



OCTOBER
2025

Kazakhstan After the Double Shock of 2022

Political, Economic and Military Consequences

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ISBN: 979-10-373-1120-7

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How to quote this publication:

Vera Grantseva and Rakhimbek Abdrakhmanov, “Kazakhstan After the Double Shock of 2022: Political, Economic and Military Consequences”,
Russie.Eurasie.Visions, No. 140, Ifri, October 2025.

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Abstract

The year 2022 represented a dual shock for Kazakhstan. In January, the country faced its most severe political crisis since independence, followed in February by Russia's full-scale invasion of Ukraine, which cast uncertainty over the borders of post-Soviet states. These consecutive crises profoundly shaped Kazakhstan's domestic and foreign policy.

Domestically, the government launched a series of reforms aimed at creating a "New Kazakhstan" and a "listening state". Yet, over the ensuing three years, these initiatives have fallen short of delivering meaningful democratization or addressing the country's pressing socio-economic challenges.

Russia's war against Ukraine has posed a strong challenge to Kazakhstan's "multi-vector" foreign policy. Between 2022 and 2025, Moscow expanded its influence in Kazakhstan, particularly in the economic and energy sectors, while maintaining a dominant role in security. Potential competitors, including China and Turkey, have so far failed to emerge as viable alternative centers of power, limiting Kazakhstan's ability to pursue a truly balanced, multi-vector foreign policy.

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Introduction

The year 2022 was an important milestone in the modern history of independent Kazakhstan. A serious internal crisis led to a redistribution of power in the country, while a military conflict unprecedented in scale in the post-Soviet space brought about substantial changes in the country's foreign policy.

Since gaining independence, Kazakhstan's foreign policy has been guided by a multi-vector strategy, enabling it to maintain balanced relations with major global actors such as Russia and Western states, and, more recently, with an increasingly active China and Turkey. Over the past decade, as Russia's posture in the post-Soviet space has grown more assertive and at times coercive, sustaining this balance has become more challenging for Astana, testing its capacity to preserve both strategic flexibility and an independent foreign policy course. By 2015, Kazakhstan was already closely integrated with Russia in core economic and security domains through the Eurasian Economic Union (EAEU) and the Collective Security Treaty Organization (CSTO)—institutions whose geopolitical relevance in the post-Soviet space increased as the Kremlin reoriented toward an explicitly anti-Western foreign policy. Even so, Kazakhstan maintained a delicate equilibrium in the final years of Nursultan Nazarbayev's presidency and the early period of Kassym-Jomart Tokayev's tenure. Despite its participation in Russia-led regional organizations and close bilateral ties, Astana has gradually advanced policies aimed at strengthening the role of the Kazakh language in education, culture and media, as well as pursuing decolonization measures in toponymy and national commemorations—restoring Kazakh names, traditions and holidays in place of their Russian and Soviet counterparts.

Early 2022 delivered a dual shock to Kazakhstan's domestic and foreign policy. In January, the country experienced mass unrest and an attempted coup d'état that left dozens dead. The following month, its principal economic and security partner, Russia, launched a full-scale war against Ukraine, another post-Soviet state. Together, these events reshaped Kazakhstan's internal political dynamics and challenged its long-standing multi-vector foreign policy strategy. This report examines the resulting shifts across the political, economic, energy and military domains since the twin shocks of 2022.

The “Bloody January” of 2022 and its political consequences

The year 2022 opened with unprecedented turmoil in Kazakhstan. In early January, protests that began in Zhanaozen—site of the 2011 oil workers’ shootings—spread to 11 of the country’s 17 regions. Almaty, Kazakhstan’s largest metropolis and the country’s capital until 1997, became the epicenter, with government buildings attacked and the airport seized. Facing escalating unrest, President Tokayev requested assistance from Russian President Putin under the CSTO framework to address what he described as a “terrorist threat”. The next day, CSTO forces—predominantly Russian troops from the 45th Special Forces Brigade of the Airborne Forces—were deployed, numbering 3,000 of the 3,950 total personnel. Within days, the situation was brought under control, the state of emergency lifted, and the troops withdrawn. The unrest, later termed Qandy Qantar (“Bloody January” in Kazakh), left at least 238 people dead and about 5,800 detained. Lasting only 10 days, the crisis nonetheless had a lasting impact on Kazakhstan’s domestic political trajectory and its multi-vector foreign policy.

