

Political and Economic Reforms in Kazakhstan Under President Tokayev

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Executive Summary

Kazakhstan's leaders have long harbored ambitious visions for their country's future. The country's first President, Nursultan Nazarbayev, launched several far-reaching goals for the country's development, most notably in 2012 the "Kazakhstan 2050" strategy, which aimed for Kazakhstan to take a place among the world's 30 most developed states by mid-century.

For a young country in the third decade of its independence, such lofty goals clearly required far-reaching reforms. Still, Kazakhstan's leadership focused primarily on reforming the country's economy. While acknowledging the need for political reforms, the leadership explicitly followed a strategy that prioritized the economy. President Nazarbayev on numerous occasions stated that "we say: the economy first, then politics."

But major shifts in the global political economy in the past decade forced a revision to this strategy. By 2015, it had become clear that a focus on economics alone would not be sufficient for Kazakhstan to reach its stated goals. In fact, the diversification of the economy required measures that went deep into the political realm. Furthermore, very much as a result of the country's successful economic development, the population of Kazakhstan increasingly voiced demands for political reform as well.

Reform initiatives in the political sphere began to be launched prior to President Nazarbayev's unexpected resignation in March 2019. Among other, constitutional amendments were introduced to strengthen the role of parliament. Following the election of President Kassym-Jomart Tokayev, the reform agenda explicitly focused on political and economic fields in

simultaneous, parallel tracks. In the three yearly State of the Nation addresses that President Tokayev has held, he has issued at times scathing criticism of the state of affairs in various sectors of the country's governance, and emphasized the priority accorded to systemic reform.

President Tokayev introduced new institutions to oversee reforms, most notably the National Council of Public Trust, which brings together government officials and respected members of civil society. This institution, and its working groups, has been a vehicle for the generation of and deliberation on ideas for reforms.

Reforms in the **economic** field have been ambitious. Kazakhstan's economy has been primarily driven by the exportation of oil and natural gas. However, the 2008 and 2014 price shocks revealed just how vulnerable the Kazakhstani economy was to the oil price, and it catalyzed a mobilization toward reform to reduce the country's dependence on fossil fuels. Toward this end, the country seeks to energize its manufacturing and agricultural sectors. In manufacturing, the country is focused on developing an 'economy of simple things' in which the nation becomes a primary producer of all the low-tech products that Kazakhstanis use every day. For agriculture, the country is mobilizing government resources to support seven separate 'ecosystems' of food and agricultural production.

To drive technological advancement, Kazakhstan is undergoing a number of reforms that will develop an entrepreneurial culture, attract investments in the tech industry, and lay the foundation for Kazakhstan to serve as a technological hub in Central Asia. The country has already progressed significantly on an initiative known as "Digital Kazakhstan," which seeks to transform the way that citizens, businesses, and government bureaus all interact with each other. The strategy employs modern technologies like AI, 5G, and Smart City technology to boost R&D, e-commerce, venture financing, and fintech development. As part of this strategy, Kazakhstan

opened a financial and technological innovation hub in 2018, known as the Astana International Financial Centre, to attract investments, support innovation, and arbitrate disputes in private business.

President Tokayev's reforms in the **human rights** area can be divided into two categories: a first where the government clearly seeks to achieve change, but has struggled to find ways to succeed; and a second in which steps taken are more cautious. In the former category, President Tokayev has embarked on a mission to effectuate a wholesale redefinition of the role of law enforcement in society, abandoning the Soviet-era model whereby the police is a tool of the state in favor of a modern police force that provides service to citizens. This includes change in the judiciary system, to make the court system more adversarial, separate prosecutors from judges, and put defense and prosecution on an equal standing. Similarly, the issue of women's rights gained importance during the pandemic, amidst an increase in reported violence against women. President Tokayev has made this issue a priority, ordering the strengthening of special units in the Ministry of Internal Affairs focused on domestic abuse, and the start of a nationwide campaign to end violence against women. Still, at lower levels of the state apparatus the resistance to change appears to remain, in contrast to the visible interest of top echelons to put an end to this problem.

The government is proceeding more cautiously in areas like freedom of speech and assembly. Affirming the importance of "overcoming the fear of alternative opinion," President Tokayev launched reforms to Freedom of Assembly under which peaceful rallies now require only notification of, rather than permission from authorities. The law promulgated in May 2020 nevertheless did not go quite as far the President indicated, as local executive bodies maintain the power to reject the holding of rallies. Concerning freedom of speech, limited reforms have been introduced, such as the decriminalization of defamation, a tool frequently used to stop efforts

to expose wrongdoing by government officials. Similarly, laws against the vaguely defined “fomenting” of hatred were changed to “incitement.” These changes will have an effect if the culture of officialdom changes – if, that is, the mentality of the judicial system shifts from one that instinctively protects officials from citizens to one protecting citizens from officials.

Reforms in the field of **political participation** have been cautious. Domestically, the leadership is torn between growing public demands for a greater voice and the elite’s inherent caution, coupled with the need to manage entrenched interests skeptical of liberalization. Externally, the government is similarly torn between Western pressure to liberalize and Russian and Chinese urges to maintain control over the political system.

President Tokayev launched reforms focusing on the strengthening of parliament and the expansion of democratic procedures at the local level. Regarding the parliament, efforts focus on filling the parliament with substance and ensuring it is more representative of society. The President urged Members of Parliament to be more active, and to make use of their prerogative to exercise oversight over the government’s actions.

Tokayev’s first package of political reforms included measures that reduced the number of signatures needed for forming a political party. Further, political parties now need to have a quota of at least 30 percent for women and youth on their lists. In addition, the package included reforms to build “a tradition of parliamentary opposition.” These changes for the first time recognized the official role of opposition parties in the country’s political system, by guaranteeing the opposition the chairmanship of one standing committee and the position of secretary of two standing committees in the lower chamber; opposition parties can now also initiate parliamentary hearings at least once per session of parliament. It should be noted that these reforms focus only on “systemic” or loyal opposition parties, and did nothing for the political forces that remain outside the political system. As

such, these reforms focus on the long-term building of parliamentary culture that involves a role for the loyal opposition. A third package of reforms in January 2021 reduced the threshold for parliamentary representation from seven to five percent. It remains to be seen if this will lead to the emergence of new political forces.

In a separate initiative, reforms were introduced to expand the role of elections at the local level, in order to build a culture of democracy from the grassroots up. Such elections have now been introduced in rural areas as a pilot project. The elections that followed did not lead much substantive change, as the ruling party dominated these local elections. It remains to be seen if the leadership will gradually expand this model to ensure the election of *akims* of larger settlements or cities as well.

Both Nazarbayev and Tokayev have noted that Kazakhstan cannot move into the world's top 30 most developed nations without making serious reforms to improve its **judicial** system and to address **corruption**. Reforms in this realm are primarily guided by the work of the OECD's Anti-Corruption Network (ACN), which established in 2003 the Istanbul Anti-Corruption Action Plan (ACAP). In response to recommendations that have been given in the ACAP, Kazakhstan wrote an Anti-Corruption Strategy for the years 2015-2025. The strategy has six primary focuses: corruption in public service, corruption in private business, corruption in the judiciary and law enforcement, instituting public control, developing an anti-corruption culture, and developing international partnerships. Since the strategy was launched, Kazakhstan has made headway on all fronts, and this is evident in the progress reports provided by the OECD.

To combat corruption, Kazakhstan's government reorganized the country's law enforcement to include an Anti-Corruption Service that reports directly to the president. Additionally, a number of regulations were instituted that increase accountability on government officials and restrict their ability to

engage in corrupt behavior. Recruitment and selection processes have been overhauled for public servants and judges alike, and a higher degree of emphasis has been placed on their character. “Digital Kazakhstan” has also reduced the opportunities for illicit interactions between citizens and government officials by removing direct human-to-human contact in most public services. The country has piloted a new policing program in Karaganda that will employ a “police-service model” to transform the way that police and citizens interact with one another. Finally, Kazakhstan has made efforts to include civil society in the fight against corruption by passing laws like “On Access to Information” that will allow NGOs to monitor the behavior of business and government entities and to participate in the dialogue on anti-corruption policy reform. All these efforts are taking place in the context of increased partnership with international organizations that have provided guidance on how to incorporate international standards in Kazakhstan’s reforms. This includes not only OECD, but also UNDP, OSCE, and more recently GRECO. The results of this work have already been measured in progress that Kazakhstan has made on different corruption indexes, including Transparency International’s Corruption Perceptions Index, and the World Bank’s World Governance Indicators.

Introduction

Kazakhstan has stood out in the regional context by the lofty ambitions its leaders have set for the country. Already in 1997, Kazakhstan first president, Nursultan Nazarbayev, launched the vision “Kazakhstan 2030,” which served as a roadmap for the country’s development. In 2012, President Nazarbayev looked even further, and announced the “Kazakhstan 2050” program – a strategic vision designed to pursue the goal of joining the 30 most advanced countries in the world in terms of a wide range of economic, social, environmental and institutional measurements.

These initiatives had one thing in common: they prioritized economic development, while being very conservative in terms of political reform. For most of the three decades of independence, Kazakhstan’s leadership explicitly distinguished between economic and political issues, following a development plan that aspired to build a modern economy *before* engaging in any kind of political transformation. This logic shifted following the 2015 economic downturn, spurred by a serious collapse in oil prices and worsening relations between the West and Russia.

For at least the 25 first years of independence, the country’s model of development was based on the logic of using Kazakhstan large natural resources – including both oil, gas and minerals – to build a modern economy capable of delivering a middle-class life to a majority of the country’s residents. This model succeeded well. However, it built on a social contract where the initiative was firmly with the state elite; it demanded that citizens accept the primacy of this elite in exchange for constantly improving living standards. Furthermore, like all regional states, Kazakhstan suffered

from particularities of the post-Soviet political economy. This included uncompetitive industries, a considerable “distance tax” worsened by the country’s landlocked geography, and the absence or weakness of infrastructure connecting it to world markets. Worse, the transition itself everywhere took place in a way that led to the creation of informal monopolies, which impede competition, and led in many areas to a fusion of economic and political power that also thwarted the logic of the market. By 2015, when a sense of urgency for reform had been injected into the system, it was clear that many of the factors that held Kazakhstan’s economy back were not simply of an economic nature; they were of a political one.

The country’s economic model had received a first shock with the 2008 financial crisis, which hit Kazakhstan relatively hard. But the oil price soon recovered, indicating that the model itself may perhaps survive. By 2015, however, it was clear this would not be the case. The collapse in the oil price in the second half of 2014 led to a major devaluation of the *tenge* that undermined the informal social contract. Moreover, this time, it had become clear that the oil price would not rapidly recover; and that a technological transformation was taking place globally that made it a highly questionable proposition to continue to have an economy based on natural resources, and particularly on hydrocarbons. In any case, it was clear it would not be possible to realize the vision of joining the world’s thirty most developed countries 2050 with such an economy.

Nor with such a political system. As described in detail in an earlier publication in this series, Kazakhstan has benchmarked itself to the OECD, an organization to which it aspires to accede. The World Bank’s Worldwide Governance Indicators provide useful data to measure the development of Kazakhstan’s governance on a series of factors ranging from government effectiveness and political stability, to control of corruption and voice & accountability. On some of these indicators, such as regulatory quality and

government effectiveness, Kazakhstan is already fairly close to the OECD average, with the difference being about 20 points on a scale of 1 to 100, and shrinking rapidly. The gap is much wider in issues that cannot be separated from the country's political system, such as rule of law, corruption control, and voice and accountability, a category defined as "the extent to which citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media). In these categories, the gap is between forty and seventy points.

Furthermore, the change in the indicators differs widely: between 2009 and 2019, the gap has shrunk considerably in terms of control of corruption, more slowly in terms of rule of law and not at all in terms of voice and accountability.¹ In other words, Kazakhstan is rapidly reaching the level of OECD countries in terms of its government effectiveness, and making important strides in controlling corruption. To a slower extent, it is improving the rule of law. But the likelihood that it will achieve membership in the OECD, or otherwise reach its developmental goals must be considered remote without significant improvement in the categories of rule of law and voice & accountability, which captures areas that include freedoms of expression, association, and media. This is the case not just because organizations like the OECD monitor these types of indices, but because such freedoms form an integral part of the development of countries to the highest level existing in the world today – particularly in a world where heavy reliance on extractive industries will no longer be possible. Indeed, the development of a knowledge-based highly developed economy has historically been strongly interlinked with significant improvements in individual rights and freedoms.

¹ Assel Satubaldina, "Kazakhstan Improves Position in World Bank's Worldwide Governance Indicators Report," *Astana Times*, October 8, 2020. (<https://astanatimes.com/2020/10/kazakhstan-improves-position-in-world-banks-worldwide-governance-indicators-report/>)

By 2015, it had become clear to the leadership of Kazakhstan that the economic transformation of the country required political reforms as well. The shift of thinking would become explicit with the election of Kassym-Jomart Tokayev as President of Kazakhstan in June 2019, following the unexpected resignation of the country's First President. Still, the shift is not primarily one personalities, but one of the conditions Kazakhstan finds itself in. In fact, Tokayev's election coincided with a paradigm shift in the development of the country. Tokayev, who had long served as one of Nazarbayev's closest associates, waged an election campaign centered around three concepts: continuity, justice and progress. The first of these focused on safeguarding the accomplishments that Nazarbayev had presided over. The two latter principles, however, constituted an implicit acknowledgment the Kazakhstan needed to speed up its pace of reform. Most importantly, the category of "progress" included as a priority matter the "transformation of the political system."

Shortly following his election, Tokayev made it clear his election campaign had not been just words. Since then, he has held three State of the Nation addresses, which have featured scathing criticism of the state of affairs in Kazakhstan, and the launch of a mind-boggling number of reform initiatives.

Tokayev's initiatives are not the first set of comprehensive reforms announced in Kazakhstan. Still, they differ from the practice during the first three decades of independence in terms of the sheer centrality the Head of State has appeared to accord to the reform agenda. The tone in his addresses to the nation also break with the past: rather than featuring broad-brush statements concerning the country's situation and its neighborhood, they are more critical of present conditions, while being oriented toward specific initiatives of change.

In his first State of the Nation address, he noted that “Our fundamental principle: successful economic reforms are no longer possible without the modernisation of the country’s socio-political life.” He spoke of the “deafness” of “closed-off national and local officials,” and emphasized the “pressing task” of “a full-fledged reform of the law enforcement system.” He said “state-owned companies have become bulky conglomerates” with doubtful competitiveness”, complained that “cases of raiding against SMEs have become more frequent,” and warned that “any attempts to hinder the development of business, especially small and medium-sized ones, should be considered crimes against the state.” In his second Address a year later, he spoke of the need of “rebooting the entire system of the civil service,” and complained that the “regulatory system remains cumbersome, even punitive.” He did not shy from mentioning the “most corrupt spheres,” citing construction activities and sanitary and epidemiological supervision among other. Further, he noted that “anti-competitive situations persist everywhere,” mentioning the problem so-called “monopoly players - public and private.” He also spoke of “an accusatory bias still prevails in the work of the law enforcement system,” and called for the transition to a service model – which had been announced, “but so far the work has led to only fragmentary results.” In his most recent Address in September 2021, he continued to speak of an “excessive presence of the state in the economy” which “seriously hinders its growth and competitiveness, leads to corruption and illegal lobbying,” and singled out the deficiency of governors’ offices, which fail in their call to “interact with citizens and promptly solve their problems.”

President Tokayev, then, does not mince words. But the limitations of the reform agenda are also clear: it would be a serious mistake to read into his words an ambition of immediate democratization. Tokayev often reminds his audiences, domestic as well as international, that “world experience shows that explosive, unsystematic political liberalisation leads to the

destabilisation of the domestic political situation and even to the loss of statehood.” He speaks of “political reforms without ‘running ahead of ourselves’, but consistently, persistently and thoughtfully.” He also warns that while he will open up the system for greater input, the state will not countenance “any calls for unconstitutional and hooligan actions.” In other words, the state will engage in political reforms to increase voice and accountability; but there should be no doubt that it is the state that is in charge of these reforms, and that will determine their pace and their extent. The difference compared to the recent past is that the leadership now acknowledges the need for systemic reform in the political field, and that it is no longer possible to stick to a developmental model that only focuses on the economic area.

To advance the reform agenda, President Tokayev launched new institutions, most importantly the National Council of Public Trust, which brings together government and senior thought leaders from academia, civil society, and political parties. The Council, and its working groups, have proven to be a key generator of reform ideas and their discussion, and the President – who attends every session of the Council – has presented several of his reform packages at meetings of the Council.² Other institutions that have been created to support the reform process include the Agency of Strategic Planning and Reform, the Agency for the Protection and Development of Competition, and the Agency on the Fight of Economic Offenses.

This study will look in sequence at the reform process in the economy, human rights, political participation and anti-corruption with a view to detail the initiatives that have been launched.

² See Andrey Chebotarev, *Political Reforms in Kazakhstan: New Course of the President Tokayev*, Nur-Sultan: Kazakhstan Council on International Relations, 2021.

(http://kazcouncil.kz/storage/app/media/Political_Reforms_in_Kazakhstan.pdf)

Economic Reforms

A significant portion, perhaps a majority, of President Tokayev's proposed reforms are economically focused. One distinct difference, however, between these and Tokayev's political reforms is that they form a stronger continuity with his predecessor's efforts. In fact, economic reform has remained a central pillar, in one form or another, of Kazakhstani policy since the country gained independence from the Soviet Union in 1991. In the years that followed independence, President Nazarbayev sought to develop a stable economy that was primarily based upon the country's rich natural resources – primarily oil and gas. After the financial crisis of 2008 and the following drop in global oil prices, Nazarbayev initiated the development of a reform strategy intended to achieve greater economic stability and diversification with the end goal of entering the top 30 most developed countries by 2050.³

Despite the amount of vision driving these ambitions, implementation was slow to gain momentum after the strategy's announcement in 2012. Efforts towards effective implementation began to accelerate in 2016 through to 2019, before Nazarbayev's retirement. Since stepping into the presidency, Tokayev has announced several initiatives aimed at further implementation of these same ambitions. Some initiatives are new, and some are extensions of the previous administration's policies. The fact cannot be ignored, of course, that much of this reform is still significantly influenced by President Nazarbayev, who maintains a seat as the chairman of Kazakhstan's Security

³ Irina Heim and Kairat Salimov. "The Effects of Oil Revenues on Kazakhstan's Economy," in Heim, ed., *Kazakhstan's Diversification from the Natural Resources Sector: Strategic and Economic Opportunities*, Basingstoke: Palgrave Macmillan, 2021.

Council and served as head of the ruling Nur Otan party until stepping down in November 2021. Still, it is clear from his State of the Nation addresses that President Tokayev is focused on rolling out a number of initiatives toward the following: diversification of the economy, reduction of dependence on natural resource exportation, growth of the agricultural industry, growth of the manufacturing industry, development of Kazakhstan's technology sector, digitization of the economy, development of infrastructure, management of state-owned assets, and development of support for small to medium-sized enterprises (SME's). This chapter seeks to drill down into these priorities not only to identify what Tokayev has promised but to determine what has been implemented thus far.

Dependence on Natural Resources and the Need to Modernize

Kazakhstan's economy has been closely linked with its oil and gas production, at least since the Soviet Union began to make major investments in the early 20th century to develop the extraction industry. After the Second World War, growth in the industry expanded at a booming rate. Between 1960 and 1969, oil production increased from two million tons to 10 million tons annually. This growth continued throughout the rest of the 20th century, and in 1974, Kazakhstan became the Soviet Union's largest producer of oil after Russia.

In 1991, when Kazakhstan gained full independence, it had a robust oil infrastructure already in place, but the industry, and the economy at large, experienced a sharp downturn due to the political and economic instability tailing the collapse of the Soviet Union. Rebuilding the economy meant rebuilding the oil and gas sector. Towards this end, Nazarbayev began to attract foreign direct investment (FDI) to help fund the operation and development of new and existing oil projects. Between 1992 and 2001, FDI

as a percentage of GDP increased from 0.4% to 12.7%.⁴ In that same period, annual crude oil production moved from 26.5 to 40.9 million tons and annual GDP growth increased from -5.3% to +13.5%.^{5,6} While FDI fluctuated in the years following, oil production and GDP continued to grow at steady rates – that is, of course, until the economic crisis of 2008. GDP growth dropped to 1.2% for 2009, even though oil production had increased.⁷ In fact, between 2008 and 2009, oil production jumped 8%. The decline in GDP resulted almost entirely from the resulting drop in global oil prices – illuminating the extent to which Kazakhstan’s economic security hinged on the health of the market.

