



China-Kazakhstan Collaboration for Bilateral and Inter-Regional Coherence

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ABSTRACT

China and Kazakhstan are two capable states in international and regional contexts, maintaining constructive bilateral relations that have fostered a regional consensus. With the rise of China as a global power, the country has adopted an exceptional strategy in various regions, including Central Asia. Kazakhstan, being the most influential country in Central Asia, holds significant importance for China. In recent years, the relationship between China and Kazakhstan has shown a growing and strategic trend. This article aims to explore the factors influencing the expansion and deepening of linkages between China and Kazakhstan. It is argued that a comprehensive set of strategic considerations, guided by the harmonization of regional interdependence and safety, contribute to this trend. China approaches bilateralism as the initial phase from a regional perspective, with Kazakhstan serving as a key player in Central Asia and the focal point for China. The establishment of the Shanghai Cooperation Organization (SCO) and the China-Central Asia Summit (CCAS) represent innovative and prominent policies that prioritize collective interests in this spatial context. This research employs both quantitative and qualitative methods to assess the main research hypothesis. It is envisioned that their focus on actor-region connectivity strategy will continue to progress and eventually reach completion. Collective control and management of this vast region are necessary for a progressive and stable future.

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1. Introduction

China, as a strategic power, demonstrates prudence and circumspection in its endeavors. Likewise, Kazakhstan, as a discerning and apprehensive state, recognizes the inherent unpredictability of the future. The augmented power resources of the People's Republic of China at the threshold of the third millennium have necessitated a redefinition of its security, political, and economic goals within the international system. The initiation of economic reforms under Deng Xiaoping facilitated substantial capital accumulation, enabling China to expand its presence in global markets. As China's power continues to grow, its goals undergo transformations. Consequently, the strategies employed by other influential nations around the world are also adjusting in response to China's ascent. It can be contended that China's economic growth has been notably remarkable, as evidenced by various indicators such as employment, production, investment, consumption, and trade. These developments have significantly impacted international relations since the dawn of the third millennium (Noroozi, 2021: 693).

Central Asia holds significant importance for China as a region of strategic significance and decisive influence. Notably, China's interests in the area are driven by various factors, including the presence of valuable oil and gas resources, the transit dynamics, the concern over radical Islam, and the shared ancestry between the Uighurs in Xinjiang and the Turks residing in Central Asia. Moreover, the endeavors of influential actors such as the United States of America, the European Union, and Turkey to exert influence in the region, along with their potential repercussions for China, further underscore the region's significance from China's perspective.

The growing prominence of Central Asia within China's foreign policy is evident on multiple fronts. One such aspect stems from the perceived security threats that Chinese observers apprehend in the region. More crucially, the geographical proximity of Central Asia to China compels Beijing to align its political and security considerations with its internal security imperatives (Blank, 2008: 82). Kazakhstan, as the foremost country in Central Asia, assumes a central role in China's engagement within the region. The abundant energy resources, the country's significance in safeguarding against radical Islam, and the interplay of ethnicity and the prevailing political system elevate the importance of China's relations with Kazakhstan.

Comprehensively, Kazakhstan's foreign policy encompasses a wide array of determinants, which encapsulate the nature of the political regime in the post-Soviet state-building process, issues pertaining to national identity, the influence exerted by internal factions, particularly tribes, on government policies, the landlocked geography of Kazakhstan, the interests of neighboring powers, and the involvement of multinational corporations in the oil and gas sector (Ipek, 2007: 1179). These multifaceted considerations amplify the centrality of China's relations with Kazakhstan, lending significant weight to the interactions between the two countries.

The central inquiry of this article revolves around the factors influencing the expansion and consolidation of the China-Kazakhstan linkages within the complex dynamics and performances observed in the region. The article aims to examine the intertwined bilateral initiatives and regional implications, driven by a combination of national and strategic considerations within the actor-region-system nexus. Employing a blend of quantitative and qualitative methodologies, this research endeavors to construct an Economy-Security conceptual framework that transcends mere bilateral interactions. Consequently, the implications of this framework extend naturally to encompass regional and systemic dimensions, further enriching the analysis.

2. Literature Review

The research literature pertaining to the relations between China and Kazakhstan has witnessed significant growth in recent years. These scholarly works shed light on various dimensions of the evolving relationship between the two countries. One such study conducted by Özel, Özcan, and Tutus (2022) examines the role of energy in the China-Kazakhstan relations. It highlights that energy security has now become a matter of national security for all parties involved with this vital resource. Consequently, the issue has garnered attention not only at the national level but also within the international system. Given the increasing reliance on energy for industrial development, the energy dimension and security aspects have assumed greater significance in the relations between China and Kazakhstan.

Prior to China's emergence as a prominent player, Kazakhstan predominantly relied on Russian infrastructure and ports for exporting its natural resources. This arrangement necessitated compliance with Russian export commitments, thereby granting Russia a degree of control over Kazakhstan's resource quantities and export prices. The inflow of Chinese investments, however, has brought about a shift in resource distribution, enabling resources to be exported both to the east and the west.

