

# Kazakhstan Russia Relations in Modern Era

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## **ABSTRACT**

The report reviews the current state of cooperation between Russia and Kazakhstan. Various aspects of cooperation are analyzed - political, economic, military, media, cultural and others. It also lists the main problems in the relations between the two countries and a list of the factors that improve these relations. The report is intended to be used by political scientists, geographers, economists, country scientists, international relations scholars.

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## **LIST OF ABBREVIATIONS**

AD - Air Defense

CIS - Commonwealth of Independent States

CSTO - Collective Security Treaty Organization

EAEU - Eurasian Union

CU - Customs Union

CFMZ - Common Free Market Zone

EurAsEC - Eurasian Economic Community

WTO - World Trade Organization

IMF - International Monetary Fund

XUAR - Xinjiang Uygur Autonomous Region

Media – Mass Communication media

NGO - non-governmental organization

USSR - Union of Soviet Socialist Republics

USA - United States of America

EDB - Eurasian Development Bank

RAF - Russian Aerospace Forces

USDP - United Social Democratic Party

CPPK - Communist People’s Party of Kazakhstan

CPRF - Communist Party of the Russian Federation

MFA - Ministry of Foreign Affairs

OSCE - Organization for Security and Co-operation in Europe

UN - United Nations

CC LCYU - Central Committee of the Lenin Communist Youth Union

RoK – the Republic of Kazakhstan

EES - Eurasian Economic Commission

IAC - Information and Analytical Centre

ISIS - Islamic State of Iraq and Levant (organization outlawed in Russia)

NATO - North Atlantic Treaty Organization

University – institution of higher education

NSU - Novosibirsk State University

KazNU - Kazakh National University

JSC - joint stock company

OJSC - open joint stock company

MC - merged company

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## **Introduction**

Kazakhstan and Russia are the largest geographically and economically CIS countries. However, little attention has been paid to their bilateral cooperation over the past few years in the sciences society — either narrow questions are explored or everything is left to the media and politicians. As a result, in the description of Kazakh-Russian relations, uninformative official rhetoric prevails or emotional newspaper articles and television programs prevail. The analysis of mutual relations in the public field has not been performed on a practical level.

Given report is an attempt to summarize the systematic studies conducted by a group of authors over the past few years, to present the public with a fundamentally new and as complete as possible picture of Kazakhstan-Russia relations. Therefore, this report provides statistical indicators that are usually not found in open publications. As part of preparation, we had to use various sources of statistics - Kazakhstan, Russia, and the Eurasian Economic Commission, which of course complicates the picture, but allows us to see the difference in methodology.

The authors hope that this report will be in demand both for researchers in international relations and for decision makers.

## 1. Interrelation legal framework

Currently, there is the following legal framework for the main cooperation treaties between Kazakhstan and Russia:

1. Treaty between the Republic of Kazakhstan and the Russian Federation on joint efforts to protect the external borders of 1993<sup>1</sup>.
2. Treaty between the Republic of Kazakhstan and the Russian Federation on Kazakhstan-Russia state boundary of 2005<sup>2</sup>.
3. Treaty between the Republic of Kazakhstan and the Russian Federation on Neighbourhood and Alliance in the XXI Century of 2013<sup>3</sup>.
4. Treaty between the Republic of Kazakhstan and the Russian Federation on military-technical cooperation of 2015<sup>4</sup>.
5. The program of long-term economic cooperation between the Government of the Republic of Kazakhstan and the Government of the Russian Federation (until 2020)

As can be seen, the scope of the legal framework covers all major areas of interaction and is at the highest level — treaties, rather than agreements and other formats, are used. The total legal base of Kazakhstan-Russian relations consist more than 240 documents<sup>5</sup>. But besides this, there are also agreements within the framework of the CIS, CSTO, EAEU, CU and CFMZ, which also affect Kazakhstan-Russian relations.

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<sup>1</sup> Treaty between the Republic of Kazakhstan and the Russian Federation on joint efforts to protect the external borders of 1993. 30.12.1999 // [http://adilet.zan.kz/rus/docs/Z990000002\\_](http://adilet.zan.kz/rus/docs/Z990000002_)

<sup>2</sup> Treaty between the Republic of Kazakhstan and the Russian Federation on Kazakhstan-Russia state boundary. 12.01.2006 // [http://adilet.zan.kz/rus/docs/Z050000092\\_#z0](http://adilet.zan.kz/rus/docs/Z050000092_#z0)

<sup>3</sup> Treaty between the Republic of Kazakhstan and the Russian Federation on Neighborhood and Alliance in the XXI Century. 22.12.2014 // <http://adilet.zan.kz/rus/docs/Z1400000246>

<sup>4</sup> Treaty between the Republic of Kazakhstan and the Russian Federation on military-technical cooperation. 16.03.2015 // <http://adilet.zan.kz/rus/docs/U1500001002#z22>

<sup>5</sup> Bilateral agreements. Search by word “Kazakhstan”. 28.11.2018 // [.mid.ru/ru/foreign\\_policy/international\\_contracts](http://mid.ru/ru/foreign_policy/international_contracts)

## 2. How bilateral relations being deemed by each party?

The attitude of one country to another is best formulated in the basic official documents, and more specifically in the Foreign Policy Concepts.

Foreign Policy Concept of Kazakhstan<sup>6</sup> concerning relations with Russia read as follows:

- “Country and regional priorities” chapter noted “The Republic of Kazakhstan will continue to strengthen relations with the Russian Federation in all spheres of political, trade, economic, cultural and humanitarian cooperation on the basis of the Agreement on Good Neighbourly Relations and Alliance in the 21st century”
- Also in “Priorities and tasks of the foreign policy of the Republic of Kazakhstan” chapter, the support of the following integration associations - the Customs Union, the Common Free Market Zone, the Eurasian Economic Union, the Caspian five, the CSTO - is separately noted.

In general, Kazakhstan see the cooperation with Russia as directly, so as through different integration unions as one of the most important priorities of its foreign policy.

Foreign Policy Concept of Russia<sup>7</sup> is less focused on relations with Kazakhstan:

- “Regional priorities” Chapter 4 is noted that “d) Eurasian economic integration should be actively supported, implementing the task of transforming the Eurasian Economic Community (EurAsEC) and the formation of the Eurasian Economic Union, facilitate the involvement of other EurAsEC member states in this work, take steps to further development and improve the mechanisms and legal framework of the Customs Union and the Common Free Market Zone, contribute to strengthening the Eurasian Economic Commission as a single permanent regulatory body of the Customs Union and the Common Free Market Zone”.
- The same chapter declares support for the CIS, the CSTO and the “format of the Caspian five”

In general, the attention upon cooperation with Kazakhstan in the Russian document is not pinpointed - the priorities are completely different. As stated in the same chapter, “e) to build relations with Ukraine as a priority partner in the CIS, to promote its involvement in deep integration processes”. How it turned out to build relations with Ukraine and draw it into the Customs Union became clear in the next year after the approval of the Concept in 2014.

In fact, for Russia there are no separate priority relations with Kazakhstan - they exist only as part of relations with the CIS countries (excluding Ukraine), that is, their political weight is very small. As we see, for the Russian authorities, Ukraine is much more important as a partner and so far in the text of the Concept nothing has changed.

During the preparation of this report, the Russian colleagues expressed the opinion that this Foreign Policy Concept is inactive and unused when preparing foreign policy. If this opinion is true, then the situation is even worse for the following reasons:

- Foreign policy position of Russia is uncodified, unstructured and exists only in the minds of several decision makers in the field of foreign policy. Moreover, these

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<sup>6</sup> Foreign Policy Concept of Kazakhstan for 2014–2020. Approved by the Decree of the President of the Republic of Kazakhstan dated January 21, 2014 года № 741 // <http://adilet.zan.kz/rus/docs/U1400000741>

<sup>7</sup> Foreign Policy Concept of Russia. Approved by the Decree of the President of the Russian Federation, V.V. Putin dated February 12, 2013 // [http://archive.mid.ru/brp\\_4.nsf/0/6D84DDEDEDBF7DA644257B160051BF7F](http://archive.mid.ru/brp_4.nsf/0/6D84DDEDEDBF7DA644257B160051BF7F)



people may not have an official position, which makes their policies even less predictable.

- Reflectively, the foreign policy position of Russia is absolutely subjective and sometimes even spontaneous; it does not take into account either the real interests of Russia or the allied interests of the partner countries.
- In general, Russia's foreign policy towards Kazakhstan, with the exception of official rhetoric at protocol events, can be compared with a series of unrelated reflexive reactions to some actions of Kazakhstan, Russian lobbyists, the external environment and even a number of random events.

Such foreign policy unpredictability of Russia creates certain problems for Kazakhstan, which is forced to adapt to it and, accordingly, receive foreign policy and domestic political problems due to Moscow's sudden decisions.

## **2.1. Investigation method of thought of Turkestan as a region and Kazakhstan in particular**

Political analysis and regional studies in the study of Kazakhstan today have a significant method of thought defect<sup>8</sup>. Research has placed a constant emphasis on risk analysis and the associated negative scenarios for the development of the situation in the countries studied. It is clear that the apocalyptic script is well sold to the media and superiors, but it does not explain much. Concerning Kazakhstan and the region in general, negative forecasts are being broadcasting since 1991, but none of them have come true completely.

The dominant concept represents Kazakhstan and Central Asia as five “stans”, identical in their post-Soviet and Asian misery. The existing media and political myths depict them as unpromising, economically undeveloped, unstable and totalitarian. The main reason for such a superficial analysis is not even a lack of competence or information, which exists only in relation to Turkmenistan. Rather, this pattern is the traditional desire to view the countries of the region as a platform for the “Big Game”, as well as the experience of postcolonial countries studying in Africa and Asia, where indeed all possible alarmist forecasts used to come true.

Region is usually presented as an object where certain non-regional forces (Russia, the USA, the EU, China, Turkey, etc.) carry out their policies. Consequently, few of the researchers take into consideration the internal development dynamics of Central Asian countries or simply know little about it.

Usually the main factors of destabilization of the countries of the region that experts mention are as follows:

1. Political
  - 1.1. Lack of continuity of power
  - 1.2. Permanent Battle of Clans
  - 1.3. Chinese expansion
  - 1.4. Smouldering separatism in several countries

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<sup>8</sup> Yu. Solozobov, M. Shibutov Conflicts and risks in Central Asia: new vision. 17.05.2016 // <https://regnum.ru/news/2132817.html>

- 1.5. Russian expansion
- 1.6. Border disputes
- 2. Social
  - 2.1. Ethnic conflict
  - 2.2. Sectarianism
  - 2.3. Labour conflicts
  - 2.4. Strong income inequality and problems with means of social mobility
- 3. Economic
  - 3.1. Declining living standards and the associated social disaffection
  - 3.2. “Dutch disease” in the economy
  - 3.3. Degradation of infrastructure built during the Soviet era
- 4. Safety
  - 4.1. Afghan Taliban movement
  - 4.2. Islamic radicals
  - 4.3. Drug traffic
- 5. Natural
  - 5.1. Climate change leading to desertification
  - 5.2. Water and energy disputes

Slight side note. It should be noted that only climate change and associated with it droughts, changes in river flow regime and volumes, possible glacial mudflows among natural factors usually mention, but for the region not mentioned earthquakes are much more dangerous, since there have been precedents for the last 100 years as a result of their activities almost completely destroyed Almaty, Tashkent and Ashgabat. Earthquakes caused floods in the lowland regions of Kazakhstan are also dangerous. We should not forget about man-made disasters, which can also have quite detrimental consequences, both for the population and for the economy.

A typical risk analysis makes a standard conclusion that the key measures against most threats are parliamentary democracy, civil society, and entry into global institutions like the WTO.

However, following this path Kyrgyzstan, once a showcase of the IMF and WTO, does not show success at all. Today, this is a typical failed state, where power changes as a result of coups. There, the government does not control anything, the economy lives at the expense of migrant workers, and crime rules the regions. In general, the situation in Kyrgyzstan is not much better than that of the civil war survivor - Tajikistan.

So what is the real secret of state success in the region? How can social stability be maintained and upgraded?

In our opinion, it is necessary to study not only the risks, but also those factors that contribute to the stabilization of the situation, which in turn helps to carry out a gradual modernization and in the case of Kazakhstan evolutionary, but consistent liberalization. It is necessary to show the instruments and mechanisms of stabilization of the countries of the region by internal and external forces.

There are a lot of factors, but usually they are rarely mentioned. We present the following list:

## 1. Political

- 1.1. “Reading forecasts”. Generally, it is strange to think of the countries governments of the region as of people who do not read either forecasts or risk assessments. As a rule, they basically order these works, and then make every possible effort to reduce these risks. Maybe the region’s elites are not so smart and cultural, but they are especially cognizant of how to retain power. For example, Uzbekistan built the “Angren-Pap” railway, which allows it not to use rail transit through the territory of Tajikistan and thus have a double transport corridor to the Fergana Valley. The “Angren-Pap” railway allows not only transferring household goods, but also troops, regardless of the season. Thus, Uzbekistan has reduced the main threat to its security - “destabilization of the Fergana Valley” - at least 2 times. And such actions to reduce risks in each country of the region can be found a lot.
- 1.2. Tolerance. As we have already noted, speaking of the history of the region, the region was initially extremely diverse in its ethnic and religious population. Its inhabitants constantly communicated with representatives of at least 5-7 nations and representatives of several confessions. For example, Uzbeks, Tajiks, Persians, Indians, Arabs, Russians, Bukhara Jews, Ashkenazi Jews, Kazakhs, Turkmen, Armenians, Uighurs, and others lived in Bukhara at the same time, i.e. there is a wide experience of coexistence of different cultures, which excludes both xenophobia and inability to build relationships with other ethnic or religious groups. Only in the 20th century in the region there were at least 5 waves of migrations of various population and purpose. Conscious work of the state with the diaspora, the development of a new national policy. The establishment of the Assembly of People of Kazakhstan and the possibility of choosing from ethnic groups to the Parliament of Kazakhstan.
- 1.3. Gap analysis of other people. Lessons from the upheavals of Kyrgyzstan and work with Diasporas and problematic separatist regions. Development of anti-crisis and strategic programs - related to both single-industry towns and migration.
- 1.4. Modernization. At least 2 major countries of the region out of 5 (Kazakhstan, Uzbekistan) have their own serious system-owned programs on re-industrialization and modernization of society, which turn into large industrial and infrastructure projects, allowing to go beyond the economic matrix laid down by the USSR. For the rest of the countries of the region, this aspiration is less expressed, but at least they are trying to do something. Fortunately, the huge projects of new dams in the mountains of Kyrgyzstan and Tajikistan do not have enough money - which is better for the water balance of the region. At the same time, it is necessary to distinguish the neoliberal modernization of Kazakhstan and the purely technocratic modernization of Uzbekistan.
- 1.5. The presence of China. Since China is vitally interested in the stability of countries bordering the XUAR, it not only trades with them, but also implements large-scale economic projects on their territory. The Central Asia – China gas pipeline system not only delivers gas to China, but also provides gas to the southern regions of Kazakhstan. Such a well thought-out approach forces all the countries of the region to cooperate participatory with each other. The same can be said about China’s transport initiatives. All infrastructure projects with Chinese participation are under the diplomatic cover of China and its powerful intelligence services, which provides additional stabilization of the situation in the region.

- 1.6. Understanding by the elites of the need for compromise, as well as learning from their mistakes. This is especially true of the mechanism for coordinating intra-elite interests in various political crises, as well as in standard situations of collision of business interests, elections and so on. The basis for this was the nationalization of elites in each of the countries in the 1990s. This sharply rallied the politicians of the countries of the region in relation to external forces and increased their desire to preserve the country and its sovereignty on their own. To this end, public and non-public instruments of influence (media, power and propaganda machines, systems for working with NGOs and political parties) were created.
  - 1.7. Developing programs for sustainable transit of power. It is now in full swing through collective informal bodies and an elite system of checks and balances. In this case, there is no personalization of successors and there are no pre-announced “heirs and princes.” But there is a not very noticeable, but constant work on building legal and political mechanisms on the formation of a sustainable mechanism for the transfer of power in the elites. At the moment it is visible in Kazakhstan, Uzbekistan and Tajikistan. Somewhere this happens in the form of liberalization, the distribution of the balance of power, the development of strategic planning programs, somewhere in the form of saturation of the elite with relatives, but, nevertheless, this work is being done. But it should be noted that even the super-authoritarian Turkmenistan, which did not have such a mechanism, did not fall into a political crisis after the sudden death of Niyazov. Uzbekistan showed the same example after the death of Islam Karimov. Kyrgyzstan looks like one exception against this background, but we wrote about their specifics above.
  - 1.8. Teamwork of Kazakhstan and Uzbekistan. In the media, these countries and their leadership are constantly described as inexorable enemies, which is also a stereotype of Soviet times. Nowadays, there is ongoing cooperation in blocking and partly restraining the problematic policies of Tajikistan and Kyrgyzstan in order to prevent destabilization of the entire region. It has manifested itself more than once in the case of the Kyrgyz coups and in the case of water and energy disputes.
2. Social
- 2.1. Makhalla. One of the most powerful tools of grassroots self-organization and socio-economic assistance is makhalla, i.e. quarterly organization of residents. In the makhalla, neighbours help each other both with various ritual events (weddings, funerals, various religious events), and in everyday life. This makes life easier for people. Mahalla is typical of southern Kyrgyzstan, and partly of southern Kazakhstan, Uzbekistan, Tajikistan, and Turkmenistan. For a good reason, in Uzbekistan, the makhalla is given such importance that it is formalized as the smallest administrative-territorial unit, and families of convicted terrorists are evicted from the makhalla as a punishment.
  - 2.2. “Extended families”. Most of the peoples of the region have extended families in a varying degree, where family ties are maintained between several dozens and even hundreds of relatives. Due to this, relatives can help each other and thus maintain an acceptable living standard.
  - 2.3. Culture affinity and linguistic unity. It is manifested in two ways in the traditional folk culture and in the remnants of the Soviet heritage in the form of cultural practices and knowledge of the Russian language. The formal structure that supported this unity is the CIS. We believe that in recent years the CIS will need a radical update and transformation into something like Francophone or the British

Commonwealth of Nations (with their famous passports) - so the CIS has the right to exist, but without unnecessary ambitions.

