is perception in the international arena.¹⁴

The other project in which Kazakhstan is involved with Russia on is the EAEU. This is an organization that is often wrongly attributed to Vladimir Putin as being his idea, but it was President Nazarbayev who proposed it at the Moscow State University in 1994 originally.¹⁵ It has been in effect since January 2015 and Kazakhstan right now holds the Presidency, which is something that's currently been overlooked by the U.S. administration in terms of favourable opportunity. The problem is that the EAEU has not been officially recognized by the U.S. administration, and therefore there are neither diplomatic relations nor engagement so far and it's highly unlikely that the U.S. would be allowed to have even observer status. Russia would obviously have a voice in that conversation, if any, and likely will not want the United States to be involved in the EAEU, regardless of the interests of the other countries. The newly appointed Russian Third Deputy PM foreshadowed integration of Kazakhstan's economy into Russia more aggressively, as well as to remove American bases from the Caspian Sea and remove American companies from Kazakhstan's oil business.¹⁶

¹¹ Tom O'Connor, "U.S., Russia Compete for Military Influence Among Afghanistan's Central Asia Neighbors", *Nesweek*, July 13, 2021, [U.S., Russia Compete for Military Influence Among Afghanistan's Central Asia Neighbors \(newsweek.com\)](https://www.newsweek.com/u-s-russia-compete-for-military-influence-among-afghanistans-central-asia-neighbors-1508488), (accessed September 24, 2021).

¹² Almaz Kumenov, "Kazakhstan ratifies updated military coop agreement with Russia", *eurasianet*, December 22, 2021, <https://eurasianet.org/kazakhstan-ratifies-updated-military-coop-agreement-with-russia>, (accessed December 24, 2021).

¹³ *Ibid.*

¹⁴ Valerie Hopkins, "Amid Crisis, Kazakhstan's Leader Chose His Path: Embrace Russia", *The New York Times*, January 8, 2022, <https://www.nytimes.com/2022/01/08/world/europe/kazakhstan-russia.html>, (accessed January 10, 2021).

¹⁵ Nursultan Nazarbayev, "The Kazakhstan Way", *Stacey International*, February 25, 2008, (accessed August 30, 2021).

¹⁶ Warsaw Institute, "Russia's Kozak Takes On a New Task", *WarsawInstitute.org*, January 27, 2020, <https://warsawinstitute.org/russiaskozak-takes-new-task> (accessed September 7, 2021).

The Chinese interests

One of China's strategic priorities is its economic expansion through the Belt and Road Initiative (BRI), including Kazakhstan, which is "a buckle" due to its geographic location, as China's seeks to reach markets in Europe and in the Middle East. Some other high priority projects that are running in the region, and specifically in Kazakhstan, are the oil pipelines. The Kazakhstan-China oil pipeline is partially owned by China – its national petroleum company – CNPC (the China National Petroleum Corporation), and Kazakh oil company – the KazMunaiGas. Transportation capacity of oil flowing from Kazakhstan to China is estimated for about 400.000 barrels per day. There is also the Central Asia-China gas pipeline which comes out of Turkmenistan and whilst transiting through Kazakhstan it also gathers some gas out of Kazakhstan. The other major project for Kazakhstan and China is Khorgos – the biggest dry port in the world on the border between Kazakhstan and China. Intense trade has slowed considerably due to pandemic restrictions though.¹⁷ There was also a halt put on transportation of perishable goods coming out of the EAEU countries, including Kazakhstan.¹⁸ In the military domain, the SCO is now the largest regional security organization in the world in terms of both area covered and population. Its original mandate focused on security, countering terrorism, extremism, and separatism but because of the growth, the agenda has changed, and it is now focused less on security and more on economy and social issues. Obviously, China has invested a lot of money and time in investment and infrastructure projects in Kazakhstan, but because of that there's not much transparency. Much of what is going on in the country is being held behind a screen and within the leadership only. Consequently, the society, not having a lot of visibility, has somewhat mixed feelings about the Chinese presence in Kazakhstan, with some reservations. Certainly, China wouldn't put its substantial resources into Kazakhstan just for a sense of good will. Therefore, many citizens in Kazakhstan are concerned and ask: "What does China want as a result of this major investment in Kazakhstan?" The anti-Chinese sentiment in Central Asia is fuelled by concerns about Beijing's intentions. Beijing's brutal treatment of Muslims – Uyghurs mainly but also ethnic Kazakhs and Kyrgyz – in China's western Xinjiang region is also stirring anger and resentment in Central Asia.¹⁹ The Uyghur issue is something that is going to continue to plague Kazakhstan, aside from getting a lot of international pressure from countries like the United States. When Secretary Pompeo visited Kazakhstan last time, that was one of the key issues that he really wanted to talk about. However, being squeezed in a SinoRusso vice, the Kazakh government is very uncomfortable with having that discussion in an open forum as well as with their own citizens. This issue is going to continue to plague them until the Kazakh administration adopts a position – which is unlikely.²⁰ It seems to be nothing, for fear of offending China, but certainly it wouldn't resonate well with the population. There are citizens in Kazakhstan that have family members in China, there have been seen several cases where individuals have come to Kazakhstan seeking asylum.²¹ Regarding the land reform, Kazakhstan is trying to pass some laws to address that, but all these perceptions of China glossing over them and just trying to assure everyone that working with China is in Kazakhstan's best interest. However, it fails to get to