Sağsen and Turan (2021) aim to shed light on the emergence of China's energy security problem and examine the approaches it has adopted in its foreign policy. They specifically focus on these approaches in the context of Kazakhstan and evaluate their effectiveness. The study concludes that Kazakhstan serves as a reliable location for ensuring energy security, as it poses fewer geopolitical risks compared to maritime transportation or narrow passages. Additionally, China recognizes that adequate economic stability within the country is a prerequisite for effectively utilizing energy resources. Consequently, the study explores the direct relationship between non-energy investments under the Belt and Road Initiative and China's energy security policy.

Bohnenberger-Rich (2015) addresses the link between China's economic influence in Kazakhstan and its political objectives in the country. The author argues that by leveraging its substantial economic capabilities, such as investment capacity and financial and commercial cooperation, China seeks to attain both economic and political benefits in Kazakhstan. Notably, China has established a complex and profound economic hierarchy that fosters Kazakhstan's dependence, thereby advancing its own economic and political interests. The author contends that the Kazakh government's requirement for Chinese capital and technology, alongside China's vast economic resources, perpetuates the current trend of dependency.

Rousseau (2013) explores the challenges and opportunities that Kazakhstan faces in its foreign relations with China. The primary opportunity lies in the realm of economic cooperation, particularly in the energy sector. China and Kazakhstan already maintain significant collaboration in energy, with China aiming to deepen these ties by encouraging Kyrgyzstan to transition from a single-product economy. In this context, the Kazakh government's aspiration to diversify its economy and address domestic opposition plays a crucial role.

On the other hand, Rousseau suggests that security relations between China and Kazakhstan present an opportunity for China to enhance control over the Muslim province of Xinjiang. China aims to prevent Kazakhstan from supporting Muslims of the same religion and ethnicity and curb potential terrorism and separatism in Xinjiang by fostering dependence. However, the excessive reliance of Kazakhstan on China poses challenges that hinder the development of their relations. Nonetheless, it appears that the relationship between the two countries is expanding. In Vanderhill et al.'s article titled "Between the Bear and the Dragon: Multi-Vector Politics in Kazakhstan as an Effective Strategy for Second-Rate Powers" (2020), the authors investigate Kazakhstan's foreign policy toward major powers from 1991 to 2019. They argue that during this period, Kazakhstan pursued a multi-vector strategy in its foreign policy approach towards major powers.

In a more precise analysis, Kazakhstan, under the leadership of President Nazarbayev, aimed to establish relations with various major powers, including Russia, China, the European Union, and the United States, while safeguarding its independence and maximizing its interests. Throughout Nazarbayev's presidency, Kazakhstan successfully attracted substantial foreign investment from these major powers, reaping numerous benefits. This approach to foreign policy ensured that Kazakhstan did not become overly reliant on any particular country, while simultaneously leveraging the resources of multiple nations to pursue its objectives. The author argues that existing theories primarily focus on explaining the behavior of major powers, whereas the multi-vector theory is better equipped to elucidate the foreign policy dynamics of second-rate countries such as Kazakhstan.

Kembayev (2020) examines the consequences of the cooperation process between China and Kazakhstan, focusing on the question of how this partnership impacts both countries. The author concludes that China has actively pursued the maximization of economic and security interests for both nations by encouraging Kazakhstan to adopt a multilateral foreign policy approach. One of the notable outcomes is that China's substantial investments in Kazakhstan, the largest country in Central Asia, have contributed to strengthening the central government. Furthermore, the cooperation between China and Kazakhstan has presented a mix of challenges and opportunities.

A significant advantage of this cooperative relationship is the expansion of China's One Belt One Road initiative, which has yielded positive economic results for both countries. However, the author argues that such cooperation could also pose challenges. Firstly, it may lead to a heightened competition between major powers due to the growing importance of Kazakhstan. Secondly, the deepening influence of China in Kazakhstan could incite anti-Chinese reactions. Additionally, the excessive dependence of Kazakhstan's economy on China raises concerns over unbalanced trade and the potential entrapment in a debt cycle. Nevertheless, Kazakhstan's endeavors to diversify its foreign policy have prompted the country to prioritize investment attraction from various nations, facilitating economic development through initiatives like the Bright Road Plan.

Mirabekov and Abdakhodaei (2022) investigate the challenges and opportunities for Kazakhstan arising from the Silk Road Economic Belt. They conclude that the One Belt One Road initiative will result in expanded economic relations between Kazakhstan and other regional countries, easing oil exports from Kazakhstan, including to China. However, this development presents challenges as well. These include intensified competition among major powers, potential anti-Chinese sentiments due to deepening Chinese influence, and the risk of economic over-reliance on China leading to imbalanced trade and a potential debt trap. Nonetheless, Kazakhstan's efforts to streamline its foreign policy have propelled the country towards pursuing its desired objectives by prioritizing foreign investment attraction and prioritizing economic development through initiatives such as the Bright Road Plan.

A new complementary point and approach can be added to the existing literature, highlighting the emergence of paradoxical trends of integration and fragmentation in international politics. These trends have contributed to a complex landscape where the actors, regions, and global architecture are undergoing reconstruction. Therefore, it is essential to consider multiple variables beyond bilateralism in the context of China-Kazakhstan relations. Both countries have accumulated valuable experiences and must adapt to the evolving conditions. Economic and security concerns play a central role in shaping their interactions. Moreover, external pressures on China have a deterrent effect within the broader systemic equation. Both China and Kazakhstan demonstrate a strategic rationality in their visions, aligning national and regional goals.