Recognizing the vulnerability to which oil dependence subjected his country’s economy, Nazarbayev set out to establish the foundation for diversification. In 2012, the Kazakhstan-2050 Strategy was launched, which committed to making the economy “immune to global commodity price fluctuation.”⁸ Diversification is of course only one point in a laundry list of priorities identified in the 2050 Strategy, but it is clear that Nazarbayev intended for Kazakhstan’s economy of tomorrow to look holistically different from the economy of yesteryear. Oil and gas were out, industrialization and technological development were in. Key economic points of the strategy included the development of infrastructure, of

⁴ “Foreign Direct Investment, Net Inflows (% of GDP) - Kazakhstan.” data.worldbank.org. *World Bank*. (<https://data.worldbank.org/indicator/BX.KLT.DINV.WD.GD.ZS?locations=KZ>)

⁵ “Energy - Crude Oil Production - OECD Data.” data.OECD.org. *OECD*, (<https://data.oecd.org/energy/crude-oil-production.htm>)

⁶ “GDP Growth (Annual %) - Kazakhstan.” data.worldbank.org. *World Bank*. (<https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=KZ>)

⁷ *Ibid.*

⁸ “Address by the President of the Republic of Kazakhstan, ‘Strategy Kazakhstan-2050: New Political Course of the Established State’.” Akorda.kz. *Republic of Kazakhstan*. (https://www.akorda.kz/en/addresses/addresses_of_president/address-by-the-president-of-the-republic-of-kazakhstan-leader-of-the-nation-nnazarbayev-strategy-kazakhstan-2050-new-political-course-of-the-established-state)

industry, and of agriculture; the increase of foreign investment; the management of natural resources and state-owned assets; and the support of small to medium-sized enterprises, among other points. The end goal of this vision was a Kazakhstani economy that is stable, diversified, and competitive throughout the 21st century – an economy that would ideally land among the top 30 most developed economies in the world by 2050.

Tokayev Carries the Torch

President Tokayev's efforts at reform can be largely understood as efforts to continue and accelerate the reform strategies set out by Nazarbayev. Many of the key priorities identified in Nazarbayev's announcement of the Kazakhstan-2050 Strategy are echoed in Tokayev's 2019 state of the nation address. In his first address as President, Tokayev emphasized the need to increase returns from state-owned assets; provide support to small business entrepreneurs; increase FDI in a variety of sectors; develop the country's agricultural industry; and of course, abandon the "raw material-based mentality" in favor of a diversified, knowledge-based economy. Part of this knowledge economy includes the development of a digital economy – an initiative announced in 2017, five years after the 2050 strategy. Tokayev even identifies specific methods for implementation that were initiated under Nazarbayev's policies. For example, transportation and infrastructure will be developed through the Nurly Zhol program, established in 2014; small and medium-sized businesses will be supported through allocations to the Business Road Map, established in 2010 and extended in 2018; and improving the management of state assets will be achieved by restricting the use of investments from the National Fund, established in 2000.

While Tokayev's economic reform initiatives largely mirror those of his predecessor, there are some areas where he brings new initiatives to the table. Economically speaking, Tokayev introduced two strategic priorities

that Nazarbayev had not already discussed: modernizing the tax system to ensure equitable distribution of national income, and reducing the role that state-owned enterprises (SOE) play in the Kazakhstan economy. Tokayev also provided more granular detail than his predecessor regarding the implementation of previously announced initiatives. For example, Tokayev set clear steps towards developing Kazakhstan's agricultural industry: increase the amount of irrigated land; grow agricultural production 4.5 times by 2030; ban the sale of agricultural land to foreign entities; and seize land that goes unused.

Tokayev's state of the nation addresses in 2020 and 2021 do more to discuss progress on these initiatives and to announce plans for next steps towards their implementation than they do to discuss the pandemic or to announce new strategic priorities. Surprisingly, the COVID-19 pandemic did not do much to force Tokayev's focus away from his long-term reforms, despite the billions of dollars spent on income assistance and other anti-crisis packages. Part of this might be owed to the ironic fact that the pandemic coincided with the initiation of a compulsory health insurance program announced in 2018 and implemented on January 1st 2020.⁹ In any case, as far as the economy is concerned, Tokayev seems intent to push ahead on key initiatives that have long been in his crosshairs. In his 2020 address, he identified "seven basic principles" that should govern a new diversified, technological economy; announced the need for a law "On Industrial Policy" to define the role of the manufacturing industry; and initiated a "National Project for the Development of the Agro-Industrial Complex,"

⁹ "First Year of Health Insurance Implementation: Results and Goals for 2021." primeminister.kz. *Republic of Kazakhstan*, January 20, 2021. (<https://primeminister.kz/en/news/reviews/medicinalyk-saktandyrudy-iske-asyrudyn-birinshi-zhyly-korytyndylar-men-2021-zhylga-amalgan-mindetter-2002517>)

among several other initiatives.¹⁰ While these initiatives were announced as brand new, they were clearly long-time priorities that are now being initiated. Likewise, in Tokayev's 2021 address, the two issues in the realm of economic policy that received the most attention were development of the agro-industrial complex and digitalization of the economy. In each of these areas, he identified specific challenges that affect reform progress, and announced specific efforts to alleviate them. It is clear, then, that in the post-pandemic world, Tokayev is keen to continue his reforms.

In the short-term, plans for reform were outlined in a National Development Plan, which was announced in March 2021. The plan identified specific priorities for Kazakhstan leading up to 2025 in the realm of well-being for citizens, quality of institutions, and a strong economy. Under the section titled, "Strong Economy," three priorities were listed: "building a diversified and innovative economy; active development of economic and trade diplomacy; and balanced territorial development."¹¹ Towards this end, the plan highlights a central role that the Astana International Finance Center will play in privatizing business and attracting foreign investment. There was also emphasis on several other areas to support diversification, including changes to regulatory mechanisms and the adoption of seven 'ecosystems' within the agricultural sector. Finally, goals were set for the development of economic and trade diplomacy to increase investments and for the growth of non-commodity exports. All of these priorities are consistent with those that have long been identified as central priorities for economic reform in Kazakhstan. The development of this National Plan

¹⁰ "President of Kazakhstan Kassym-Jomart Tokayev's State of the Nation Address, September 1, 2020," Akorda.kz. *Republic of Kazakhstan*, September 1, 2020. (https://www.akorda.kz/en/addresses/addresses_of_president/president-of-kazakhstan-kassym-jomart-tokayevs-state-of-the-nation-address-september-1-2020.)

¹¹ "National Development Plan of Kazakhstan." Primeminister.kz. *Republic of Kazakhstan*, March 17, 2021. (<https://primeminister.kz/en/news/kazakstan-damuyynyn-ulityk-zhospary-aleumettikal-aukat-myktyk-ekonomika-zhane-kolzhetimdi-densaulyk-saktau-1725726>)

alone is an indication of how seriously Tokayev takes them, but progress towards their implementation will have to be tracked.

We now turn to the implementation of these different strategic priorities. While it is clear that the COVID-9 pandemic distracted the government from its reform focus, very little discussion will be given to initiatives that arose in direct response to the pandemic. The rest of this chapter will look at evidence of concrete actions that Kazakhstan's government has made to implement reform in the following areas: development of agriculture, industry, and technology (FDI's and e-government included); development of transportation and infrastructure; support for SME's; and management of state-owned assets.

Efforts Towards Diversification: Agriculture and Manufacturing

Consistent with Nazarbayev's earliest revelations following the 2008 financial crisis, Kazakhstan has been making strides to diversify its economy. A large part of the rhetoric behind this initiative has been centered on the vision for a "knowledge-based economy", but the reality is that Kazakhstan has also been making major strides in agriculture and manufacturing – more realistic goals for the short term.

Agriculture

In his addresses to the nation in 2012, 2014, 2017, and 2018, President Nazarbayev's ambitions for agricultural reform were consistently bold. Nazarbayev emphasized innovation with the aim for Kazakhstan to become the "breadbasket" of Central Asia and to establish the agricultural brand "Made in Kazakhstan."¹² One major step that Nazarbayev took during his

¹² "The President of Kazakhstan Nursultan Nazarbayev's Address to the Nation of Kazakhstan. January 31, 2017." Akorda.kz. *Republic of Kazakhstan*, January 31, 2017. (https://www.akorda.kz/en/addresses/addresses_of_president/the-president-of-kazakhstan-nursultan-nazarbayevs-address-to-the-nation-of-kazakhstan-january-31-2017)

presidency was to completely revise the legislation for farming co-operatives. A 2019 OECD report describes the progress that has been made in the sector after the adoption of a new law, “On Agricultural Co-Operatives,” and a new set of tax concessions in 2015. The reforms better clarified the private role of agricultural co-operatives in the economy, reduced bureaucratic interference, and provided greater incentive for members of cooperatives to take ownership of their operations, cooperate with other co-operatives, and invest in new opportunities. At the same time, Kazakhstan began to provide additional support to cooperatives through educational services and through government subsidy programs.¹³ The OECD does identify areas for further improvement such as preventing abuse of the subsidies through the establishment of “false co-operatives,” but overall the OECD assessment is largely positive. As we will see, the issue of abuse in this sphere is one President Tokayev would return to.

In his 2019 address, Tokayev outlined specific goals for agriculture: increase the amount of irrigated land to 3 million hectares by 2030; grow agricultural production 4.5 times in that same time frame; ensure a ban on foreign ownership of Kazakh land; seize land that is inefficiently used; and provide better quality of life for rural populations. In 2020, Tokayev reiterated a few of these same issues and added that the agricultural industry is suffering from a lack of technological innovation and professional personnel – issues about which Tokayev seemed candid and critical. He did not offer specific initiatives in 2020 except for the government to develop a new “National Project for the Development of the Agro-Industrial Complex over a five-year

¹³ OECD. “Monitoring the Development of Agricultural Co-Operatives in Kazakhstan.” OECD. *OECD Publishing*, 2019. (<https://www.oecd.org/eurasia/competitiveness-programme/central-asia/Kazakhstan-Monitoring-Agricultural-Co-operatives-2019-EN.pdf>)

period.”¹⁴ Again, in 2021, many of these same issues are echoes of Nazarbayev’s technological advancement. However, this time Tokayev discussed new attention to agricultural subsidies and provided sharp criticism over problems regarding fraudulent exploitation of these subsidies – an issue identified in the OECD report.¹⁵

It is still early to track progress on many of Tokayev’s reform promises, but a number of recent reports indicate that the Kazakhstani government is following through. In October, the government announced the National Project for the Development of the Agro-Industrial Complex.¹⁶ Within the plan are priorities to increase labor efficiency by 2.5 times, provide the population with domestic goods, increase exports of processed goods, and establish seven “ecosystems” for agricultural investment. Investments are also being made in Kazakhstan’s rural development project, “Auyl – El Besigi.”¹⁷ The project was launched in 2019 under Nazarbayev, and has so far been involved in over 12,000 development projects. Financing for the program has been increased, too, and there are already indicators of progress in agricultural development. Crop production in 2020 increased 7.8%, livestock production increased 3%, investments in agriculture

¹⁴ “President of Kazakhstan Kassym-Jomart Tokayev’s State of the Nation Address, September 1, 2020.” Akorda.kz. *Republic of Kazakhstan*, September 1, 2020.

(https://www.akorda.kz/en/addresses/addresses_of_president/president-of-kazakhstan-kassym-jomart-tokayevs-state-of-the-nation-address-september-1-2020)

¹⁵ “State of the Nation Address by President of the Republic of Kazakhstan Kassym-Jomart Tokayev.” Akorda.kz. *Republic of Kazakhstan*, September 1, 2021.

(<https://www.akorda.kz/en/state-of-the-nation-addressby-president-of-the-republic-of-kazakhstan-kassym-jomart-tokayev-38126>)

¹⁶ Zhanna Nurmaganbetov, “Kazakhstan to Implement Agro-Industrial Complex Development National Project.” Inform.kz. *Kazinform*, October 12, 2021.

(https://www.inform.kz/en/kazakhstan-to-implement-agro-industrial-complex-development-national-project_a3847876)

¹⁷ Adlet Seilkhanov, “Kazakhstan Increases Financing for Auyl – El Besigi Program to KZT800bn for next 4 Yrs.” Inform.kz. *Kazinform*, October 19, 2021. (https://www.inform.kz/en/kazakhstan-increases-financing-for-auyl-el-besigi-program-to-kzt800bn-for-next-4-yrs_a3850762)

increased 15%, and food production also increased by 13.5%.¹⁸ Furthermore, Kazakhstan has inked investment deals with the Netherlands and a US-based firm.^{19,20} These deals are centered on the exchange of agricultural technologies such as irrigation plants, artificial intelligence and cloud computing. These are some of the first indicators of Kazakhstan's commitment to technological innovation in agriculture.

Another important step, in February of 2021, was President Tokayev's signature on a law banning the sale or lease of Kazakhstani farmland to foreign citizens and entities.²¹ This law is the result of mounting public pressure on the Kazakh government, and demonstrations opposing in particular the lease of agricultural land to Chinese interests. Whether in regard to this specific law or to the promise for technological innovation, it is clear that Tokayev aims to deliver on the agricultural initiatives that his government has announced over recent years.

Manufacturing

A second arm of diversification for Kazakhstan's economy is the processing of raw materials. The ultimate aim for this development can be understood by two goals: increasing the share of non-commodity exports and reducing the dependence on imports by matching manufacturing output to domestic

¹⁸ Zhanna Shayakhmetova, "Kazakhstan's Agricultural Industry Shows Positive Growth despite Pandemic." *The Astana Times*, February 25, 2021. (<https://astanatimes.com/2021/02/kazakhstans-agricultural-industry-shows-positive-growth-despite-pandemic/>)

¹⁹ Assel Satubaldina, "Kazakhstan, Netherlands Sign \$232 Million Agricultural Investment Deals." *The Astana Times*, June 4, 2021. (<https://astanatimes.com/2021/06/kazakhstan-netherlands-sign-232-million-agricultural-investment-deals/>)

²⁰ Aidana Yergaliyeva, "Kazakhstan to Manufacture Advanced Farm Technologies, Develop Sustainable Agriculture in Central Asia." *The Astana Times*, January 14, 2021. (<https://astanatimes.com/2021/01/kazakhstan-to-manufacture-advanced-farm-technologies-develop-sustainable-agriculture-in-central-asia/>)

²¹ "Kazakh President Orders Ban on Foreign Ownership of Farmland." *Reuters*, February 25, 2021. (<https://www.reuters.com/article/us-kazakhstan-farming-land-ownership/kazakh-president-orders-ban-on-foreign-ownership-of-farmland-idUSKBN2AP0MU>)

demands. Under Nazarbayev, Kazakhstan was primarily focused on the first of these two goals. As early as 2012, the First President set specific benchmarks to hit in his 2050 strategy: “the share of non-energy export in total export must double by 2025, and triple by 2040,” ultimately hoping to reach 70% of total exports.²² Progress in this area took the form of two five-year plans, known as the State Program for Industrial and Innovative Development, each with lofty goals for real growth in labor productivity and for real growth of manufacturing exports, among other indicators. These goals were recalibrated in 2015, and the program received a 36.5% increase in funding after the first five-year plan failed to hit most of its targets.²³ World bank data shows a significant amount of progress after 2016: manufacturing value added as a percentage of GDP was 10.3% in 2016 and then climbed to 12.7% in 2020. In fact, in 2021, Tokayev stated that at the end of 2020, manufacturing exceeded mining in its share of contributions to the GDP for the first time in 10 years.²⁴

For exports, the data looks less promising. The World Bank reports that in 2016, manufacturing’s share of total merchandise exports was over 17.5% but fell to 13.1% in 2019.²⁵ It is unclear from the data how oil and gas contributed to those exports over time, but the OECD indicates that crude

²² “Address of the President of the Republic of Kazakhstan, January 17, 2014.” Akorda.kz. *The Republic of Kazakhstan*, January 17, 2014.

(https://www.akorda.kz/en/addresses/addresses_of_president/address-of-the-president-of-the-republic-of-kazakhstan-nazarbayev-to-the-nation-january-17-2014-3)

²³ Kym Anderson, Giovanni Capannelli, Edimon Ginting, and Kiyoshi Taniguchi, eds., *Kazakhstan: Accelerating Economic Diversification*, Manila: Asian Development Bank, August 2018. (<https://www.adb.org/sites/default/files/publication/445446/kazakhstan-economic-diversification.pdf>)

²⁴ “State of the Nation Address by President of the Republic of Kazakhstan Kassym-Jomart Tokayev.” Akorda.kz. *Republic of Kazakhstan*, September 1, 2021. (<https://www.akorda.kz/en/state-of-the-nation-address-by-president-of-the-republic-of-kazakhstan-kassym-jomart-tokayev-38126>)

²⁵ “Manufacturing, Value Added (% of GDP) - Kazakhstan.” data.worldbank.org. *World Bank*, (<https://data.worldbank.org/indicator/NV.IND.MANF.ZS?locations=KZ>)

petroleum exports grew at an average of 12.6% per year between 2015 and 2019.²⁶ Notably, while manufacturing received steady increases of fixed capital investment since 2016, it has seen a decrease in FDI, and it continues to receive considerably less funding than do extractive industries like mining.²⁷ Thus it is clear that legitimate efforts are being made to increase manufacturing's shared output in the economy, but there remains a significant amount of work to be done to wean the country off its dependence on oil production and exports. Needless to say, this is an issue that all oil-producing countries are struggling with, and to for which no easy solutions exist.

The second major goal, to match manufacturing output to domestic demands, first gained relevance in 2018 when Nazarbayev introduced the concept of the "simple things economy," which is meant to "fill the internal market with domestic goods."²⁸ This lending program was launched in March of 2019 with an initial \$1.6 billion in funding and a goal to boost production of low-tech goods demanded by the domestic market for daily consumption, goods like furniture, food, and textiles. The ultimate aim of this program is to reduce the share of imports on these same goods from 59% to 37%, create about 16,000 jobs, and increase tax revenues by 1.1 trillion tenge by 2025. In his 2021 address to the nation, Tokayev stated that the "Economy of Simple Things has proven its effectiveness."²⁹ He claimed that

²⁶ "Kazakhstan (KAZ) Exports, Imports, and Trade Partners." *Observatory of Economic Complexity*, (<https://oec.world/en/profile/country/kaz?tradeScaleSelector1=tradeScale2&yearSelector1=exportGrowthYear25>)

²⁷ "Industrialization in Kazakhstan: First Results and New Challenges." *FinReview*, August 28, 2020. ([http://finreview.info/review/industrializacija-v-kazhstane-pervye-itogi-i-novye-vyzovy/.](http://finreview.info/review/industrializacija-v-kazhstane-pervye-itogi-i-novye-vyzovy/))

²⁸ "State of the Nation Address of President of the Republic of Kazakhstan, October 5, 2018."

Akorda.kz. *Republic of Kazakhstan*, October 5, 2018.

(https://www.akorda.kz/en/addresses/addresses_of_president/state-of-the-nation-address-of-president-of-the-republic-of-kazakhstan-nursultan-nazarbayev-october-5-2018)

²⁹ "State of the Nation Address by President of the Republic of Kazakhstan Kassym-Jomart Tokayev." Akorda.kz. *Republic of Kazakhstan*, September 1, 2021.

the program was responsible for the launch of 3,500 projects, the creation of 70,000 jobs, and the production of over \$8.2 billion in goods and services. In December 2020, statistics emerged that the share of domestic products contributing to Kazakhstan's overall consumption increased by 2.5% in 2020.³⁰ The program is slated to extend into 2022 with an additional round of funding. While the Economy of Simple Things appears to be a major focus for Kazakhstani reform, there seems to be little literature on the subject that could be useful to verify official statistics.