¹⁷ Philip Saunders, "The Dry Port Of Khorgos: Zone Overview", Adrianople Group, April 18, 2019, [The Dry Port of Khorgos: Zone Overview \(adrianoplegroup.com\)](https://adrianoplegroup.com/), (accessed September 13, 2021).

¹⁸ Brianne Tood, "Kazakhstan as the Epicenter of Great Power Competition", Center for Eurasian, Russian and East European Studies, Mar 15, 2021, <https://www.youtube.com/watch?v=y5Hq5R1ELyM&list=WL&index=4> (accessed September 23, 2021).

¹⁹ Ted Regencia, "What you should know about China's minority Uighurs", Aljazeera, July 8, 2021, [What you should know about China's minority Uighurs | Uighur News | Al Jazeera](https://www.aljazeera.com/news/2021/7/8/what-you-should-know-about-china-s-minority-uighurs), (accessed October 27, 2021).

²⁰ Emma Svoboda, "Has Kazakhstan Failed Xinjiang's Ethnic Kazakhs?", LAWFARE, April 5, 2021, <https://www.lawfareblog.com/haskazakhstan-failed-xinjiangs-ethnic-kazakhs> (accessed December 31, 2021).

²¹ Ted Regencia, "What you should know about China's minority Uighurs", Aljazeera, July 8, 2021, [What you should know about China's minority Uighurs | Uighur News | Al Jazeera](https://www.aljazeera.com/news/2021/7/8/what-you-should-know-about-china-s-minority-uighurs), (accessed October 27, 2021).

the root of the problem, and it doesn't assure the population that China is necessarily a good partner for Kazakhstan.²²

The EU and European partners

For Kazakhstan, the EU remains the largest economic partner and investor. At present 27,000 European companies have long-term economic operations with the Kazakh market, and conversely, 3,700 Kazakh companies have similar activity with the EU. An implementation of the Enhanced Partnership and Cooperation Agreement (EPCA) in March 2020 was a milestone in Kazakh-European cooperation. The Ambassador of Kazakhstan to the EU summarised year 2021 as if there was no slowdown in relations and manifestations of which is the increase of Kazakhstan's turnover with the EU by 15% during 2021, despite the pandemic.²³

Pan-Turkism

Turkey has stepped up its activities with Central Asia in recent years, one recent example (Nov 21) being the creation of the Organization of Turkic States (OTS), with Kazakhstan as a one of the original founders (the Turkic Council in 2009). Turkey is a natural ally for the four Turkic-speaking states of Central Asia: Kazakhstan, Kyrgyzstan, Turkmenistan, and Uzbekistan. After those countries became independent, Ankara was possibly the most desirable partner for them, not only because of their common cultural and linguistic affinities, but also because of Turkey's role in international politics as a NATO member with strong ties to Europe and the West in general.²⁴ The former Turkish President was also a proponent of pan-Turkism and Turkic brotherhood was part of his message, and that resonated well in CA. With CA becoming ever more dependent on China and Russia, the timing of Turkey's rise on the global stage could not be better for the four Turkic-speaking countries in the region.²⁵ Friendship with Turkey gives those four Central Asian states another strong partner to help balance relations with Russia and China and the cultural and linguistic ties make Turkey a more attractive partner to most Central Asian countries.

Soft power

Russian soft power is certainly continuing to be an issue. It can be seen mostly in the media. Many Russian media still have in Kazakhstan a great influence in that way the Russian language. This type of influence differs in different parts of the country. When in Nur-Sultan, Almaty, or other cities one might get more Russian or even English. Once outside of the major cities, how much Russian is heard is not that easy to assess.²⁶ The Chinese influence certainly concerns Russia, and it probably should, because China is investing a significant amount of money both into Kazakhstan but also in bringing individuals from Kazakhstan to China. With many students being funded, a lot

²² Brianne Tood, "Kazakhstan as the Epicenter of Great Power Competition", Center for Eurasian, Russian and East European Studies, Mar 15, 2021, <https://www.youtube.com/watch?v=y5Hq5R1ELyM&list=WL&index=4> (accessed September 23, 2021).