3. China-Kazakhstan linkage: Shiny Interdependence

China and Kazakhstan established their political and diplomatic relations in 1992, and throughout the past three decades, they have steadily developed their bilateral ties. Political visits by officials and economic cooperation have progressively expanded. Given the unstable international systemic atmosphere, it is essential to manage the linkage between bilateral and regional issues. Central Asia is a sensitive area, and both China and external actors have set strategies to navigate this region. China, in collaboration with Russia, has sought to establish a framework of collaboration through confidence-building measures and economic interdependence. The establishment of the Shanghai Cooperation Organization marked a new phase in political preferences and security concerns for these countries. China's energy and trade diplomacy has led to the expansion of economic projects not only with Kazakhstan but also with other countries in the region. The initiation of the Belt and Road Initiative (BRI) discourse by Chinese President Xi Jinping in Kazakhstan in 2013 further strengthened bilateral visions. Investment projects from China have played a significant role in enhancing the partnership over the past decade, and there is a need to further promote this positive trend.

3.1 Political Insight

Political harmony and preferences indeed play a crucial role in international affairs for states. Global powers like China strive for influence in different parts of the world as a fundamental requirement in the chessboard of the international system. These ambitious and capable powers carefully consider the broad goals they set for themselves within the international system.

China is fully aware of the interests of other major players in the international system, including the United States, the European Union, and Russia, particularly in Central Asia. In managing its relations with Central Asian countries like Kazakhstan, China aims to secure its desired political interests while being cognizant of the competing interests in the region.

It appears that the stance of American statesmen has driven them towards exerting pressure on China and Russia through influence in various regions across the world, including Central Asia. By

maintaining active security alliances and leveraging control over regional governments, the United States seeks to counterbalance China and Russia. However, China has expressed opposition to the plan of increasing the military presence of the United States in Central Asia and utilizing regional governments as tools to exert control over China. The Chinese view this as a security threat and an attempt to undermine their strategic plans in Xinjiang. (Rafi and Bakhtiari Jami, 2013: 96). Furthermore, Kazakhstan has made significant progress in developing and promoting its national identity, culture, and language, which had been suppressed and undermined during the period of Russian domination over the Kazakhs (Zardykhan, 2004:1).

The perceived weakness of Russia's economic power following the occupation of Crimea and the ongoing conflict in Ukraine has prompted Kazakh leaders to consider seizing the historical opportunity to assert their independence from Russia. The competition between Russia and Kazakhstan in the energy sector, as well as Kazakhstan's security dependence on Russia, has been identified as vulnerabilities for Kazakhstan. Consequently, there is now an opportunity for Kazakhstan to address these weaknesses. To prevent excessive influence from the United States and the European Union in Kazakhstan, the government has recognized the need for cooperation between Russia and China. As part of their monetary policy, Kazakh leaders have taken advantage of this opportunity and are striving to maintain their independence from major powers through a positive balance policy. This approach aims to minimize dependence on any single power and promote cooperation and engagement with multiple actors, including Russia and China, as a means of safeguarding Kazakhstan's sovereignty and reducing vulnerability to external influences.

Kazakhstan's pragmatic, multilateral, and secular approach to foreign policy has created a favorable platform for cooperation with China to counter the spread of radical Islam. Leaders in Kazakhstan recognize the economic and security costs associated with the rise of extremist ideologies, prompting them to engage with major powers in order to protect their interests. President Nazarbayev has emphasized the importance of developing friendly and predictable relationships with countries that are influential in global affairs and hold practical significance for Kazakhstan. This approach allows Kazakhstan to leverage cooperation with different actors to advance its economic and security goals. (Vanderhill et al, 2020:989). To address Russia's security concerns regarding its minority population in Kazakhstan, particularly the Russian and Turkish diasporas, Kazakhstan has taken steps to foster inclusivity and bridge divides between diverse ethnic and religious groups. The establishment of the People's Assembly of Kazakhstan in 1995 aimed at addressing concerns and promoting harmony among minorities. This effort aligns with Kazakhstan's broader goal of building a cohesive, non-ethnic nation. (Peyrouse, 2007:482). Kazakhstan's policies demonstrate its intent to navigate relations with all parties involved while strategically leveraging the competition between major powers to enhance its influence within the country.

3.2 Amity and Stability

Security and stability are indeed fundamental for countries, as they provide a conducive environment for sustained economic growth. While the interaction between China and Central Asia may initially appear focused on trade, it is noteworthy that President Jintao highlighted the significance of security as China's primary priority in the region during his meeting with President Nazarbayev in 2011. China's main security concerns in Central Asia have influenced the nature and extent of its economic relations with the independent republics in the region. (Rousseau, 2013:8). The specific security challenges and dynamics in Central Asia have shaped China's approach to engaging with these countries and have had implications for the scope and nature of their economic cooperation.