2.4. The presence of numerous Diasporas and irredentas. Taking into account the centuries-old tolerance of region, this leads to an unexpected moment for the outside observer - it promotes cultural exchange, and also strengthens social and economic ties, including with the outer world. Established institutions of the Diasporas involvement in the mechanisms of power and the promotion of foreign economic activity in designated areas of the economy can dramatically reduce tension.

### 3. Economic

3.1. Shadow economy. When people talk about the economic indicators of the countries of the region and the socio-economic situation of the inhabitants, they always forget about this component. Meanwhile, even in the most liberal Kazakhstan in the region is at least 19-38%. In other countries of the region, this figure may be much higher. For example, Tajiks illegally extract gold, silver, turquoise, rubies, and spinel in their mountains, which they then export to the UAE for resale. This is certainly not mass earnings, but it is necessary to take it into account when calculating the living standard of the Pamiri people. And there are a lot of similar crafts from micro to macro level. So, as we can see, the economy of the region is much better than the official statistics show.

3.2. Large-scale labour migration. With a constant population growth, labour migration reduces social costs and, in general, it reduces confrontation between the government and society - the most active and problematic part of it most of the time is outside the country. Migrants have already formed stable labour niches and grass-roots mechanisms of mutual support in the economy of the Russian Federation - for example, the website birge.ru

3.3. Common Labour Market of the Eurasian Economic Union. This market has been operating since 2012, and Kyrgyzstan has joined it since 2015. This change has significantly affected labour migrants from Kyrgyzstan to Russia - their population, in comparison with the citizens of Tajikistan and Uzbekistan, is not decreasing. Even with a sharp devaluation of the ruble, the registration of the Kyrgyz under official labour contracts with a social package turned out to be mutually beneficial.

### 4. Safety

4.1. Unified AD System of Kazakhstan, Belarus, Russia. The formation of a system of a common “closed sky” contributes to greater stability of Kazakhstan, as well as the safety of Russia itself by expanding the radar zone, a single schedule of aircraft duty, etc. The ability to be protected from sudden air strikes was especially appreciated by the region’s politicians after the “Arab Spring”.

4.2. Collective Security Treaty Organization. Today, the CSTO’s lethargy is criticized by many people, but it allows countries to exchange intelligence information and buy weapons from Russia at a lower price, which increases stability and predictability in the region. In addition, the CSTO promotes interaction of staff and better understanding between military organizations of allied countries, supports a common command language.

4.3. Real peacefulness and lack of expansion from Afghanistan. British, and then American and Russian propagandists created a fairy tale about invincible and

militant Afghans, although they have never organized invasions to the north over the past 2,000 years, but rather were under the rule of Central Asian states. Of course, terrorist organizations based in Afghanistan are dangerous, but it is not such a great problem

- 4.4. Combating crime. In fact, everywhere except Kyrgyzstan, organized crime was defeated in the fight against the state and security forces. There is a separate situation in Tajikistan, but there everything is affected by the economy destroyed after the war.
- 4.5. The established scheme of struggle against Islamic extremism through counter-propaganda, intelligence hard work, social isolation of the relatives of terrorists. It is effective enough not to get the situation out of control. In general, there is government support and regulation of the religious sphere, especially the Islamic Ummah, to maintain traditional religious forms without radicalism. Religious dialogue is also encouraged - for example, the Congress of World Religions in Kazakhstan.

The abovementioned factors lead to the fact that the region has been stable for a long time: for example, there is a rather low level of social protest and crime (you can just see the statistics on intentional homicide). There are few terrorists in the region, especially compared to neighbouring Afghanistan and the Middle East. The political struggle is mainly within the legal framework, and the confrontation in society is not as great as it is typical of postcolonial Third World countries. All of this allows us to provide catch-up modernization and even move, as in the case of Kazakhstan, into the group of countries with average income.

For the sake of justice, it must be said that the stability of the region is largely ensured by the absence of a major conflict in this territory between the global power centres. But with such a turn of events, we should be more realistic that none of region of the world will stand. This is an example of Syria, where not only local and regional players collided, but also global forces that want to change the map of the Middle East.

Fundamentally, the region has long been divided into 3 parts:

1. Kazakhstan and Uzbekistan - the direction of the gradual modernization and industrialization, the evolutionary liberalization of the political system, there is a way out of the economic matrix laid down by the USSR.
2. Turkmenistan - the absence of political modernization, formal political neutrality, a powerful presence in the Chinese economy, the preservation of the raw model of the economy.
3. Kyrgyzstan and Tajikistan - in fact failed states, which cherish the main hopes of revival of a country and stepping stone are connected with external actors (Russia and China)

As the result, we can not talk about the fate of the region as a whole.

Attempts to consider the region as a whole, and even more so if other countries, such as Afghanistan, are added to it in geopolitical structures, will be a big mistake. Therefore, the US plans to create Greater Central Asia with the inclusion of Afghanistan are not viable. It is clear that Washington's desire to implement this project is aimed at reducing the dependence of the countries of the region on China and Russia. But the internal contradictions between the countries of the region and even more the obvious foreignness of Afghanistan will not allow this to happen.

Eventually, you can come to the following decisions:

1. Despite a partly common past in the Russian Empire and the USSR, each of the countries of the region has chosen its own path of development. At the same time, the differences with each other were and remain in many ways greater than with some of the neighbours who are not part of the region.
2. A typical threat pattern proposed for the countries of the region by external experts was developed in 90s of the 20th century. And since then it has been uncritically repeated from one political science work to another. But more than twenty years have passed. And everything in the region has changed - society, states, political systems, and so on. So, it is time to modernize the point of view of the region, which is not yet happening due to inertia of thinking.
3. In order to reflect most of the threat factors in each of the countries of the region, there are well-established mechanisms for ensuring stability by their internal forces. This set of countermeasures makes it possible to neutralize standard threats in varying degrees replicated in the media. Considering that, despite the gloomy predictions, the countries of the region, except Kyrgyzstan, remain more or less prosperous - the forces of order turned out to be more powerful than the forces of entropy.
4. Informational closeness of local regimes, a small number of books by local specialists, or simply the inability to correctly present information leads to the flourishing of political mythology. Today, the evolution of the countries of the region simply does not have enough information in the public domain, and this is the basis of ignorance and false judgments. It can be said that a “raiding political science” has formed with respect to the region, that is, its study is discrete. Political studies are tied to individual bright events - elections, coups, catastrophes, and so on, which arouse media interest from the outside world. But the constant and systematic practice of research in the countries of the region is still missing.

Now there should be the start of a new stage in the deep study of the region. The fact is that we are approaching a milestone date when more than half of the population of the countries of the region will already be born after 1991. It can be said with confidence that post-Soviet sovereign development already prevails over all remnants of the past (this, for example, can be seen from the different attitudes of the countries of the region to the sacred date for Russia, May 9). What the future of the region will be, can not be learned without studying the present, this is what researchers need to find out, but calmly and without relying on the myths of the past.

### 3. What does the sociology say?

In measuring public opinion, it is always better to turn to professionals and their sociological data, rather than relying on pathetic words about “brotherhood” and “great historical past” or on the analysis of media publications and social networks.

The sociological preferences of Kazakhstanis and Russians for 2012–2017 according to the EDB Integration Barometer<sup>9</sup> are summarized in separate tables. We especially note that this is a very accurate tool that allows you to make excellent forecasts. For example, back in 2013, Ukraine showed the third place after Georgia and Moldova in terms of the degree of unfriendliness towards Russia, that is, the beginnings of a future conflict within a “fraternal country” could be seen if desired. If the rest of the countries dislike Russia fits into the range of up to 5%, then in Ukraine this level is 19%, that is, it is a very significant force in the political field.

#### 3.1. Attitude of Kazakhstanis towards Russia

The attitude of Kazakhstanis towards Russia is very positive - no other country causes so much sympathy. For example, only 42% consider Belarus as the second friendliest state. It should be noted that neither the Ukrainian crisis, nor the confrontation between Russia and the West, nor the operation of the RAF in Syria influenced the preferences.

**Table 3.1.1. Russia Evaluation by Kazakhstani people**

Year	As friendly state, %	As foreign enemy, %
2012	85	-
2013	83	4
2014	85	4
2015	84	2
2016	81	4
2017	81	2

According to the data from 2017<sup>10</sup>, in the past 5 years, 28% of the respondents in Kazakhstan had personal, tourist or official visits to Russia, and 40% in Russia have relatives, close friends or colleagues with whom they have permanent contacts. 21% of the respondents would like to travel to Russia for tourist purposes - this is the fourth place after Turkey (37%), France and Germany (19% and 18% respectively). 24% of Kazakhstani respondents would like to go to Russia to study, and 21% to work there - it is the first place in terms of preferences. Also, 17% of respondents would like to move to Russia, if such an opportunity were presented - this is again the first place. Also, Kazakhstanis treat with kindness the arrival of students, temporary and permanent workers from Russia - 34% of the respondents. 39% are glad to investors from Russia and their capital in the economy of Kazakhstan, and 51% to scientific cooperation with Russia. 55% of Kazakhstanis trust Russian goods.

Practically in all aspects of cooperation, Russia acts for Kazakhstan as a primary partner for cooperation and the closest country in all parameters. You also need to understand that for Kazakhstan, Russia seems to be a natural centre of attraction in every sense, as for example, the neighbouring US serves for Mexico and Canada.

#### 3.2. Attitude of Russians towards Kazakhstan

<sup>9</sup> Eurasia monitor. Research // <http://www.eurasiamonitor.org/rus/research/>

<sup>10</sup> Results of the 6th wave of the EDB Integration Barometer. December 7, 2017 // <http://eurasiamonitor.org/issliedovaniia>



In Russia, relations with Kazakhstan before the Ukrainian crisis were more likely neutral - only a third of the respondents viewed it as a friendly state, the majority did not have any opinion on this issue. But during and after the crisis, the attitude began to change to a more positive one, and in 2017 Kazakhstan took the second place in terms of friendly relations after Belarus (61%).

**Table 3.2.1. Kazakhstan Evaluation by Russians**

Year	As friendly state, %	As foreign enemy, %
2012	32	-
2013	33	-
2014	42	2
2015	54	1
2016	51	1
2017	54	1

According to a survey in 2017, Kazakhstan was visited by 3% of Russians, 6% of respondents have relatives or friends in Kazakhstan, with whom relations are maintained. 2% of respondents go on a holiday or with a tourist purpose, to study or work, or, in general, to move - 0% and 1%. They think that it is necessary to invite artists from Kazakhstan and cultural products in general –17%, workers or students - 9%, investors - 8% of respondents. Respondents ready to cooperate in the field of science and technology - 7%. Trust Kazakhstani goods 4% of respondents.

In general, polls show that, despite the increase in benevolence towards Kazakhstan, the Russians are not yet ready to cooperate in large volumes and do not want it. It should also be noted that in public opinion there is not a very good image of Kazakhstan as a country where you can work, although it does not correspond to reality.

Kazakhstan’s problem is its low media fame in Russia, which is also aggravated by numerous stereotypes originating in Soviet times. In addition, the well-known Eurocentrism of Russians, which mainly focuses on relations with the countries of Europe and the United States, also hinders. In this regard, it is better for Russia to follow the example of China, which focuses in its policy on both world power centres and its closest neighbours.

## 4. Political relations

Very complicated topic to reflect in the report section is political relations, so we limit ourselves to a schematic description and highlight the most important issues.

### 4.1. Relations on bilateral basis

Bilateral Kazakh-Russian relations can be divided into the following levels:

1. At the level of heads of state, as well-known Russian experts constantly note (for example, political scientist Yury Solozobov in his speeches or political consultant Yevgeny Minchenko in his “Politburo 2.0” series dedicated to the Russian elite) Nursultan Nazarbayev is one of two foreign politicians who constantly listens Vladimir Putin. Likewise, it can be said in the opposite direction - Nursultan Nazarbayev often acts as a mediator for Vladimir Putin in very difficult and delicate situations, such as relations with Turkey or in the situation in Syria. The leaders of the two countries are bound by sincere friendship and a high level of personal trust.
2. At the government level, the Intergovernmental Commission for Cooperation between the Republic of Kazakhstan and the Russian Federation and its constituent 8 subcommissions in the field of interregional and border, military-technical, interbank and investment cooperation, industry, transport, fuel and energy complex, science and New technologies, sharing and protection of transboundary water bodies.
3. At the level of parliament - there is a separate cooperation, which has really decreased in recent years. However, in 2018, the State Duma of Russia focused on parliamentary diplomacy, and in May, the first visit in 10 years of the deputies of the Mazhilis to the State Duma took place recently<sup>11</sup>.
4. At the level of political parties, many of the Kazakhstani parties have partners in Russia, which usually coincide in political orientation (Nur Otan and United Russia, USDP and Fair Russia, CPPK and the CPRF, etc.)
5. At the regional level, as a rule, this concerns the border regions, they constantly interact and have special memorandums of cooperation. There, interaction has a strong economic and social basis, supported by the attention of the heads of regions.
6. At the level of expert centres and experts - there is a constant exchange of views, participation in joint projects and writing papers. Personal contacts of experts allow you to constantly exchange views in the regular course of business.
7. At the level of ordinary citizens, there is constant interaction in the form of trips, information exchange, teamwork, etc. (For details, see sections 3 and 4.3)

However, it should be understood that the interaction at different levels is unequal and is carried out with different intensity. The best interaction takes place at the level of state leaders and ordinary citizens. Good interaction is at the level of experts and border regions. The truth is that today there is no order for a systematic study of Russia-Kazakhstan relations proper and monitoring the socio-political situation in the neighbouring country for experts of both countries. Interaction is weak at the level of political parties, parliament and government. But at the level of business associations such as the National Chamber of Entrepreneurs and the Chamber of Commerce and Industry of Russia there is virtually no

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<sup>11</sup> Nurlan Nigmatulin met with speaker of State Duma of Russia. 24.05.2018 // [https://www.inform.kz/ru/nurlan-nigmatulin-vstretilsya-so-spikerom-gosdumy-rf\\_a3259700](https://www.inform.kz/ru/nurlan-nigmatulin-vstretilsya-so-spikerom-gosdumy-rf_a3259700)

interaction, probably partly because of competition, partly because of the problems described in section 6.3.

Figuratively speaking, if you imagine Russia-Kazakhstan relations as a forest, then there are very tall patriarchal trees and no forest and undergrowth. Shrubs and grass immediately follow the giants, but there are practically no medium-sized trees or they are very rare. This is a significant problem that must be solved at the state level.

Also, Russia-Kazakhstan relations are an important factor for domestic Russian politics - inter-ethnic relations with Tatars, Bashkirs, Kazakhs, Nogais, Yakuts, Buryats and a number of other Turkic ethnic groups that feel their ethnic, religious and historical connection with Kazakhstan.

#### **4.2. Relations within integration associations**

Kazakhstan and Russia are jointly in the following associations:

1. Commonwealth of Independent States
2. Free Trade Zone of the Commonwealth of Independent States
3. Eurasian Economic Union, Common Free Market Zone, Customs Union
4. Collective Security Treaty Organization
5. Shanghai Cooperation Organization
6. Organization for Security and Cooperation in Europe
7. United Nations.

Basically, Kazakhstan and Russia appear in these integration formats as partners and allies. But it should be understood that, despite the expectations of some political forces in Russia, Kazakhstan has its own national interests and its own vision of international politics, therefore its opinion can sometimes disagree with the opinion of Russia. Currently in Moscow there is no particular understanding of the signs that allies are different from satellites. In any case, the presence of reliable allies in the current conditions does not allow making Russia as a rogue state, which is also an important factor in international relations.