Digital Kazakhstan

A third target for Tokayev's efforts to diversify the economy is technological innovation. The development of a knowledge-based economy gets to the heart of Nazarbayev's original vision for Kazakhstan's future, but it may turn out to be a difficult goal to ascertain. Efforts towards this end can be understood as involving two primary efforts: building out a "Digital Kazakhstan" and attracting investments to the country's tech industry. Success in these efforts will ultimately go far beyond the development of a strong technological industry, but will fundamentally reshape the fabric of Kazakhstan's economic and political spheres. Citizens will utilize digital tools to interact with government agencies; companies will conduct most of their business dealings through online platforms; and the primary driving forces in Kazakhstan's economy will be the production of goods and services related to big data, AI, 5G, and other forms of IT. While this sort of

(<https://www.akorda.kz/en/state-of-the-nation-addressby-president-of-the-republic-of-kazakhstan-kassym-jomart-tokayev-38126>)

³⁰ Assel Satubaldina, "Kazakhstan's Economy of Simple Things Program to Boost Domestic Production ." *The Astana Times*, December 21, 2020.

(<https://astanatimes.com/2020/12/kazakhstans-economy-of-simple-things-program-to-boost-domestic-production/>)

development sits at the center of Kazakhstan's economic reform, it will likely take a longer amount of time to achieve than other initiatives. The Global Innovation Index illustrates some of the challenges that face the tech industry. Kazakhstan ranks barely inside the 60th percentile for innovation - citing issues with R&D expenditures and innovation linkages, among other things. It is clear that Kazakhstan's government is making a significant effort to lay the foundation for a technologically advanced economy, but certain weaknesses in the technology sector itself will continue to hold the country back until they can be addressed.

The role of "Digital Kazakhstan," of course, is central to Tokayev's strategy for national development. As already discussed, Digital Kazakhstan aims to modernize the citizen-government interface, but it also aims to fundamentally transform the economy. Among the several objectives included in the program, published in 2017, are the development of the following areas: "e-commerce," "financial technologies and non-cash payments," "Smart Cities," "Increased coverage of communications and ICT infrastructure," "increased digital literacy," "support for innovative development platforms," "venture financing," "technological entrepreneurship, startup culture and R&D," and "demand for innovation."³¹ The theme underlying these particular efforts is the creation of a "Digital Silk Road," and there has already been significant progress in several, if not all, of these areas. As early as the introduction of Digital Kazakhstan, smart city technologies have been implemented in a number of applications including the integration of intelligent transportation management systems, development of unified IT communication platforms, development of Urban Living Laboratories, and big-data analytics.³²

³¹ "State Program: 'Digital Kazakhstan.'" *Republic of Kazakhstan*, December 12, 2017. (<https://digitalkz.kz/en/about-the-program/>.)

³² "Smart Almaty City Special Issue ." *Innovative Governance of Large Urban Systems*, July 2021. (<https://iglus.org/wp-content/uploads/2021/08/IGLUS-Quarterly-Vol-7-Issue-2-16.08.2021.pdf>)

Kazakhstan has already begun to overhaul its educational system so that students receive exposure to new technologies like artificial intelligence, robotics, 3D printing, and virtual reality. A greater emphasis on coding and program development has been included in these educational reforms.³³ In 2020, the share of non-cash payments jumped from 44.2% the previous year to 66.7% and e-commerce grew by significant margins.^{34,35} While this growth resulted from circumstances outside government control, namely increased demand generated by the pandemic, the government does have measures in place to encourage further growth. For example, tax exemptions are offered to entrepreneurs who earn 40% of income through e-commerce.³⁶ Finally, Huawei has completed the integration of a 5G network in Nur-Sultan. The Chinese company partnered with Beeline, a Kazakhstani mobile phone operator, to launch a pilot program in the capital city with the intention of developing nationwide coverage by 2025.³⁷ While many of these programs are just now moving beyond infancy, it is clear that Kazakhstan has made significant headway toward achieving its goals in Digital Kazakhstan.

Perhaps the largest contribution that Tokayev can make to Kazakhstan's burgeoning tech industry is to actively promote private investment in the sector. Kazakhstan has gone to great lengths to foster a business

³³ "Born to Code: How Kazakhstan Is Growing the Future Generation of Tech Talents." *Seedstars*, January 6, 2020. (<https://www.seedstars.com/content-hub/insights/born-code-how-kazakhstan-growing-future-generation-tech-talents/>)

³⁴ Abyra Kuandyk, "Non-Cash Payments Increase among Kazakh Residents." *The Astana Times*, January 27, 2021. (<https://astanatimes.com/2021/01/non-cash-payments-increase-among-kazakh-residents/>)

³⁵ "E-Commerce Market Amounted to 435 Billion Tenge in First Half of 2020." *Republic of Kazakhstan*, July 28, 2020. (<https://www.primeminister.kz/en/news/obem-rynka-elektronnoy-torgovli-za-i-polugodie-2020-goda-sostavil-435-mlrd-tenge-2861921>)

³⁶ *Ibid.*

³⁷ "Kazakhstan: Huawei to Launch 5G Network in 2021." *Novastan*, March 30, 2021. (<https://novastan.org/en/kazakhstan/kazakhstan-huawei-to-launch-5g-network-in-2021/>)

environment that is friendly to entrepreneurs and investors alike. Much of these measures are part of a larger initiative to support SME's, which will be discussed later. But investment initiatives specifically surrounding the tech industry manifest in the creation of centers based on innovation and investments. The finest example is that of the Astana International Financial Center (AIFC), which opened in 2018 and attracts investment in finance and financial technology through the development of markets and services based on best practices.³⁸ AIFC achieves this by providing a legal and regulatory framework that can be accessed through online resources like "eJustice". The center engages in other projects, too, like "e-Residence," which allows for entrepreneurs to "register businesses, make investments, participate in educational courses, and submit legal claims online."³⁹ As a gauge for its success, transaction volume through fintech in Kazakhstan rose from \$18.9 billion in 2013 to \$111.8 billion in 2018.⁴⁰ At least one other center similar to this is planned for construction. Al-Farabi Kazakh National University signed an investment agreement with Turkey's Görkem Construction Co. in January of 2021 for the construction of a science and technology center in Almaty that is expected to serve as a Silicon Valley of sorts for the region.⁴¹ This center will differ from AIFC in that it's focus will

³⁸ Mike Wardle, "All Eyes on Nur-Sultan." *Financial Centre Futures*, May 1, 2021.

(https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3869785)

³⁹ Priya Misra, "CPC: Kazakhstan's Digital Revolution: The Right Time, the Right Policies, and the Right Investors." *Caspian Policy Center*, July 22, 2021.

(<https://www.caspianpolicy.org/research/energy-and-economy-program-eeep/kazakhstan-digital-revolution-the-right-time-the-right-policies-and-the-right-investors>)

⁴⁰ Astana International Financial Centre, Public Communication Department. "Kazakhstan Poised to Be a Centre for Fintech Startups." focus.world-exchanges.org. *World Federation of Exchanges*. (<https://focus.world-exchanges.org/articles/kazakhstan-poised-be-forge-fintech-startups>)

⁴¹ Aybek Nurjanov, "Turkey to Invest \$1B to Launch Major Science & Technology Center in Kazakhstan." *Caspian News*, January 25, 2021. (<https://caspiannews.com/news-detail/turkey-to-invest-1b-to-launch-major-science-technology-center-in-kazakhstan-2021-1-25-0/>)

not be the financial sector, but will cover technological innovation on a broader scope.

Despite the investments made into these projects, it is clear that there is still a considerable amount of work to be done if Kazakhstan hopes to reach the top 30 most developed economies by 2050. The Global Innovation Index, in which Kazakhstan barely ranks within the 60th percentile, makes this clear. On the index, Kazakhstan scores well in areas like “Business environment,” “Business environment,” and “Government’s online service,” but it scores poorly in other areas like “Gross expenditure on R&D,” “innovation linkages,” and “Software spending.”⁴² In essence, “Kazakhstan performs better in innovation inputs than innovation outputs.”⁴³ This seems consistent with the narrative that most of Kazakhstan’s focus thus far has centered on laying the foundation for an attractive technology sector. As time progresses, and if the foundation has been sufficiently laid, growth in the private sector should naturally arise that will drive innovative outputs in Kazakhstan.

Broader Initiatives for Economic Growth

While agriculture, manufacturing, and technology are three specific sectors in which there exists a great deal of potential for economic diversification, Tokayev is also pursuing reform packages that are broader in scope and will thus drive growth throughout the whole economy. Those reforms can best be divided into three categories: transportation and infrastructure; support for SME’s; and management of state-owned assets.

⁴² “Economic Trend Analysis: Economic Review 2021: GII 2021.” *Global Innovation Index*, (<https://www.globalinnovationindex.org/analysis-economy>)

⁴³ *Ibid.*

Transportation and Infrastructure

The single largest program centered on the development of transportation infrastructure is known as Nurly Zhol. The program was established in 2014 and aims to integrate the country's capital with all the national macro-regions in order to form a single economic market. In its first five years, Nurly Zhol received significant resources and progressed at an exceptional rate. Between 2015 and 2019, 5.8 trillion tenge were allocated to the program, which produced over 400,000 jobs, 3,000 km of national roads, 15,000 km of regional and district roads, and six runways – all of which were either built or rebuilt.⁴⁴ Nurly Zhol is significant not only in its ability to connect different regions of Kazakhstan with the rest of the country, but also in its ability to connect Kazakhstan with the rest of the Central Asian region. The project added 40 million tons of yearly freight capacity at the border with China and between 17.5 million and 27 million tons of total yearly freight capacity at ports on the Caspian Sea.⁴⁵ In an October 2019 teleconference, Prime Minister Askar Mamin lauded the program's role in establishing Kazakhstan as a transcontinental bridge between Europe and Asia – a considerably strategic position to hold in the context of China's BRI.

In his 2020 address to the nation, Tokayev referenced alternative infrastructure projects in Central Asia threatening the competitive advantage that Nurly Zhol provides Kazakhstan. Tokayev emphasized the need to consolidate Kazakhstan's leadership in transit and transport by reconstructing over 24,000 kilometers of roadway by 2025.⁴⁶ Towards this

⁴⁴ "RK Govt Tallied up Five Years of State Program 'Nurly Zhol.'" *Kazakhstan Pravda*, October 22, 2019. (<https://www.kazpravda.kz/en/news/society/rk-govt-tallied-up-five-years-of-state-program-nurly-zhol>)

⁴⁵ Ibid.

⁴⁶ "President of Kazakhstan State of the Nation Address, September 1, 2020." Akorda.kz. *Republic of Kazakhstan*, September 1, 2020. (https://www.akorda.kz/en/addresses/addresses_of_president/president-of-kazakhstan-kassym-jomart-tokayevs-state-of-the-nation-address-september-1-2020)

end, Prime Minister Mamin committed 6.6 trillion tenge (\$16.1 billion) to the second five years of Nurly Zhol. The program is also expected to create over 550,000 jobs, build 16 airfields, and increase rail transit from 18.1 tons of freight to 26.9 tons.⁴⁷ The role that these infrastructure projects will have in bolstering the rest of the economy cannot be overstated. Not only will the interconnectivity between regions boost the flow of inputs and outputs within Kazakhstan, but the project is critical to the ultimate goal of diversifying Kazakhstan's economic production and exportation. As it is, the program stands to directly support the growth of Kazakhstan's transport and transit industries as goods flow westward from China, but it will also support agriculture, manufacturing, and other industries as goods flow outward from Kazakhstan at reduced transport costs.

Management of State-Owned Assets

"Modernization of the system of managing the state assets" is an issue that Nazarbayev raised in as early as 2012; it is necessary, he explained, "not simply to allocate the country's budget, but to invest funds thoughtfully and carefully."⁴⁸ To this end, Nazarbayev – and later, Tokayev – looked to adjust the role that the National Fund and the national companies would play in these economic reforms. For the former, it is a balance between expanding the scope of investments while also practicing fiscal responsibility. For the latter, it is a matter of privatization.

The National Fund of the Republic of Kazakhstan (NFRK) is a sovereign wealth fund operated by the National Bank and financed by revenues primarily from oil and gas. It was founded in 2000 in order to stabilize the volatility imposed on the economy by fluctuations in oil and gas prices and

⁴⁷ Aidana Yergaliyeva, "Kazakh Government Estimates Nurly Zhol Programme Will Cost \$16.91 Billion over next Five Years." *The Astana Times*, October 24, 2019.

(<https://astanatimes.com/2019/10/kazakh-government-estimates-nurly-zhol-programme-will-cost-16-91-billion-over-next-five-years/>)

⁴⁸ *Ibid.*

to act as a system for national savings. This role was expanded in 2014 when Nazarbayev decided to allocate a total of one trillion tenge from the NFRK to a number of initiatives under Nurly Zhol, including easy-term loans to SMEs and large enterprises in the manufacturing sphere, buying out “bad” loans to revive the banking sector, infrastructure investments at ports in Atyrau and Taraz, and investments in the Astana airport.⁴⁹ Despite this expanded role, however, there remained an interest in ensuring fiscal responsibility. In 2016, Nazarbayev instituted a number of regulations to ensure that any further allocations from the National Fund were fiscally responsible. These regulations included requirements that the value of the NFRK’s assets never drop below 30% of GDP and that guaranteed transfers from the NFRK be reduced from \$8 billion to \$6 billion. Tokayev reiterated concerns for such responsibility in 2019 when he said, “it is necessary to reduce expenditures from the National Fund on solving current issues. These are the resources of future generations.”⁵⁰ These different priorities reveal a tension in Kazakhstani interests: using the National Fund to contribute to economic growth and diversification while ensuring the conservation and stewardship of that same fund. In 2021, Tokayev called for additional rules to be implemented to manage public finances and the National Fund.

In terms of managing state assets, other funds play a significant role, too – Samruk-Kazyna, and Baiterek Holding. Samruk-Kazyna is a sovereign wealth fund founded in 2008 and is Kazakhstan’s largest national holding company. It manages other SOE’s in oil, gas, energy, mining, transportation,

⁴⁹ “Nurly Zhol – the Path to the Future.” afmrk.gov.kz. *Financial Monitoring Agency of the Republic of Kazakhstan*, November 11, 2014. (<https://afmrk.gov.kz/en/activity/strategy-and-program/state-program-on-infrastructure-development-nurly.html>)

⁵⁰ “President of Kazakhstan State of the Nation Address, September 2, 2019.” Akorda.kz. *Republic of Kazakhstan*, September 2, 2019. (https://www.akorda.kz/en/addresses/addresses_of_president/president-of-kazakhstan-kassym-jomart-tokayevs-state-of-the-nation-address-september-2-2019)

and communication, and it controls up to half of Kazakhstan's economy, according to some estimates. Nazarbayev initially identified privatization as a priority for his economic reforms outlined in his 2050 strategy, and he charged Samruk-Kazyna in 2014 with the role of defining a list of SOEs to be privatized. The goal was to shrink the state's share of the economy to 15% by 2020, which has not yet been reached.⁵¹ The privatization process began in earnest in 2018 when Kazatomprom, the world's largest uranium producer, became the first of Samruk-Kazyna's subsidiaries to be listed on the stock market – notably on the Astana International Exchange.⁵² As of March 2021, 729 out of the 1,748 organizations planned for privatization had been sold for a total of \$1.7 billion – 88 of those organizations were partially or fully owned by Samruk-Kazyna.⁵³ Part of Samruk-Kazyna's shifting role is to move away from an operations holding to an investment holding. While it pursues privatization, it is also investing in more diverse assets on the international markets and increase profitability.⁵⁴ Analysts believe that a recent March 2021 leadership change in Samruk Kazyna will mark a pivotal point in accelerating this process.⁵⁵ Ultimately, Tokayev hopes to continue these efforts of privatization in order to increase Kazakhstan's economic competitiveness and to reduce corruption.

Baiterek Holding has played a major role in developing Kazakhstan's agricultural and manufacturing sectors, but now it will contribute to privatization of the economy. In fact, Baiterek was established in 2013

⁵¹ "Kazakhstan - United States Department of State." state.gov. *U.S. Department of State*, (<https://www.state.gov/reports/2021-investment-climate-statements/kazakhstan>)

⁵² Gabe Kirchheimer, "Kazakhstan Continues Privatization Strategy," Bloomberg.com, n.d.. (<https://sponsored.bloomberg.com/article/aifc/kazakhstan-continues-privatization-strategy>)

⁵³ "Kazakhstan - United States Department of State." state.gov. *U.S. Department of State*, (<https://www.state.gov/reports/2021-investment-climate-statements/kazakhstan>)

⁵⁴ Jacopo Dettoni, "Kazakhstan SWF Makes International Move." *fDi Intelligence*, December 12, 2019. (<https://www.fdiintelligence.com/article/76390>)

⁵⁵ Paolo Sorbello, "Kazakhstan's Sovereign Fund Changes Boss." *The Diplomat*, March 31, 2021. (<https://thediplomat.com/2021/03/kazakhstan-foreign-fund-changes-boss/>)

specifically to “provide financial and investment support to non-extractive industries and to drive economic diversification.”⁵⁶ Toward this end, Baiterek’s subsidiaries subsumed the responsibility in 2015 to “restructure debt, carry out direct investment in capital, purchase loans extended by development institutions, and develop measures pursuing the recovery of industrial entities.”⁵⁷ However, in 2020, Tokayev announced in his state of the nation address that Baiterek’s role would shift away from leading the development of diversification in the economy. Instead, Tokayev planned for Baiterek to merge with KazAgro, a third major holding company focused on development in agriculture, in order to streamline their activities and their share in the economy. After merging, the companies were to reduce their portfolio and staff by half. In March 2021, Fitch ratings removed KazAgro’s bond ratings, marking the merger’s completion, and Tokayev later announced that portfolios and staffs had both been successfully reduced.⁵⁸ The result of the merger is a holding company that has a historical record of effective support for agricultural development that will now provide more room for private enterprises to flourish after having reduced its own footprint in the economy.

Support for Small-to-Medium-Sized Businesses (SME’s)

Perhaps the most significant round of reforms Kazakhstan has made are those that have sought to transform the business environment and establish a culture of entrepreneurship in the country. These reforms are primarily regulatory in nature, but also involve the use of government subsidies, loan

⁵⁶ “Kazakhstan - United States Department of State.” *state.gov. U.S. Department of State*, (<https://www.state.gov/reports/2021-investment-climate-statements/kazakhstan>)

⁵⁷ OECD. “Multi-Dimensional Review of Kazakhstan: Volume 2. In-Depth Analysis and Recommendations.” *OECD Development Pathways*. OECD Publishing, 2017. (<https://doi.org/10.1787/9789264269200-en>)

⁵⁸ “Fitch Withdraws KazAgro’s Ratings on Merger Completion,” *Fitch Ratings*, March 19, 2021. (<https://www.fitchratings.com/research/international-public-finance/fitch-withdraws-kazagro-ratings-on-merger-completion-19-03-2021>)

programs, and tax breaks to support the development of private enterprises. The effects of these reforms are two-fold. First, domestic firms are provided the regulatory space and the financial resources they need to thrive. Second, the business-friendly environment attracts greater foreign direct investment. The development of a stronger private sector and the increased access to financial resources does more to advance Kazakhstan's goals for a diversified and modernized economy than any other reform initiative.

Like other economic reforms already discussed, this is a process that began in earnest around 2014. The first step involved reforming the legal and regulatory environment, and it is a process that is well documented in the World Bank's Doing Business reports. These reports provide "objective measure of business regulations and their enforcement."⁵⁹ Among the regulatory spheres that the reports investigate are things like contract enforcement, transferring property, getting access to credit, starting a business, protecting investments, etc. For each of these categories, the reports cite the laws that provide relevant legal scaffolding. Of the 21 different laws that were cited, 11 were promulgated between 2014 and 2018.⁶⁰ Kazakhstan ranks 25th among the world's economies, and the World Bank credits the favorability of Kazakhstan's business regulatory environment to the scaffolding provided by these very laws.