The security of Central Asia holds significant importance for China due to several key reasons. One crucial factor is that Central Asia is strategically situated as a buffer region from China's perspective, and any instability or challenges in the area could potentially impact Xinjiang, which is considered a vulnerable region for China. (Tukmadiyeva, 2013: 88). The historical context further emphasizes the significance of Central Asia's security for China. Throughout Chinese history, nomadic tribes in Central Asia, including the Mongols and others, have been viewed as a major threat. Different approaches have been employed by China to manage these threats, involving elements of confrontation as well as attempts to establish common interests with these groups. (Shariatina, 2012:134). Two major security concerns that China has in relation to Central Asia are the rise of

extremism in Islam and ethnocentrism in the region. These factors have made the relationship between China and Central Asia complex and subject to mixed strategies in terms of crisis management. Chinese policymakers have adopted short-term, medium-term, and long-term strategies to address these concerns, with the goal of mitigating the influence of political Islam and extreme nationalism in the region. In the larger context of the Asian continent, China and Central Asia play crucial roles in a complex web of relations among major powers, with security dynamics constantly evolving. Multilateral regional and sub-regional cooperation has been increasing, along with exchanges and security cooperation at different levels and in varied directions. (Chang Ching et al, 2019: 280).

Kazakhstan holds a unique position among the Turkic and Muslim countries of Central Asia. As the largest independent republic to emerge from the Soviet Union, Kazakhstan has garnered significant political and economic importance, largely driven by its substantial oil production capacity (Rousseau, 2013). The Muslim and Turkic majority of Kazakhstan, coupled with its extensive land borders with China, have necessitated the adoption of optimal security strategies in cooperation with China (Swanstrom, 2005). However, China remains concerned about security issues in its Xinjiang region, particularly regarding potential separatist movements among the Uighur population (Hugh and Zhang, 2010). This concern is particularly relevant as Central Asia hosts a significant number of Uighur immigrants, with Kazakhstan being home to a substantial Uighur community. The security question facing Chinese authorities has been centered around preventing Islamic extremism and countering separatist tendencies among the Xinjiang Uighurs along the western borders of the country. China is particularly attentive to how Central Asia perceives the struggle for Xinjiang independence by the Uighurs, who are the dominant Turkic-speaking Muslim nationality (Hugh and Zhang, 2010). Central Asia, including Kazakhstan, hosts a considerable number of Uighur immigrants, with an estimated population of about half a million, of which around 300,000 reside in Kazakhstan (Swanstrom, 2005).

It is true that the potential capabilities of Kazakhstan in supporting Islamic radicalism in Central Asia are considered significant in comparison to other republics in the region. As a result, China recognizes the importance of expanding its dependence and cooperation with Kazakhstan in managing the crisis of Islamic radicalism, not only for the general trade circulation between the two countries but also for the stability of the "Kazakhstan route" and Central Asia as a whole (Rousseau, 2013). By deepening its relations with Kazakhstan, China aims to establish common ground on controlling radical Islamists in its Xinjiang province. The Central Asian elites' emulation of European ethnic-based nationalism has contributed to the belief that each ethnic group should have its own separate country. This sentiment raises concerns for the Chinese government regarding the stability of uniting the Turks of Xinjiang and Central Asia, considering the ethnic affinity between Uyghur Turks and Kazakh Turks. The fear of separatism under the banner of Pan-Turkism in the Xinjiang region is a significant concern for China. Nation-building often requires the construction and promotion of a common identity. Following their independence from the Soviet Union, the Central Asian republics have sought to establish independent ethnic identities. The need for a national identity has made the idea of Pan-Turkism tempting for these countries. Central Asia, being a historic source of Turkic migration, combined with the presence of Russians in the north, Chinese in the east, and Iranians in the south, has fostered a need for a unifying identity.

Kazakhstan, as the most significant country in Central Asia, faces the crucial task of nation-building. However, this endeavor has encountered challenges due to the adoption of an ethnocentric model of nationalism. Political activists in Central Asian countries have often emphasized the primacy of ethnicity to legitimize their political arrangements. Yet, in a diverse country like Kazakhstan, where Kazakhs constitute the majority but there is also a sizable Russian population, this approach poses potential problems and raises concerns about the propagation of separatist tendencies (Spehr, 2012). Recognizing the potential risks, Kazakhstan has prioritized national unity as the main cornerstone of its national identity, according to the former president of Kazakhstan (Yemelianova, 2014). Consequently, Kazakhstan seeks to emphasize Turkish ethnicity while not excluding other ethnic groups residing in the country. Extreme Pan-Turkism is not promoted in Kazakhstan, and policymakers strive to safeguard their interests by combining an emphasis on ethnicity with democracy and moderation. Consequently, the concept of Kazakh identity, rooted in the idea of common descent, has been continuously re-evaluated as the country undergoes the challenges of the post-socialist transitional period (Yessenova, 2005).

China, mindful of the challenges posed by Pan-Turkism in Kazakhstan, aims to encourage a moderate and tolerant approach to democratic nationalism in order to prevent the proliferation of extreme ethnicity. China's emphasis on stability in Kazakhstan reflects its concern that any instability in that country could potentially spread to its own territory. China's economic investments in Kazakhstan and expanding financial exchanges aim to mitigate poverty and reduce economic dependence, which serves as a tool to moderate the feared ideology of extreme Pan-Turkism (Swanstrom, 2005). In brief, China's foreign policy towards Central Asia, including Kazakhstan, is shaped by two major security concerns: radical Islam and ethnicity. China seeks to manage potential crises in the region by promoting moderation in both radical Islam and Pan-Turkism, aiming to maintain regional stability and preserve its own territorial integrity (Hugh and Zhang, 2010).