## 5. Diplomatic relations

Russia has an embassy in Kazakhstan in Astana and general consulates in Almaty, Uralsk and Ust-Kamenogorsk. Kazakhstan in Russia has an embassy in Moscow, general consulates in St. Petersburg and Kazan, and consulates in Astrakhan and Omsk.

Separately, it is necessary to dwell on the ambassadors - they reflect the attention that the Ministry of Foreign Affairs of the country pays to its neighbour.

If we talk about Ambassador of Russia to Kazakhstan, so Alexey Borodavkin is a classic personnel diplomat of the Soviet school, who's experience as ambassador is already about 14 years, and his experience at the MFA is 43 years. However, we note characteristic for the overwhelming majority of Russian ambassadors in the post-Soviet countries, the rather considerable age of the ambassador - he is 68 years old now.

*Biography of the Ambassador Extraordinary and Plenipotentiary of the Russian Federation to the Republic of Kazakhstan, Alexey Nikolayevich Borodavkin*<sup>12</sup>:

*By Decree of the President of the Russian Federation of February 7, 2018, No. 57 he was appointed to the position of Ambassador Extraordinary and Plenipotentiary of the Russian Federation to the Republic of Kazakhstan.*

*Born in 1950 in Moscow.*

*Higher education: in 1973 he graduated from the Moscow State Institute of International Relations. Speaks English and Chinese.*

*He has the diplomatic rank of Ambassador Extraordinary and Plenipotentiary, assigned in September, 2004.*

*Since 1975 he is in the diplomatic service. He worked in various positions in the central office of the Ministry of Foreign Affairs of Russia and abroad. From 1999 to 2002 - Director of the Fourth Department of the CIS. From 2002 to 2004 - Ambassador of Russia to Slovakia. From 2004 to 2008 - Permanent Representative of Russia to the OSCE in Vienna, Austria. From 2008 to 2011 - Deputy Minister of Foreign Affairs of Russia. From 2011 to 2018 - Permanent Representative of Russia at the UN office and other international organizations in Geneva, Switzerland, as well as the Permanent Representative of Russia at the UN Conference on Disarmament and Head of the Russian delegation to the UN Human Rights Council.*

*Awards - Order of Merit for the Fatherland, IV degree, Order of Honor, Order of Friendship, Certificate of Merit of the President of the Russian Federation, Letters of Acknowledgement of the President of the Russian Federation.*

Ambassador of Kazakhstan to Russia Imangali Tasmagambetov is not a career diplomat, but a serious statesman. He is a political heavyweight who held the highest positions in the bureaucratic hierarchy of Kazakhstan.

*Biography of the Ambassador Extraordinary and Plenipotentiary of the Republic of Kazakhstan to the Russian Federation, Imangali Nurgaliyevich Tasmagambetov*<sup>13</sup>:

*Born in December 9, 1956 in Novobogat village, Makhambetskiy district, Guryevskaya oblast.*

*In 1979, he graduated from the natural-geographical faculty of the Ural Pedagogical Institute named after A.S. Pushkin with a degree in Teacher of Geography and Biology.*

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<sup>12</sup> RF Embassy to RK website. Ambassador biography // <http://www.rfembassy.kz/tm/ambassador/biography/>

<sup>13</sup> RK Embassy to RF website. Ambassador biography // <http://www.kazembassy.ru/rus/posol/biografiya/>

*He took an active stance in public and political life, working in positions of responsibility: first secretary of the Central Committee of the Komsomol of Kazakhstan (1989) and chairman of the State Committee of the Republic of Kazakhstan on Youth Affairs (1991).*

*Since 1993 - Assistant to the President of the Republic of Kazakhstan;*

*Since 1995 - Deputy Prime Minister of the Republic of Kazakhstan;*

*Since 1997 - Deputy Prime Minister - Minister of Education and Culture of the Republic of Kazakhstan;*

*Since 1997 - Deputy Head of the Presidential Administration of the Republic of Kazakhstan - Head of the organizational and control department of the Presidential Administration;*

*Since 1998 - First Assistant to the President of the Republic of Kazakhstan;*

*Since 1999 - Akim of the Atyrau oblast;*

*Since December 2000 - Deputy Prime Minister of the Republic of Kazakhstan;*

*Since 2002 - Prime Minister of the Republic of Kazakhstan;*

*Since 2003 - State Secretary of the Republic of Kazakhstan;*

*In 2004 he was appointed to the position of head of the Presidential Administration of the Republic of Kazakhstan;*

*From December 2004 to April 2008 - Akim of Almaty;*

*From April 2008 to October 2014 - Akim of Astana;*

*October 22, 2014 by the Decree of the President of the Republic of Kazakhstan was appointed Minister of Defense of the Republic of Kazakhstan;*

*September 13, 2016 by the Decree of the President of the Republic of Kazakhstan was appointed to the position of Deputy Prime Minister of the Republic of Kazakhstan;*

*On February 3, 2017, by the Decree of the President of the Republic of Kazakhstan, he was appointed to the position of Ambassador Extraordinary and Plenipotentiary of the Republic of Kazakhstan to the Russian Federation.*

*Diplomatic rank - Ambassador Extraordinary and Plenipotentiary*

Based on the biographies of ambassadors, you can again confirm the hypothesis of how the parties regard mutual relations:

- From Kazakhstan as an ambassador to Russia, usually not a personnel diplomat, but one of the political heavyweights being sent who have direct access to the president and have great influence even outside the context of their position. The ambassador of Kazakhstan in Russia usually has a fairly large space for political maneuver.
- From Russia to Kazakhstan, as in most CIS countries, usually sent a personnel diplomat of retirement or pre-retirement age, who operates within the framework specifically assigned to it. And they are rather narrow for the Russian ambassadors - the main apparatus of the Foreign Ministry or other departments in general is the main burden. Employees of the Ministry of Foreign Affairs of the Russian Federation themselves perceive the post of ambassador in Kazakhstan, and indeed in the CIS countries as a deportation or the end of a career.

Separately, it should be said about a small Kazakhstan phenomenon - the fact is that until now, Kazakhstan's ambassador to Russia has never been a personnel diplomat, there have always been high-level politicians. And as practice shows, it was for them not a

deportation, but only a career stage or a castling<sup>14</sup>. This can be seen by listing the posts they occupied before or after being in office:

- Tahir Mansurov - former Secretary General of the Eurasian Economic Community, now a member of the board of the Eurasian Economic Commission
- Altynbek Sarsenbayev - former secretary of the Security Council and the Minister
- Krymbek Kuserbayev - former deputy prime minister, now akim of Kyzylorda oblast
- Zhanseit Tuimebayev - now akim of the Turkestan oblast
- Nurtai Abykayev - former head of the Presidential Administration, the chairman of the Senate, etc.
- Adilbek Dzhaksybekov - currently head of the Presidential Administration
- Zautbek Turisbekov - former Minister of the Internal Affairs
- Galym Orazbakov - former Minister of Industry and Trade
- Marat Tazhin - now the first deputy head of the Presidential Administration

Why does Kazakhstan always send such significant people to ambassadors? In our opinion, it's not just a high level of interaction, but also the fact that ethnic Kazakhs had very weak lobbying positions in Moscow - both in the USSR and in the Russian Federation. Figuratively speaking, there are no potential "Alisher Usmanovs" for Kazakhstan in Russia, that is, prominent representatives of the regional diaspora. For this reason, Astana makes the main bet on the official diplomatic channel.

Another good reason, apparently, is the small personnel representation of ethnic Kazakhs in Moscow, both during the USSR and later. It is no secret that the population of Moscow was largely shaped by political waves - Armenians, Jews in the 20s, Georgians in the 30s, in the 60s and later Ukrainians, and especially people from Dnepropetrovsk. But there was no Kazakh cadre of personnel wave to Moscow.

**Table 5.1. Representation of the peoples of Turkestan in Moscow according to censuses**

Ethnos	Census of 1989		Census of 2010	
	Population	Share, %	Population	Share, %
Uzbeks	9 183	0,10	35 595	0,31
Tajiks	2 893	0,03	27 280	0,24
Kirghiz	3 044	0,03	18 736	0,16
Kazakhs	8 225	0,09	9 393	0,08
Turkmen	2 093	0,02	2 946	0,03

<sup>14</sup> M.M.Shibutov Countries of Turkestan and Russia: ambassadors' personalities as a priority marker. 28.08.2017 // <https://regnum.ru/news/polit/2471640.html>



## 6. Economic relations

Economic relations are among the most regularly covered topics in relations between the two countries. No matter how paradoxical it may sound, at the same time, the economy of bilateral relations is not fully analyzed. The fact is that virtually all economic relations are reduced to a commodity turnover, moreover, generalized and expressed in monetary form, moreover calculated in US dollars. But this picture is very incomplete, and in the conditions of constant devaluations of local currencies it also looks distorted. Therefore, in this report, we took the maximum number of parameters that cover the economic relations between Russia and Kazakhstan as a whole.

### 6.1. Commercial business of legal bodies

We will start with the most popular indicators of economic relations - commercial business of legal bodies.

Unfortunately, Russian data on foreign trade come late and often the countries of the EAEU are indicated in the statistics as a whole (without dividing into a specific country). Therefore, the analysis had to take a neutral source recognized at the international level. So the basis was taken from the International Trade Centre<sup>15</sup>.

As can be seen from table 6.1.1. Kazakhstan exports to Russia a small share of its export products - 7-10%. This is due to the fact that the bulk of the goods supplied (coal, iron ore, gas) are quite cheap and their prices are falling. And not so much export goods for Russia are in Kazakhstan - the raw materials economies of both countries are similar in structure. The devaluation of local currencies, the ruble and the tenge, also prevented successful exports. However, recently there has been an increase in the supply of agricultural products to the food industry, which is a good sign.

Table 6.1.2 shows that for Kazakhstan Russia is the main source of imports - 30-40% is a lot. At the same time, for Russia itself, this export at first glance is rather small - only 3%. However, if we remove raw materials from Russian exports and analyze them in groups, then for many non-primary industries, such as the automotive industry or the dairy industry, Kazakhstan is the main export market. In general, Kazakhstan consumes approximately 15-20% of Russian non-primary exports.

We note especially that Russia is the main trading partner of Kazakhstan and is ahead of China, and very significantly - by 20-40%. For example, the trade turnover with Russia in 2014 was 21 billion dollars, and with China 17, in 2015, 14.5 and 10.5 billion dollars, respectively, in 2017, 11.4 and 4.7 billion dollars.

An important aspect of our economic cooperation is that Kazakhstan now ranks second among the CIS countries in terms of exports from Russia after Belarus and since 2012 has been ahead of Ukraine in this indicator. True, this positive trend was not particularly noted anywhere in the Russian press.

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<sup>15</sup> International trade in goods - Imports 2006-2017 // <http://www.intracen.org/itc/market-info-tools/statistics-import-country-product/>



**Table 6.1.1. Kazakhstan imports to Russia and its significance**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Kazakhstan imports to Russia	3 838,5	4 600,5	6 371,1	3 685,0	4 449,4	6 912,7	9 409,3	5 664,9	7 172,4	4 275,0	3 509,2	4 515,2
Kazakhstan exports in general	38 244,4	47 747,9	71 172,0	43 195,8	57 244,1	88 107,9	92 281,5	84 698,5	79 458,7	45 725,6	36 775,3	48 342,1
Share of export to Russia in Kazakhstan exports	10,0	9,6	9,0	8,5	7,8	7,8	10,2	6,7	9,0	9,3	9,5	9,3
Russian imports in general	137 811,1	199 726,0	267 051,2	170 826,6	228 911,7	306 091,5	316 192,9	314 945,1	286 648,8	182 782,0	182 261,7	228 212,8
Kazakhstan share in Russia's imports	2,8	2,3	2,4	2,2	1,9	2,3	3,0	1,8	2,5	2,3	1,9	2,0

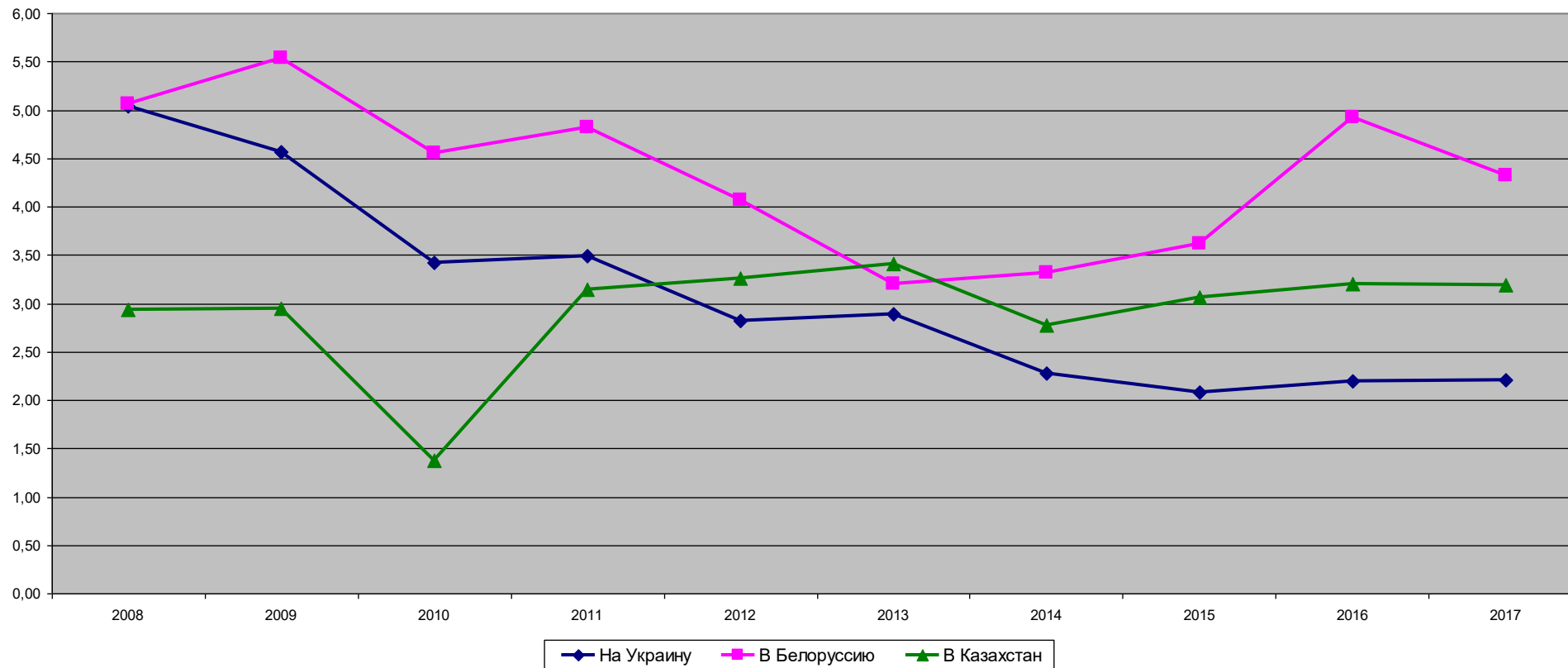
**Table 6.1.2. Russia imports to Kazakhstan and its significance**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Import of Kazakhstan from Russia	9 064,1	11 573,8	13 753,8	8 896,6	5 475,7	16 269,1	17 110,5	17 971,8	13 807,7	10 232,4	9 129,8	11 472,9
Russian exports in general	301 550,7	352 266,4	467 994,0	301 796,1	397 067,5	516 992,6	524 766,4	527 265,9	497 833,5	343 907,7	285 491,1	359 152,0
Share of export to Kazakhstan from all-Russian	3,0	3,3	2,9	2,9	1,4	3,1	3,3	3,4	2,8	3,0	3,2	3,2
Kazakhstani imports in general	23 661,0	32 686,6	37 815,4	28 408,7	24 023,6	38 010,2	44 538,1	48 804,6	41 295,5	30 186,1	25 174,8	29 345,9
Import share from Russia in all-Kazakhstan	38,3	35,4	36,4	31,3	22,8	42,8	38,4	36,8	33,4	33,9	36,3	39,1

Экспорт товаров из России, млрд. долларов США



Экспорт России в страны СНГ, в % от общего



## 6.2. Investments

Investment is always a much more important part of economic relations than trade. Investments characterize:

- Level of credibility in the economy
- Relationship between the elites
- Degree of liberal economy

If trade can be curtailed or its volume reduced literally within a year or two, the investment is more difficult to withdraw from the partner country. New investments may not come, but if the money is invested in various large assets, they, as a rule, stay in the country for a long time. Investors often act as an active lobby of the country in which they invest, because their well-being and stability of mutual relations is vital for them.

Let us consider in more detail Russia's investment in Kazakhstan. To describe, we will use 2 sources at once - this will give a more or less objective picture for the period from 2007 to 2015. The difference in numbers is due to different calculation methods.