An official investigation led to the conviction of Karim Masimov, chairman of the National Security Committee (KNB), for organizing the January unrest; three of his deputies also received lengthy prison terms. From the outset, the investigation was classified, and court proceedings were held behind closed doors. The lack of transparency left the public with unanswered questions, most notably the absence of any discussion of Masimov’s close association with Kazakhstan’s first president, Nursultan Nazarbayev. Under Nazarbayev, Masimov had risen rapidly through the ranks, becoming the country’s youngest prime minister in 2007, serving two terms (2007–2012 and 2014–2016), before heading the Presidential Administration (2012–2014) and later the KNB (2016–2022). Masimov also maintained close ties with oligarch Timur Kulibayev, owner of Kazakhstan’s largest private bank and son-in-law of the first president. Six months after Qandy Qantar, Nursultan Nazarbayev publicly denounced Masimov, labeling him a Judas deserving full legal punishment. Both experts and broad segments of the Kazakh public questioned the official narrative assigning sole responsibility to Masimov, given the political influence and resources of the alleged instigator. Skepticism persists that such a large-scale challenge to the government could have been orchestrated by a few officials without the tacit approval or assistance

of Nazarbayev. These doubts are reinforced by testimony from Ruslan Iskakov, a former KNB officer and subordinate of Masimov, who has been under investigation since 2022; his account was published in foreign media in February 2024.¹

The political aftermath of Qandy Qantar consolidated Tokayev's leadership, albeit with critical support from Moscow, while removing key figures of the Nazarbayev clan from positions of power. At the same time, most members of the former elite were effectively granted tacit immunity from prosecution for their alleged role in the attempted coup. This configuration of political forces established the framework of Kazakhstan's post-Qandy Qantar political reality.

Between 2022 and 2023, President Tokayev undertook a gradual dismantling of Nazarbayev's cult of personality—a process referred to as de-Elbasization (Elbasy being the honorary title, "Leader of the Nation", held by Nazarbayev from 2010 to 2023). In 2022, the country's capital reverted to its original name, Astana, after having been renamed Nursultan in 2019 in his honor. In 2023, Kazakhstan's Constitutional Court, citing a referendum, repealed the law "On the First President—Elbasy", which had granted Nazarbayev extensive privileges, including immunity from arrest, prosecution and legal proceedings related to his and his family's property, as well as state funding for his office, which had received over \$11 million since March 2019. In 2024, monuments to Nazarbayev began to be removed, including the statue in front of the university that still bears his name. Key figures from his inner circle were also displaced. His daughter Dariga resigned from the Kazakh Parliament (Mazhilis) in February 2022, and at least ten relatives lost positions in the civil service or state-owned enterprises.² Formally, Nazarbayev was stripped of his official status and societal honors. Yet no investigations were launched against him, his family or his inner circle regarding alleged corruption, illegal enrichment or abuse of office—issues that Kazakh society had anticipated for decades. After Qandy Qantar, Nursultan Nazarbayev traveled to Moscow at least three times to meet with Vladimir Putin (in June 2022, December 2023 and March 2025). These visits can be interpreted as efforts to secure protection for his remaining assets in Kazakhstan and to delineate the boundaries of "de-Elbasization".

With consolidated authority, President Tokayev initiated a series of reforms aimed at modernizing Kazakhstan's political system. On March 16, 2022, two months after the January unrest, he addressed the

Translated from Russian into English by the authors and proofread by David Quin.

1. R. Iskakov, "Vlast' perekладыvaet otvetstvennost' za svoi prestupleniia" [The authorities are shifting responsibility for their crimes], *Novaya Gazeta*, February 5, 2024, available at: <https://novayagazeta.ru>.