²³ Georgi Gotev, "Kazakhstan ambassador: 2021 has been a 'special year' in Kazakh-EU relations", EURACTIV.com, December 22, 2021, <https://www.euractiv.com/section/central-asia/interview/kazakhstan-ambassador-2021-has-been-a-special-year-in-kazakh-eu-relations> (accessed January 1, 2022).

²⁴ Bruce Pannier, "Central Asia: Getting Pulled From All Directions At The Crossroads Of Eurasia", QISHLOQ OVOZI, December 24, 2021, [Central Asia: Getting Pulled From All Directions At The Crossroads Of Eurasia \(rferl.org\)](https://www.qishloqovozi.org/central-asia-getting-pulled-from-all-directions-at-the-crossroads-of-eurasia/), (accessed December 27, 2021).

²⁵ Ibid.

²⁶ Brianne Tood, "Kazakhstan as the Epicenter of Great Power Competition", Center for Eurasian, Russian and East European Studies, Mar 15, 2021, <https://www.youtube.com/watch?v=y5Hq5R1ELyM&list=WL&index=4> (accessed September 23, 2021).

of effort is invested in teaching them Chinese and educating them at Chinese universities. Likely, there won't be an immediate impact for several years, but it is more of a long-term trend to see how much Chinese soft power competes with Russian soft power.²⁷ English shall not to be discounted in this scenario either because there are many individuals that are also studying English; consequently, the U.S. soft power is there and has potential. However, English language ability doesn't necessarily indicate a positive inclination towards the United States. Similarly with Russian soft power – individuals might know Russian but not necessarily have a very positive view towards Russia.²⁸ Since territorial integrity is a fragile issue for the Kazakhs – a matter of growing ethnic pride and national integrity - there is an area for the U.S. to step in. That would be a very strong, positive signal to Kazakhstan of assurance and respect, and at the same time it would differ from the positions of Russia and China.

Cryptocurrency

In many ways, 2021 was a “breakthrough” for cryptocurrency and its importance is growing in the realm of finances. Currently, Kazakhstan ranks second behind the U.S. in global Bitcoin mining, accounting for 18.1% of the global Bitcoin mining hash rate (computing power), which is another factor to consider in Kazakhstan’s role in strategic competition.²⁹ The crypto-industry is only in its infancy and constantly evolving, therefore it is difficult to predict where things are headed long-term, but in the coming months, experts and lawmakers across the world are following themes from regulation to institutional adoption of crypto payments to try and get a better sense of the market as well as how to establish laws and guidelines to make cryptocurrency safer for investors and less appealing to cybercriminals.³⁰ For the U.S., while exploring different fields of competition with China, cryptocurrency is definitely something to pay close attention. This is where Russia is very active as well, and at the same time China is totally absent since Beijing announced (in September 2021) that all cryptocurrency transactions in the country are illegal, effectively putting any crypto-related activities out of Chinese borders, coincidentally making Kazakhstan compelling for the crypto-miners.³¹

CONCLUSIONS

Since China has its own security interests in CA, Russia and the CA states do not trust to deal with the security interests alone. Therefore, an increased Chinese presence in Kazakhstan is likely. There is a possibility that China will negotiate with Russia on how it intends to divide these areas in terms of security and economic interests. However, since China is conservative towards Russia, China will do what it wants, and Russia will not be able to stop it. This ultimately puts Kazakhstan in a very difficult position, as they will be left to have to balance these partners. The U.S. is geographically out of the equation, so the amount of cooperation is less of an issue, but as Kazakhstan borders Russia and China, it will certainly face very intense pressure from both its neighbours.³² What needs to be carefully considered is Kazakhstan’s foreign policy bandwidth. There is simply not only the United

²⁷ Ibid.

²⁸ Ibid.

²⁹ The University of Cambridge, “Cambridge Bitcoin Electricity Consumption Index”, Centre for Alternative Finances, December 24, 2021, https://ccaf.io/cbeci/mining_map (accessed December 24, 2021).

³⁰ Ryan Haar, “The Future of Cryptocurrency: 5 Experts’ Predictions After a ‘Breakthrough’ 2021”, NextAdvisor by Time, January 3, 2022, <https://time.com/nextadvisor/investing/cryptocurrency/future-of-cryptocurrency/> (accessed January 3, 2022).