3.3 Economic Prosperous

China has emerged as a significant force in international political economy in recent decades. Additionally, China demonstrates a global perspective and actively engages in economic endeavors. Its economic power, particularly in areas such as trade, foreign direct investment, and technology transfer, plays a crucial role globally. To expand international trade and investment flows, it is important to establish policies, communication channels, and institutions at bilateral, trilateral, and regional levels. This may require the formation of new networks. Major economic powers have the ability to extend regional economic exchanges into inter-regional ties to foster complementary relationships. This development leads to the creation of a central hub, which contributes to a sub-order in international cooperation and represents a turning point in the transformation of the international system. Given its rising power, China, along with its parallel and complementary institutions, exerts influence and puts pressure on interactions and strategic equations. This trend is evident in structural bargaining and the emergence of new agendas. Consequently, international cooperation structures need to adjust to the newly formed centrality and its political-economic networks. As a major power, China actively participates in shaping the international order and the evolution of the global system, with the aim of establishing a new desired order. (Noroozi, 2021). China strategically engages in economic bilateralism, regionalism, and multilateralism with all targeted states across various regions. Central Asia holds particular importance in China's vision, and the geographical connection between China and Central Asia provides natural advantages for mutual economic cooperation. China seeks a deep and peaceful integration with Central Asia across various strategic domains. Both China and Kazakhstan actively participate in regional and inter-regional institutions to foster cooperation. Kazakhstan, in particular, is an attractive partner to strengthen this integration. In addition, initiatives such as the Belt and Road Initiative (BRI) and the Asian Infrastructure Investment Bank (AIIB) serve as valuable foundations for collaboration between the two sides.

Kazakhstan has made significant strides in its social and economic development since gaining independence in 1991. The period following independence up until the early 2000s was characterized by a challenging transition, but the country has since experienced remarkable economic growth. Despite a slowdown during the crisis, Kazakhstan's growth performance has been impressive, averaging nearly 8% per year in real terms between 2000 and 2013 (OECD, 2016: 26).

Kazakhstan GDP Growth, 1990-2022, B\$							
1991	24.92	2001	22.15	2011	192.63	2021	197.11
1992	24.92	2002	24.64	2012	208	2022	220.62
1993	23.41	2003	30.83	2013	236.63		
1994	21.25	2004	43.15	2014	221.42		
1995	20.37	2005	57.12	2015	184.39		
1996	21.04	2006	81	2016	137.28		
1997	22.17	2007	104.85	2017	166.81		
1998	22.14	2008	133.44	2018	179.34		
1999	16.87	2009	115.31	2019	181.67		
2000	18.29	2010	148.05	2020	171.08		

Source: World Bank (World Bank national accounts data, and OECD National Accounts data).

Kazakhstan has witnessed improvements in its external balance and a slight narrowing of the fiscal deficit. This is thanks to several factors, including the gradual recovery of trading partners' economies, increased global demand, and improved commodity prices. Both domestic and external economic activities have contributed to the growth in services exports. The country's economic growth will be supported by strong domestic activity, a favorable fiscal stance, and progress in vaccination efforts. Furthermore, the improved growth prospects in foreign markets will boost the external demand for commodities. The expectation is that investment activities will pick up, driven by improved business confidence and the implementation of infrastructure projects. Higher oil prices also present an opportunity to strengthen fiscal buffers and enhance the current account balance. However, it's important to note that Kazakhstan's economy, which heavily relies on fossil fuels, may face challenges due to the international and domestic focus on transitioning to greener policies and practices. To address the challenges posed by the green transition agenda and support a low carbon economy, Kazakhstan needs to implement a comprehensive set of policies. These policies should focus on adapting to new environmental requirements, mitigating climate shocks, and promoting economic diversification. By minimizing the social impact and supporting the transition, Kazakhstan can effectively navigate the changing landscape. (World Bank Group, 2021-2022). The trend growth of Kazakhstan's economy has decreased to 2-3 percent, primarily due to declining labor contributions and total factor productivity (TFP). While COVID-19 may have reduced the long-term trend GDP level, its impact on trend GDP growth is considered unlikely. To increase future trend GDP growth, it is crucial to undertake structural reforms that reduce the state's role in the economy, strengthen public and corporate governance, diversify the economy and exports beyond extractive sectors, and promote technological advancements. A second generation of reforms is needed to address structural weaknesses impacting trend growth. These reforms should aim to boost export competitiveness, promote diversification away from oil and commodities, increase FDI in non-extractive industries, reduce the state footprint in the economy by resuming privatizations and promoting private sector development, increase the education of the workforce and reduce skill mismatches, and strengthen governance and the judicial process to promote fair and swift contract enforcement. (IMF, 2022b: 8). These reforms will not only help Kazakhstan adapt and thrive in the face of environmental challenges but also stimulate sustainable economic growth in the long run. By embracing sustainable practices, promoting diversification, and encouraging innovation, Kazakhstan can lay the foundation for a resilient and prosperous future.