From the Russia's point of view, Russian investments in Kazakhstan have now stabilized at USD 650 million a year - the peak of investments was passed in 2009, when they slightly exceeded USD 1 billion. For Russia as a whole, these are small amounts - around 1-2% of the total amount of foreign investments. However, if we take only the CIS countries, then Kazakhstan occupies a significant share of such investments - from 25 to 75%, that is, it is one of the main strategic goals for investments by Russian investors.

From the point of view of Kazakhstani data, the same process looks different - more optimistic. First, the investment figures are about 1.5–2 times higher — the maximum here is USD1.6 billion, and a minimum of USD566 million. Secondly, if we take investors from the CIS, then Russia is the main partner for Kazakhstan, and its share does not fall below 85%, sometimes reaching even 98%. In fact, if we take the total investment in Kazakhstan, then Russia's share is very small - no more than 6.7%, and on average 4-5%.

Now we talk about the reverse flow - about investments from Kazakhstan to Russia. According to Russian data, it is slightly larger than according to Kazakhstani data. However, this investment flow initially amounted to about 20-25% of the investments from the CIS, but in recent years it has begun to grow - this is due to the general fall in investment. For Kazakhstan, Russia is the main place for investment among the CIS countries - at least 50%, and the maximum reaches up to 90%. However, if we take all the investments in the global world of Kazakhstan, it is amounted only up to 5%. The situation is practically the same in Russia - for it, Kazakhstan's investments are large by the standards of the CIS, but very small by common global scales.

But due to constant changes in the method of calculating investments, we have recently proposed to use EEC data calculated on the basis of assets and liabilities<sup>16</sup>. These data start in 2010 and it turns out that they are quite methodologically comparable.

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<sup>16</sup> Eurasian Economic Commission. Direct investment in the country by Member States // [http://www.eurasiancommission.org/ru/act/integr\\_i\\_makroec/dep\\_stat/fin\\_stat/time\\_series/Pages/balance.aspx](http://www.eurasiancommission.org/ru/act/integr_i_makroec/dep_stat/fin_stat/time_series/Pages/balance.aspx)

**Table 6.2.1. Investments from Russia to Kazakhstan according to Russia data <sup>17</sup>**

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Investments from Russia to Kazakhstan	107	326	1028	-225	674	845	671	657	643
Investments from Russia to CIS countries	3 642	3 563	3 890	1 338	4 430	2 217	2 229	882	2 415
Share of investments in Kazakhstan in investments in the CIS countries	2,9	9,1	26,4		15,2	38,1	30,1	74,5	26,6
Total investments from Russia	44 801	55 663	43 281	52 616	66 851	48 822	86 507	57 082	22 188
Total share of investments in Kazakhstan	0,24	0,59	2,38		1,01	1,73	0,78	1,15	2,90

**Table 6.2.2. Investments from Russia to Kazakhstan according to Kazakhstan data <sup>18</sup>**

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Investments from Russia to Kazakhstan	827,6	965,6	663,6	951,6	1 000,1	1 069,5	1 299,2	1 580,1	565,7
Investments from CIS to Kazakhstan	844,8	1034,3	716,4	988,7	1142,3	1232,2	1466,8	1811,5	662,8
Share of investments from Russia in investments from the CIS	98,0	93,4	92,6	96,2	87,5	86,8	88,6	87,2	85,3
Total investments in Kazakhstan	19 418	21 301	21 437	22 246	26 467	28 885	24 098	23 726	14 829
Total share of investments from Russia	4,3	4,5	3,1	4,3	3,8	3,7	5,4	6,7	3,8

<sup>17</sup> Direct investment from Russia abroad. Operations by instruments and partner countries // [http://www.cbr.ru/statistics/credit\\_statistics/direct\\_investment/inv\\_out-country.xls](http://www.cbr.ru/statistics/credit_statistics/direct_investment/inv_out-country.xls)

<sup>18</sup> Statistics of direct investment in areas of investment. Gross inflow of foreign direct investment in the Republic of Kazakhstan from foreign direct investors by country // <http://www.nationalbank.kz/cont/%D0%98%D0%9F%D0%98%201q16%20%D1%81%D1%82%D1%80%D0%B0%D0%BD%D1%8B%20%D1%80%D1%83%D1%81.xlsx>

**Table 6.2.3. Investments from Kazakhstan to Russia according to Russia data**<sup>19</sup>

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Investments from Kazakhstan to Russia	87	14	114	46	56	277	208	357	433
Investments from CIS countries to Russia	369	265	398	154	449	776	882	476	602
Share of Kazakhstani investments in investments from the CIS	23,6	5,3	28,6	29,9	12,5	35,7	23,6	75,0	71,9
Total investments in Russia	55 874	74 783	36 583	43 168	55 084	50 588	69 219	22 031	6 478
Total share of Kazakhstani investments	0,16	0,02	0,31	0,11	0,10	0,55	0,30	1,62	6,68

**Table 6.2.4. Investments from Kazakhstan to Russia according to Kazakhstani data**<sup>20</sup>

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Investments from Kazakhstan to Russia	464,5	610,5	118,6	164,6	182,8	49,6	188,7	118,2	377,7
Investments from Kazakhstan to CIS countries	853,9	923,4	251,7	201,6	330,8	87,8	246,8	178,5	412,7
Share of investments in Russia in investments in the CIS	54,4	66,1	47,1	81,6	55,3	56,5	76,4	66,2	91,5
Total investments from Kazakhstan	3 186	5 049	5 416	10 490	8 034	3 021	8 691	3 244	6 966
Total share of investments in Russia	14,6	12,1	2,2	1,6	2,3	1,6	2,2	3,6	5,4

<sup>19</sup> Direct investment in the Russian Federation. Operations by instruments and partner countries // [http://www.cbr.ru/statistics/credit\\_statistics/inv\\_in-country.xlsx](http://www.cbr.ru/statistics/credit_statistics/inv_in-country.xlsx)

<sup>20</sup> Statistics of direct investment in areas of investment. Gross outflow of direct investment abroad from Kazakhstan direct investors by country // [http://www.nationalbank.kz/cont/7ru\\_1q16.xlsx](http://www.nationalbank.kz/cont/7ru_1q16.xlsx)

**Table 6.2.5. Investments from Kazakhstan to Russia according to the EEC data, million dollars**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Total direct investment	43 167,8	55 083,6	50 587,6	69 218,9	22 031,3	6 853,0	32 538,9	27 886,3
Investments from Kazakhstan	46,1	55,8	277,1	207,7	356,7	432,6	351,0	204,9
Investments from EAEU countries	68,3	192,9	456,3	506,7	459,5	513,1	414,3	90,9
Share of investments from Kazakhstan in total,%	0,11	0,10	0,55	0,30	1,62	6,31	1,08	0,73
Share of investments from Kazakhstan in investments of the EAEU,%	67,49	28,91	60,74	40,99	77,63	84,32	84,72	225,48

**Table 6.2.6. Investments from Russia to Kazakhstan according to the EEC data, million dollars**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Total direct investment	7 456,1	13 760,3	13 648,1	10 011,3	7 224,6	6 379,4	16 779,6	4 542,3
Investments from Russia				493,5	545,8	221,2	281,1	515,1
Investments from EAEU countries				446,0	525,3	191,3	287,2	512,2
Share of investments from Russia in total,%				4,93	7,55	3,47	1,68	11,34
Share of investments from Russia in investments of the EAEU,%				110,66	103,90	115,62	97,89	100,57

### 6.3. Joint venture companies

Verifiable statistics on joint ventures in Russia is a problem - such statistics could not be found in open sources.

Kazakhstani statistics, in contrast, is absolutely available<sup>21</sup> - according to the data of joint ventures with Russia in Kazakhstan in November 1, 2018, there are 9,952 registered and 6,138 of them are active (this is 35.4% of the total number of legal entities with foreign participation and 1 place among all partner countries).

Learn more about it with the existing legal entities with Russian participation. They are divided into the following groups:

- 47 large - 17.0% of the total number of large legal entities with foreign participation, second place after the Netherlands (86 large companies);
- 86 medium - 26.8% of the total number of medium legal entities with foreign participation, the first place, the second place is occupied by the Netherlands with 64 companies;
- 6005 small - 35.9% of the total number of small legal entities with foreign participation, the first place, the second place is occupied by Turkey with 1600 companies.

Thus, it can be said that Russian companies occupy the main place among legal entities with foreign participation in Kazakhstan. In turn, Russia is the main corporate partner for Kazakhstani companies.

The quantity of operating companies with Russian participation has the following dynamics<sup>22</sup>:

- As of January 1, 2013, there were 5029 operating companies in Kazakhstan with Russian participation, of which 61 are large, 265 are medium, 4,703 are small companies.
- As of May 1, 2015, there were 5,793 operating companies in Kazakhstan with Russian participation, of which 66 are large, 136 are medium and 5,591 are small companies.
- As of October 1, 2017, there were only 7898 operating companies in Kazakhstan with Russian participation, 7669 are small, 157 are medium, 72 are large companies (total joint 23 094)

In general, it is clear that in 2017-2018 general reduction in the number of operating companies took place. However, this is not a marker of reduction in economic activity, since it reflects a change in legislation and a simplification of the possibility of closing a company.

We note a significant subjective problem for entry of Russian business into Kazakhstan or international corporations based in Moscow.

The fact is that among corporate managers in Russia there is a rather popular misconception that there is no need to prepare in principle for entering the Kazakhstan market. For the neighbouring country, originally from the former USSR, marketing research, consultations, risk analysis, etc., are allegedly not needed, that is, they are preparing less for entering the Kazakhstani market than for entering even another Russian region. Meanwhile, differences in legislation, in economic conditions and, especially, in the psychology of managers in Russia and Kazakhstan are quite significant and therefore quite often for Russians the whole partnership ends after the very first negotiations.

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<sup>21</sup> Registered and existing legal entities, branches and representative offices with foreign participation in the regions of the Republic of Kazakhstan on November 1, 2018 // <http://stat.gov.kz/getImg?id=ESTAT253894>

<sup>22</sup> M. Shibutov. Eurasian Integration for Russia: a source of trouble or profit? 28.12.2017 // <https://regnum.ru/news/2363476.html>



In general, the participation of Russian business in the Kazakhstani economy can be much greater and there are no objective obstacles to this, there is only an underestimation of the difference in the business climate and unwillingness to involve normal consultants to enter the Kazakhstan market.

But this is partly a problem for Kazakhstan - the fact is that the functioning of the EAEU has led to the fact that transnational corporations have reduced their offices everywhere except in Moscow and it is from there that their work on the EAEU as a whole comes. It seems that it is necessary to create a more extensive system of business representation - in the centres of the Russian macro-regions, in the border regions, as well as in those territories where international transit routes pass or will pass.

#### **6.4. Private customers' cross-boundary operations**

Not least, both in terms of volume and intensity, cross-boundary operations of private customers, that is, all kinds of transfers and other financial activity is such a significant indicator.

Russian data provided by the Central Bank of Russia<sup>23</sup>. As it was already written in 2015, "Russians take out and the country's borders one defense budget per year" (<https://regnum.ru/news/polit/1888258.html>) Kazakhstan is among the top five countries that transfer money to Russia, and not the other way around.

In table 6.4.1. it is shown that, in principle, transfers from Russia to Kazakhstan began to grow sharply since 2011 and continue to grow, due to Eurasian integration and its common labour market. But it should be noted that, in general, the amounts are very small, if we compare even with the volume that goes to the CIS countries as a whole.

If we talk about transfers from Kazakhstan to Russia, then there has also been an increase in the amounts since 2011, but if we talk about shares, they occupied a significant share in transfers from the CIS countries.

In general, along with the cross-boundary trade of private customers, this is a significant addition to regular trade and it makes the overall economic interaction significantly larger.

ECE data on cross-boundary and personal transfers are now available, so you can use them for comparisons.<sup>24</sup>

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<sup>23</sup>Cross-border transfers of individuals (residents and non-residents) // [http://www.cbr.ru/statistics/?Prtid=tg&pid=svs&sid=ITM\\_53569](http://www.cbr.ru/statistics/?Prtid=tg&pid=svs&sid=ITM_53569)

<sup>24</sup> Eurasian Economic Commission. Cross-border remittances of individuals and personal transfers // [http://www.eurasiancommission.org/ru/act/integr\\_i\\_makroec/dep\\_stat/fin\\_stat/time\\_series/Pages/transfers.aspx](http://www.eurasiancommission.org/ru/act/integr_i_makroec/dep_stat/fin_stat/time_series/Pages/transfers.aspx)

**Table 6.4.1. Private customers' cross-boundary operations from Russia to Kazakhstan according to Russian data**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total from Russia to Kazakhstan	125	195	297	217	308	443	461	561	577	514
Total from Russia to CIS countries	5 419	9 675	13 955	9 555	11 823	16 003	19 205	21 726	19 054	11 057
Share of operations in Kazakhstan in operations in the CIS	2,3	2,0	2,1	2,3	2,6	2,8	2,4	2,6	3,0	4,6
Total from Russia	15 469	29 807	41 066	25 362	31 718	43 819	48 588	58 991	68 878	35 116
Share of operations in Kazakhstan in operations from Russia	0,8	0,7	0,7	0,9	1,0	1,0	0,9	1,0	0,8	1,5

**Table 6.4.2. Private customers' cross-boundary operations from Kazakhstan to Russia according to Russian data**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total from Kazakhstan to Russia	482	835	612	632	685	906	1 107	1 241	1 387	1 596
All from CIS countries to Russia	1 006	1 856	1 979	1 780	1 878	2 614	3 321	4 255	4 667	3 872
Share of operations from Kazakhstan in operations from the CIS	47,9	45,0	30,9	35,5	36,5	34,6	33,3	29,2	29,7	41,2
Total to Russia	6 084	10 231	10 813	9 226	9 799	12 434	14 056	19 798	19 200	18 574
Share of operations from Kazakhstan in operations to Russia	7,9	8,2	5,7	6,8	7,0	7,3	7,9	6,3	7,2	8,6

**Table 6.4.3. Cross-boundary transfers in the Kazakhstan-Russia direction according to the EEC**

	2010	2011	2012	2013	2014	2015	2016	2017
Cross-boundary transfers of private customers from Kazakhstan, total	-	-	8 982,9	9 657,7	11 503,5	8 863,4	7 979,9	7 337,7
to the EAEU member states	-	-	2 517,9	2 168,8	2 243,7	2 391,7	1 891,6	2 259,7
in Russia	-	-	2 345,2	1 965,6	2 011,9	2 229,6	1 774,9	2 036,0
Share of EAEU Member States			28,0	22,5	19,5	27,0	23,7	30,8
Share of Russia			26,1	20,4	17,5	25,2	22,2	27,7
Cross-boundary transfers of private customers to Kazakhstan, total	-	-	1 962,2	2 383,1	3 712,5	2 605,2	4 091,8	2 789,4
from the EAEU member states	-	-	522,8	561,2	576,2	637,7	832,9	755,9
from Russia	-	-	491,1	531,3	536,2	589,8	770,6	670,4
Share of EAEU Member States			26,6	23,5	15,5	24,5	20,4	27,1
Share of Russia			25,0	22,3	14,4	22,6	18,8	24,0

**Table 6.4.4. Personal transfers in the direction of Kazakhstan-Russia according to the EEC**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Personal transfers paid from Kazakhstan, total	2 918,2	3 283,7	3 691,3	3 710,7	3 419,6	2 975,6	2 268,9	2 606,7
to the EAEU member states	695,5	776,5	1 040,2	1 065,0	1 016,7	1 041,8	813,6	1 016,1
in Russia	495,9	599,3	833,4	831,5	779,3	803,6	654,2	782,7
Share of EAEU Member States	23,8	23,6	28,2	28,7	29,7	35,0	35,9	39,0
Share of Russia	17,0	18,2	22,6	22,4	22,8	27,0	28,8	30,0
Personal transfers received in Kazakhstan, total	224,4	178,7	177,3	206,2	228,5	194,5	275,4	355,0
from the EAEU member states	91,0	70,1	80,3	99,5	112,1	79,4	108,1	160,4
from Russia	87,4	67,6	75,3	94,9	103,5	69,2	95,5	142,2
Share of EAEU Member States	40,5	39,2	45,3	48,2	49,1	40,8	39,3	45,2
Share of Russia	39,0	37,8	42,4	46,0	45,3	35,6	34,7	40,1

## 6.5. Commercial business of private customers and selling rate

Approximate volumes of cross-boundary trade can be calculated by the volume of exchange of cash Russian currency. Of course, this is a very approximate characteristic, but nonetheless. The hypothesis is that cash Russian rubles are needed to buy goods and services in Russia, the difference between buying and selling exchange offices in Kazakhstan remains in Russia, and the total amount of purchases and sales shows the approximate turnover of trade. Of course, it may well be that this list also includes the exchange of money by tourists and any transfers of individuals. But it should be noted that part of the turnover is made in dollars, not in rubles, but this share is decreasing every year. Therefore, we believe that these analytical estimates are correct and it is the volume of Russian currency that is being sold and purchased that shows the real trade of individuals.