The results of these reforms had a clear impact on the country's regulatory environment's ratings, which can be tracked in the Doing Business reports. Reforms over recent years have "cut red tape for entrepreneurs."⁶¹ Between 2012 and 2014, the country's ranking hovered around the top 50, and there

⁵⁹ World Bank Group. "Doing Business 2020: Economy Profile Kazakhstan." *World Bank*, 2020. (<https://www.doingbusiness.org/content/dam/doingBusiness/country/k/kazakhstan/KAZ.pdf>)

⁶⁰ *Ibid*

⁶¹ World Bank Group. "Fast-Paced Reforms Lead to Improvements in Ease of Doing Business across Kazakhstan." *World Bank*, June 17, 2019. (<https://www.worldbank.org/en/news/press-release/2019/06/17/doing-business-in-kazakhstan-2019>)

was a brief period in 2015 where this rank dropped to 77, but it began to climb the following year. It maintained this growth and ranks as no. 25 in the latest report, *Doing Business 2020*. Nazarbayev's regime used these indicators to guide the work of reform committees in order to provide a better environment for small to medium size businesses.⁶² In fact, in his 2014 state of the nation address, Nazarbayev makes it clear that if development is the main tool for modernization, then the "greater the share of the small-to-medium sized businesses... the more developed and sustainable Kazakhstan will be."⁶³

The second method through which Kazakhstan has sought to support its private sector has been the use of loan programs, tax cuts, and government subsidies. One of the primary examples is the Business Roadmap state program. The program was founded in 2010 and involves supporting small-to-medium-sized firms through the use of government subsidies from Baiterek Holding company and the Damu Entrepreneurship Development fund. Between 2010 and August 2020, the program over 16,300 projects were subsidized for a total of \$6.6 billion. In 2018 and 2019 alone, a total of 3,834 projects were supported for a combined value of \$780 million in subsidies, indicating that the amount of support has increased in recent years.⁶⁴ Additionally, since taking office, Tokayev announced two separate expansions of the program. He instructed the government in 2019 to allocate an additional 250 billion tenge to Business Roadmap 2020, and in 2021 he

⁶² World Bank Group. "Doing Business 2015: Going Beyond Efficiency." *World Bank*, 2015. (<https://www.doingbusiness.org/content/dam/doingBusiness/media/Annual-Reports/English/DB15-Full-Report.pdf>)

⁶³ "Address of the President of the Republic of Kazakhstan, January 17, 2014." Akorda.kz. *The Republic of Kazakhstan*, January 17, 2014. (https://www.akorda.kz/en/addresses/addresses_of_president/address-of-the-president-of-the-republic-of-kazakhstan-nazarbayev-to-the-nation-january-17-2014-3)

⁶⁴ "What Support Do Entrepreneurs Receive in Kazakhstan under Business Roadmap 2025?" *old.qazaqtv.com*, August 14, 2020. (https://old.qazaqtv.com/en/view/business/page_215750_what-support-do-entrepreneurs-receive-in-kazakhstan-under-business-roadmap-2025)

had the program extended through 2022. These extensions do not even account for the announcement of a second Business roadmap program announced in November 2019 called the Business Roadmap 2025, which will incorporate microfinance organizations and second-tier banks.⁶⁵

Through these reforms, Kazakhstan hopes to create an environment that will attract more foreign investment. Between 1997 and 2008, FDI inflows peaked in September 2008 at \$7.9 billion. Between 2008 and 2015, inflows hovered at around \$4 billion with notable dips into negative net values – both in 2011 and 2015, the latter being associated with a drop in global oil prices. Between 2015 and 2018, FDI inflows increased again with a peak at over \$7 billion in 2016. Since 2018, however, these numbers have remained consistently low, dipping frequently into the negatives. This is perhaps due to the fact that oil and gas have historically accounted for the majority (up to 70%) of investments in Kazakhstan, and the country now seeks to diversify its economy. UNCTAD, however, reports that Kazakhstan’s net FDI inflows grew 35% in 2020, totalling at around \$3.9 billion.⁶⁶ Notably, inflows grew 57.2% in manufacturing, 45.8% in trade, 20.4% in transport, and 27.1% in mining.⁶⁷ This seems to indicate that efforts towards diversification will quickly gain traction if Kazakhstan can keep up growth in FDI. Investment-specific reforms seek to further support growth in FDI, too. This is exemplified by the introduction of a February 2021 law that

⁶⁵ “421 Billion Tenge to Be Allocated on Implementation of Business Roadmap-2025 State Program.” primeminister.kz. *Republic of Kazakhstan*, November 6, 2019. (<https://www.primeminister.kz/en/news/421-mlrd-tg-budut-napravleny-na-realizaciugosprogrammy-dorojnay-karta-biznesa-2025>)

⁶⁶ “World Investment Report 2021.” unctad.org. *United Nations*, 2021. (https://unctad.org/system/files/official-document/wir2021_en.pdf)

⁶⁷ Assel Satubaldina, “Volume of FDI in Kazakhstan Grows 30.4 Percent in First Half of 2021.” *The Astana Times*, October 12, 2021. (<https://astanatimes.com/2021/10/volume-of-fdi-in-kazakhstan-grows-30-4-percent-in-first-half-of-2021/>)

allows for major investment negotiations to be concluded with the government without parliamentary ratification.⁶⁸

⁶⁸ Assel Satubaldina, "Kazakhstan to Open New Agency, Offer Greater Government Support to Businesses, Reform Investment Mechanisms." *The Astana Times*, January 27, 2021. (<https://astanatimes.com/2021/01/kazakhstan-to-open-new-agency-offer-greater-government-support-to-businesses-reform-investment-mechanisms/>)

Human Rights

As is the case in most post-Soviet countries, the situation concerning human rights has been the cause of much controversy in Kazakhstan. Reform in this area has been slower than in other fields; a cursory review of international rankings shows how Kazakhstan has climbed rapidly in rankings focusing on economic freedom, doing business, and competitiveness, and as will be seen more recently also in terms of general governance and anti-corruption. The same is not the case in human rights indices, where Kazakhstan does not exhibit the same development. That said, indices vary considerably. Freedom House, for example, ranks Kazakhstan as “not free” with a score of 23 of 100, slightly better than Russia but below countries like Thailand or Turkey, and showing basically no change in recent years.⁶⁹ However, the CATO Institute’s Human Freedom Index gives Kazakhstan a ranking of 6.99 (10 being the highest), considerable higher than Turkey, Russia, or Mexico, and just under South Africa and Argentina. In this index, after worsening from 2008 to 2013, Kazakhstan’s record saw visible improvement year after year from 2014 onward.⁷⁰

Such differences may depend on what an index attempts to measure. Freedom House is strongly focused on political rights, for example, whereas the CATO Institute has a broader focus that is perhaps more relevant for the broader population. Indeed, the Kazakh government’s approach has differed from area to area. There is a clear distinction between issue areas

⁶⁹ Freedom House, “Freedom in the World: Kazakhstan” (<https://freedomhouse.org/country/kazakhstan/freedom-world/2021>.)

⁷⁰ CATO Institute, “Human Freedom Index 2020.” (<https://www.cato.org/human-freedom-index/2020>)

where the government has shown a genuine commitment to improving human rights, and those where it has been more cautious. The former category includes issues such as police brutality and women's rights, whereas the latter contains the more sensitive areas of freedoms of speech, media, assembly, and religion.

The following sections will examine how President Tokayev's reforms have dealt with the improvement of human rights in the country, looking in turn at five key areas: law enforcement abuse, women's rights, freedom of assembly, freedom of expression and media, and religious freedom.

Law Enforcement

Law enforcement is recognized as one of the post-Soviet institutions most resistant to change. This stems in part from the roots and nature of the Soviet police force, and from the continued role of law enforcement in maintaining stability and regime security in the decades following independence. Reforming Soviet legacy law enforcement has been a daunting task. As Erica Marat's comparative study indicates, the degree of reform of post-Soviet police forces is not directly linked to the level of democratic development of a state. Put otherwise, even states that have reformed their political systems have found it challenging to modernize their police forces and fundamentally change the relationship between police force and society.⁷¹

Kazakhstan is an excellent example of this conundrum. Reports by human rights defenders indicate that law enforcement institutions in Kazakhstan have yet to meaningfully transform their approach to society into one where they understand their purpose to be to protect and serve the population. Throughout the period of independence, there have been continued reports of relatively widespread police brutality, most commonly through the use

⁷¹ Erica Marat, *The Politics of Police Reform: Society against the State in Post-Soviet Countries*, Oxford: Oxford University Press, 2018.

of violence to force criminal suspects into a confession, as well as the use of violence against inmates in penitentiary facilities. As the UN Committee Against Torture's expert noted in 2014, these practices went beyond being isolated instances, suggesting that the law enforcement institutions continued to harbor many officers that perpetuated the Soviet mentality of law enforcement.⁷² The Kazakh Ombudsman's office continues to receive about one hundred complaints alleging torture or ill treatment per year, and non-government organizations focusing on the matter report receiving double that number.

Kazakhstan has long sought to reform the Ministry of Interior and address the problem of police brutality. Many of the reforms have been inconclusive, however. For example, in a move that was a forerunner among post-Soviet states, the penitentiary system was transferred to the Ministry of Justice in 2002, but nine years later returned to the Ministry of Internal Affairs. In 2016, authorities created a local police force answerable to local governors and elected assemblies, thus opening the way for a greater input of local communities into the priorities of policing. This reform was terminated in 2018, however, indicating the level of challenges in the process of systemic change to law enforcement.⁷³

By contrast, there were more positive strides in efforts to end police brutality. The government announced a zero-tolerance policy to torture in 2012, and created a National Preventative Measure Against Torture in 2013 involving civil society representatives. In parallel, changes were made to the law to sharpen punishment for law enforcement officers convicted of

⁷² UNOHCHR, "Committee against Torture considers the report of Kazakhstan," November 18, 2014.

<https://www.ohchr.org/en/NewsEvents/Pages/DisplayNews.aspx?NewsID=15309&LangID=E>

⁷³ Dimash Alzhanov, "Is It Possible to Reform the Kazakh Police in the Near Future?" Central Asian Bureau for Analytical Reporting, February 4, 2019. (<https://cabar.asia/en/is-it-possible-to-reform-the-kazakh-police-in-the-near-future>)

brutality. The problem is that so few are convicted: while the number of officials convicted of brutality has indeed increased gradually, there has continued to be a certain level of impunity, as many investigations into allegations of brutality are closed because of a lack of evidence. Moreover, national legislation allows the prosecution of those making allegations of ill-treatment under a law prohibiting the publication of false information, something that has been used by officials accused of misdeeds.⁷⁴

It thus appears that the top leadership of Kazakhstan has displayed a clear intention to change the culture within law enforcement and the Ministry of Interior, but has thus far faced considerable challenges in the implementation of such changes. Indeed, while the legislation has been brought largely in conformity with international standards, this legislation is not sufficiently mirrored in practice. This situation is paralleled in most post-Soviet states; indeed, the most successful case of police reform is the one in Georgia, where the government essentially dismantled the police force completely and built a new force from scratch. Even in Georgia, however, continued violence in the penitentiary system was so severe that a scandal involving leaked videos of penitentiary abuse contributed to the downfall of the Saakashvili government in the 2012 election. Even following the reforms, researchers concluded that “a real break with Soviet-style institutional structures has yet to take place.”⁷⁵

Upon taking office, President Tokayev addressed the issue of police reform head-on in his first State of the Nation speech in September 2019. He announced that a most pressing task would be what he called a “full-fledged

⁷⁴ Andrey Grishin, “Torture in Kazakhstan: Beyond Some Cases,” *Central Asian Bureau for Analytical Reporting*, March 1, 2012. (<https://cabar.asia/en/torture-in-kazakhstan-beyond-some-cases>)

⁷⁵ Lili di Puppo, “Police reform in Georgia Cracks in Lili anti-corruption success story,” *Chr. Michelsen Institute*, 2010. (<https://open.cmi.no/cmi-xmlui/bitstream/handle/11250/2474643/Police%20reform%20in%20Georgia.%20Cracks%20in%20an%20anti-corruption%20success%20story?sequence=1>)

reform” of the law enforcement system. He noted the significant problem of the police force’s image in society, observing that its effectiveness depends on its reputation. More explicitly, he promised that “the image of the police, as a power tool of the state, will gradually become a thing of the past; it will become a body providing services to citizens to ensure their safety.”⁷⁶ The President’s speech was short on details on how this transformation was to take place; but he now made this issue a top priority. Already that August, President Tokayev publicly commented on a case of alleged ill-treatment caught on camera, announcing he had ordered a full investigation that led to the detention of several prison officials.⁷⁷ This marked the first time the Head of State commented on a case of alleged mistreatment.

In his second State of the Nation address of September 2020, President Tokayev took matters further, and made a scathingly critical analysis of the state of affairs in law enforcement. He noted that “reforms are absolutely necessary” in law enforcement, and that the “inertia of the past” results in a situation where an “accusatory bias” remains in law enforcement, leading to innocent people being “drawn into the orbit of criminal prosecution.” President Tokayev also observed that Kazakhstan had announced the transition to a service model of the police, but that “so far the work has led to only fragmentary results.”⁷⁸

The President now announced more details in his plan to reform law enforcement, mentioning the OECD countries as the benchmark against

⁷⁶ President of Kazakhstan Kassym-Jomart Tokayev’s State of the Nation Address, September 2, 2019. (https://www.akorda.kz/en/addresses/addresses_of_president/president-of-kazakhstan-kassym-jomart-tokayevs-state-of-the-nation-address-september-2-2019)

⁷⁷ Chris Rickleton, “Kazakhstan: Tokayev remarks on torture may signal new policy direction,” *Eurasianet*, August 1, 2019. (<https://eurasianet.org/kazakhstan-tokayev-remarks-on-torture-may-signal-new-policy-direction>)

⁷⁸ President of Kazakhstan Kassym-Jomart Tokayev’s State of the Nation Address, September 1, 2020. (https://www.akorda.kz/en/addresses/addresses_of_president/president-of-kazakhstan-kassym-jomart-tokayevs-state-of-the-nation-address-september-1-2020)

which Kazakhstan's law enforcement should be molded. This means reform at the level of the judicial system writ large: ensuring that "the court must be adversarial and the judge free from prosecution," and that prosecutors and defense attorneys are on an equal footing. Further, the President announced the need to restructure the Interior Ministry and "freeing it from non-core functions." He also laid out a three-tiered model entailing a "clear division of powers" between police, prosecutors, and judges," something that would constitute a sharp break from the Soviet practice. In this model, police identify crimes and collect evidence; prosecutors independently assess the evidence collected while halting any violation of citizens' rights; and courts issue final verdicts, while considering complaints against the actions of authorities. In President Tokayev's words, "this approach will strengthen the system of checks and balances and create effective filters at every stage."

If implemented, the plan announced by President Tokayev would fundamentally change the nature of Kazakhstan's law enforcement in line with international best practices. But there should be no illusion: the implementation of this ambitious agenda will require continued and consistent high-level attention, significant investment of resources, and the development of a qualitatively new personnel force within the police, prosecutors' office, and the courts. This is a herculean task that will not be easily or rapidly completed.

Women's Rights

As Kazakhstan's society has developed, issues that were previously largely kept under wraps are now coming to the fore. One key issue that has parked itself on the forefront of the public agenda is women's rights, and particularly the situation concerning domestic violence. Surveys show that almost one in five Kazakh women have experienced physical or sexual

abuse from their partner, with almost five percent having experienced it in the past year.⁷⁹ A United Nations study estimated that 400 women are killed by their partners on a yearly basis.⁸⁰

Kazakh authorities have long expressed their awareness of the problem, and adopted a law on the prevention of domestic violence in 2009. The law did not criminalize domestic violence, and instead focused on the provision of short-term restrictive orders and access to shelters.⁸¹ Still, thus far efforts to combat the problem appear to have yielded only limited results. A key issue for the government has been whether a separate legal provision is needed to domestic violence; another is to what extent the criminal justice system should be employed to address the problems, compared to preventive measures and alternative methods such as mediation.

In 2017, domestic violence was decriminalized and made an administrative offense instead. The logic behind this counter-intuitive move was to seek to strengthen preventive work and facilitate the bringing of perpetrators to justice. Authorities argued that women were often unwilling to bring criminal cases, as they might result in their husbands being jailed, something that also would deprive the family of their main income. Moreover, in a criminal case, the task of securing evidence and witness testimony fell to women themselves, whereas in an administrative case the responsibility would rest with the police. The move was an indication that the government of Kazakhstan emphasized efforts to maintain the family

⁷⁹ Ministry of Economy of Kazakhstan, Statistical Committee, "Sample Survey on Violence against Women in Kazakhstan," 2017. (https://kazakhstan.unfpa.org/sites/default/files/pub-pdf/Kazakhstan%20VAW%20report_final%2031-10-2017.pdf)

⁸⁰ Aery Duisenova, "In Kazakhstan, women march for their rights - and against violence," *Open Democracy*, March 9, 2020. (<https://www.opendemocracy.net/en/odr/kazakhstan-women-march-their-rights-and-against-violence/>)

⁸¹ "Kazakhstan: Little Help for Domestic Violence Survivors," *Human Rights Watch*, October 17, 2019. (<https://www.hrw.org/news/2019/10/17/kazakhstan-little-help-domestic-violence-survivors>)

unit and to seek reconciliation between an abuser and a victim rather than adopt a punitive approach.

Human rights advocates soon argued that this move was not successful, and the UN's Committee on the Elimination of Discrimination Against Women criticized it. In particular, in a 2019 report, it drew attention to the common police practice of dissuading a victim from formally registering a complaint, and instead urging them to seek reconciliation with an abusive partner. It also observed the lack of training of law enforcement and the judicial system more broadly regarding domestic abuse, and the absence of a victim-centered approach to the problem. Furthermore, it identified a weakness in the law, namely the fact that abusers without another place to live were exempted from the eviction orders imposed on perpetrators.⁸²

It should be noted that the same UN report praised Kazakhstan for adopting a gender-responsive budgeting plan, for equalizing the retirement age for women and men, for developing an action plan to combat trafficking in persons, and for several state programs intended to promote the position of women in the economy and society. Still, by the onset of the pandemic, it appeared clear that the government had not been able to find effective means to tackle the persistent problem of domestic violence. The issue then gained further attention during the pandemic, as lockdowns forced people inside and contributed to a visible increase in instances of domestic violence.⁸³ This in turn led to a growth in demonstrations led by women's groups to demand government action, including a well-attended

⁸² Committee on the Elimination of Discrimination against Women, "Concluding observations on the fifth periodic report of Kazakhstan," November 12, 2019.

⁸³ Assem Almukhanbetkyzy and Kristi Eaton "Under COVID-19, Domestic Violence Intensifies in Kazakhstan," *Diplomat*, July 24, 2020. (<https://thediplomat.com/2020/07/under-covid-19-domestic-violence-intensifies-in-kazakhstan/>)

demonstration in Almaty in March 2020.⁸⁴ Demonstrators in particular drew attention to changes that led to the issuing of a warning rather than a fine to many domestic abusers.

President Tokayev addressed the issue already in his State of the Nation address in September 2019, noting that the state needed to “urgently tighten the penalties for sexual violence, pedophilia, drug trafficking, human trafficking, domestic violence against women and other grave crimes against the individual.” The same year, Kazakhstan’s delegation to a UN regional review meeting announced its intention to join the Council of Europe Convention on preventing and combating violence against women and domestic violence, also known as the Istanbul Convention. By April 2020, Kazakhstan was along with Tunisia the first non-member state of the Council of Europe to be invited to accede to the convention.⁸⁵

By summer 2020, Minister for Social Development Aida Balayeva stated that domestic violence cases had risen by over twenty percent during the pandemic. Law Enforcement responded by launching a nationwide campaign called “No to Domestic Violence.”⁸⁶ In early 2021, President Tokayev addressed the Council on Public Trust, citing these growing statistics of domestic violence. He ordered, among other, the refurbishing of the special units of the Ministry of Internal Affairs tasked with protecting

⁸⁴ Aery Duisenova, “In Kazakhstan, women march for their rights - and against violence,” *Open Democracy*, March 9, 2020. (<https://www.opendemocracy.net/en/odr/kazakhstan-women-march-their-rights-and-against-violence/>)

⁸⁵ UN Women, “Press Release: Kazakhstan moves closer to strengthening its laws and policies to combat violence against women,” December 23, 2020. (<https://eca.unwomen.org/en/news/stories/2020/12/press-release-kazakhstan-moves-closer-to-strengthening-its-laws-and-policies>)

⁸⁶ Almukhanbetkyzy and Eaton, “Under COVID-19, Domestic Violence Intensifies in Kazakhstan.”

women and children from domestic abuse, created in 1999, but whose personnel forces had been slashed.⁸⁷

Thus, the government of Kazakhstan has long sought to deal with the problem of domestic abuse, along with launching efforts to improve the economic and social conditions for women. This commitment is visible in part in the attention the Head of State has given to the issue in the past two years, as well as in the efforts by other senior figures to address the matter.