Export-Import of Kazakhstan in goods and Services With China during 2000-2022 (\$)

Year	Exports	Imports
2000	598,749,358	958,209,134
2001	327,718,673	960,650,767
2002	600,097,054	1,354,644,827
2003	1,571,901,260	1,719,890,267
2004	2,211,181,163	2,286,270,959
2005	3,896,752,480	2,909,355,347
2006	4,750,480,904	3,607,272,782
2007	7,445,856,215	6,431,909,440
2008	9,824,510,357	7,727,827,943
2009	7,748,172,050	6,255,599,827
2010	9,320,400,745	11,108,591,383
2011	9,566,529,533	15,349,865,821
2012	11,001,238,439	14,675,446,558
2013	12,545,123,569	16,050,838,003
2014	12,709,849,378	9,741,822,440
2015	8,441,240,875	5,848,946,920
2016	8,292,320,845	4,805,078,580
2017	11,564,442,930	6,378,690,611
2018	11,351,714,305	8,093,143,784
2019	12,729,100,679	8,861,855,362
2020	11,703,034,898	10,366,080,476
2021	13,960,382,794	11,391,714,519
2022	16,355,236,459	14,819,246,516

Source: UNCOMTRADE/2023/data

It's fascinating to see the steady growth in trade between China and Kazakhstan! China has become Kazakhstan's second largest trading partner, with significant imports and exports exchanged between the two countries. In terms of imports, Kazakhstan relies on China for various goods, with a value of approximately US\$6,537 million, accounting for 17 percent of its total imports. On the other hand, Kazakhstan exports goods worth around US\$7,823 million to China, representing 13.6 percent of its total exports. Over the years, China has emerged as Kazakhstan's fastest-growing export market, with exported value experiencing substantial growth of 87 percent between 2016 and 2019. Similarly, China has also become the fastest-growing import market for Kazakhstan, with imported value increasing by 56.4 percent during the same period. Kazakhstan primarily exports commodities such as crude petroleum, petroleum gas, refined copper, ferroalloys, and radioactive chemicals, with China being a significant destination. Other major export destinations include Italy, Russia, the Netherlands, and France.

Notably, China has been the largest purchaser of Kazakhstani uranium since 2012, with the majority (57 percent) of exports heading to China. Additionally, Kazakhstan has gradually increased its non-hydrocarbon and metal exports to China since the mid-2010s (China Briefing, 2021). In terms of Kazakhstan's overall trade, over a third of its total imports in 2019 were from Russia, accounting for about 8 percent of its GDP. Consumer and intermediate goods make up the bulk of imports from Russia. Conversely, Kazakhstan's exports are more diverse, with exports to Russia declining over the years and representing about 10 percent of total exports in 2019. Considering the GFC (Global Financial Crisis), China has emerged as the primary export partner for Kazakhstan (IMF, 2022a:15).

Chinas Top 5 Imported goods from Kazakhstan, 2019

Products	US \$ Million	Share	Annual growth in value 2015-2019
All Products	9,258,8	100%	16%
Mineral Fuels, Mineral Oils and Products, their distillation, bituminous substances; mineral	2,933,8	32%	18%
Copper and articles thereof	1,738	19%	17%
Ores, slag and ash	1,634,1	18%	58%
Iron and Steel	908,7	10%	17%
Inorganic chemicals; Organic or Inorganic compounds of precious metals, of rare-earth metals	869,3	9%	-11%

Source: China Briefing, 2021

Kazakhstan's main imports comprise a range of goods, including medicaments, petroleum gas, cars, broadcasting equipment, planes, helicopters, and space craft. The country predominantly imports these items from Russia, China, South Korea, Germany, and Italy. Within the period from 2015 to 2019, Kazakhstan experienced an increase in imports of Chinese-made apparel, clothing accessories, and electrical machinery and equipment. Energy plays a crucial role for countries as a natural resource and a strategic commodity. As the global market becomes more competitive, energy security has become a top priority for nations to ensure a high standard of living. China has been actively involved in Kazakhstan's energy sector, with its national oil companies increasing their participation in exploration, extraction, and production processes. The oil trade between Kazakhstan and China is beneficial for both parties. China imports oil reliably, while Kazakhstan can maintain price competitiveness in the oil it sells, often through the assistance of Russia. (Sağsen and Turan, 2021: 444-8).

Indeed, China and Kazakhstan have witnessed a gradual progress in their economic transactions, driven by a mutual need for each other's resources and goals centered around development and industrialization. The historical competition among great powers in Central Asia has contributed to the region's economic underdevelopment and political instability. For instance, Kazakhstan's reliance on Russia for oil imports not only hinders its role as a key player in energy policy but also limits its ability to maximize profits from its privatized resources. In this context, China's focus, as demonstrated by the Belt and Road Initiative (BRI) projects, is to foster economic stability in the region. By doing so, China aims to prevent the occurrence of terrorist activities or political instability

in Kazakhstan and other neighboring states. This approach aligns with China's broader efforts to promote regional stability and economic development through its initiatives in Central Asia. (Sağsen and Turan, 2021: 454).