2. A. Akhanova, "Kto iz sem'i Nazarbaevykh lishilsia dolzhnosti posle Krovavogo ianvaria?" [Who from the Nazarbayev family lost their positions after Bloody January?], *Orda*, January 29, 2022, available at: <https://orda.kz>.

nation to announce far-reaching changes to the state structure under the Zhana Kazakhstan (New Kazakhstan) project. This initiative outlined a program of gradual democratization and comprehensive political modernization, designed to foster the development of a “listening state”. A central component of the Zhana Kazakhstan program was the transition from a super-presidential system toward a presidential republic with a strengthened parliament. Reforms included prohibiting the president from holding party membership, removing presidential authority to suspend acts of regional and city akims, introducing direct competitive elections for akims of regions and cities, reducing the president’s appointment quota for the Senate (from 15 to 10) and the Mazhilis (from 9 to 5), implementing a mixed electoral system for the Mazhilis (70% proportional, 30% majoritarian), and simplifying party registration requirements (reducing minimum party members from 20,000 to 5,000, regional representatives from 600 to 200, and initiative groups from 1,000 to 700). The program also aimed to strengthen human rights institutions, enhance media competitiveness, and reinforce civil society through mechanisms such as regular public councils, including the “Ұлттық құрылтай” (“National Assembly”).

Three years into the reform process, it remains premature to characterize Kazakhstan as having undergone genuine democratization. Several political challenges inherited from the “Old Kazakhstan” persist. During recent electoral processes—including the early presidential elections in November 2022, parliamentary elections in March 2023, and referendums on constitutional amendments (June 2022) and the construction of a nuclear power plant (October 2024)—there were reports of electoral fraud, pressure on observers, and the exclusion of political forces not aligned with the authorities.³ At the top levels of government, little change has occurred: most figures from the “old elite” remain in office, and the limited inclusion of newcomers has largely been symbolic, as in the cases of former Minister of Ecology Zulfiya Suleimenova and current Minister of Industry and Construction Kanat Sharlapaev.

Both the extraordinary presidential and the parliamentary elections were largely designed to convey an appearance of political renewal. In the November 2022 presidential election, Tokayev’s official opponents were relatively new faces; rather than candidates from traditional parties such as Ak Zhol or the Communist Party, the ballot featured nominees from various public organizations (e.g., the National Alliance of Professional Social

3. A. Smolin, “Vybornye-2023: sociologi zayavili o narusheniyah i predstavili svoi dannye po Almaty” [Elections 2023: sociologists reported violations and presented their data on Almaty], Orda, March 28, 2023, available at: <https://orda.kz>; “Snap Election Returns Little Change”, Global State of Democracy Initiative, March 2023, available at: www.idea.int; “Aktivisty poluchili 45 otkazov v 12 gorodakh Kazahstana na provedenie mitinga protiv stroitel'stva AES” [Activists received 45 refusals in 12 cities of Kazakhstan to hold a rally against the construction of a nuclear power plant], Bes.media, October 3, 2024, available at: <https://bes.media>.

Workers) and smaller parties (Auyl, Yntymak, the National Social Democratic Party) with no prior representation in the Mazhilis and no formal affiliation with the Kazakh government, yet remaining loyal to the Ak Orda. For instance, the Auyl party, founded in 2003, has historically been led by systemic politicians close to the political leadership; Ali Bektayev (party chairman, 2015–2023) previously served as a high-ranking official in South Kazakhstan and later as a senator, while Serik Yezigbayev (chairman since 2023) spent most of his career in the Presidential Administration and various ministries and state institutions. A similar approach was applied to the parliamentary elections held in March 2023, with lesser-known parties (such as Auyl and the National Social Democratic Party) and newly created parties brought to the forefront. For example, the Respublica party was established in December 2022 and registered in record time on January 18, 2023, whereas many other parties typically spend years navigating the registration process, often unsuccessfully. Collectively, these new parties captured 24.69% of the vote in the Mazhilis elections, while the older “systemic” parties (Ak Zhol and the Communist Party) received 15.21%. To signal diversification and political renewal, the ruling Amanat party’s share of the vote fell from 71.09% in 2021 to 53.4%. Organization for Security and Co-operation in Europe (OSCE) observers noted that, “while the elections introduced elements of competition, some candidates, particularly independents, were denied equal campaigning opportunities due to numerous administrative barriers, and the practice of deregistration created uncertainty regarding candidates’ future participation”.⁴

The first direct elections of akims, conducted on a pilot basis in November 2023 across 42 districts and three cities of regional significance, did little to foster political renewal in Kazakhstan. While candidates could be nominated by registered political parties or run independently, nearly all polling stations (41 out of 45) were won by incumbent akims and their deputies, previously appointed by the President.⁵ This outcome reflects the advantages enjoyed by incumbents, including extensive local administrative resources and opposition to independent candidates from Territorial Election Commissions during both registration and voting. Attempts by independent candidates to contest these elections were met with resistance from local authorities. One notable exception occurred in the village of Aktogay in the Abai region, where local resident Dastan Aubakirov, former head of the private pension fund BTA Kazakhstan, won unexpectedly against incumbent akim Zair Kesikbaev and his deputy Dinara Shangereeva. Ultimately, despite the Territorial Election

4. “International Observers Note Greater Choice in Kazakhstan’s Parliamentary Elections, While Fundamental Freedoms Remain Restricted,” OSCE PA, March 20, 2023, available at: www.osce.org.