For evaluation, data were collected on the purchase and sale of currency in cash of the National Bank of Kazakhstan for the last 8 years.<sup>25</sup>

**Table 6.5.1. Sale and purchase of cash rubles by exchange offices and banks of the Republic of Kazakhstan**

	<b>Sale of cash rubles, millions</b>	<b>Purchase of cash rubles, millions</b>	<b>Possible balance in Russia, million rubles</b>	<b>Approximate total turnover of retail trade of individuals, million rubles</b>
2010	24 481	13 847	10 634	38 328
2011	33 476	19 448	14 028	52 924
2012	42 694	24 314	18 380	67 008
2013	58 442	28 343	30 099	86 785
2014	110 320	34 260	76 060	144 580
2015	220 653	44 137	176 516	264 790
2016	132 790	44 715	88 075	177 505
2017	157 949	48 614	109 335	206 563

*According to the National Bank of Kazakhstan*

Are these volumes large or not? Until 2014, the ruble exchange rate to the dollar was about 30 rubles per dollar, which means that the turnover grew from 1 to 3 billion dollars. In 2014, the turnover was at the level of 3 billion dollars, and in 2015, about 4 billion. At the same time, in 2015, about 3 billion dollars remained in Russia, which is a very large amount.

That is, in fact, now it is necessary to add about 3-4 billion dollars to the volume of legal and fixed trade, which is a significant addition. Moreover, if the official turnover falls, then this “gray” turnover in cash only grows.

What is the subject of trade? Kazakhstanis sell to Russia agricultural products (grain, vegetables, fruits), food industry (sweets, sunflower oil, flour, pasta, etc.), as well as alcohol and cigarettes.

Russians in Kazakhstan sell medicines, furniture, electronics, cars, wood products, and household appliances. As an example, there are separate services that resell products from IKEA in Omsk and Samara in Kazakhstan. The intensity of commodity exchange depends not only on the attractiveness and quality of goods, but also on the ratio of tenge and ruble exchange rates.

Often such kind of purchases are made by road carriers - in order not to go back empty and to justify transportation costs, they buy small wholesale goods in order to resell them at home.

<sup>25</sup> Exchange rates. // <http://www.nationalbank.kz/?docid=291&switch=russian>

But what is the place of the cash ruble in the economic life of Kazakhstan?<sup>26</sup>

Over the past 5 years, citizens of Kazakhstan as a whole bought almost USD80 billion, EUR6.5 billion, RUR680 billion, GBP300 million, CNY984 million from exchange offices.

**Table 6.5.2. Total amount of currency sold in 5 years**

Year	Sale of foreign currency to private customers in thousands of units of currency				
	USD	EUR	RUR	GBP	CNY
2013	20 107 000	1 522 000	58 442 000	81 000	196 000
2014	23 083 600	1 902 218	110 319 043	81 470	210 576
2015	16 997 073	1 178 940	220 563 510	55 380	197 578
2016	8 821 203	827 836	132 789 795	41 608	171 801
2017	10 572 970	1 069 187	157 949 103	41 151	208 192
<b>Total</b>	<b>79 581 846</b>	<b>6 500 180</b>	<b>680 063 451</b>	<b>300 609</b>	<b>984 147</b>

*According to the National Bank of Kazakhstan*

If we convert at the exchange rate in KZT (exchange rate for each month), then the picture is as follows: Kazakhstanis bought USD for KZT14.4 trillion, EUR for KZT1.4 trillion, RUR for KZT2.8 trillion, GBP for KZT79 billion, CNY for KZT32 billion.

In the first place, of course, the dollar, but in the second place is the Russian ruble, which is 2 times ahead of the euro. Surprisingly, cash yuan is not in demand - apparently because the number of tourists to China is small, and shopping now goes to Khorgos, where you can pay both tenge and dollars.

**Table 6.5.3. Total amount of currency sold for 5 years at the exchange rate in KZT**

Year	Total per year	Sale of foreign currency to private customers in KZT billions				
		USD	EUR	RUB	GBP	CNY
2013	<b>3 673</b>	3 062,84	307,93	278,16	19,30	4,86
2014	<b>5 111</b>	4 144,65	451,41	485,12	24,14	6,14
2015	<b>4 826</b>	3 755,44	287,05	758,33	18,47	6,94
2016	<b>4 044</b>	3 024,12	312,08	679,84	19,26	8,80
2017	<b>4 766</b>	3 462,08	392,38	884,53	17,32	10,09
<b>Total</b>		<b>14 386,30</b>	<b>1 442,92</b>	<b>2 807,82</b>	<b>79,19</b>	<b>31,97</b>

*According to the National Bank of Kazakhstan*

If we take these 5 currencies, then within this package the following distribution of roles takes place - the pound sterling and the Chinese yuan occupy 0,1%, the Russian ruble has increased its share from 7.5% to 18.5%, the euro remains at 8-8.5 %, well, the dollar from 83% fell as a share to 73%.

**Table 6.5.4. Distribution of sales of currencies by shares**

Year	Sale of foreign currency to individuals, in% to a package of 5 currencies				
	USD	EUR	RUB	GBP	CNY
2013	83,39	8,38	7,57	0,53	0,13
2014	81,09	8,83	9,49	0,47	0,12
2015	77,81	5,95	15,71	0,38	0,14

<sup>26</sup>M. Shibutov "Home" Reserve currency: the money of which countries are trusted by the people of Kazakhstan 22.08.2018 // <https://regnum.ru/news/economy/2468853.html>

2016	74,78	7,72	16,81	0,48	0,22
2017	72,64	8,23	18,56	0,36	0,21

According to the National Bank of Kazakhstan

You can see it even better if you take the level of 2013 for 100% and look at the dynamics - sales of the US dollar and the pound sterling fell by 5 times over 5 years, the euro reduced its positions by 30%, the yuan remained stable, but the Russian ruble rose by 2,7 times.

**Table 6.5.5. Relative dynamics of currency sales**

Year	Sale of foreign currency to private customers,% of the 2013 level				
	USD	EUR	RUB	GBP	CNY
2013	100	100	100	100	100
2014	115	125	189	101	107
2015	85	77	377	68	101
2016	44	54	227	51	88
2017	53	70	270	51	106

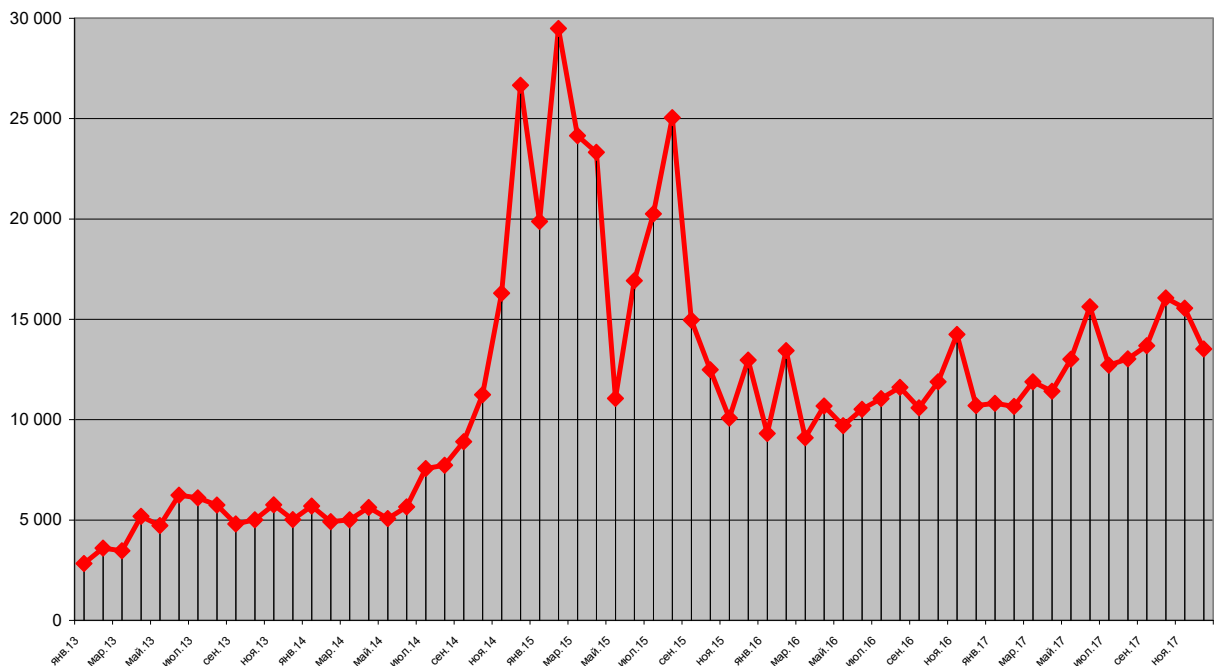
According to the National Bank of Kazakhstan

You can take another schedule of monthly sales for the dollar and the ruble. There are peaks caused by irregular rates - the dollar is at the end of 2015, the ruble is from autumn 2014 to autumn 2015, but in general, the dynamics are visible.

The US dollar was selling at about 2 billion a month, but then from 2016 its sales fell and began to keep around 0.7-1.2 billion dollars a month.

The Russian ruble used to sell for 5 billion a month, then there was a sharp rise to 30 billion rubles, when the ratio to tenge changed from 1 to 5 to 1 to 2.5, and then it began to be sold in the range of 10-15 billion rubles a month .

**Динамика продажи российского рубля в обменных пунктах, миллионов**



According to the National Bank of Kazakhstan

Today, the ruble is dominant in settlements between the countries of the EEU, its share accounts for up to 80% of payments for exports and imports. Thus, the tasks of dedollarization on the

territory of the EAEU have already been solved. But one should not artificially pedal the topic of giving the Russian ruble the official status of the main means of payment within the framework of the Eurasian Economic Union, as this causes unnecessary irritation in the elites of the countries participating in the project. The Russian Ministry of Finance should pay attention to the elimination of artificial barriers in the interbank market - for example, there is the problem of curtailing correspondent relations between large and small banks of the EAEU member countries, difficulties in transferring bank cards between Russia and Kazakhstan.

In fact, it turns out that the Russian ruble gradually began to crowd out the dollar and the euro in Kazakhstan and significantly reduced their share in sales. This means that the ruble was the “home reserve currency” for the EEU countries. Consequently, the Eurasian integration project showed its viability and success in the competition between neighbouring economic supergiants - the EU and the PRC. Unfortunately, this important fact was completely unnoticed by Russian analysts and the mass media.

## **6.6. Tourism**

As because during the year citizens of Kazakhstan and Russia make at least a million trips to each other, it is rather difficult to isolate clean tourism. Because a person who goes to visit relatives, buy a car or a business trip, is still a tourist. He often uses tourist facilities, goes to places of public catering, buys souvenirs, etc.

In our opinion, while the mutual tourist flow is not so large - about 30-40 thousand people a year from each side. The rest of the transit countries, as a rule, combine their trips with other activities. Kazakhstanis go to Moscow and St. Petersburg to see historical buildings and visit theatres, Russian citizens go to the mountains of Tien Shan and Altai, or to the banks of Balkhash and Alakol. In 2017-2018, there was a large influx of Russian tourists to Lake Alakol in the Almaty oblast - as a rule, residents of Siberia go there to relax.

The unreasonably expensive air transportation, as well as the weakness of the tourist infrastructure and little awareness of attractive places in the neighbouring country, are hindering the joint development of tourism.

## **6.7. Joint infrastructure**

The joint infrastructure includes facilities that were built after 1991 and are in the joint value of both parties.

The largest of them are:

1. The current Caspian Pipeline Consortium. The length is 1.5 thousand kilometres - from the Tengiz field in Kazakhstan to the port of Novorossiysk in Russia. Shareholders: 24% - Russia, 19% - Kazakhstan, 15% - Chevron Caspian Pipeline Consortium Company
2. Planned for the development of oil and gas in the Caspian - Imashevskoe (on the Caspian Plain), Central and Khvalynskoe (water area of the sea). So far there is no work there, but perhaps it will be quite large and interesting objects if the price of oil rises and makes their development profitable.



## 7. Military relations

Equally important are the relationship of the military on both sides. Of course, besides military contacts, there is also the cooperation of the special services, but this delicate topic is outside the scope of this report.

### 7.1. Military cooperation

Military cooperation between Kazakhstan and Russia is developing in the following areas:

- Military education
- Purchase of weapons, ammunition and components for it (in recent years, purchases are made not only as part of a fee to Kazakhstan from Russia for test ranges, but also above it – at extra charge)
- Military technical cooperation in general
- CSTO membership and formation of collective forces
- General AD system (about it separately)
- Interaction at the main offices level
- Cooperative learning

The main documents defining military cooperation are:

- Treaty between the Russian Federation and the Republic of Kazakhstan on military cooperation (Moscow, March 28, 1994)
- Treaty between the Republic of Kazakhstan and the Russian Federation on cooperation in the protection of external borders (Moscow, October 21, 1994)
- Treaty between the Republic of Kazakhstan and the Russian Federation on the further development of cooperation in ensuring the functioning of the Baikonur complex (Astana, January 9, 2004) (PDF)
- Treaty between the Government of the Republic of Kazakhstan and the Government of the Russian Federation on the lease of facilities and combat fields 929 of the State Flight Test Centre of the Russian Federation located in the Republic of Kazakhstan (Moscow, October 18, 1996) (with amendments and additions as of November 25, 2005 .)
- Treaty between the Government of the Russian Federation and the Government of the Republic of Kazakhstan on the lease of the Emba test range (5580 base for provision of test works) (Moscow, October 18, 1996) (with amendments and additions dated November 25, 2005)
- Treaty between the Government of the Russian Federation and the Government of the Republic of Kazakhstan on the lease of the Sary-Shagan test range (Moscow, October 18, 1996) (with changes and additions as of November 25, 2005)
- Agreement between the Republic of Kazakhstan and the Russian Federation on military-technical cooperation (Moscow, December 24, 2013)
- Treaty between the Republic of Kazakhstan and the Russian Federation on the establishment of a Unified Regional Air Defense System of the Republic of Kazakhstan and the Russian Federation (Astana, December 30, 2013)

## **7.2. Russian-owned military objectives in Kazakhstan**

Before the collapse of the USSR, there were 8 large test ranges in Kazakhstan that covered more than 7% of its territory. At the beginning of the 90s of the last century, two test ranges were closed. The conditions for the use of the remaining military research and test ranges by Russia were stipulated by various bilateral agreements (as a rule, they pay rent for the objects, and Russia also sells weapons and military equipment to Kazakhstan at Russian prices). Now in Kazakhstan, the following test ranges operate (total area: several million hectares):

1. “Sary-Shagan” test range on Balkhash Lake and a separate radio unit of the 3rd Separate Army of Rocket and Space Defense of the Space Forces of the Russian Armed Forces (object “Balkhash-9”). The range is part of a unified missile attack warning system, as well as recording technical parameters of combat missile systems tested at the Sary-Shagan test range.
2. The Baikonur cosmodrome in the Kzyl-Orda oblast and the 171 aviation commandant's office in Karaganda (designed for logistical support and management of search and evacuation work during launches and landings of spacecraft from the Baikonur cosmodrome)
3. “Taysogan” test range in Atyrau oblast - State Flight Test Centre (SFTC) N 669
4. Objects of the 4th State Central Polygon in the West Kazakhstan oblast
5. Objects of the 929th State Flight Test Centre in Atyrau and West Kazakhstan Oblasts

In 2016, the Emba test range, located in Atyrau and Aktobe oblasts, was closed, and its range area was transferred to Kazakhstan.

These test ranges are used for testing the Russian anti-missile defense system A-135, which has been in service since 1995, for which the so-called South Route was created, including the “Kapustin Yar” and “Tyura-Tam” (Baykonur) test ranges. “Sary-Shagan” and the “Kura” test ranges in Kamchatka. There are also radar stations on the “Sary-Shagan” test range that are part of the Russian missile attack warning system. Since the Strategic Missile Forces is a key factor in the security of Russia, the importance of the Southern Highway should not be underestimated.

## **7.3. AD general system**

In 2013, Kazakhstan and Russia created the Unified AD System - that is, the Unified Regional Air Defense System of the Republic of Kazakhstan and the Russian Federation, which is an integral part of the unified AD system of the Commonwealth of Independent States member states.

The following tasks are assigned to the Unified Regional Air Defense System of the Republic of Kazakhstan and the Russian Federation in peacetime:

- continuous electronic, radiolocation reconnaissance and radio reconnaissance, timely opening of the preparation and commencement of enemy air attacks;
- protection and security of airspace at the junctions of the state borders of the Parties;
- monitoring compliance with the use of the airspace of the Parties in the region;
- forcing aircraft flying in violation of the established rules to cease violations or suppress such flights;

- notifying the troops (forces) of the armed forces of the Parties about overflights of reconnaissance spacecraft and issuing information on the air situation in the alert networks;
- radar control of airspace and transfer to the air traffic control authorities of the Parties in the Central Asian region of collective security data on the movement of aircraft and other air objects in cases stipulated by the regulations on the use of the airspace of the Parties, as well as providing assistance to aircraft in case of a force in flight -major circumstances.