What has become abundantly clear is that addressing domestic violence will require fundamental reforms to law enforcement and the judicial system as a whole. This will take time; in the meantime, it is clear that Kazakh society is changing, with women now forcefully demanding that the state protect their safety. The state, at least at the higher levels, appears to be listening. At lower levels, however, the rate of change is much slower, and it will take both time and a continued forceful implementation of the messages from the central authorities for attitudes and approaches to change.

Freedom of Assembly

Freedom of Assembly is a more sensitive issue for the Kazakh government than police brutality or women's rights. The reason is simple: addressing police brutality and women's rights does not undermine the stability of the governing system – in fact, it actually strengthens the system of government by producing greater legitimacy among the population. As for Freedom of Assembly, it is a double-edged sword. On one hand, the government recognizes the need to allow some outlet for the frustrations of the population to be expressed. But it also recognizes the danger inherent in uncontrolled expressions of public sentiments. After all, every overthrow of

⁸⁷ "Domestic violence against women still a burning issue – Head of State," Kazinform, February 25, 2021. (https://www.inform.kz/en/domestic-violence-against-women-still-a-burning-issue-head-of-state_a3757627)

a government in the post-Soviet space has started with popular demonstrations. The leadership of Kazakhstan also genuinely believes in a model of development that is gradual and evolutionary, rather than radical and revolutionary. Added to this is the government's care to maintain relations among the ethnic groups in the population, as it has consistently sought to prevent the mobilization of ethnic nationalist forces among either the majority population or minority groups. The difficult balance, thus, is how to design a system that allows for popular expressions of discontent without risking the security of the government and the state.

Kazakhstan's constitution guarantees the right of assembly, but simultaneously provides for the government's ability to restrict this right on the basis of state security, public order, and the protection of the rights of other persons. While there was considerable exercise of freedom of assembly during the early years of independence, the government took a more restrictive approach from the late 1990s onward. Under this approach, the government rarely granted permits for demonstrations, and clamped down relatively hard on unauthorized ones. The situation was best described in 2015 by UN Special Rapporteur on the Rights to Freedom of Peaceful Assembly and of Association Maina Kai, who found that freedom of assembly was "treated as a privilege, or a favor, rather than a right." While praising Kazakhstani officialdom for restraint in dealing with the few assemblies that had taken place, he observed that in conversations with officials, "the emphasis was on the restrictions to the rights rather than the rights themselves."⁸⁸

In the same vein, a study by Kazakh human rights activists found that from 1995 to 2010, the government had only authorized political opposition assemblies in areas distant from city centers or government buildings, thus

⁸⁸ "Statement By the United Nations Special Rapporteur on The Rights to Freedom of Peaceful Assembly and of Association at the Conclusion of His Visit to the Republic of Kazakhstan," January 27, 2015. (<http://freeassembly.net/news/statement-kazakhstan/>)

minimizing their public impact.⁸⁹ Unauthorized demonstrations frequently led to police detention of demonstrators, and charging them with a variety of offenses such as hooliganism. The presidential election of 2019 was no exception: the government blamed public demonstrations on the controversial exiled millionaire Mukhtar Ablyazov, who is being sought for embezzlement and murder charges in several countries, and is the subject of a U.S. RICO investigation.⁹⁰ While it is unclear to what degree these demonstrations were indeed led by the exiled Ablyazov, several hundred demonstrators were detained following these protests.⁹¹

Kazakhstan has in fact been the scene of a large number of popular protests over the past several years. The Oxus society for Central Asian Affairs in a recent study recorded over 500 incidents of protest in Kazakhstan from January 2018 to August 2020. While many of these were related to the presidential election, a significant number was related to welfare provision and women's rights; other leading sources of protests included Covid-19 restrictions and opposition to Chinese investments in the country.⁹² This period, however, coincided with the first presidential election in which First President Nursultan Nazarbayev did not run, an event that the government considered of critical importance for the stability of the country.

⁸⁹ Kazakhstan International Bureau for Human Rights and the Law, "Freedom of Peaceful Assembly in Kazakhstan: Authorization Denied," December 2010. (https://www.ndi.org/sites/default/files/Freedom_of_Assembly_KAZ_121310.pdf)

⁹⁰ "Latest Court Rulings Ratchet Up Pressure on Mukhtar Ablyazov," *EU-OCS*, October 25, 2021. (<https://eu-ocs.com/latest-court-ruling-ratchets-up-pressure-on-mukhtar-ablyazov/>)

⁹¹ Catherine Putz, "Protests in Kazakhstan Demonstrate Democratic Dismay," *Diplomat*, May 3, 2019; Putz, "Kazakhstan's Presidential Election: Protests, Arrests, and a Presidency for Tokayev," *Diplomat*, June 10, 2019.

⁹² Bradley Jardine, et. al., "Mapping Patterns of Dissent in Eurasia: Introducing the Central Asia Protest Tracker," Oxus Society for Central Asian Affairs, October 2020. (<https://oxussociety.org/wp-content/uploads/2020/10/2020-09-28-mapping-patterns-of-dissent-in-eurasia.pdf>)

The developments during this period proved an indication that a dissonance had emerged between the government of Kazakhstan and its population: the government largely maintained a restrictive approach to popular assembly inherited from the Soviet era, while the population of Kazakhstan now exhibited a much greater tendency to make its voice heard on a considerable variety of issues. Nor should this be surprising: the connection between a growing middle class and demands for greater political participation has been made since the time of Aristotle.⁹³ The fact that Kazakhstan's economic development has been so successful almost guaranteed that the new urban middle class would begin to express its demands both on specific issues, as well as more generally toward greater political voice.⁹⁴

In his first major speech to the nation, President Tokayev acknowledged this reality. Recalling that the constitution provides for freedom of assembly, he emphasized that peaceful protests "should be embraced and given approval for them to be carried out in the manner prescribed by law, to allocate special places for this. And not in the outskirts of cities."⁹⁵ But in keeping with the commitment to caution and gradualism, President Tokayev made sure to mention that the state would not countenance "any calls for unconstitutional and hooligan actions."

Building on this, President Tokayev in December 2019 used the newly created Forum of National Council of Public Trust to emphasize the

⁹³ See eg. Ronald M. Glassman, *The Middle Class and Democracy in Socio-Historical Perspective*, Leiden: Brill, 1995; Ergun Özbudun, "The Role of the Middle Class in the Emergence and Consolidation of a Democratic Civil Society," *Ankara Law Review*, vol. 2 no. 2, 2005, pp. 95-107. (<http://dergiler.ankara.edu.tr/dergiler/64/1539/16877.pdf>)

⁹⁴ John C. K. Daly, *Kazakhstan's Emerging Middle Class*, Washington: Central Asia-Caucasus Institute & Silk Road Studies Program, Silk Road Paper, March 2008. (<https://www.silkroadstudies.org/publications/silkroad-papers-and-monographs/item/13136>)

⁹⁵ President of Kazakhstan Kassym-Jomart Tokayev's State of the Nation Address, September 2, 2019.

importance of accepting the validity of a diversity of opinions. Noting that “we are overcoming the fear of alternative opinion,” he launched the concept of “different opinions – one nation”, and affirmed that “alternative opinions and public debate do not lead to stagnation, but, on the contrary, are some of the main requirements for development.” Flowing from this, he announced a legislative reform through which peaceful rallies would no longer require permission, but only a notification to relevant authorities. He even went so far as to state that a “culture of rallies” should be cultivated among the people, and that rallies “are not only a right, but a responsibility.”⁹⁶

When the actual law was adopted in May 2020, it did include provisions along the line of President Tokayev’s speech. But a closer reading of the law suggests that legislators were not prepared to go quite that far. While the law does shift the principle from one of permission to one of notification, the details are more complicated. Local executive bodies continue to have a right to reject notifications of peaceful rallies, leading critics of the government to argue that little, in fact, had changed. Furthermore, the new law continues to stipulate “a specialized place for organizing and conducting peaceful assemblies,” established by local authorities. This in turn continues to make it hard for protests to take place in locations that ensure they will reach their target audience. There continues to be an extensive list of grounds for which a protest can be denied. Critics noted that the law was passed in a rushed manner in the middle of a Covid-induced

⁹⁶ Assel Satubaldina, “Kazakh President announces major political reforms package,” *Astana Times*, December 21, 2019. (<https://astanatimes.com/2019/12/kazakh-president-announces-major-political-reforms-package/>)

state of emergency, and questioned the speed, as well as process, through which the new law was adopted.⁹⁷

Still, the new law constitutes limited positive change, as it reduced by half the time period within which a notification has to be submitted. The presumption in favor of allowing rallies is strengthened by the stipulation that a lack of response by local authorities within three days presumes that a rally can go ahead.⁹⁸

The May 2020 law, thus, constitutes only limited change. It is potentially important in that it may contribute to changing the philosophy of the state from one where it actively approves or rejects requests for peaceful assembly to one where it receives notification thereof. What remains to be seen is whether the state's approach in practice will change. Clearly, as has been seen during the pandemic, Western states also have numerous ways through which they can regulate and stop peaceful assembly when they feel the need to do so. The point is that they normally have not utilized this possibility. In Kazakhstan, similarly, the question is whether the government will follow the spirit or the letter of the law. Will there be an actual change in the authorities' attitude toward notifications of peaceful assembly? If the government systematically makes use of the many stipulations that allows it to prevent a demonstration from being held, they can do so while still following the letter of the law, and very little will have changed – particularly as demonstrations must still take place at a location assigned by authorities. If, by contrast, the government begins to follow the spirit of the law and the norm becomes not to intervene with the holding of

⁹⁷ Laura Mills, "Kazakhstan Draft Law Would Undermine Freedom of Assembly," *Human Rights Watch*, March 31, 2020. (<https://www.hrw.org/news/2020/03/31/kazakhstan-draft-law-would-undermine-freedom-assembly>)

⁹⁸ Aiyim Saurambayeva, "Benefits and Drawbacks of the New Law on Protests in Kazakhstan," *Central Asia Bureau for Analytical Reporting*, July 10, 2020. (<https://cabar.asia/en/benefits-and-drawbacks-of-the-new-law-on-protests-in-kazakhstan>)

peaceful assembly, that would constitute meaningful change. If the past year is any indication, the government has appeared more tolerant of public gatherings.

Because the pandemic continues to provide a legitimate cause for Kazakh authorities, like their Western counterparts, to limit the occurrence of demonstrations, it is too early to say whether Kazakhstan has embarked on meaningful change. But even if it does, the change will be only piecemeal, as the ability for demonstrators to make their voice heard when and where it matters most will remain limited. It is difficult to escape the conclusion that under the conditions of uncertainty during the pandemic, Kazakhs authorities did not go quite as far in their actual legislative reforms as President Tokayev indicated in his announcement of reforms in December 2019.

Freedom of Expression and Media

If freedom of assembly is a sensitive question for the political leadership, freedom of expression and media are no less delicate. Studies of Kazakh media freedom have produced a clear picture: while much of the media is privately held, *de facto* the prominent media outlets in the country are controlled by the government or loyal to it, and more often than not held by government-affiliated business entities. Oppositional journalists and bloggers have frequently been targeted with prosecution, with authorities in particular using charges of libel and defamation to silence their critics. It should be noted that such campaigns are frequently directed by the individual officials or individuals criticized by independent journalists or bloggers, rather than state institutions themselves. However, the judicial system appears to provide very limited protection for the rights of journalists, while placing a high premium on the right of powerful individuals not to be insulted. As a result, Kazakhstan's score on media

freedom indices is relatively poor. Reporters without borders notes a glacial-speed improvement from 160th place to 157th from 2013 to the present.

An additional issue is internet freedom. The internet provides countless new opportunities for independent journalists to produce and publish material; but governments also regulate the internet in ways that limit the ability of independent media to reach their target audiences. Kazakhstani authorities have made use of such restrictions, for example by restricting internet access during opposition protests. In addition, a variety of websites are inaccessible as a result of court order or administrative decisions. In sum, Kazakhstan is considered “not free” in Freedom House’s Freedom on the Net ranking. Its score is better than Russia and Uzbekistan and three times higher than last-place China, and ranks just below Turkey and Azerbaijan.⁹⁹ Thus, while Kazakhstan does not deviate from the situation across the region, there is considerable room for improvement.

This appears to be a view that President Tokayev shares. The very concept of the “Listening State” requires that there be someone the state listens to, thus presupposing a greater freedom of expression in society. Tokayev’s emphasis on accepting a diversity of opinions also presupposes the communication of such opinions through media and on the internet, thus requiring a shift in the state’s approach to the freedom of expression.

While the President’s reforms in the political field have focused on ways to encourage the gradual development and empowerment of political opposition in the parliament, he did also take steps to address egregious problems concerning freedom of expression. Key to this was article 130 of the penal code, which covers defamation – an article frequently used to target oppositional journalists. After some deliberation, President Tokayev in December 2020 announced his decision in favor of decriminalization of

⁹⁹ Freedom House, Freedom on the Net, at <https://freedomhouse.org/countries/freedom-net/scores?sort=asc&order=Total%20Score%20and%20Status>.

defamation. While article 130 was removed from the penal code, defamation remains an administrative offense. This means that the levels of punishment for defamation have been drastically reduced, but not removed.

Similarly, article 174 of the penal code, which criminalizes the fomenting of hatred on a variety of grounds, has frequently been used to silence figures that, to an outside observer, may not appear to be engaging in any visible fomenting. As one veteran observer of the region puts it, “listing those who have been detained and incarcerated on this charge, one could get the impression Article 174 is being used as a tool to remove inconvenient individuals.”¹⁰⁰ Indeed, individuals convicted under this article included opposition politicians, members of fringe religious movements, as well as both ethnic Kazakh and Russian nationalists. The most obvious problem with the article was the vague nature of its wording, which left the determination of what would constitute fomenting largely to prosecutors. Following President Tokayev’s instruction to “humanize” the article, its wording was clarified to refer to “incitement” rather than the looser concept of “fomenting.” In addition, the penalties associated with article 174 were reduced considerably.¹⁰¹

As is the case for the May 2020 law on freedom of assembly, the real question may lie not with the changes to the letter of the law, but to whether authorities and courts adopt a shift in their treatment of cases involving the freedom of expression. Presumably, many individuals convicted of “fomenting” hatred could be convicted of “inciting” hatred if prosecutors press the case and judges comply. As such, the success of these reforms will depend on how the law is implemented, and whether any reduction will be

¹⁰⁰ Bruce Pannier, “The Victims of Kazakhstan’s Article 174,” *RFE/RL*, February 2, 2016. (<https://www.rferl.org/a/qishloq-ovozi-kazakhstan-article-174/27527738.html>)

¹⁰¹ Kazakhstan Council on International Relations, “Reforms in Kazakhstan: From Intentions to Actions – New Course of President of the Republic of Kazakhstan Kassym-Jomart Tokayev”, Nur-Sultan, 2021.

visible in the practice of resorting to accusations of defamation or incitement. It should be noted that “insult” has not been decriminalized. As such, those seeking to silence journalists have now begun resorting to this charge instead. For example, a journalist in the small southern city of Saryagash who made it his business to investigate allegations of local corruption was convicted by a district court of insulting a local education official.¹⁰²

The case of this individual, subsequently released on appeal, is instructive: it suggests that the problem concerning freedom of expression and media frequently stems from local conditions and animosities. While there are obviously cases that involve central officials, it is clear that the resolve of leaders at the central level to change laws that have been misused for the prosecution of critical voices will only succeed when the judicial system as a whole is reformed. As long as local courts will look favorably on cases like this one, small-town officials seeking to settle a score will always be able to find some provision in the law to use against their critics. The task, therefore, is much larger than changing individual articles of the criminal code: it is to shift the mentality of the entire judicial system from one that instinctively protects officials from citizens to one that protects citizens from officials. This is by necessity a difficult task that will take many years and require the constant attention of the central leadership. As reforms efforts elsewhere have shown, such change only begins to take place when top leaders make it absolutely clear to officials at all levels that the rules of the game have changed.

¹⁰² Committee to Protect Journalists, “Kazakhstan decriminalizes defamation, but maintains detentions, criminal penalties for speech offenses,” July 8, 2020. (<https://cpj.org/2020/07/kazakhstan-decriminalizes-defamation-but-maintains-detentions-criminal-penalties-for-speech-offenses/>)

Freedom of Religion

The area of religious freedom is at once the most contradictory and controversial of the areas covered in this brief study. On one hand, Kazakhstan takes pride in its religious tolerance, and makes the promotion of a “dialogue among civilizations” an important part of its foreign policy. It is one of few states in the Muslim world that is committed to secular laws, courts and education, and thus, does not impose a particular religious code of behavior on its population.¹⁰³ On the other hand, Kazakhstan is routinely criticized for its restrictions on individual religious freedom, so much so that the U.S. Commission on International Religious Freedom recommends the placement of the country on the State Department’s “watch list” on the basis of the government’s “alleged perpetration or toleration of severe abuses.”¹⁰⁴ This situation reveals deep distinctions in the prevailing understanding of religious freedom in Kazakhstan and the West.

Kazakhstan’s model of secular governance does not feature an American-style policy of neutrality toward religious communities. Instead, the government took upon itself to regulate religion, thus gravitating toward a model drawing on the French and Turkish experience that seeks to protect the state and society from religious oppression. While this Kazakh model is frequently mistaken for a legacy of Soviet atheism, it is considerably more complicated than that: while it is clear that the Soviet legacy has played a part in its formation, it also draws on the secular nationalism of the pre-

¹⁰³ This section builds on the work published in Svante E. Cornell, S. Frederick Starr, and Julian Tucker, *Religion and the Secular State in Kazakhstan*, Washington: Central Asia-Caucasus Institute & Silk Road Studies Program, Silk Road Paper, April 2018.

(<http://silkroadstudies.org/publications/silkroad-papers-and-monographs/item/13288>)

¹⁰⁴ “USCIRF Releases 2021 Annual Report with Recommendations for U.S. Policy,” April 21, 2021. (<https://www.uscifr.gov/news-room/releases-statements/uscifr-releases-2021-annual-report-recommendations-us-policy>)

Soviet era, while being informed also by the pre-Erdogan Turkish model of state secularism.

Going one step further, however, the Kazakhstani model differentiates between traditional and non-traditional religious communities. Government policies explicitly endorse the traditional religious communities and institutions that suffered greatly during the Soviet period, and seeks to allow them to restore their position in society. Meanwhile, the state is hostile to the spread of non-traditional religious influences. Thus, while Kazakhstan does not privilege one particular religion, it does promote traditional religions at the expense of foreign and novel interpretations in a way that diverges decidedly from the understanding of the first amendment to the U.S. Constitution.

Over time, Kazakhstan adopted increasing restrictions in the religious field, and new measures were passed following terrorist incidents in 2011 and 2016. A 2011 law prohibited foreigners from registering religious organizations, required the registration of places of worship, and prohibited the holding of religious services in private homes – a practice common to more secretive religious groups. The law also forced religious communities to re-register with the state and required a minimum number of adult members for registration at the local, provincial, and national level. The law also restricted the dissemination of religious literature, requiring approval by the State’s Agency for Religious Affairs.

Following terrorist incidents in 2016, the government created a Ministry for Religious Affairs to protect secularism and moderate religious traditions. In particular, it was tasked with focusing on the development of the country’s youth. Further amendments to the law in 2018 restricted minors’ rights to attend religious services, and tightened restrictions on foreign religious education. Meanwhile, Kazakhstan’s National Security Committee has taken the lead in fighting extremism. In particular, it monitors, infiltrates,

and prosecutes alleged extremists with considerable zeal. According to its own accounts, the organization has successfully intervened to prevent over 60 terrorist attacks in the country in the past five years. More controversially, it has also infiltrated and prosecuted groups engaged in non-violent religious practices. These are typically prosecuted under the prohibition of fomenting hatred, or under a provision in Kazakhstan's criminal code that prohibits propagandizing the superiority of one religion over another.

Events in the past decade led Kazakhstani authorities to conclude that they had underestimated the threat posed by extremist religious groups. Revisions to laws and policies have led to state intervention against individuals and communities that authorities deem extremist or non-traditional. This is one reason for the Western criticism directed against Kazakhstan. However, another reason behind this criticism is a more philosophical disagreement: Western advocates support full religious freedom and state neutrality toward religion, accepting only intervention against groups engaging in or inciting violence. Kazakhstan's authorities, by contrast, operate on the basis of a fundamentally different principle: that it is the duty of the state to regulate religious affairs to ensure the revival of traditional religious communities, and to ensure stability and harmony in society.