³¹ Eliza Gkritsi, “Kazakhstan’s Crypto Miners Face New Regulations After Contributing to Power Shortages”, CoinDesk, November 12, 2021, [Kazakhstan’s Crypto Miners Face New Regulations After Contributing to Power Shortages \(coindesk.com\)](https://www.coindesk.com/kazakhstan-crypto-miners-face-new-regulations-after-contributing-to-power-shortages/), (accessed December 23, 2021).

³² Brianne Tood, “Kazakhstan as the Epicenter of Great Power Competition”, Center for Eurasian, Russian and East European Studies, Mar 15, 2021, <https://www.youtube.com/watch?v=y5Hq5R1ELyM&list=WL&index=4> (accessed September 23, 2021).

States, Russia, and China in strategic competition. Relations with countries in the Gulf are very active, including the United Arab Emirates and Saudi Arabia. There are also countries like India, Pakistan, Iran, Japan and lots of other countries, including the EU as a whole and by its individual members that are interested in working with Kazakhstan, not to mention the Netherlands, which currently provides the largest amount of investment to Kazakhstan (Dutch companies invested \$7.3 billion into the economy of Kazakhstan in 2019 and apparently there is an upward tendency, e.g. Kazakhstan and the Netherlands signed in 2021 agreements in the development of agriculture exceeding US\$232.5 million).³³ Whether Kazakhstan has the bandwidth to do more with the United States is not known yet. However, if the U.S. doesn't foster its relations with Kazakhstan, it would create the perception of disinterest. What may also cause disinterest by Kazakhstan in working with the United States is American pressure on rule of law reform and human rights issues. Consequently, Kazakhstan may want to grow closer to Russia and China.

Since the threat from terrorism in the region remains, this is an area that the U.S. government can work with Kazakhs. This is to include training, capacity building, countering of narcotics and other regional trafficking threats. Likely the 30 years of U.S. investment in security cooperation are unlikely to be abandoned. Ultimately, what matters is how much is Kazakhstan is willing to do with the United States, regardless of bandwidth, staffing and resource problems, but also how much it is able to do without pressure from its neighbours to the north and to the south-east. After the January riots, this willingness may be much weaker and relationships more complicated. Apart from a bolstered public image, it is too early to say with certainty whether the January crisis in Kazakhstan is a victory for President Putin, who responded quickly by sending in troops as part of a Russian-led effort to quell the uprising. Russia is known for sending its forces in support of peace, and these remain for longer than is necessary or tolerable. It is no secret that President Putin's ambition is to maintain Russia's sphere of influence over former Soviet republics such as Kazakhstan.³⁴ History will also judge President Tokayev, whether his decisions were rightful and dictated by the *raison d'état* and concern for the citizens, or whether it was just a struggle for the throne in competition with former President Nursultan Nazarbayev.³⁵

Recommendations for US / USCENTCOM

- The CA Strategy needs to be revised to the current situation and developments.
- Intensify high-level meetings to work in diplomatic, military, and economic formats, considering their multivector policy (i.e., EAEU, taking advantage from current Kazakhstan's presidency).
- The U.S. administration shall support Kazakhstan in their efforts to diversify their sources of funding, should Kazakhstan require assistance as such.

³³ The U.S. Department of State, "2021 Investment Climate Statements: Kazakhstan", Economic Section at the U.S. Embassy in Nur-Sultan, July 21, 2021, <https://www.state.gov/united-states-strategy-for-central-asia-2019-2025-advancing-sovereignty-and-economic-prosperity/> (accessed August 18, 2021).

³⁴ Valerie Hopkins, "Amid Crisis, Kazakhstan's Leader Chose His Path: Embrace Russia", The New York Times, January 8, 2022, <https://www.nytimes.com/2022/01/08/world/europe/kazakhstan-russia.html>, (accessed January 10, 2021).

³⁵ Daniel W. Drezner, "Five things I think about Kazakhstan", The Washington Post, January 10, 2022, <https://www.washingtonpost.com/outlook/2022/01/10/five-things-i-think-about-kazakhstan/>, (accessed January 10, 2021).

- Continue relations both in U.S. and NATO formats and support different undertakings of these relations (e.g., 'Steppe Eagle' exercise, PfP, KAZCENT⁸, DEEP⁹, Partnership Interoperability Initiative, EADRCC¹⁰, SPS¹¹ and PME⁴⁰).
- Examine the causes, motives, external interference, and consequences of the January riots including symptoms of Kazakhstan shifting from promoted multi-vector foreign policy to Rus-submissiveness.

8 The Kazakhstan's Partnership for Peace Training Centre headquartered in Almaty.

9 The Defence Education Enhancement Programme of NATO.

10 The Euro-Atlantic Disaster Response Coordination Centre.

11 The Science for Peace and Security (SPS) Programme of NATO. ⁴⁰ The Professional Military Education.