The location of the command of the Unified Regional Air Defence System of the Republic of Kazakhstan and the Russian Federation is Almaty, the Republic of Kazakhstan.

#### **7.4. Ammunition purchase**

Despite the fact that Kazakhstan possessed rather large stocks of weapons and military equipment, which remained after the USSR, the country needs new military equipment that it cannot produce by itself. The main seller of new technology is Russia. Let's pay attention that for the most part purchases went within the framework of payment for military sites, as well as at Russian domestic prices, which made them profitable for Kazakhstan. Recently, however, a number of purchases of new weapons have already been made outside of this scheme.

Currently, the largest order for the supply of military equipment from Russia to Kazakhstan is the purchase of 36 Su-30SM fighters, which lasts from 2015 to 2020. Officially they signed contracts for the supply of 23 aircraft<sup>27</sup>.

Data from the Stockholm World Research Institute on the sale of military ammunition by Russia to Kazakhstan from 1991 to 2017 is given below<sup>28</sup>.

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<sup>27</sup> A contract has been signed for the purchase by Kazakhstan of eight more Su-30SM fighters. 22.05.2018 // <https://bmpd.livejournal.com/3211603.html>

<sup>28</sup> SIPRI. Trade registers // [http://armstrade.sipri.org/armstrade/page/trade\\_register.php](http://armstrade.sipri.org/armstrade/page/trade_register.php)

**Table 7.4.1. Deliveries of the main types of conventional armaments to Kazakhstan during 1991 to 2017**

<b>Seller</b>	<b>Quantity of units ordered</b>	<b>Designation armaments</b>	<b>Armament description</b>	<b>Order year</b>	<b>Delivery year(s)</b>	<b>Quantity of delivered armament</b>	<b>Commentaries</b>
Russia R: Kazakhstan	13	“Albatross” Airplane Aero L-39	Combat training aircraft	1995	1996-2000	13	Used. Delivered on account of Russia's debt to Kazakhstan.
	12	MiG-29 aircraft	Multipurpose fighter	1995	1995	12	Used. Delivered on account of Russia's debt to Kazakhstan.
	14	Su-25 aircraft	Stormtrooper	1995	1997	14	Used. Delivered on account of Russia's debt to Kazakhstan.
	14	Su-27S aircraft	Multipurpose fighter	1995	1999-2001	14	Used. Delivered on account of Russia's debt to Kazakhstan.
	36	5V55U missiles	Missiles for anti-aircraft missile complex S-300	1998	2000	36	
	1	Il-76M aircraft	Heavy military transport aircraft	1998	2000	1	Used
	1	S-300 Anti-aircraft missile system	Anti-aircraft missile system	1998	2000	1	Used
	3	Mi-8MT helicopter	Multipurpose helicopter	2002	2002	3	Modifications of Mi-17B-5
	14	Mi-8MT helicopter	Multipurpose helicopter	2002	2004-2007	14	The transaction volume of 63 million dollars. Modification of the Mi-17, for anti-terrorism and anti-drug

Seller	Quantity of units ordered	Designation armaments	Armament description	Order year	Delivery year(s)	Quantity of delivered armament	Commentaries
							operations
	14	BTR-80A	Armoured personnel carrier	2003	2004-2005	14	
	18	“Shot” Armoured car KAMAZ-43269	Light armoured car	2006	2008	18	For border guards
	1	APC-80	Armored personnel carrier	2006	2008	1	
	3	“Ansar” Helicopter	Light multipurpose helicopter	2007	2008-2009	3	
	79	APC-80A	Armoured personnel carrier	2007	2007-2010	79	Approximately for 40 million dollars
	12	Mi-8MT helicopter	Multipurpose helicopter	2007	2009-2012	12	Modifications of Mi-17B-5
	2	“Sword” Radar N001	Radar station for Su-27 fighter	2007	2010	2	Modification H001B, for the Su-27 fighter upgraded in Belarus before the modification of the Su-27M2
	400	5V55U missiles	Missiles for anti-aircraft missile complex S-300	2009			
	120	“Attack” Rocket 9M120	Anti-tank guided missile with radio command and control system	2010	2011	40	For “Terminator” TSCV
	10	“Terminator” TSCV	Tank support combat vehicle	2010	2011-2013	10	
	44	BTR-82A	Armoured personnel carrier	2010	2011-2012	44	

Seller	Quantity of units ordered	Designation armaments	Armament description	Order year	Delivery year(s)	Quantity of delivered armament	Commentaries
	40	“Igla-1” PAMS	Portable anti-aircraft missile system	2010			Modification 9M39, for “Katran” missile boats
	30	X-35 missile	Anti-ship subsonic low-altitude rocket to destroy ships with a displacement of up to 5000 tons	2010			For “Katran” missile boats
	2	“Katran” Missile boat (project 20970)	Rocket Artillery Patrol Boat	2010			
	21	“Tiger” Armoured car GAZ-2330	Armoured car	2010	2011-2012	21	
	3	“Buratino” HFS-1	Heavy flamethrower salvo fire	2010	2011	3	
	17	APC-80	Armoured personnel carrier	2011	2012	17	
	30	“Terminator” TSCV	Tank support combat vehicle	2012			
	90	APC-80A	Armoured personnel carrier	2012			Start of delivery since 2013
	10	Anti-aircraft missile system S-300 PMU-1	Anti-aircraft missile system	2013			Used but possibly upgraded. Part of the overall air defense system
	3	“Bars” Project-22180	Large patrol boat	2009	2010-2014	(3)	Kazakhstan's designation “Sardar”
	90	APC-82A	Armoured personnel carrier	(2012)	2015-2017	(90)	
	(10)	Mi-8MT / Mi-17	Transport helicopter	(2012)	2013-2015	10	The armed version of the Mi-17 for border

Seller	Quantity of units ordered	Designation armaments	Armament description	Order year	Delivery year(s)	Quantity of delivered armament	Commentaries
							guards
	(200)	S-300 V55U	Air defence system	(2013)	2015	(200)	Possibly used, in the framework of assistance
	1	Project-10750 "Sapphire"	Minesweeper	2013	2017	1	"Alatau" Kazakhstan designation
	(5)	S-300PS	Air defence system	(2013)	2015	(5)	Used (but possibly upgraded before delivery) assistance within the framework of the Unified Air Defense System
	4	Mi-35M	Assault helicopter	2015	2016	(4)	
	6	Su-30MK	Fighter	2015	2015-2016	6	
	(3)	Mi-8MT / Mi-17	Transport helicopter	2016	2016-2017	(3)	The armed version of the Mi-17 for border guards
	4	Mi-35M	Assault helicopter	2017			Planned delivery in 2018
	12	Su-30MK	Fighter	2017	2017	2	

*According to the Stockholm Peace Research Institute*

## 8. Media relations

Immediately, we note that the Russian media is much more powerful than the Kazakhstani media (the difference in the range of the advertising market is almost 40-50 times), so we need only talk about the prevailing influence of the Russian media on Kazakhstan, but not about equal influence. The Russian media impact on Kazakhstan goes through the following channels:

1. Reading Russian media on the Internet, viewing video content on the Internet
2. View Russian TV channels in packages of CATV and satellite TV
3. View the content of Russian TV channels, purchased and broadcast by Kazakhstan TV channels
4. Rewrite and quoting Russian media about the situation both in Russia and in the CIS and far abroad. The latter is especially important for the Kazakh media - since there are no full-fledged correspondent points and there are also no translators who would constantly translate the world press, that is, Kazakhstan looks at other countries mainly with Russian eyes.
5. The presence in Kazakhstan of franchises of Russian publications with mixed content - “Komsomolskaya Pravda”, “Argumenty i Fakty (trans.:Arguments and Facts)”, “Moskovsky Komsomolets”, etc.
6. The presence in Russia of several media outlets that deal with purely Eurasian topics, including highlighting the situation in Kazakhstan - IAC MGU, Eurasia Expert, Eurasia Rhythm, Press Club Commonwealth. We emphasize that these mass media read much more in Kazakhstan than in Russia, and they do not set the tone in the Russian media agenda and do not influence decision making.
7. Using Russian social networks - Vkontakte, Odnoklassniki, MoiMir, etc. At the same time, it should be understood that Vkontakte is the main social network of Kazakhstan and its audience is several times larger than the audience of the Facebook. At the same time, the most popular communities in Kazakhstan are predominantly Russian, and this situation almost completely immerses young people in Russian content.
8. The use of Russian search engines with their news aggregators - Yandex and Mail.ru, which form for the majority the news picture of the day.

In fact, Kazakhstan lives in the Russian media field; therefore, even “anti-Russian activity” in the Kazakhstani media still is only the answer to any Russian media channel. But it should be noted, according to Zero.kz, approximately up to 15-20% of users in Kaznet are users from Russia. Plus, some Kazakhstani journalists and political scientists write for the Russian media and give them important comments on events in Kazakhstan and Central Asia. So there is a very small, but reverse effect on the media picture in Russia.

The current situation does not change even for such new media channels as viners and YouTubers - for them, in addition to Kazakhstan’s priority, is the Russian audience.<sup>29</sup>. Moreover, we are already talking not only about content production, but also about physical relocation to Moscow - Kazakhstan’s most popular YouTuber Amina Malgazhdar moved to Moscow in October <sup>30</sup>, which seems to be connected with the desire to master the Russian market more closely.

But such proximity in the information field creates the main problems in the relations between the two countries. Consider this situation in two ways - from Russia and from Kazakhstan.

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<sup>29</sup> M. Shibutov How does the media space in Kazakhstan change? (part 2). 28.03.2018 // <https://regnum.ru/news/society/2396841.html>

<sup>30</sup> Family of videoblogger Aminka Vitaminka moves to Moscow. 26.10.2018// [https://tengrinews.kz/strange\\_news/semya-videoblogera-aminki-vitaminki-perezjaet-v-moskvu-356364/](https://tengrinews.kz/strange_news/semya-videoblogera-aminki-vitaminki-perezjaet-v-moskvu-356364/)



The Russian media see two main negative trends for Kazakhstan - this is nationalistic and neo-imperial. The first stretches from the 90s and has always been the lot of a small group of media sympathizing with the Russian nationalists. Their main thesis is that the Kazakhs oppress the Russians in Kazakhstan, and illegally obtained their native Russian lands, which must be taken away without fail.

The second trend began after 2014 and fits into the traditional moaning “Kazakhstan is moving away from Russia to the United States,” as if we are talking about household or family relations. This trend is caused by psychological trauma from what is happening in Ukraine and the “head-to-head” publicists are replicated in the most popular Russian media, which set the media trends in general. Sometimes these two trends merge together, and it turns out "Kazakhstan is moving away from Russia to the United States, so it is necessary to take away from it a part of the territory where Russians live." This thesis is not officially supported, but such a radical position exists in the general spectrum of opinions of the Russian media.

Let us note a number of sharp topics on which the Russian media (due to unintentional unprofessionalism or due to deliberate propaganda) pose serious problems for Kazakhstan:

1. Taliban offensive or ISIS (organization banned in Russia) on Kazakhstan from Afghanistan
2. NATO or US base on the Caspian in Aktau
3. US Biological Laboratory in Almaty
4. Chinese expansion in Kazakhstan
5. Kazakhstan as a source of terrorist threat to Russia

Each of these “hot topics” affects the internal political situation in Kazakhstan. For example, a Russian expert makes publications that biological weapons can be produced in Almaty, and this is broadcasted not only at various media sites.<sup>31</sup>, but also on the site of its institution<sup>32</sup>. Then, by virtue of the authority of this institution, this thesis is taken up by the Kazakhstani media.<sup>33</sup>. Then, for several years in succession, government agencies are forced to refute this lie several times a year (and a rather stupid lie<sup>34,35</sup>). Even the meningitis outbreak in 2018 was associated with the laboratory<sup>36</sup>. It should be noted that, in contrast to this unsuitable practice, experts of KISS, similar in status and influence, have not yet been noted in various publications, which could be regarded as provocations against the political regime in Russia.

In the Kazakhstani media there is only one negative trend for Russia - this is the desire in many Kazakh-speaking media to create a negative image of Russia as the successor of the Russian Empire and the USSR. This is a kind of anti-colonial discourse with a touch of Russophobia, but made clumsy and completely in the style of Soviet newspapers. In fact, everything that is written there was written by Aldan Aimbetov in his “Kazakhskaya Pravda” newspaper in the 1990s, and since then nothing has changed much. Such a discourse is rather self-contained and is intended

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<sup>31</sup> Why does the Pentagon have a biological laboratory in Kazakhstan?25.12.2013 //

<http://www.warandpeace.ru/ru/reports/view/86449/>

<sup>32</sup> V. Kholodov The construction of the US Department of Defense Biolabs in Kazakhstan is alarming //

<https://riss.ru/analitics/34002/>

<sup>33</sup> V. Burdin The Plague Project is being implemented in Almaty by American specialists. 14.01.2014 //

<http://www.time.kz/articles/risk/2014/01/14/chumovoj-proekt-realizujut-v-almati-amerikanskije-specialisti>

<sup>34</sup> A. Pardashev 6 myths about the “Pentagon lab” in Almaty. 22.08.2018 // <https://factcheck.kz/glavnoe/6-mifov-o-laboratorii-pentagona-v-almaty/>

<sup>35</sup> A. Mekisheva Lie | On September 9, 2017, a biolaboratory for storing the most dangerous pathogens was opened in Almaty. 14.12.2017 // <https://factcheck.kz/glavnoe/lozh-9-sentyabrya-etogo-goda-v-almaty-otkrylas-biolaboratoriya-prednaznachennaya-dlya-xraneniya-opasnejshix-patogenov/>

<sup>36</sup> Birtanov refuted the connection of the meningitis outbreak with the work of the Almaty Biolaboratory. 04.06.2018 // <https://365info.kz/2018/06/birtanov-oproverg-svyaz-vspyshki-meningita-s-almatinskoj-biolaboratoriej/>

only for a very narrow audience of “its own”, without any attempts to expand it. It does not always spread even in Kazakhstan itself and, moreover, does not affect the internal situation in Russia.

The situation is complicated by the fact that Moscow and Astana think that the media of the neighbouring country are completely controlled by the authorities. For some reason, it is accepted as a rule that negative trends in them occur exclusively with the knowledge of the authorities or upon their order. At the same time, it is simply impossible to ask officially and directly about this state of cases or is considered something indecent. For example, if Kazakhstan officially claims about information attacks, it will be more than confirmation for the world community about Russia - regarding media provocations, interference in elections, etc., which is unacceptable for allied relations. As a result, these injections continue and negatively affect Kazakhstan.

In recent years, the theme of “Eurasian integration” has ceased to be as a priority in the political and media agenda. Let us give such an example, in the former line-up of the Russian government there was a special curator of Eurasian integration with the rank of deputy Prime Minister - Igor Shuvalov. In the new lineup of the cabinet of ministers, the Eurasian theme has become stuck; there is only the curator of intergovernmental agreements - K. Chuichenko. For Kazakhstan, this has an important economic consequence. So, if previously the Russian neighbours in the EAEU (mainly Kazakhstan and Belarus) had a certain priority of importance and direct access to the Government to solve current integration problems, now everything is decided, either through the president, or in the format of bilateral agreements, or intergovernmental agreements covering hundreds of countries.

## 9. Cultural and social mutual relations

### 9.1. Language and culture

The key element of access to a common culture, which was first established within the framework of the Russian Empire, and then within the framework of the USSR, is active knowledge of the Russian language. It is the Russian language that is a factor uniting the cultures of the two countries, and therefore Kazakhstani population can be immersed in modern Russian culture and even achieves success there (among recent examples is the career of Adil Zhalelov, a popular rapper, performing under the pseudonym “Scriptonite”). Russia is also one of the guides of Kazakhstan to world culture through the translation of books, films, TV series, technical texts, etc.

The latest Kazakhstan-wide data on language proficiency was in the 2009 census and is presented below.

**Table № 9.1.1. Language proficiency (by individual ethnic groups) according to the 2009 census, % (persons aged 15 and over)<sup>37</sup>**

	Language proficiency:								
	Kazakh			Russian			English		
	understand oral speech	Among them proficiently:		understand oral speech read	Among them proficiently:		understand oral speech	Among them proficiently:	
		read	Write and read		read	Write and read		read	Write and read
Whole population	74,0	2,9	62,0	94,4	3,4	84,8	15,4	2,6	7,7
Kazakhs	98,4	2,3	93,2	92,1	4,4	79,1	17,5	2,9	9,0
Russians	25,3	2,5	6,3	98,5	1,0	96,7	12,6	2,1	5,6
Uzbeks	95,5	12,5	61,7	92,9	10,3	68,3	10,7	2,3	5,4
Ukrainians	21,5	2,0	5,2	98,9	0,9	97,1	8,0	1,3	3,7
Uigurs	93,7	9,7	60,8	95,8	6,4	81,8	15,7	2,6	7,2
Tatars	72,6	6,3	33,7	98,4	1,7	94,7	14,2	2,3	6,7
Germans	24,7	2,5	7,9	99,0	0,9	96,9	9,1	1,5	4,4
Koreans	43,5	3,7	10,5	98,0	1,4	95,5	24,2	3,5	11,4

The level of proficiency in Russian is at the level of 94.4% of the understanding of oral speech and 84.8% is a very high level and therefore gives a great immersion in each other’s culture. But what is the dynamics in the language sphere?