It is instructive that religion is not an issue that has been in focus for President Tokayev's reforms, at least thus far. The main area of reforms that is of relevance for religious freedom is the clarification of article 174 of the criminal code, mentioned above. That article was frequently used to prosecute religious minority representatives for "fomenting hatred" by engaging in religious proselytizing, and has in particular been used against Jehova's Witnesses alongside alien Islamist groups. Indeed, UN Special Rapporteur on the promotion and protection of human rights and fundamental freedoms while countering terrorism, Fionnuala Ní Aoláin,

following a visit to Kazakhstan in 2019 concluded that the broad formulation of the concepts of “extremism”, “inciting social or class hatred” and “religious hatred or enmity” in national law are used to unduly restrict freedoms of religion, expression, assembly and association.¹⁰⁵ While it remains to be seen whether the changes to the law will reduce the use of this article to target religious minorities, it appears fairly clear that Kazakh authorities do not see the religious sphere as one requiring urgent reform.

Kazakhstan’s model is by no means perfect. If it was, the country’s leaders would not feel the need to make so many adjustments to it. There is justified criticism that the state’s policies have erred on the side of excessive restrictions. Meanwhile, Western criticism of Kazakhstan’s policies also misses the mark because it rejects the very premise of Kazakhstan’s policies – to safeguard the secular state and the recovery of traditional religious communities following communism. Because of this, much of Western criticism falls on deaf ears in Kazakhstan and has little influence in the country. A more fruitful approach would be to accept the premises of the Kazakh model, and rather than take an antagonistic approach, work with Kazakh authorities to improve the country’s policies in the religious field. This could, over time, help Kazakhstan develop a model of relevance to Muslim-majority societies elsewhere.

The Way Forward

The analysis of the five categories above lends itself to several conclusions. First, there are significant differences between the five areas covered. Second, the improvement of the human rights situation in the country will require wholesale reform of the law enforcement and judicial system. Third,

¹⁰⁵ UN Human Rights Council, “Visit to Kazakhstan: report of the Special Rapporteur on the Promotion and Protection of Human Rights and Fundamental Freedoms while Countering Terrorism,” January 22, 2020.

https://digitallibrary.un.org/record/3852204/files/A_HRC_43_46_Add-1-ES.pdf

the central authorities in Kazakhstan are increasingly transparent about the issues in the country, and appear committed to tackling them in a gradual manner.

A first conclusion is that the five categories can be divided into three groups. The government appears content with the situation concerning religious freedom, and at present the main reform relevant for that sector is the reduction of scope under which individuals can be prosecuted for incitement of hatred. The main contrast lies between the areas of law enforcement abuse and women's rights, on one hand, and freedoms of assembly, expression and media, on the other. The first category – law enforcement abuse and women's rights – concerns issues where the government has issued a strong commitment at the central level to address the problem head-on. The problem here is not one of political will, but of *how* the situation can be ameliorated, particularly as the relevant state institutions – chiefly in law enforcement and the judiciary – continue to be plagued by the Soviet legacy and by institutional cultures that do not seem to align with the vision expressed by President Tokayev.

By contrast, in the areas of freedom of assembly, expression, and media, the government is very much walking a tightrope. It realizes the need for greater avenues for political speech, and in any case an understanding has come to prevail that it is no longer possible to simply suppress such demands, or to placate them with the windfall of oil and gas revenues. But on the other hand, the government is committed to opening up the political sphere only gradually and cautiously, and will not accept any moves that risk a scenario leading to upheavals such as those in the color revolutions or the "Arab spring." The question here will be whether it will be successful in stimulating the type of constructive engagement with civil society that it seeks; or whether the new openings will lead to more radical expressions that the government will find itself obliged to curtail. Most likely, the future

will hold a bit of both. In the longer term, the question is whether the government will be able to move in lockstep with the national mood, and open the political system in a way that aligns with the growing demands of political voice that are being expressed in society. President Tokayev has placed a bet on the government's ability to engage with this changing society, and if this bet succeeds, Kazakhstan's future will be bright. Of course, there are likely to be both steps forward and backward; but it is quite likely that the country will be able to replicate the South Korean model of development. The biggest challenge may in fact be external: will Kazakhstan's authoritarian superpower neighbors be willing to witness a gradual liberalization of the country, or will they see it as a threat? Russia has made clear it is hostile to any democratization on its doorstep, and China would be wary of any liberalization that would see growing criticism of its policies in Xinjiang, something that would be certain to develop if Kazakhstan liberalizes.

A second conclusion is that the improvement of the human rights situation in Kazakhstan across these five sectors will not be accomplished by tinkering with individual laws. Meaningful improvement will only come with the full implementation of the fundamental changes foreseen in President Tokayev's vision. That in turn, requires the wholesale change of the way the law enforcement, judicial system, and local authorities in Kazakhstan function. President Tokayev appears well aware of this; but the task ahead is one of monumental size, and can only be accomplished if there is continued strong determination on the part of the central government, and constructive assistance from Kazakhstan's international partners.

Finally, a third conclusion is that a very important change has taken place in Kazakhstan. The country's government previously sought to postpone reckoning with the human rights issues in the country, prioritizing economic development instead. That is no longer the case, and the

government now recognizes with considerable transparency the issues that it needs to deal with. President Tokayev's speeches have included scathing criticism of the country's bureaucracy, and recognized the need for a complete change to the mentality of the state – indeed, a fundamental transformation of the relationship of the state to society. President Tokayev's vision is a bold and courageous one. Whether his bold bet will succeed remains to be seen.

Political Participation

Among the reforms instituted in Kazakhstan, the issue of political participation is perhaps the most sensitive of all, both domestically and internationally. As we have seen, the broader issue of improving the human rights situation in the country can be subdivided into issues where the government has a clear incentive to make changes, and other issues of a more political nature where that incentive is more circumscribed. Reforms concerning political participation squarely fall in the latter category. The extent of political participation has a direct bearing on the internal stability of Kazakhstan, as well as on its international relations. And perhaps more than Western audiences normally appreciate, forces both domestic and international are pushing the government in contradictory directions.

Domestically, the government is torn between, on one hand, growing public demands for a greater voice, and on the other the elite's inherent caution, which is coupled with the need to manage entrenched interests at all levels that are resistant to liberalization. The existence of such entrenched interests opposing reform should be no surprise: from the smallest local bureaucracy to the national capital, the system of government that emerged following independence has benefited specific circles, who naturally fear that any change is going to rob them of their privileged position. This is nothing specific to Kazakhstan, but it represents a real challenge, not least because of the widespread fusion of economic and political power in the post-Soviet political economy, which means that such circles stand to lose both financially and politically.

As for the government's cautious approach, it has been referred to repeatedly in this study; suffice it to reiterate here that the ruling elite is firmly convinced that Kazakhstan's success is due in great part to its developmental model based on elite consensus. It positively abhors the chaotic processes of regime change that have taken place as a result of sudden liberalization both in Eurasia and the Middle East. Even while introducing his comprehensive reform agenda in 2019, President Tokayev was clear: citing world experience, he argued that "explosive, unsystematic political liberalisation leads to the destabilisation of the domestic political situation and even to the loss of statehood." Opening the floodgates of political participation is therefore, from the government's perspective, the riskiest of all reforms to undertake – along with wide-ranging reforms regarding freedom of expression and association.

That notwithstanding, the leadership understands that it cannot ignore the growing demands of the population. Just as in the case of human rights, the leadership of Kazakhstan is a victim of its own success – and not least, its own stated ambitions. The economic development of the past thirty years has created a large middle class that no longer worries primarily about getting food on the table or paying the rent; and no longer are they satisfied simply with economic well-being. They now increasingly demand a voice in the country's affairs, and for the government to meet their demands. Inevitably, such demands also extend to their votes being meaningful and contributing to the shaping of the political system. For example, a 2015 survey showed that of over 600 polled Kazakh citizens, over 80 percent believed that the rural district governor (*akim*) should be elected directly, rather than by the regional assemblies or appointed by the district governor.¹⁰⁶

¹⁰⁶ Yerkebulan Zhumashov, "Rural Local Government System in Kazakhstan: Recent Issues," *International Review of Management and Marketing*, vol. 6 no. 5, 2016, 211-220.

The government's own stated intention of joining bodies like the OECD and being among the 30 most developed countries also plays in, as it has contributed to raising the expectation of the population concerning the quality of government, but also, among many, concerning their participation in that process. As a result, the government must balance its own caution, the influence of interests skeptical to reform, and its realization that it must be a driver of change rather than being forced to react to growing popular discontent.

Internationally, the balance is even more complicated. On one side is the constant criticism of Western government and international organizations, who point out the deficiencies in Kazakhstan's electoral process and urge it to hasten the speed of reform. Not staying at that, Western critics focus most of their energies on the most sensitive elections – the presidential and parliamentary ones – while spending considerably less energy on local elections, where government sensitivity may be much lower, and thus the prospect of achieving meaningful reform might be better. But all outside forces do not favor democratic reform. In Kazakhstan's region, it may on balance be the opposite: the more influential forces in fact oppose democratic reforms. Beijing and Moscow, in particular, have made it clear they oppose democratic change in their immediate neighborhood.

Scholar Thomas Ambrosio has studied how Russia and China use the Shanghai Cooperation Organization to promote authoritarian norms in Central Asia.¹⁰⁷ Indeed, Russia has spent almost two decades undermining the states in its neighborhood that have engaged in democratic reforms, most visibly in Georgia, Ukraine and Moldova, but also occasionally in Kyrgyzstan. It went so far as effectively withdrawing its military support for Armenia as that country's government appeared to lean in this direction,

¹⁰⁷ Thomas Ambrosio, "Catching the 'Shanghai Spirit': How the Shanghai Cooperation Organization Promotes Authoritarian Norms in Central Asia," *Europe-Asia Studies*, vol. 60 no. 8, pp. 1321-1344.

thus making possible Azerbaijan's restoration of its territorial integrity. In Central Asia, that message was doubtless heard loud and clear. And while China has traditionally been less concerned with the form of government of its partner countries, Central Asia may be an important exception, because of the centrality of the Xinjiang question in Chinese policy. Because of the presence of a large ethnic Kazakh community in Xinjiang, Beijing has good reason to be concerned that political liberalization in Kazakhstan could further empower the strong anti-Chinese tendencies that have been visible through popular demonstrations in the country.

It is against this very complicated background that President Tokayev has approached the issue of political participation in his reform package. And he has done so by taking steps that to Western critics may seem small and tentative, but which may – if implemented – carry long-term consequences. First, he has built on steps taken by his predecessor to strengthen the role of parliament, and to introduce – albeit in a very gradualist fashion – the traditions of multi-party democracy in parliament. Building on this, he has worked to broaden representation in parliament. Second, he has taken steps to build democratic culture from below, by introducing legislative amendments to ensure local district governors are now to be elected rather than appointed.

A Stronger Parliament

Relations between executive and legislative branches in Kazakhstan have gone through considerable change in the past three decades. In the early 1990s, the country saw growing conflict between a holdover Soviet-era legislative and the new executive branch. Over time, the country's form of government consolidated into a presidential republic with very strong

centralized power in the hands of the president.¹⁰⁸ This was in line with the decisions made in most post-Soviet states, as experiences with parliamentarism had not fared particularly well where attempted. But twenty-five years into independence, President Nazarbayev concluded that the presidency had, in fact, become too strong. While it is difficult to know if he had already decided the modalities of his 2019 resignation, it is clear that President Nazarbayev had given much thought to the problem of succession. In this regard, it is very likely that he concluded that the system following his resignation should not be a winner-take-all system but one where power was to some degree diffused. In any case, it would be near impossible for any other political figure to gain the level of prominence Nazarbayev did as the founder of modern Kazakhstan and thus, in practice, exercise the type of authority he did. In that sense, it made sense to adapt the political system ahead of the succession.

Thus, in 2017 President Nazarbayev presented a comprehensive constitutional reform package. The constitutional amendments, which were signed into law in March 2017, delegate a number of presidential functions to the parliament and the government. This includes the regulation of social and economic processes, as well as the power to appoint cabinet ministers and control appointments to key municipal offices. Presidential decrees no longer had the force of law, and the role of the president would be restricted to focusing on steering the political course with regards to national security, foreign policy and long-term strategic planning. It tilted the system, at least formally, in the direction of functioning as intermediary between branches

¹⁰⁸ See the detailed analysis in Anthony C. Bowyer, *Parliament and Political Parties in Kazakhstan*, Washington & Stockholm: Central Asia-Caucasus Institute & Silk Road Studies Program Joint Center, Silk Road Paper, May 2008. (https://www.silkroadstudies.org/resources/pdf/SilkRoadPapers/2008_05_SRP_Bowyer_Parliament-Kazakhstan.pdf)

of government.¹⁰⁹ Notably, Kazakhstan consulted with the Venice Commission of the Council of Europe on these reforms, and while the Venice commission would have liked the reforms to go further, it conceded that the “reform goes in the right direction and constitutes a clear step forward.”¹¹⁰

President Tokayev builds on these institutional reforms through efforts to fill the parliament with substance and change incentive structures to ensure parliament is more representative of society. His vision was summarized as “a strong president – an influential parliament – an accountable government,” but he hastened to add that there should be no “artificial confrontation” between the branches of government. This suggested that Kazakhstan will remain a presidential republic, but with parliament exercising a real role, rather than being simply a rubber-stamp institution with a low profile in the politics of the country and with members poorly known to its citizens, as had been the case previously.¹¹¹ In his first State of the Nation, Tokayev indicated Parliament, rather than streets, should be the arena for serious discussion of the country’s problems and where solutions should be found. He urged Members of Parliament to be more active, and to make use of their prerogative to exercise oversight over the government’s actions. Tokayev also made it clear he viewed it as his task to facilitate the “development of a multi-party system, political competition and pluralism of opinions in the country.” In a rather frank admission of the leadership’s

¹⁰⁹ Sandy Greenberg, “Steppe by Steppe: Nursultan Nazarbayev and Incremental Systems Change in Kazakhstan,” *Brown Political Review*, February 24, 2017, <http://www.brownpoliticalreview.org/2017/02/nazarbayev-systems-change-kazakhstan/>

¹¹⁰ European Commission for Democracy through Law (Venice Commission), “Kazakhstan: Opinion on the amendments to the constitution. Adopted by the Venice Commission at its 110th Plenary Session,” Venice, March 10-11, 2017, [http://www.venice.coe.int/webforms/documents/default.aspx?pdffile=CDLAD\(2017\)010-e](http://www.venice.coe.int/webforms/documents/default.aspx?pdffile=CDLAD(2017)010-e).

¹¹¹ Bowyer, *Parliament and Political Parties in Kazakhstan*. Washington & Stockholm: Central Asia-Caucasus Institute & Silk Road Studies Program joint Center, Silk Road Paper, June 2006. (<http://www.silkroadstudies.org/publications/silkroad-papers-and-monographs/item/13102>)

perspective on political reform, he commented that “[t]his is important for the stability of the political system in the long run,” and pointed to the upcoming parliamentary elections as an opportunity to develop this multi-party system.

These were, of course, general principles aired by the Head of State; he did not dwell on their practical implementation in his first Address to the nation. But it is notable that he folded these principles under the heading of “party building,” indicating an ambition to support the development of existing political parties, implicitly referring primarily to those political parties that are “systemic” in nature, in other words those that largely support the government, rather than the ones that are outright oppositional and are thus kept outside the formal political system, including being barred from seeking representation in the parliament.

In December 2019, the President took advantage of the second meeting of the National Council of Public Trust to launch a first package of political reforms. In the electoral field, one novelty was the halving of the number of signatures required for the formation of political parties, from 40,000 to 20,000. While this change may not generate much change in the short term, a more tangible one was the requirement for political parties to have a quota of at least 30 percent for women and youth on their lists, in order to increase the voice of these demographics – a reflection, perhaps, of the predominant role of older men in Kazakhstan’s parliament. This stipulation was implemented through legal amendments in May 2020, and thus implemented ahead of the January 2021 elections. But significantly, these amendments did not require that these quotas apply for the eventual composition of parliamentary groups. There is therefore a risk that women and young people will remain at the bottom of electoral lists, at least in the short term.

Simultaneously, reforms were introduced to build what Tokayev called “a tradition of parliamentary opposition,” following his admonition to “overcome the fear of alternative opinion.”¹¹² In early June 2020, amendments passed to the law covering parliamentary procedure to strengthen the role of opposition parties. These changes for the first time recognized the official role of opposition parties in the country’s political system, by guaranteeing the opposition the chairmanship of one standing committee and the position of secretary of two standing committees in the lower chamber of parliament. In addition, opposition parties were given the right to initiate parliamentary hearings at least once per session of parliament.

These changes were implemented following the January 2021 elections, with the Ak Zhol and People’s parties being granted the official status of parliamentary opposition. A member of each of these parties was granted the chairmanship of a parliamentary committee, Ak Zhol heading the Committee on agrarian issues, and the People’s Party the Committee on environmental issues.

Critics have retorted that these political parties are not truly in opposition but supportive of the government, and that these committees are hardly the most influential in the parliament. While this is true, it simply confirms that the reform is not intended for the type of immediate political liberalization that the Kazakh leadership disapproves of, but toward the long-term building of parliamentary culture that involves a role for the opposition. The success of this reform presupposes that the formal political parties will grow into their role, and that their formal status as opposition will lead their

¹¹² Assel Satubaldina, “Kazakh President announces major political reforms package,” *Astana Times*, December 21, 2019. (<https://astanatimes.com/2019/12/kazakh-president-announces-major-political-reforms-package/>)

leaders and members increasingly to also *act* like opposition forces. Whether this will be the case remains to be seen.

Back in 2006, one of the authors of this study argued that parliamentary bodies in Central Asia, while not yet entirely representative of the population, were becoming an unacknowledged force for evolutionary change, much in the way Western institutions like the Virginia House of Burgesses, the Prussian *Landtag*, or the pre-revolution French *parlements*.¹¹³ At the time, parliaments and parliamentarians in Central Asia were gradually developing their identity, but constrained by the leadership's concern that the rise of political parties in parliament could "effect changes in the fundamental balances among regional networks, clans, magnates, and families" on which political power, as well as political stability, rested. While the process of strengthening parliamentary practice did not occur as rapidly as the author hoped, it may be that the political system in Kazakhstan has now institutionalized to an extent that the leadership may actually want to move away from the informal politics relying on what we called "networks, clans, magnates and families" and toward one where the political process is moved to the formal realm, and thus from the corridors of informal power to those of the parliament.

It is unclear if this "guided" process of parliamentary empowerment will be rapid enough to satisfy the demands of the Kazakh population for greater voice in the political system. Will the officially tolerated political parties be attractive enough to voters, and will they be capable of, and permitted to, develop political identities that correspond to the demands of voters? Or, alternatively, will voters prove more interested in alternative political formations outside the "rules of the game" established by the political leadership? This remains to be seen, and will depend largely on whether the executive authorities are able to control in practice the "fear of alternative

¹¹³ S. Frederick Starr, *Clans, Parliaments, and Authoritarian Leaders in Central Asia*

opinion” that President Tokayev referred to, and allow the flourishing of these accepted political parties without seeking to interfere in their activities. In this regard the January 2021 parliamentary elections were only a very modest step in the right direction, and there is likely to be a need for further political reforms to ensure the leadership is in lockstep with a rapidly evolving society.

Realizing the need for further reform, President Tokayev announced in a third package of political reforms in January 2021 – only five days after parliamentary elections were held. Perhaps as an implicit recognition that the process of reform needed further impetus, he announced that the threshold for parliamentary representation would be lowered from seven to five percent, thus opening the possibility for the representation of additional political forces in the parliament. As there are several years until the next parliamentary vote, it remains to be seen whether additional political forces will be given the adequate circumstances to compete for representation.