Chinas Top 5 Exported goods to Kazakhstan, 2019

Products	US \$ Million	Share	Annual growth in value(2015-2019)
All Products	12,807	100%	12%
Machinery, Mechanical appliances, nuclear reactors, boilers; parts thereof	1,564,2	12%	7%
Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television	1,498	12%	18%
Articles of apparel and clothing accessories, not knitted or crocheted	1,438,7	11%	34%
Footwear, Gaiters and the like; parts such articles	970,3	8%	-10%
Articles of apparel and clothing accessories, knitted or crocheted	897,4	7%	10%

Source: China Briefing, 2021

Foreign investment plays a vital role in Kazakhstan's economic development and transition to a market economy. Chinese investments in Kazakhstan have been significant, particularly in key sectors like transportation and energy projects. Being a landlocked country, Kazakhstan's geographical position makes it an important participant in China's Belt and Road Initiative (BRI), which aims to develop a network of infrastructure connecting countries across Asia and beyond. Chinese investments in Kazakhstan have focused on areas such as railroads, highways, and energy-related projects. The BRI has provided Kazakhstan with opportunities to play a major role in the development of infrastructure, including transportation, digital facilities, ports, airports, and energy plants. Khorgos, a significant location for highway and railway crossings on the Kazakhstan-China border, has witnessed significant construction activities. This area, surrounded by mountains and bustling with infrastructure projects, serves as a logistics hub for receiving Chinese goods and facilitating their onward transit. Additionally, the development of logistical services in Khorgos offers the potential for local value-added activities. (Corre, 2019).

4. Inter-Regional Coherence

China and Central Asia are in an inevitable connectedness. Central Asia has always been important to China's imagination of and action toward its neighbors and the larger world beyond. China considers Kazakhstan a key source and link in its energy security nexus, and sees the cooperation as helping strengthen and secure its northwestern borders of a restive Xinjiang. China has entered this new regional space with a primarily geoeconomic strategy for promoting trade, securing energy supplies, and building cross-border infrastructure. While trade routes were involved as part of the original "Great Game," China's major role in shaping regional and bilateral trade ties across Central Asia has laid the ground for a new "Great Game." (Chen and Fazilov, 2018: 2-3). In recent years, China has adopted an institutional approach characterized by its sharpness and effectiveness. This approach focuses on setting bilateral and regional goals and strengthening network diplomacy. An example of this is the expansion of the Shanghai Cooperation Organization (SCO), where China aims to establish a soft regional network. China presents itself as a superior and authoritative actor in promoting amity and stability. China's inclusion of Iran as a member in recent years is seen as a significant action aimed at promoting norm-setting and deterring its rivals. China demonstrates adept leadership in the game of building a soft community based on security and cooperation dimensions. The implementation of SCO as a multilateral forum under a challenging environment showcases China's effective regional network management. Another example of China's soft diplomacy is the establishment of the China-Central Asia Summit (CCAS) as a regional institution. This new political and diplomatic movement demonstrates China's commitment to regional connectivity and cooperation. China's Belt and Road

Initiative (BRI) and China's overall economic influence has become one of the crucial factors shaping the development of Central Asian EEU members. Russian President Vladimir Putin and Chinese President Xi Jinping enshrined this situation in an agreement "connecting" these two projects in May 2015. (Kazantsev, Medvedeva and Ivan Safranchuk, 2021: 58)

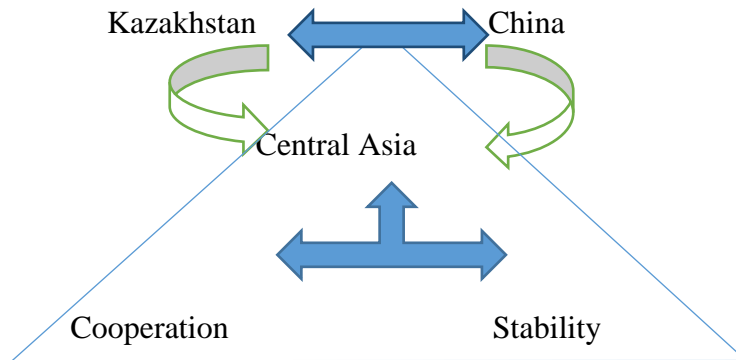
Central Asia is of particular importance with regard to Chinese diplomacy toward major powers (*daguo waijiao*), because, in a given region, China needs to come to terms with Russia, which regards the territory of the former Soviet Union (including the Central Asian region) as its "area of special interests." The Kremlin fears that China's increasingly formidable economic presence in the Central Asian region will translate into increased political influence at the expense of Russia, especially if combined with the decline in loyalty of the Central Asian states to Moscow (Bitabarova, 2019: 153-154). After Russia-Ukraine war in 2022 china and Russia deeply figured out the importance of the key regional coordination due to security and development requirements in central Asia. So, Kazakhstan has especial capacities in linking the two regions and china welcomes its awareness in strategic complexities. There are a lot of concerns among these countries; as Skalamera says: Far from engendering a new regional order in Central Asia, however, the multiple economic and security-architecture projects have served to entrench previously existing patterns of cooperation. China is now far and away the biggest trade and investment partner for Central Asia and, gradually, is translating its powerful economic influence into a broader strategic presence. Central Asia lies at the core of many of the new intra-regional corridors and regionalist economic structures planned by Russia and China (Skalamera, 2017: 130-137).