If we take the latest sociological survey “Ethnoreligious identifications of regional youth”, conducted by Bakhytzhamal Bekturganova and Madina Nurgaliyeva in 2016, then the question “In what language do you mainly communicate?” Received the following answers:

- In Kazakh and Russian at the same level – 44,2%
- Only in Russian – 25,2%
- Only in Kazakh – 28,5%

In total, 1404 people aged 15-29 years (inclusive) were interviewed. Among them, urban respondents are 393 people, rural respondents are 1011 people. The study was conducted in 15 small cities and 14 settlements.

Considering that regional youth were polled, that is, those who speak the least Russian, it should be noted that in general, the distribution of Russian remained at the same level as in 2009. We

<sup>37</sup> Results of the 2009 national census. 15.11.2010 // <http://www.nomad.su/?a=3-201011150038>

are also waiting for the census in Kazakhstan in 2019, which will yield new results, but its results will be available for analysis only in 2020.

Despite the fact that the scope of application of the Kazakh language in everyday life and in official proceedings is growing, in other areas in Kazakhstan dominates the Russian language. This is due to the accumulated knowledge baggage and the advanced development of science and culture in Russia<sup>38</sup>. If in Kazakhstan 5 thousand books are published annually, and in Russia - 125 thousand, then it is clear where there will be an advantage in cultural hegemony. Therefore, all the alarming conversations in Russia regarding the fate of the Russian language in Kazakhstan have no ground under them - there is simply no alternative. Also, the effect of the possible introduction of Latin in the Kazakh language is still unknown - it is quite possible that this, as has happened in Uzbekistan, will have the opposite effect - will lead to an additional strengthening of the role of the Russian language.

## 9.2. Education

An important role in bilateral relations between Russia and Kazakhstan is played by the education of foreign students.

Taking into consideration the information by Russians<sup>39</sup> - at the beginning of the 2015/2016 academic year, 237,538 foreign students were studying in Russia. Among them, 79.2% or 188,130 students were from CIS countries. Therefrom, 36% were students from Kazakhstan or 67,727 people. De facto, the proportion of Kazakhstani students is very high - this is every fourth of foreign students in Russia.

It should be noted that the number of Kazakhstani students in Russia is growing every year - in the 2010/2011 academic year there were 30 699 students or 16.4% of the total number of foreign students in Russia<sup>40</sup>. The advantage of Russian education for Kazakhstanis is a higher quality and a much lower price.

Since no more than 25 thousand foreign students study in Kazakhstan, no more than 2-5 thousand Russian students study, which of course is much less and, in principle, does not have a particular impact on Russia.

In general, the Russian statistics on the number of foreign students is rather fragmentary and incomplete, but, nevertheless, a number of information can be gathered from it.

First of all, we note that the dynamics is very powerful - in comparison with 2008, there has been an increase of 3.5 times in 7 years (Table 9.2.4). And this is a big challenge for the entire educational system of Kazakhstan. It is possible that by 2020 the number of Kazakh students in Russian universities will exceed 100-120 thousand people. In addition, in the 2010/2011 academic year, 2,279 Kazakhstanis studied in institutions of secondary vocational education in Russia, and this is also a significant reserve for universities.

At the same time, it should be understood that Kazakhstanis are studying at their own expense mainly, and not at state grants.

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<sup>38</sup> M. Shibusov Kazakh language in the Internet era: what can a native speaker read on the net? 07.05.2018 // <https://regnum.ru/news/polit/2412101.html>

<sup>39</sup> IOE HSE. Education Facts. Academic mobility of foreign students in Russia. Issue number 7. July 2016 // <https://ioe.hse.ru/data/2016/08/04/1119531130/%D0%A4%D0%9E7.pdf>

<sup>40</sup> Arefyev A.L. Foreign students in Russian universities. Report at the 3rd World Forum of Foreign Graduates of Soviet and Russian Universities (Moscow, November 2012) // <http://www.demoscope.ru/weekly/2013/0571/analit02.php>

**Table 9.2.1. Admission and graduation of students from Kazakhstan in universities of Russia**

Type of admission	Year	Admission		Graduation	
		Total	Full reimbursement of tuition fees	Total	Full reimbursement of tuition fees
<b>Total</b>	2007	<b>5 700</b>	<b>4 211</b>	<b>2 674</b>	<b>1 732</b>
On the general reception		5 327	3 945	2 609	1 688
By international agreements		373	266	65	44
<b>Total</b>	2008	<b>5 435</b>	<b>3 535</b>	<b>2 224</b>	<b>1 425</b>
On the general reception		4 974	3 236	2 102	1 345
By international agreements		461	299	122	80
<b>Total</b>	2009	<b>5 548</b>	<b>3 215</b>	<b>2 138</b>	<b>1 296</b>
On the general reception		5 232	3 059	1 975	1 199
By international agreements		316	156	163	97
<b>Total</b>	2010	<b>6 424</b>	<b>3 547</b>	<b>2 615</b>	<b>1 706</b>
On the general reception		6 028	3 400	2 480	1 655
By international agreements		396	147	135	51

The advantages of Russian universities in comparison with Kazakhstani from the point of view of Kazakhstanis are the best educational level, easier exam system, lower tuition fees, hostel provision, Russian-language education.

For example, below is a comparison of the cost of the same specialties between KazNU and NSU in the 2018-2019 academic year. The weighted average exchange rate of the ruble against the tenge is taken in August - RUR1 = KZT5.41<sup>41</sup>. As you can see, NSU is cheaper by 20-35%, while the quality of education in it is higher.

**Table 9.2.2. Cost of education in full-time undergraduate, KZT**

Programme of Study	Al-Farabi Kazakh National University <sup>42</sup>	Novosibirsk State University <sup>43</sup>
Biology	974 000	811 500
Oriental Studies	1 010 000	757 400
Story	974 000	687 070
Maths	974 000	687 070
Physics	974 000	764 795
Jurisprudence	1 176 000	811 500

Of course, this factor plays an important role for Kazakhstani applicants, especially from the border regions.

Also a significant factor is the availability of scientific and general intellectual environment - as a rule, Kazakhstanis go to universities located in cities with a population of over one million, where public life is much more interesting for young people than in regional centres of Kazakhstan, apart from smaller cities.

It should also be understood that the educational migration to Russia goes along with the general migration - students get an education, find a job and then transport their parents.

<sup>41</sup> Official exchange rates of foreign currencies in 2018 //

<http://www.nationalbank.kz/cont/2018%20%D0%B3%D0%BE%D0%B42.pdf>

<sup>42</sup> Al-Farabi Kazakh National University. 2018 - 2019 tuition fee // <http://www.kaznu.kz/ru/18767/page>

<sup>43</sup> Novosibirsk State University. 2018 - 2019 tuition fee // <https://nsvuz.com/nsu/so>

But there are actually Russian factors affecting Kazakhstan applicants. The first factor is the obvious need of higher education in Russia for foreign applicants due to the lack of their own students and the impending demographic failure. As can be seen from statistics, now the number of students is lower than in 2000, and compared with the peak in 2008, the number of students was only 58.6% in 2016. This creates extremely big problems, both for education and specifically for those cities where large universities are located. On the other hand, a small number of students in study groups improve the quality of education, and a small number of students makes it possible to provide them with hostels.

**Table 9.2.2. Number of students in higher education institutions of the Russian Federation<sup>44,45</sup>**

<b>Year</b>	<b>Number of students in higher education institutions at the beginning of academic year, thousands of people</b>	<b>Number of students per 10,000 population in Russia as a whole</b>	<b>Admission of students to universities, thousands of people</b>
2000	4741,4	324	1292,5
2001	5426,9	373	
2002	5947,5	410	
2003	6455,7	448	
2004	6884,2	480	
2005	7064,6	495	1640,5
2006	7309,8	514	
2007	7461,3	525	
2008	7513,1	529	
2009			
2010	7049,8	493	1399,5
2011	6490,0	454	
2012	6075,4	424	
2013	5646,7	394	1246,5
2014	5209,0	356	1191,7
2015	4766,5	325	1221,8
2016	4399,5	300	1157,8
2017		289	

The second factor is the need of universities for paid students, who constitute approximately 60-70% of Kazakhstani students.

Apparently, at least the number of Kazakhstan students in Russia will not fall much, and perhaps their number will also grow due to the demographic growth in Kazakhstan.

Only the mass opening of branches of Russian universities in Kazakhstan can correct the situation - there are only 5 of them, which is quite a small number for such a large country.

<sup>44</sup> Education in numbers: 2018: brief statistical compilation / L. M. Gokhberg, G. G. Kovaleva, N. V. Kovaleva, and others; Nat research University "Higher School of Economics". –M.: HSE, 2018. – 80 p. – 200 dupl.

<sup>45</sup> Education in numbers: 2018: brief statistical compilation / L. M. Gokhberg, G. G. Kovaleva, N. V. Kovaleva, and others; Nat research University "Higher School of Economics". –M.: HSE, 2016. – 80 p. – 200 dupl.

**Table 9.2.4. Number of Kazakhstani students studying at the beginning of the academic year in Russia**

Admission type	Year	Total		State and municipal entities		Private entities	
		Number of students - Total	Among them, students at the expense of individuals and (or) legal entities under contracts for the provision of paid educational services	Number of students - Total	Among them, students at the expense of individuals and (or) legal entities under contracts for the provision of paid educational services	Number of students - Total	Among them, students at the expense of individuals and (or) legal entities under contracts for the provision of paid educational services
<b>Total</b>	2007/2008	<b>20 270</b>	<b>14 164</b>				
On the general reception		18 970	13 365				
By international agreements		1 300	799				
<b>Total</b>	2008/2009	<b>20 191</b>	<b>13 827</b>				
On the general reception		18 378	12 572				
By international agreements		1 813	1 255				
<b>Total</b>	2013/2014	<b>46 862</b>	<b>30 500</b>	<b>33 380</b>	<b>17 048</b>	<b>13 482</b>	<b>13 452</b>
On the general reception		44 896	30 286	31 441	16 850	13 455	13 436
By international agreements		1 966	214	1 939	198	27	16
<b>Total</b>	2014/2015	<b>70 747</b>					
<b>Total</b>	2015/2016	<b>73 455</b>					

### 9.3. Ethnic contacts

A key factor in the social relationships between our countries are the indigenous peoples who live in each of the states. Let us dwell on 2 nations, although of course the list is much longer.

3.6 million Russians live in Kazakhstan. Their numbers are falling mainly due to migration to Russia. The same story is that young people go to Russian universities, which are better and cheaper than Kazakhstani ones, study there, then stay, then take out the family. The truth is not always a change of citizenship means relocation - many remain to live in Kazakhstan, but simply with Russian citizenship.

**Table 9.3.1. Quantity of Russians in Kazakhstan**

Region	The number at the beginning of 2012 <sup>46</sup>	The number at the beginning of 2018 <sup>47</sup>
Total	3 726 722	3 588 686
Akmola	257 283	244 786
Aktobe	101 929	99 589
Almaty	303 617	274 027
Atyrau	33 591	33 521
West Kazakhstan	132 642	127 102
Dzhambulsкая	118 807	111 203
Karaganda	520 134	494 663
Kustanay	374 474	361 435
Kyzyl-Orda	15 640	14 783
Mangystau	39 717	37 355
South Kazakhstan	133 765	128 895
Pavlodar	283 348	270 721
North Kazakhstan	292 450	277 807
East Kazakhstan	541 433	505 010
Astana	128 928	138 175
Almaty	448 964	469 614

The number of Kazakhs in Russia remains stable - for example, in 2002 there were 652 thousand, and in 2010 647 thousand. All natural growth is also apparently levelled by migration, but already in Kazakhstan. It should also be noted that Kazakhs in Russia mostly live in villages, and therefore, are less mobile.

**Table 9.3.2. The number of Kazakhs in Russia according to the 2010 census <sup>48</sup>**

Region*	Number
<b>Total</b>	<b>647 732</b>
Astrakhan region	149 415
Volgograd region	46 223
Orenburg region	120 262
Samara Region	15 602
Saratov region	76 007
Kurgan region	11 939

<sup>46</sup> Population of the Republic of Kazakhstan by individual ethnic groups at the beginning of 2012 // <http://stat.gov.kz/getImg?id=WC16200015801>

<sup>47</sup> Population of the Republic of Kazakhstan by individual ethnic groups at the beginning of 2018 // <http://stat.gov.kz/getImg?id=ESTAT260594>

<sup>48</sup> The volumes of the official publication of the 2010 All-Russian Population Census. Volume 4. National composition and language proficiency, citizenship // [http://www.gks.ru/free\\_doc/new\\_site/perepis2010/croc/perepis\\_itogi1612.htm](http://www.gks.ru/free_doc/new_site/perepis2010/croc/perepis_itogi1612.htm)



Tyumen region	19 146
Chelyabinsk region	35 297
Altai Republic	12 524
Novosibirsk region	10 705
Omsk region	78 303

\*- regions where more than 10,000 Kazakhs live are marked

Due to this national distribution, in Kazakhstan at least half of the population has relatives or friends in Russia with whom they constantly communicate.

#### 9.4. Migration

As it was said before, there are powerful migration flows from Kazakhstan to Russia and vice versa, which also plays a big role in relations between our countries.

The picture of migration from Kazakhstan to Russia and from Russia to Kazakhstan is presented according to Russian data<sup>49</sup>. As can be seen, the share of arrivals from Kazakhstan has steadily decreased from 40% in the 90s to 10% in recent years. As for those leaving to Kazakhstan, from 10% of the total number of people leaving in the 90s, their share reached a maximum in 2006-2007 at 22%, and then fell again to 6%. Clear dependence on the difference between the socio-economic indicators of Russia and Kazakhstan can be seen.

**Table 9.4.1 . Russian-Kazakhstani migration according to the Federal State Statistics Service of the Russian Federation**

	Arrived from Kazakhstan to Russia	Total arrived to Russia	Share of arrivals from Kazakhstan in the total flow, %	Arrived from Russia to Kazakhstan	Total arrived from Russia	Share of arrivals to Kazakhstan in the total flow, %
1997	235 903	597 651	39,5	25 364	232 987	10,9
1998	209 880	513 551	40,9	26 672	213 377	12,5
1999	138 521	379 726	36,5	25 037	214 963	11,6
2000	124 903	359 330	34,8	17 913	145 720	12,3
2001	65 226	193 450	33,7	15 186	121 166	12,5
2002	55 706	184 612	30,2	13 939	106 685	13,1
2003	29 552	129 144	22,9	14 017	94 018	14,9
2004	40 150	119 157	33,7	12 504	79 795	15,7
2005	51 945	177 230	29,3	12 437	69 798	17,8
2006	38 606	186 380	20,7	11 948	54 061	22,1
2007	40 258	286 956	14,0	10 211	47 013	21,7
2008	39 964	281 614	14,2	7 483	39 508	18,9
2009	38 830	279 907	13,9	7 232	32 458	22,3
2010	27 862	191 656	14,5	7 329	33 578	21,8
2011	36 474	356 535	10,2	6 176	36 774	16,8
2012	45 506	417 681	10,9	8 843	122 751	7,2
2013	51 958	482 241	10,8	11 802	186 382	6,3

<sup>49</sup> Site of the Federal State Statistics Service. International Migration. // [http://www.gks.ru/free\\_doc/new\\_site/population/demo/migr2.xls](http://www.gks.ru/free_doc/new_site/population/demo/migr2.xls)

2014	59 142	590 824	10,0	18 328	310 496	5,9
2015	65 750	598 617	11,0	30 983	353 233	8,8
<b>Total for 1997-20015</b>	<b>1 396 136</b>	<b>6 326 262</b>	<b>22,1</b>	<b>283 404</b>	<b>2 494 763</b>	<b>11,4</b>

Kazakhstani data are given according to several directories<sup>50,51</sup>, so there may be some discrepancies in numbers due to data refinement. Note that the Kazakhstani data does not coincide with the Russian one several times - both upon arrival and upon departure, which is quite significant. In our opinion, it is time for the profile agencies of the two countries to restore order in this matter.

According to Kazakhstani data, emigration share of people leaving Kazakhstan to Russia is between 82% and 91%, and immigration to Russia amounts to 17-24% of those entering Kazakhstan. Emigration is highly dependent on the socio-economic situation in the country - now when in Kazakhstan the crisis situation the difference between entry and exit is almost 10 times, and earlier it was 3.5.