Local Government

As already mentioned, there is much international attention on elections to the most sensitive positions, which tend to be in the central government, involving parliament and the presidency. But ignoring the maxim that *all politics are local*, outside observers have paid comparative little attention to the elections to district assemblies, known as *maslikhats*, as well as rural government executives, known as *akims*. But for most ordinary citizens, the local level of politics may be as important or more to their daily lives than the high politics of the capital. Often, furthermore, mismanagement and corruption at the local level is considerably more visible to the citizenry, and the inability to contribute to change at the local level a much greater source of frustration. Across many countries of Central Asia and the Caucasus,

furthermore, dissatisfaction with local government is measurably more pronounced than with the national level of politics.¹¹⁴

Effecting change at the local level, however, is a difficult task for the national leadership. A country like Kazakhstan has sent thousands of young men and women abroad to receive a modern education, and naturally this new generation is beginning to make itself heard in central government authority. But their numbers are not yet sufficient to be relevant at the local level; furthermore, only a minority of these graduates resist the temptation to focus their careers on the big cities of Nur-Sultan, Almaty, or the oil towns in western Kazakhstan. As a result, the local level of politics remains largely in the hands of the largely unreconstructed Soviet-era local elites.

Still, President Tokayev appears to have focused his strategy for broadening political participation on the local level. This is likely the result of two considerations: first, that doing so will generate lower risk to the stability of the political system, as well as less opposition from entrenched interests. And second, that this will contribute to building a more mature democratic culture that can, in the future, be expanded to the national level without risking the stability of the system.

Up until recently, the system of local government in Kazakhstan was highly centralized. Power in the district and rural areas lies with the executive bodies, with local governors or *akims* being an extension of the executive system, defined in the constitution as “representatives of the President and the Government.”¹¹⁵ It is the President who appoints regional and city *akims*, while the district and rural *akims* were elected by indirect ballot, by a vote in local *maslikhat*. Maslikhats, in turn, were elected following nomination by

¹¹⁴ See eg. Caucasus Barometer, at www.caucasusbarometer.org; and surveys conducted by the World Bank in Kyrgyzstan and Tajikistan, at www.worldbank.org.

¹¹⁵ See discussion in Malika Toqmati, “Kazakhstan,” in Freedom House, *Nations in Transit 2021*. (<https://freedomhouse.org/country/kazakhstan/nations-transit/2021>)

“republican or local public associations,” while an option was left open in theory for self-nomination. In practice, though, most self-nominations have been dependent on the goodwill of local election officials that have frequently found technicalities or tax matters that led them to reject the candidacies of “unwanted” candidates.¹¹⁶ Furthermore, the *maslikhats* at the rural level only meet relatively rarely and “often operate in the buildings of executive bodies, which results in a practical merger of the two branches of governance.”¹¹⁷

A first effort to reform this system was introduced in 2018. Amendments to the Law on Elections now provided for election to *maslikhats* to be done on the basis of proportional representation and voting for political parties, rather than individual candidates. This reform was criticized for doing away with the system of self-nomination; yet that system was not operational in practice anyway. The question, of course, is whether the local executive bodies would ensure a level playing field for competing political parties, and whether the judicial system would continue to put impediments in the way of novel political forces. In parallel with parliamentary elections, elections were held to *maslikhats* in January 2021, but the general environment of these election did not provide grounds for considerable change.

In his second State of the Nation address, President Tokayev acknowledged that opinion polls showed great support for local *akims* to be elected directly by the people. He announced his “belief” that this would be possible the following year and introduced in a gradual manner. A legal amendment was signed into law in May 2021, and allowed for the first direct elections of rural *akims* in July 2021. Unlike the case of *maslikhats*, candidates can be

¹¹⁶ Mereke Gabdualiev, “Kazakhstan: Why Local Elections will be Based on Party Lists Now?” Cabar.asia, November 14, 2018. (<https://cabar.asia/en/kazakhstan-why-local-elections-will-be-based-on-party-lists-now>)

¹¹⁷ Malika Toqmadi, “Kazakhstan.”

nominated by political parties or self-nominated. The reform, in its first stage, affect only rural areas, and *akims* of larger cities and districts remain appointed by the President. Still, the stated intention of the reform was to provide greater political participation for the 40 percent of the population that lives in rural areas.¹¹⁸

These elections did not provide dramatic change, and neither were they intended to. The ruling Nur-Otan party's candidates won in the great majority of constituencies. But the introduction of direct elections may make rural *akims* more accountable to their voters, and give the latter a greater incentive to be involved in political life. As with the rest of Kazakhstan's political reforms, it will all boil down to the way in which executive and judicial authorities implement the reforms. If they seek to continue to micro-manage the political system, little will change; but if the intentions from the top leadership are not only genuine but if it also enforces its implementation at all levels of government, this could be a promising sign that the country is moving, if slowly and cautiously, toward greater public participation in politics. The next thing to watch will be whether President Tokayev, in coming months or years, decides to extend this reform to the election of mayors in larger districts and even the larger cities.

¹¹⁸ Aizada Arystanbek, "Almost 62% of Candidates For Rural Akims in Kazakhstan Are Self-Nominated," *Astana Times*, July 19, 2021.

(<https://astanatimes.com/2021/07/almost-62-of-candidates-for-rural-akims-in-kazakhstan-are-self-nominated/>)

Judicial Reform and Anti-Corruption

One area of reform in which Kazakhstan has made progress, but still remains a significant challenge, is judicial reform and anti-corruption. In 2014, First President Nazarbayev approved the Anti-Corruption Strategy of the Republic of Kazakhstan for 2015-2025. The plan complements Kazakhstan's broader 2050 Strategy and sets specific goals not only to combat corruption, but to improve the rule of law, too. These efforts have been largely guided by partnerships with international organizations like the OECD, the OSCE, and GRECO. This chapter seeks primarily to describe some of the progress that has been achieved in the goals set forth and the role that these partnerships have played in implementing reform. A few initiatives that are particularly significant include the roll-out of Digital Kazakhstan, the transformation of the country's policing model, and revisions to the judicial recruitment processes. In addition to these, President Tokayev has initiated a number of reforms that have placed tighter restrictions on government officials. These reforms, if effectively implemented, show promise to dramatically reduce corruption in Kazakhstan.

Anti-Corruption Strategy

In terms of judicial reform, anti-corruption takes center stage in Kazakhstan, and it forms the basis of many of the country's initiatives. It is a priority that Nazarbayev identified as far back as the 1990s, shortly after Kazakhstan gained independence from the Soviet Union. In a state of the nation address given in 1997, Nazarbayev described corruption as one of a number of issues inherited from the previous Soviet regime, a legacy that threatened the

“destiny of the country.”¹¹⁹ In the announcement of his Kazakhstan 2050 strategy, Nazarbayev elevated corruption to the status of a “direct threat to national security,” a sentiment that was later repeated in the opening line of his Anti-Corruption Strategy.¹²⁰ President Tokayev seems intent to continue the fight against corruption, referring to it in 2020 as “the gravest crime against the state.”¹²¹

These anti-corruption efforts are rooted in Kazakhstan’s ultimate aim to gain a spot among the world’s 30 most developed countries. This goal cannot be achieved without modern ethical, legal, and judicial standards in both the private and public sector.¹²² It is not sufficient to criminalize corruption; Nazarbayev’s strategy aimed to eradicate the preconditions that give rise to corruption. Toward this end, the strategy identified six key priorities: countering corruption in public service, introducing the institute of public control, reducing corruption in public and private business sectors,

¹¹⁹ “Address of the President of Kazakhstan, October 10, 1997,” *Republic of Kazakhstan*, October 10, 1997. (https://www.akorda.kz/en/addresses/addresses_of_president/address-of-the-president-of-the-republic-of-kazakhstan-nursultan-nazarbayev-to-the-people-of-kazakhstan-october-10-1997)

¹²⁰ “Address of the President of the Republic of Kazakhstan, January 27, 2012.” Akorda.kz. *Republic of Kazakhstan*, January 27, 2012.

(https://www.akorda.kz/en/addresses/addresses_of_president/address-by-the-president-of-the-republic-of-kazakhstan-nursultan-nazarbayev-to-the-people-of-kazakhstan-27-01-2012_1341926486)

¹²¹ “President of Kazakhstan State of the Nation Address, September 1, 2020.” Akorda.kz. *Republic of Kazakhstan*, September 1, 2020.

(https://www.akorda.kz/en/addresses/addresses_of_president/president-of-kazakhstan-kassym-jomart-tokayevs-state-of-the-nation-address-september-1-2020)

¹²² It should be noted here that it is for this reason that anti-corruption reforms have significant implications on Kazakhstan’s economic reforms. These anti-corruption reforms are not discussed significantly in the section on economic reforms, but they should be kept in mind while reading that section. Consider for example the impacts that a fair and open justice system might have on attracting foreign investments and fostering entrepreneurial activities in Kazakhstan

preventing corruption in the judiciary and law enforcement, developing an anti-corruption culture, and cooperating with international organizations.¹²³

International Partnerships

Developing international partnerships is undoubtedly the most important and impactful of all of Kazakhstan's anti-corruption reforms. Kazakhstan's existing partnerships have in large part guided the rest of the country's reform initiatives. The country has had a long-standing partnership with the OECD through its Anti-Corruption Network (ACN), but it has recently expanded its partnerships to include the OSCE, UNDP, and most recently the Council of Europe's Group of State Against Corruption, GRECO. The progress that has resulted from the guidance provided by these organizations has already begun to be reflected in world corruption indices, though certain concerns remain. The expansion of the country's partnerships suggest that Kazakhstan is serious about accelerating the rate of anti-corruption reformation in other ways.

In 2003, Kazakhstan became party to the Istanbul Anti-Corruption Action Plan (ACAP) – a program sponsored by the OECD that seeks to promote international standards to combat corruption in Eastern Europe and Central Asia.¹²⁴ This was the first major step that the country took towards implementing reforms aimed at combating corruption, and it remains one of Kazakhstan's primary drivers of reform. Through the ACAP, the ACN provides country-specific recommendations to its participants, and it provides follow-up reports to assess what progress has or has not been

¹²³ Government of Kazakhstan, "Anti-Corruption Strategy of the Republic of Kazakhstan for 2015-2025." Available at Karaganda State Technical University website. (<https://www.kstu.kz/antikorrupsionnaya-strategiya-respubliki-kazahstan-na-2015-2025-gody-2/?lang=en>)

¹²⁴ "Istanbul Anti-Corruption Action Plan." *OECD*, (<https://www.oecd.org/corruption/acn/istanbul-action-plan.htm>)

made to satisfy these recommendations.¹²⁵ The original set of recommendations were published in October of 2005. Additions and revisions have been made in subsequent monitoring reports, and all recommendations have fallen into one of three broader categories: policies and institutions, legislation and criminalization, and prevention of corruption. Separate, smaller progress reports have been written intermittently to simply provide updates on implementation of these recommendations.

Kazakhstan's reform progress can mostly be tracked through these reports. Thirty-four recommendations were given in 2005, and one was deemed inapplicable in the first monitoring report that followed. The ACN completely revised their recommendations in the second report in 2011, and Kazakhstan's performance was rated according to the new system in the third and fourth reports that followed.

Kazakhstan's Performance in ACAP Monitoring Reports - Based on Compliance with ACN Recommendations							
First Round Monitoring Report – 2007		Second Round Monitoring Report – 2011		Third Round Monitoring Report – 2014		Fourth Round Monitoring Report – 2017	
Fully Compliant	3	Fully Compliant	8	Fully Compliant	0	Fully Compliant	0
Largely Comp.	6	Largely Comp.	12	Largely Comp.	0	Largely Comp.	1
Partially Comp.	18	Partially Comp.	11	Partially Comp.	13	Partially Comp.	15
Non-compliant	6	Non-compliant	2	Non-compliant	4	Non-compliant	1
Unreported	1	Unreported	1	Unreported	2	Unreported	2
Total reported	33	Total reported	33	Total reported	17	Total reported	17

Kazakhstan's apparent decline in performance is linked in part to the changes in reporting. Each of the original recommendations, on which Kazakhstan's performance is scored in the first and second reports, were listed out such that each recommendation had one primary requirement. In the methodology established by the second monitoring report, individual recommendations incorporated multiple requirements. Full compliance with one of these requirements, which in the previous system may have

¹²⁵ "Kazakhstan - Anti-Corruption Reforms." *OECD*. (<https://www.oecd.org/corruption/Anti-corruption-reforms-in-Kazakhstan.htm>)

constituted a single recommendation, would only earn the country partial compliance in the larger recommendation. The fourth monitoring report rates Kazakhstan's performance on the system established by the second report, but it created yet another methodology, incorporating 22 new recommendations for future reporting.

Kazakhstan has demonstrated serious efforts to implement the recommendations made in the fourth monitoring report, which total 29. By 2018, the country had made "significant progress" (practical measures have been taken on over half of the requirements in a recommendation) on only 1 recommendation, it had made "progress" (some practical measures have been taken, such as draft laws) on 10 recommendations. Those numbers increased to 5 and 15 respectively by March 2019, when the latest progress report was written.

These reports are the best method for tracking reform progress up to 2019, so they will be regularly referenced throughout this chapter. Unfortunately, the ACN does not have any reports that track progress after Tokayev took office, so this paper will look primarily to other sources to identify any updates that have been made in the past two years.

Other partnerships have been made in more recent years that can provide insight into progress therewithin and into progress that may be made in the near future. These include partnerships with the OSCE, UNDP, and GRECO.

Kazakhstan has been a member of the OSCE since 1992, and the organization works on a number of issues out of its Nur-Sultan office including "arms control; border management; the fight against terrorism; trafficking in human beings, arms and drugs; economic and environmental topics; human rights and rule of law issues; and media freedom."¹²⁶ A

¹²⁶ OSCE Programme Office in Nur-Sultan. (<https://www.osce.org/programme-office-in-nur-sultan>)

review of OSCE news and projects related to anti-corruption reforms in Kazakhstan do not initially indicate that the organization is supporting Kazakhstan's efforts at a strategic level to a similar extent that the OECD is. But one program does stick out involving a pilot program launched in Karaganda in 2019 that is related to law enforcement reforms. This program will be discussed in further detail later, but it is clear that cooperation with the OSCE, while limited in scope, will be critical to implementing some elements of Kazakhstan's reforms.

Likewise, Kazakhstan's cooperation with the United Nations towards judicial reform has been limited in scope. Kazakhstan ratified the UN's Convention against Corruption in 2008, as recommended by the ACN, but no strategic partnership has formed comparable to that with the OECD. However, in October of 2020, the United Nations Development Program, UNDP, announced a partnership with Kazakhstan's Anti-Corruption Service to advance initiatives on "anti-corruption monitoring, developing the methodology for external corruption risks assessment (CRA), promoting integrity principles and engaging civil society in the implementation of the Anti-corruption Strategy."¹²⁷ Additionally, the Anti-Corruption Service and the UNDP currently partner with Transparency International to conduct a sociological survey of corruption perception in Kazakhstan. Note that these initiatives (corruption surveys, monitoring, and participation of civil society) are listed under the ACN's recommendations in the ACAP.

Finally, Kazakhstan made a significant step in expanding international cooperation vis a vis anti-corruption and judicial reform when it joined the Group of States against Corruption (GRECO) in January of 2020. GRECO

¹²⁷ "UNDP and Kazakh Anti-Corruption Agency to Strengthen the Partnership in Their Support to the 'Listening State' Concept and Corruption Prevention: UNDP in Kazakhstan." *UNDP*, October 20, 2020.

(<https://www.kz.undp.org/content/kazakhstan/en/home/presscenter/announcements/2020/october/undp-and-kazakh-anti-corruption-agency-to-strengthen-the-partner.html>)

was established by the Council of Europe in 1999 to support anti-corruption efforts among member states by monitoring compliance with Council of Europe standards.¹²⁸ The work of GRECO is analogous to that of the ACN and it is just as intensive. However, GRECO's work differs in that each monitoring round that it conducts follows specific themes, and they are therefore less comprehensive than the broader monitoring reports produced by the ACN. No information has been added to the Kazakhstan site on GRECO's domain, because the partnership is still much too new, but if Kazakhstan takes these responsibilities as seriously as it has taken those with the ACN, then much progress should arise from this partnership.

Corruption in Public Service

In regard to the first priority, countering corruption in the public service, two major aims can be discerned from the text: making the abuse of official power unprofitable and using technology to reduce opportunities for corruption to occur. This first aim, to make the abuse of power unprofitable, refers to the use of regulation and criminalization to deter corrupt behavior. Toward this end, Kazakhstan pursued a number of reorganizations to its anti-corruption enforcement capacity. In 2015, The National Anti-Corruption Bureau (NAB) was established under the Ministry of Civil Service, charged with the "prevention, detection, suppression, disclosure and investigation of corruption offenses."¹²⁹ In 2016, those same institutions were granted status as agencies directly responsible to the president of Kazakhstan, and the NAB was granted the authority of a law enforcement agency "carrying out finding, suppression, detection and investigation of

¹²⁸ "What Is Greco?" Group of States against Corruption.

(<https://www.coe.int/en/web/greco/about-greco/what-is-greco>)

¹²⁹ "Decree of the Head of State 'On the Formation of the Ministry of Civil Service Affairs of the Republic of Kazakhstan.'" Akorda.kz. *Republic of Kazakhstan*, December 11, 2015.

(https://www.akorda.kz/ru/events/akorda_news/akorda_other_events/ukaz-glavy-gosudarstva-ob-obrazovanii-ministerstva-po-delam-gosudarstvennoi-služby-respubliki-kazahstan)

corruption criminal offenses.”¹³⁰ In 2019, they changed names again, but retained their authority, reporting directly to the president. They are now the Agency of the Republic of Kazakhstan for Civil Service Affairs and the Anti-Corruption Service.¹³¹ By January of 2021, the Anti-Corruption Service claimed to have saved the Kazakhstani economy \$225 million.

In addition to bolstering relevant law enforcement agencies, Tokayev signed a number of laws that place a higher degree of accountability on public officials and that fulfill certain ACN recommendations.¹³² These laws ban Kazakh officials and their family members from possessing foreign bank accounts,¹³³ and outlaw the giving of gifts to public officials.¹³⁴ Perhaps most significantly, Tokayev made public officials accountable for the actions of their subordinates.¹³⁵ These regulations appear to have translated into results. The head of the Anti-Corruption Service reported that in 2020, a total of 15 politicians were arrested in addition to 39 civil service managers and 5

¹³⁰ “Decree 'on Reorganization of the Ministry for Civil Service Affairs of the Republic of Kazakhstan' .” Akorda.kz. *Republic of Kazakhstan*.