During the first China-Central Asia Summit in 2023, President Xi Jinping emphasized the importance of Central Asia as a crossroads connecting different regions (Xi, 2023). He highlighted the need for a stable Central Asia that upholds the sovereignty, security, independence, and territorial integrity of its countries. Xi also emphasized the importance of respecting the development choices of Central Asian nations and supporting their efforts for peace, harmony, and tranquility. China recognizes that a prosperous Central Asia not only benefits the region but also contributes to global economic recovery. The China-Kazakhstan linkage is considered a key and strategic partnership as both countries have their own interests and roles in addressing regional and global challenges.

5. Conclusion

Indeed, in the current landscape of world politics, policies and alliances are being reconstructed, and national interests are closely intertwined with regional and strategic changes. As a result, great powers must exercise caution and foresight in their approach. One of China's close-up policies is focused on shaping safe and stable regional orders and engaging in new communities. Within this context, China has expressed a keen interest in Central Asia, particularly Kazakhstan. The approach taken by China and Kazakhstan is transparent when viewed from a transnational perspective, and their policy-making follows an actor-region model based on mutual necessity. China's interests in Kazakhstan can be broadly classified into three main categories: security, political, and economic considerations. Each aspect was specifically addressed in the research, highlighting the importance of Kazakhstan for the People's Republic of China. In terms of security considerations, two key factors stand out: radical Islam and ethnocentrism. Given that China's Xinjiang province has a Muslim-populated and Turkic demographic, it has been identified as a potential platform for terrorist activities and separatist movements. To effectively manage these tendencies, China's efforts to expand its relations with Kazakhstan can play a significant role.

By strengthening ties with Kazakhstan, China aims to address security challenges emanating from their shared borders and potential extremist influences. Collaborative initiatives between the two countries can contribute to counterterrorism efforts and promote stability in the region. Additionally, political considerations also shape China's relationship with Kazakhstan, enhancing diplomatic cooperation and aligning interests on various international issues. Lastly, the economic dimension is crucial, with China recognizing Kazakhstan's strategic location and rich resources as beneficial for its own economic growth and regional connectivity initiatives such as the Belt and Road Initiative. Overall, the multifaceted importance of Kazakhstan to China underscores the comprehensive approach China adopts in its engagement with the country, encompassing security, political, and economic dimensions.



China-Kazakhstan Linkage Effects on Central Asia's Inter-Regional Coherence

Source: Authors

The rise of China as a global power has indeed triggered concerns and sensitivities among other major poles of power such as the United States, the European Union, and Russia. These countries are actively working to curb China's unrestricted influence and limit its policy objectives, particularly in regions like Central Asia. Adopting a neutral and post-Cold War strategy, Kazakh politicians have provided platforms for the presence of Western countries in Kazakhstan. This strategic move serves as an effective tool for Kazakhstan to counterbalance and prevent any single foreign power from exerting unconditional influence in the country. Economic considerations play a vital role in the China-Kazakhstan relationship. China's key economic goals in Kazakhstan revolve around the New Silk Road initiative and energy cooperation. China has a significant need for fossil energy resources, while Kazakhstan requires industrial goods, leading to the expansion of economic relations between the two nations. Kazakhstan, positioned as an important destination for the expansion of the New Silk Road project, has experienced substantial investments from China. The country's infrastructural demands align with China's vast investments, contributing to the growth of their economic ties.

Moreover, the China-Kazakhstan relationship has witnessed an expansion in recent decades, resulting in a regional chorus beyond bilateralism. The insight shared by the two countries is characterized by an Economy-Security conceptual model, indicating a multidimensional approach encompassing economic and security aspects. This model transcends the traditional confines of bilateral relations, reflecting the deepened collaboration and interconnectedness between China and Kazakhstan. The economic and security dimensions are central to the growing relationship between China and Kazakhstan, while political considerations involving the involvement of other major powers further shape the dynamics in the region.

Indeed, the relationship between China and Kazakhstan extends to both regional and systemic layers, with China aiming to exert effective control and influence over the Central Asian region. China and Kazakhstan share an understanding of the current international geopolitical and geo-economic trends, allowing them to navigate the evolving landscape. China has shown a keen interest in establishing control in Central Asia, and collaboration between China and these countries needs to be strengthened accordingly. The China-Central Asia Summit (CCAS) serves both regional and trans-regional purposes. China, in its pursuit of regional dominance, presents attractive opportunities for native countries in the region. Employing network diplomacy, China strategically uses its network of alliances to counter its rivals. Kazakhstan, in turn, has its own set of priorities, particularly in the political-economic aspect. Economic transformation stands as a primary goal for Kazakhstan, while China's perspective extends beyond that of Kazakhstan. China faces strong strategic pressures, necessitating the implementation of regional preferences and innovative arrangements as counter-pressure mechanisms in its long-term policies. These mechanisms aim to ensure China's strategic interests are protected and its position strengthened in the face of challenges and competition. Both China and Kazakhstan recognize the need to adapt and respond to changing dynamics in the region to secure their respective interests.

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