**Table 9.4.2. Kazakhstani-Russian migration according to the Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan**

	<b>Arrived from Russia</b>	<b>Total arrived from Russia</b>	<b>Share of arrivals from Russia in the total flow,%</b>	<b>Arrived to Russia</b>	<b>Total arrived to Russia</b>	<b>Share of arrivals to Russia in the total flow,%</b>
2009	8 939	41 511	21,5	30 086	33 985	88,5
2010	8 239	42 057	19,6	23 499	26 541	88,5
2011	6 629	38 016	17,4	29 850	32 920	90,7
2012	4 935	28 296	17,4	26 998	29 722	90,8
2013	4 278	24 105	17,7	20 839	24 384	85,5
2014	3 711	16 784	22,1	23 859	28 946	82,4
2015	3 905	16 581	23,6	25 682	30 047	85,5

Currently, there are 85,027 citizens of Russia in the consular register in Kazakhstan who are voters, that is, over 18 years old<sup>52</sup>. If we also take into account children, then approximately Russian citizens constantly live with us at least 100,000.

As for the Kazakhstanis in Russia, there are many more of them. In general, at least 150 thousand Kazakhstanis live in Russia permanently, and even more about 350 thousand live there for several months a year.

#### **9.4. Labour migration**

Since 2012, Kazakhstan has been in the single labour market of the CFMZ, and then since 2015, the EAEU. Accordingly, as Kazakhstanis are going to work in other EAEU countries, so they come to us from other countries.

From the EAEU countries, up to 25 thousand people per year came to work. It is necessary to take into account the fact that there are still people who permanently reside in the territory, and

<sup>50</sup> Demographic Yearbook of Kazakhstan / Statistical Collection / in Kazakh and Russian / 262 p. Astana. 2015

<sup>51</sup> Demographic Yearbook of Kazakhstan / Statistical Collection / in Kazakh and Russian / 102 p. Astana. 2016

<sup>52</sup> The number of voters residing outside the Russian Federation assigned to single-mandate constituencies for holding elections of the State Duma of the Federal Assembly of the Russian Federation. 03.11.2015

[//nablawiki.ru/index.php](http://nablawiki.ru/index.php)

they are not counted here. In the first place among the visiting citizens is Russia, then Armenia, then Kyrgyzstan.

**Table 9.4.1. Number of citizens of the EAEU countries and Russia entering Kazakhstan to work**<sup>53</sup>

Year	Number from EAEU countries	Number from Russia
2012	7 458	7 041
2013	8 409	7 634
2014	10 340	8 672
2015	16 349	12 529
2016	25 417	19 371
2017	10 185	4 650

According to the EEC and the MIA of the RK, the MLSP and the MES of the RK It should be noted that Kazakhstanis who go to other EAEU countries work much more and they go to Russia in 90% of cases. As can be seen from statistics, the number has increased 2.5 times from 2012 to 2017. And, in all likelihood, in 2018 their number will reach 100,000, which is 3 times more than in 2012.

**Table 9.4.2. The number of Kazakhstani citizens entering Russia for work**<sup>54</sup>

Year	Number
2012	34 135
2013	53 385
2014	58 744
2015	70 003
2016	71 600
2017	88 202
1 <sup>st</sup> half of 2018	50 121

According to the EEC and the MIA of the RF

It should be understood that the increase in the number of Kazakhs working in Russia is further confirmed by the volume of remittances from Russia - since 2011, they have grown from USD443 million to USD709 million in 2017 and this despite the devaluation of the Russian ruble. The growth of more than 2 times is visible both in the number of employees and in the volume of transfers.

**Table 9.4.3. Private customers' cross-boundary operations**<sup>55</sup>

Year	From Russia to Kazakhstan	From Kazakhstan to Russia
2010	308,2	684,8
2011	443,1	905,7
2012	460,7	1107,4
2013	561,0	1241,0
2014	577,0	1387,0
2015	514,0	1596,0
2016	559,3	1175,5
2017	709,4	1469,4
1 <sup>st</sup> half of 2018	180,9	275,4

<sup>53</sup> Eurasian Economic Commission. Information on the number of workers // [http://www.eurasiancommission.org/ru/act/finpol/migration/Pages/statistical\\_data.aspx](http://www.eurasiancommission.org/ru/act/finpol/migration/Pages/statistical_data.aspx)

<sup>54</sup> Eurasian Economic Commission. Information on the number of workers // [http://www.eurasiancommission.org/ru/act/finpol/migration/Pages/statistical\\_data.aspx](http://www.eurasiancommission.org/ru/act/finpol/migration/Pages/statistical_data.aspx)

<sup>55</sup> Balance of payments and external debt of the Republic of Kazakhstan for 2010-2018 // <http://www.nationalbank.kz/?docid=1201&switch=russian>

In addition, besides just going to work, there are those Kazakhstanis who stay in Russia to receive permission for temporary residence and residence permit. That is, in addition to about 100 thousand citizens who leave to work, there are still about 60 residents and 33 thousand who have a residence permit. This gives about 190-200 thousand Kazakhstanis who are on the Russian labour market.

**Table 9.4.4. Migration indicators of Kazakhstan in Russia** <sup>565758</sup>

Indicator	2016	2017	1 <sup>st</sup> half of 2018
Migration registration	545 676	587 728	296 981
Registered by place of residence	62 457	65 702	30 038
Decisions taken on the issuance of RWP	42 145	45 317	19 429
Lives on RWP	64 281	59 592	57 152
Decisions on issuing a residence permit	14 239	13 553	6 416
Living on residence permit	28 915	32 776	33 582
Acquired Russian citizenship	37 837	40 718	21 266

According to data of MIA of the RF

What is 200 thousand working citizens for RK? In the entire mining industry of Kazakhstan, there are now 247 thousand people working, only 182 thousand people are involved in the financial and insurance activities. The number of employees in WKO is 201 thousand people, and in the Kyzylorda oblast 219 thousand people. So this is quite a large number of people and this is a big migratory phenomenon that needs additional study.

<sup>56</sup> Ministry of Internal Affairs of the Russian Federation. Statistical information on the migration situation in the Russian Federation for 12 months of 2016 with distribution and regions. 30.01.2017 // <https://мвд.рф/Deljatelnost/statistics/migracionnaya/item/9359228/>

<sup>57</sup> Ministry of Internal Affairs of the Russian Federation. Selected indicators of the migration situation in the Russian Federation in January-December 2017 with distribution by countries and regions. 29.01.2018 // <https://мвд.рф/Deljatelnost/statistics/migracionnaya/item/12162171/>

<sup>58</sup> Ministry of Internal Affairs of the Russian Federation. Selected indicators of the migration situation in the Russian Federation in January-June 2018 with distribution by countries and regions. 17.07. 2018 // <https://мвд.рф/Deljatelnost/statistics/migracionnaya/item/13830562/>

## 10. Inter-elite relations

An important factor in relations between the two countries is always the connection of their elites. Of course, the times have already passed when one person (Oleg Soskovets) could be successively the first deputy prime minister of Kazakhstan, and a year later the first deputy prime minister of Russia, but, nevertheless, the elite ties still remained.

First of all, these are of course the natives of each of the countries that have succeeded in another country:

1. In Kazakhstan, for example, Deputy Prime Minister Askar Zhumagaliyev and former Secretary of the Security Council Vladimir Zhumakanov
2. In Russia, the representation of Kazakhstanis is much higher than the Russians in Kazakhstan, and they are in all areas. In politics, we can mention Vladimir Zhirinovskiy, Natalia Timakova, Alexander Drozdenko, Ruslan Aushev, Raushan Kanapyanova, Sergey Baburin, Alexander Buksman, etc. In business, they are German Gref, Arkady Volozh, Vasily Anisimov, Gulzhan Moldazhanova, Igor Kim, Mikhail Guzeriyev, Viktor Loren.

Secondly, this is the ownership of assets in the territory of another state:

1. In Kazakhstan, the following Russian billionaires and multimillionaires own assets<sup>59</sup> – Alexey Mordashov, Vagit Alekperov, Leonid Fedun, Andrei Melnichenko, Mikhail Fridman, Peter Aven, German Khan, Alexey Kuzmichyov, Oleg Deripaska, Alexander Nesis, Alexander Mamut, Igor Altushkin, Roman Abramovich. But the Kazakhstani leadership does not always use them as possible intermediaries in negotiations with the Russian elite.
2. In Russia, they had or still have assets, the following Kazakhstani billionaires and multimillionaires - Vasily Rozinov, Bulat Utemuratov, Aidan Karibzhanov, Kenes Rakishev, Anatoly Balushkin. Probably that Kairat Boranbayev, who intends to buy a number of McDonald's networks in the regions of Russia, will also acquire assets in Russia. We also note Timur Kulibayev as a member of the board of directors of "Gazprom" JSC - this is not a lobbying asset, but, nevertheless, a weighty position.

In general, communication at first glance is at a good level. If we take Kazakhstan, then the following Russian businessmen and managers are members of the foreign investors council under the president<sup>60</sup>:

1. Finogenov Igor Valentinovich. President of "Polymetal Management Company" JSC. Advisor to the President of the Chamber of Commerce and Industry of the Russian Federation
2. Belyaninov Andrei Yurevich. Chairman of the Board of the Eurasian Development Bank
3. Alekperov Vagit Yusufovich. President of LUKOIL JSC
4. Oleg Deripaska. General Director of RUSAL MC
5. Gref German Oskarovich. President, Chairman of the Board, Sberbank Russia JSC

But if we take the entire Russia-Kazakhstan relations, the situation with the ties of elites is slowly and steadily worsening - first of all, due to the physical departure from the political scene of the elite, whose career began in Soviet times. At present, the paths of the elites of our countries diverge due to the small number of joint projects and the fact that education for the Kazakhstani elite mainly moves to the United States and Western Europe. Also an additional

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<sup>59</sup> Shibutov M.M. What do Russian billionaires own in Kazakhstan?. 17.03.2012 // <https://tengrinews.kz/opinion/246/>

<sup>60</sup> Foreign Board Members from the Foreign Side // <https://fic.kz/rus/fic/members/foreign/>

problem is that Ukraine is the priority country in the CIS for the Russian elite, either because of such confidence in the geopolitical constructions of Zbigniew Brzezinski, or because of the relevance of the famous saying “there are three historical periods in Russia - Pre-Petrovsky, Post-Petrovsky and Dnepropetrovsky”). In general, it is necessary to make constant and targeted efforts to bring the elites of Russia and Kazakhstan closer together and their mutual understanding of the tasks of strategic development.

## 11. What contributes to the Kazakhstan-Russia relations?

Contributing to Kazakhstan-Russia relations are the following factors:

- The geographical location is both an extended border and the need to use a neighbour for transit.
- Old Soviet economy links - this applies both to deliveries from one enterprise to another, as well as to various transport corridors.
- Ethnocultural ties - due to the similar ethnic composition and common culture
- The common linguistic and media space is the knowledge of Russian and communication through the media and social networks.
- Integration associations and common markets that strengthened economic interaction, as well as mutual migration. Mutual labour market is especially important.
- Military alliance, very important for both countries
- Mutual investments, especially in strategic sectors of the economy
- The similarity of the political system and values at the level of political rhetoric as well as at the level of realities of the political class of both countries
- Direct contacts between citizens of both countries, tourism, educational programs.
- Mutual transport dependence
- A large number of joint ventures, established economic trade relations
- Great sympathy towards Russia from the people of Kazakhstan, good attitude to Kazakhstan from the people of Russia

## 12. What bars the Kazakhstan-Russia relations?

It is no secret that a certain misunderstanding has accumulated in Kazakhstan-Russian relations. In our opinion, the main reason is the gap in political and expert communication. This means that Kazakhstan no longer understands what Russia wants, and on the other hand, Russia sees Kazakhstan exclusively in the media optics of the Russian media.

Simply put, the mutual agenda is determined by the most “yellow” news, and there is no systematic analytical work in power and monitoring of the socio-political situation in the neighbouring countries. And this happens with the excellent relations of the leaders of the two countries, with the ever-growing trade turnover and successful border trade, with the good moods of Russians and Kazakhs towards each other. As a result, the risk of a spontaneous crisis increases due to a simple misunderstanding of each other, which, due to media hysteria, will turn into something serious.

The following significant factors also hinder Kazakh-Russian relations:

- Low efficiency of implementation of the adopted agreements. For example, Russia does not comply with agreements on access to its market for Kazakhstani producers, using an unofficial ban on the import of Kazakhstani alcohol and introducing 75 phytosanitary and veterinary control points on the border with Kazakhstan. On the other hand, Kazakhstan re-exports various food products from third countries to Russia.
- Corruption and lobbying of financial and industrial groups
- The desire to isolate their own market and import substitution
- Uncoordinated sanctions of Russia against third countries, about which other members of the EAEU will learn post factum
- Link to the personal relations of the heads of state, and not on the horizontal communication of the elite as a whole
- Competition in the market of raw materials and semi-finished products
- Objective difference across countries and strategic priorities
- Weak immersion in the affairs of the neighbour and low awareness of the real situation
- The absence of the “Eurasian integration” theme as a priority in the political and media agenda of Russia
- Russia's unwillingness to become a regional power - a clear priority is traced to active actions in foreign countries
- Russia's inability to constantly maintain some integration formats
- The temptation of “simple solutions” - the use of ultra-patriotic rhetoric instead of building reliable allied relations



## Abstracts

The elites of Russia and Kazakhstan need to clearly understand the strategic value of mutual allied relations. The key transit routes connecting Russia and the European Union pass through the territory of Kazakhstan. Kazakhstan is a narrow bottleneck for the implementation of the Great Silk Road projects. The land border of 7.5 thousand kilometres is almost impossible to close - such a border should be only the border of the world. The common military space of Russia and Kazakhstan, active participation in the CSTO and the United Air Defence System is also extremely important for the strategic security of Russia itself. Moreover, today Kazakhstan is not a stake in the foreign policy game, but a factor in Russia's internal ethno and geopolitics and even its territorial integrity. Kazakhstan is in the most important communication centre that binds Siberian Russia and European Russia, so the destabilization of Kazakhstan can split Russia into two.

In turn, for Kazakhstan, the Russian direction is the main transit route, through which 75% of exports go. Russia not only provides Kazakhstan with a way out of the “geopolitical bag”, but also puts an important factor in a non-colonial development project in the EAEU format, provides a cultural and language interface for communication with the global world. Close political, economic and cultural ties with Russia guarantee the stability of Kazakhstan, make it possible to more confidently talk with world power centres such as the PRC and the United States.

In addition, it is necessary to say about the following conclusions:

- Relations between Russia and Kazakhstan are of a long-term strategic nature and are the most advanced and developed among all the CIS countries. Unfortunately, not everyone in Russia is aware of the level of cooperation achieved, unlike in Kazakhstan.
- Current relationships are poorly covered in the mass media and are privately owned, mostly in a small number of narrow specialists. Meanwhile, the priority media coverage of our strategic alliance should be clearly pronounced during all contacts, from the presidential level to the regional.
- The main problem of mutual relations at the moment is weak communications between countries, which does not allow seeing new niches for the development of promising cooperation.
- The dialogue between Russia and Kazakhstan needs to be supported by personnel and organizational, including through the training and retraining of executives in new specialties “Eurasian studies”, “Russian studies” and “Kazakhstan studies” at presidential academies of state administration of both countries. First of all, it is necessary to prepare the necessary scope of research - reports, monographs, textbooks, reference books, etc.
- In the future, the volume of bilateral cooperation will be complicated due to new forms of cooperation - in the scientific and technical sphere, digitalization, restructuring of the agricultural sector, etc., as well as in the implementation of joint social programs.
- A new quality to relations between Russia and Kazakhstan will add new players to the dialogue, such as the EU and China. For example, the infrastructure and industrial development of our countries will change dramatically if the “Western Europe - Western China” road is fully built or a number of private-state projects are implemented, such as the Meridian circuit.
- New impetus to bilateral cooperation will be given by the consistent implementation of initiatives on Eurasian integration, previously put forward by the presidents of Russia and Kazakhstan - the formation of common business structures - the Eurasian Congress of Industrialists and Entrepreneurs and the Eurasian Chamber of Commerce (for the priority

support of small and medium businesses), the formation of the Eurasian Public Chamber, the creation of a Eurasian television channel, etc.

All these factors must be taken into account by decision makers, and they must deter them from rash actions, sudden movements and even simple negligence in our bilateral relations. In order for relations between Kazakhstan and Russia to remain stably allied, rather than repeat the sad path of the Russian-Ukrainian “fraternal ties”, it is necessary to constantly make special efforts. You can not leave everything to drift or rely on the monthly contacts of the leaders of the two countries and the formal activities of ministries and departments. “Integration is too important matter to trust it only to officials, politicians,” more than once said Nursultan Nazarbayev President of Kazakhstan.