(https://www.akorda.kz/en/events/akorda_news/akorda_other_events/decree-on-reorganization-of-the-ministry-for-civil-service-affairs-of-the-republic-of-kazakhstan)

¹³¹ “On Measures to Improve the Public Administration System.” Akorda.kz. *Republic of Kazakhstan*. (https://www.akorda.kz/ru/legal_acts/decrees/o-merah-po-sovershenstvovaniyu-sistemy-gosudarstvennogo-upravleniya)

¹³² “Anti-Corruption Reforms in Kazakhstan 4th Round of Monitoring of the Istanbul Anti-Corruption Action Plan.” OECD.org. *Anti-Corruption Action Network*, 2017. (<https://www.oecd.org/corruption/acn/OECD-ACN-Kazakhstan-Round-4-Monitoring-Report-ENG.pdf>)

¹³³ “Kazakh Officials, Family Members to Be Barred from Having Bank Accounts Abroad.” *Radio Free Europe/Radio Liberty*, September 2, 2020. (<https://www.rferl.org/a/kazakh-officials-family-members-to-be-barred-from-having-bank-accounts-abroad/30817457.html?lflags=mailer>)

¹³⁴ Aidana Yergaliyeva, “Kazakhstan Introduces Ban on Gifts to Civil Servants to Reduce Corruption.” *The Astana Times*, October 9, 2020. (<https://astanatimes.com/2020/10/kazakhstan-introduces-ban-on-gifts-to-civil-servants-to-reduce-corruption/>)

¹³⁵ Galiya Khassenkhanova, “Tokayev Signs Law Making Ministers and Governors Responsible for Corruption among Subordinates,” *The Astana Times*, December 3, 2019. (<https://astanatimes.com/2019/12/tokayev-signs-law-making-ministers-and-governors-responsible-for-corruption-among-subordinates/>)

managers of state-owned-enterprises as a result of these new regulations.¹³⁶ This includes one high-profile case involving a former health minister.¹³⁷ These regulations, and their resultant arrests, seem to indicate that Kazakhstan is taking corruption reforms seriously. That said, as is common with corruption allegations, there is skepticism that these laws are adequately applied, and concerns that officials who maintain good relationships with particular government officials may be shielded from prosecution.¹³⁸

The second major objective of reforming the public service involves the streamlining of government services through the use of modern technology, a concept known as e-government. There has been significant progress in this space since the Anti-Corruption Strategy was written in 2014, and today this initiative is known as “Digital Kazakhstan.” Digital Kazakhstan is the application of information technology to transform the way that Kazakh citizens engage not only with the government but with each other in the private sector. Much is discussed in this latter category in the economic section above. As far as forming a digital state, however, Tokayev described his vision in his 2021 State of the Nation Address when he said that 100% of government services will be available to citizens through smartphones.¹³⁹ This program has implications on operations internal to the government,

¹³⁶ Assel Satubaldina. “Kazakhstan’s Anti-Corruption Agency Head Reports 2020 Results.” *The Astana Times*, February 10, 2021. (<https://astanatimes.com/2021/02/kazakhstan-anti-corruption-agency-head-reports-2020-results/>)

¹³⁷ Almaz Jumenov, “Kazakhstan: Former Health Minister Arrested.” *Eurasianet*, November 3, 2020. (<https://eurasianet.org/kazakhstan-former-health-minister-arrested>)

¹³⁸ Bureau of Democracy, Human Rights, and Labor. “Kazakhstan - United States Department of State.” *U.S. Department of State*, 2020. (<https://www.state.gov/reports/2020-country-reports-on-human-rights-practices/kazakhstan/>)

¹³⁹ “State of the Nation Address by President of the Republic of Kazakhstan Kassym-Jomart Tokayev.” *Akorda.kz. Republic of Kazakhstan*, September 1, 2021. (<https://www.akorda.kz/en/state-of-the-nation-address-by-president-of-the-republic-of-kazakhstan-kassym-jomart-tokayev-38126>)

too, and it involves “automation of processes involved in daily routine operations such as personnel, accounting, budget planning, planning and execution of public procurement, correspondence with other public authorities, and so on.”¹⁴⁰

E-government is effective in reducing corruption because it reduces the amount of unmonitored human-to-human interactions, and it standardizes all the rules and procedures involved in providing government services.¹⁴¹ Essentially, it makes a maximum of relevant government functions transparent. It is still too early to tell exactly what impact e-government will have on reducing Kazakhstan’s corruption, but two things are clear: first, there does in general exist a correlation between robust e-government programs and the reduction of corruption. Second, as will be seen later in this chapter, Kazakhstan has made improvements in key corruption indicators since rolling out its Digital Kazakhstan program.¹⁴²

Institute for Public Control

Instituting public control involves incorporating civil society in the discussion on corruption reform and providing the legal framework required to allow civil society to participate. The country’s Anti-Corruption Strategy makes specific reference to two laws that aim to do just this: the law “On Public Control” and the law “On Access to Information,” but these are not the only efforts Kazakhstan has taken to engage civil society on the issue.¹⁴³ “On Access to Information” was passed in 2015, and establishes the right of information users to request and receive without restriction

¹⁴⁰ Digital Kazakhstan. *Republic of Kazakhstan*. (<https://digitalkz.kz/en/about-the-program/>)

¹⁴¹ Gulmira Sheryazdanova, Roza Nurtazina, Bibigul Byulegenova, and Indira Rystina, “Correlation between e-Government and Corruption Risks in Kazakhstan.” *Utopía y Praxis Latinoamericana*, vol. 25 no. 7, 2020, pp. 41-48. (<https://www.redalyc.org/journal/279/27964362004/html/>)

¹⁴² *Ibid.*

¹⁴³ “Anti-Corruption Strategy of the Republic of Kazakhstan for 2015-2025.”

information from state bodies, institutions, and businesses, among public organizations.¹⁴⁴ However, the OECD reports that this law is insufficiently enforced.¹⁴⁵ The law “On Public Control” has yet to be signed, but draft laws have been written and are being discussed. It is not entirely clear what the law will entail, but it will likely seek to more formally establish the role that civil society will play in collaborating with government bodies to combat corruption, recognizing the roles that NGOs have played in past issues such as preventing price collusion amongst pharma companies during the pandemic.¹⁴⁶ The OECD reports that there have been other efforts to improve civil society participation such as a Public Control project that was launched in 2016 and has encouraged NGOs to monitor specific issues like public price inflation in procurement and allegations of abuse of power.¹⁴⁷

Reducing Corruption in Public and Private Business

The Anti-Corruption Strategy puts business sector corruption at par with the public sector in terms of magnitude, and places emphasis on increasing accountability and transparency for both state-owned and private businesses through the work of the National Chamber of Entrepreneurs (NCE) and other methods.¹⁴⁸ Much of the work in this realm overlaps with

¹⁴⁴ “On Access to Information.” *Adilet LIS*. (<https://adilet.zan.kz/eng/docs/Z1500000401>)

¹⁴⁵ “Anti-Corruption Reforms in Kazakhstan 4th Round of Monitoring of the Istanbul Anti-Corruption Action Plan.” OECD.org. *Anti-Corruption Action Network*, 2017. (<https://www.oecd.org/corruption/acn/OECD-ACN-Kazakhstan-Round-4-Monitoring-Report-ENG.pdf>.)

¹⁴⁶ Georgi Gotev, “Kazakhstan Minister: We Steadily Observe Our Obligations in the Field of Human Rights.” *EURACTIV.com*, October 8, 2021. (<https://www.euractiv.com/section/central-asia/interview/kazakhstan-minister-we-steadily-observe-our-obligations-in-the-field-of-human-rights/>)

¹⁴⁷ “Anti-Corruption Reforms in Kazakhstan 4th Round of Monitoring of the Istanbul Anti-Corruption Action Plan.” OECD.org. *Anti-Corruption Action Network*, 2017. (<https://www.oecd.org/corruption/acn/OECD-ACN-Kazakhstan-Round-4-Monitoring-Report-ENG.pdf>)

¹⁴⁸ “Anti-Corruption Strategy of the Republic of Kazakhstan for 2015-2025.”

work done in other realms. For example, “On Access to Information” may provide NGOs more tools it can use to monitor corruption in quasi-public businesses. Additionally, in the same way that developing anti-corruption law enforcement agencies can curb corruption among public servants, it can also combat corruption among business leaders. But there are business specific measures, too. First the NCE drafted an anti-corruption charter in 2016 that is open for signing to all businesses and companies and that incorporates three model codes: Business Ethics Code, Procurement Good Practice Code, and Corporate Governance Code.¹⁴⁹

In terms of transparency and accountability, a number of initiatives have been implemented. The Resolution of April 15 No. 239 amended the Corporate Governance Code according to OECD standards. The amendment requires the Sovereign Wealth Fund, Samruk-Kazyna, to exercise best practices regarding transparency, risk management, internal control and audits, sustainable development, efficiency of the Board of Directors, and fair treatment of shareholders.¹⁵⁰ Additionally, most large companies in Kazakhstan have established compliance programs and as of 2016, Samruk-Kazyna, along with its 545 portfolio companies at the time, adopted such programs to combat corruption.¹⁵¹ Finally, a law “On Combatting Corruption” was written in 2015 and went into effect on January 1, 2020. Starting on that date, all public officials are required to declare their assets and liabilities. By January 2023, the requirement will expand to all government employees, including those of state-owned

¹⁴⁹ “Anti-Corruption Reforms in Kazakhstan 4th Round of Monitoring of the Istanbul Anti-Corruption Action Plan.” OECD.org. *Anti-Corruption Action Network*, 2017. (<https://www.oecd.org/corruption/acn/OECD-ACN-Kazakhstan-Round-4-Monitoring-Report-ENG.pdf>)

¹⁵⁰ Ibid.

¹⁵¹ Ibid.

enterprises.¹⁵² By 2025, this requirement will include all citizens. The role of this law is to combat the shadow economy, and prevent corruption in all sectors of Kazakh society.

Preventing Corruption in the Judiciary and Law Enforcement

Kazakhstan's Anti-Corruption Strategy is clear in its aim for judicial reform, but it is want for vision in its aim for law enforcement reform. For the former, the document references the goal to increase confidence in the Judiciary, primarily by strengthening the recruitment process for judges. For the latter, it simply acknowledges that "only corruption free law enforcement can effectively protect the rights of citizens, interests of the society, and the state."¹⁵³ This imbalance of clarity at the time of the strategy's writing did not stop the nation from later adopting significant reforms in both realms, however. Both of these issues received more specific attention from Nazarbayev in his 2018 State of the Nation Address. For the judiciary, his words largely echoed those written in the Anti-Corruption Strategy, but for policing, he introduced the idea of transitioning to a service model of policing. Reforms in both these areas have progressed in recent years, though at different paces, and have incorporated initiatives that are not mentioned at all in the Anti-Corruption Strategy.

Most of Kazakhstan's judicial reforms derive from the country's work with the ACAP. The ACN made its first recommendation on the Judiciary in second monitoring report in 2011, and it gave three primary recommendations: to establish independence of the judiciary branch from

¹⁵² "Universal Declaration of Income and Property." Electronic Government of the Republic of Kazakhstan. (https://egov.kz/cms/en/articles/economics/property_declaration)

¹⁵³ "Anti-Corruption Reforms in Kazakhstan 4th Round of Monitoring of the Istanbul Anti-Corruption Action Plan." OECD.org. *Anti-Corruption Action Network*, 2017. (<https://www.oecd.org/corruption/acn/OECD-ACN-Kazakhstan-Round-4-Monitoring-Report-ENG.pdf>)

the executive and legislative branches; to limit subjective influence on the judge selection process and implement mandatory training at the institute of justice; and to introduce mandatory declarations of assets, income, and expenses of judges and their families. Kazakhstan began making serious efforts to address these recommendations in 2016 when a new law, "On the Supreme Judicial Council of the Republic of Kazakhstan," established the High Judicial Council (HJC) as an autonomous public institution charged with the task of to create courts and ensure independence of the judiciary. However, considering that judges and presidents of the court are appointed and dismissed by Kazakhstan's president, it did not go far enough in this direction.¹⁵⁴ The HJC amended recruitment procedures for judges in 2018.¹⁵⁵ These reforms included stricter criteria for candidates' professional and moral qualities as well as more rigorous qualifying exams that test their legal knowledge.¹⁵⁶ Additionally, by the end of 2017, Kazakhstan had adopted a new Judicial Ethics Code, established a rigorous educational system in the Academy of the Judiciary, and improved automation of courts' operations to improve access and transparency.¹⁵⁷ These last reforms address a new round of recommendations that the ACN made to Kazakhstan in their fourth monitoring report published in 2017. Despite the progress the country has made in all these areas, significant concerns remain regarding judicial independence and the criminal liability of judges.¹⁵⁸

¹⁵⁴ Ibid.

¹⁵⁵ "BTI 2020 Kazakhstan Country Report." *Bertelsmann Transformation Index*, 2020. (<https://bti-project.org/en/reports/country-report/KAZ#pos5>)

¹⁵⁶ Talgat Donakov, "Kazakhstan – Building a Fair and Impartial Judicial System Fit for the Modern Age ." *The New Jurist*, May 27, 2019. (<https://newjurist.com/kazakhstan-building-a-fair-and-impartial-judicial-system-fit-for-the-modern-age.html>)

¹⁵⁷ "Anti-Corruption Reforms in Kazakhstan 4th Round of Monitoring of the Istanbul Anti-Corruption Action Plan." OECD.org. *Anti-Corruption Action Network*, 2017. (<https://www.oecd.org/corruption/acn/OECD-ACN-Kazakhstan-Round-4-Monitoring-Report-ENG.pdf>)

¹⁵⁸ Ibid.

Law enforcement receives comparatively little attention in the ACN reports, and the Anti-Corruption strategy's vision for reforming law enforcement is vague. That vision was clarified in Nazarbayev's 2018 State of the Nation Address when he introduced the concept of a police service model.¹⁵⁹ President Tokayev referenced the Service Mode again in every one of his State of the Nation addresses, describing it as an alternative to the status quo in which the police serve "as a power tool of the state."¹⁶⁰

The state's recent attention to this issue results from a perception of citizens' frustrations with the current police model, but concerns remain among citizens that the reform measures will not constitute fundamental change.¹⁶¹ This concern aside, Kazakhstan has already begun taking steps to implement this initiative. A pilot program was launched in Karaganda Province in 2019 to test a community-oriented policing model with demonstrated success. Parts of the reform included the opening of front offices to facilitate better community interface, and the lessons learned in this pilot program will ultimately be applied to a larger national rollout of service-model policing.¹⁶² The OSCE is an important partner in these reform efforts.¹⁶³ Finally, these reforms coincide with larger reforms to the Ministry

¹⁵⁹ "State of the Nation Address of President of the Republic of Kazakhstan, October 5, 2018." Akorda.kz. *Republic of Kazakhstan*, October 5, 2018. (https://www.akorda.kz/en/addresses/addresses_of_president/state-of-the-nation-address-of-president-of-the-republic-of-kazakhstan-nursultan-nazarbayev-october-5-2018)

¹⁶⁰ "President of Kazakhstan State of the Nation Address, September 2, 2019." Akorda.kz. *Republic of Kazakhstan*, September 2, 2019. (https://www.akorda.kz/en/addresses/addresses_of_president/president-of-kazakhstan-kassym-jomart-tokayevs-state-of-the-nation-address-september-2-2019)

¹⁶¹ Khadisha Akayeva, "Police Reform in Kazakhstan: Serving the Authoritarian Regime." CABAR.asia. *Central Asian Bureau for Analytical Reporting*, January 12, 2021. (<https://cabar.asia/en/police-reform-in-kazakhstan-serving-the-authoritarian-regime>)

¹⁶² Aydar Ashimov, "Kazakh Police Switch to Service-Oriented Model as Part of Law Enforcement Reform." *Caravanserai*, October 1, 2020. (https://central.asia-news.com/en_GB/articles/cnmi_ca/features/2020/10/01/feature-01)

¹⁶³ "Supported Community Policing Project Piloted in Kazakhstan's Karaganda Region." OSCE, November 28, 2019. (<https://www.osce.org/programme-office-in-nur-sultan/440444>)

of Internal Affairs that included downsizing of the employee base, enhancement of the system for departmental education and qualification, and the digitalization of criminal and administrative proceedings, which improved the efficiency and automation of operations.¹⁶⁴

Anti-Corruption Culture and Perceptions of Corruption

The primary driver of establishing an anti-corruption culture is the employment of education and public awareness.¹⁶⁵ This is a realm in which Kazakhstan has made significant progress since relevant recommendations were first written in the ACN's fourth monitoring report in 2017.¹⁶⁶ Since that time, Kazakhstan has established a National Report on Counteracting Corruption that is conducted regularly, and it has promoted the work of independent sociological research to gauge public perception of corruption. In conjunction with these surveys, Kazakhstan has implemented extensive awareness-raising campaigns that are adaptive according to the results of the aforementioned surveys.¹⁶⁷

The work that Kazakhstan's government has conducted in recent years has produced results that are reflected in the country's rankings in different world indices, namely Transparency International's Corruption Perception Index (CPI) and the World Bank's World Governance Indicators (WGI). The CPI aggregates data from a wide range of other sources and indices before standardizing that data and using it to construct its own rankings. It is a

¹⁶⁴ Yerlan Turgumbayev, "Police Reform in Kazakhstan: Effective Law-Enforcement Close to the Population." EURACTIV.com, July 6, 2021. (<https://www.euractiv.com/section/central-asia/opinion/police-reform-in-kazakhstan-effective-law-enforcement-close-to-population/>)

¹⁶⁵ "Anti-Corruption Strategy of the Republic of Kazakhstan for 2015-2025."

¹⁶⁶ "Istanbul Anti-Corruption Action Plan Fourth Round of Monitoring Progress Update." OECD.org. *Anti-Corruption Network*, 2019. (<https://www.oecd.org/corruption/acn/OECD-ACN-Kazakhstan-Progress-Update-2019-ENG.pdf>)

¹⁶⁷ "Istanbul Anti-Corruption Action Plan Fourth Round of Monitoring Progress Update." OECD.org. *Anti-Corruption Network*, 2019. (<https://www.oecd.org/corruption/acn/OECD-ACN-Kazakhstan-Progress-Update-2019-ENG.pdf>)

leading index for corruption in the world. Kazakhstan's ranking in that index has increased dramatically in the last two years.¹⁶⁸ Between 2007 and 2018, the country's rank hovered anywhere between 120 and 150 out of 180 countries. In 2019, the country jumped to 113 and again in 2020 to 94 – both scores being the highest the country had achieved to that point. Now Kazakhstan sits in the 52nd percentile of countries on the CPI.

The WGI works similarly by combining a range of available data, but it instead ranks countries according to six indicators: voice and accountability, political stability and absence of violence/terrorism, government effectiveness, regulatory quality, rule of law, and control of corruption. Kazakhstan has demonstrated a pattern of steady improvement in four of the indicators.¹⁶⁹ In the Control over Corruption indicator, Kazakhstan ranked below the 20th percentile as recently as 2015. A major jump took place in 2018, when Kazakhstan jumped to the 26th percentile, and to the 44th in 2019. 2020 saw a slight decline to 40, however, but the improvement recorded in a variety of indicators is nevertheless clear.

It should be observed that much of the efforts to eradicate corruption discussed in this section pertain to “petty corruption.” Given the stage at which Kazakhstan's political reforms are, it is perhaps natural that they do not squarely target high-level corruption, allegations of which have been frequent over the past three decades. As mentioned at the outset of this study, efforts to target corruption are challenged by the persistent fusion of political and economic power that is characteristic of post-Soviet nations, and in particular those with large extractive industries. While such corruption is notoriously difficult to control, the success of efforts to increase transparency and to counter petty corruption will necessarily over time

¹⁶⁸ “Kazakhstan.” Transparency.org. Transparency International, 2020.
<https://www.transparency.org/en/countries/kazakhstan>.

¹⁶⁹ “World Governance Indicators.” worldbank.org. World Bank. Accessed November 15, 2021.
<https://info.worldbank.org/governance/wgi/Home/Reports>.

create an environment in which high-level corruption will also becoming increasingly rare. Here the internal messaging of the top leadership will be important. High-level corruption will prove controllable if the top leadership makes it clear to the business and political elites that time have changed, and the modes of operation that were common earlier will no longer be tolerated. It is possible that for this to take hold, the leadership may have to set an example by the prosecution of particularly egregious perpetrators that refuse to accept the new rule of the game.

Conclusions

This study has sought to describe the steps taken by Kazakhstan's leadership toward intensified political and economic reform. As this analysis has made clear, President Tokayev has made the program of top-led reform the cornerstone of his presidency. As has been the case in Kazakhstan for the past three decades, this is the result of an elite consensus that a further intensification of reforms is necessary. Still, such a consensus does not mean there is no resistance to reforms, or that the implementation of reforms is straightforward. There is little doubt that the reform process in Kazakhstan will witness both achievements and setbacks in coming years, but that it is beginning to take on a pace that may prove irrevocable – particularly as the expectations of the country's population for change are very manifest.

Still, the geopolitical context of Kazakhstan's reforms is a challenging one. Kazakhstan has shown considerable dynamism in taking the initiative to reform its domestic system while seeking to build regional cooperation in Central Asia. This dynamism and appetite for reform stands in stark contrast to the approaches taken by surrounding powers – whether Beijing, Moscow or Ankara – which appear to be moving in the opposite direction. Leaders in those powers appear to focus almost solely on political control, whereas leaders in Nur-Sultan have concluded the opposite: long-term stability and development requires them to gradually reform both their political and economic systems.

If President Tokayev persists in his cautious but publicly declared effort to reform and open Kazakhstan's governmental system, it will doubtless have

a significant impact across the region. In fact, in Kazakhstan's vicinity only Uzbekistan is engaging in a similar reform process. That the region's two most developed economies are both advancing reforms and doing so in a state of mutual amity is of major importance.

The reforms in Kazakhstan are not directed against anyone in particular. Therefore, major powers should have no grounds for playing regional states against each other, as they have so often done in the past. Indeed, countries that consider themselves friends of Kazakhstan should find ways to support the reform process, or at least not to impede it. By doing so they will be helping to unlock the biggest landlocked area on earth and to transform it from a zone of mutually hostile authoritarian states into region of modern, open, and self-governing societies.

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