5. B. Omarova, “Kazakhstan: Na vyborah akimov pobedili akimy” [Kazakhstan: Akims win akim’s elections], Cabar.Asia, November 8, 2023, available at: <https://cabar.asia>.

Commission initially recognizing the independent candidate's victory, the results were annulled and new elections scheduled, from which Aubakirov withdrew due to pressure from local authorities.⁶

From the perspective of human rights, media freedom and civil society development, negative trends have persisted since the launch of Zhana Kazakhstan. Kazakh sociologist Serik Beisembayev observes that Tokayev's relatively moderate regime has evolved into a more assertive form of authoritarianism.⁷ Following a brief hiatus, the persecution and imprisonment of journalists and political activists re-emerged. In 2023, prominent activist Marat Zhylandbaev was sentenced to seven years in prison under charges of "financing an extremist organization" for his cooperation with the Democratic Choice of Kazakhstan movement, banned in 2018 as "extremist" but recognized by the European Parliament as a peaceful opposition group. Under the same statute, in August 2024, journalist and civil activist Duman Mukhammedkarim, whose YouTube channel Ne Deidi gained popularity following the 2022 protests, received an identical sentence. Additionally, Zhanbolat Mamai, leader of the unregistered Democratic Party, was given a six-year suspended sentence for "organizing mass riots" and prohibited from engaging in public and political activities.

Activists, journalists and public figures in Kazakhstan increasingly faced pressure under a so-called "Russian scheme". While legislation on foreign agents—similar to that used in Russia since 2012 to target dissent—was not formally introduced, in 2023 the Kazakh Ministry of Finance published, without legal justification, a "register of persons receiving funds or property from foreign states, international and foreign organizations, foreigners, and stateless persons". The list included 240 individuals and entities, encompassing human rights organizations, environmental and civic foundations, media outlets, individual journalists, and representatives of international foundations and major Western companies. The ministry acknowledged that the criteria for inclusion were neither transparent nor publicly challengeable. In 2024, additions and removals from the list occurred without explanation. Notably, organizations and companies with Russian funding were largely absent; for instance, the Gazprombank representative office, initially listed, was removed shortly thereafter without justification. Authorities failed to provide a convincing rationale or ensure transparency in compiling the register, leading Kazakh society to perceive it

6. Kh. Akaeva, "Kak v posiolke vybrali akima, a v rajtsentre otmenili itogi golosovania" [How a village elected an akim, and the district center canceled the voting results], Radio Azattyk, November 2, 2023, available at: <https://rus.azattyq.org>.

7. A. Tlegenova, S. Beisembayev, "Staryj 'Novyj Kazakhstan'. Chto pomenyali reformy Tokaeva" [Old "New Kazakhstan". What Tokayev's reforms changed], Carnegie Politika, September 5, 2024, available at: <https://storage.googleapis.com>.

as a tool to stigmatize and marginalize NGOs and journalists critical of the government.

In 2023, Kazakhstan amended its Criminal Code to introduce liability for the dissemination of “false information” by users of online platforms. In the country’s authoritarian context, the measure has been applied predominantly against journalists and public figures critical of the authorities. Between January and July 2024 alone, 77 administrative cases were registered under this provision.⁸ The restrictive trend continued in 2024 with the adoption of a new law on mass media, which further expanded the government’s ability to impose censorship and curtail the activities of independent outlets.⁹ That same year, the murder of Aidos Sadykov, the exiled founder of the popular opposition YouTube channel Basse, sent shockwaves through Kazakh civil society. Sadykov, who had lived in Kyiv since 2014 following political persecution in Kazakhstan, was killed in June 2024. The main suspects—Kazakh nationals and former members of the country’s security services, Meyram Karataev and Altai Zhakhanbaev—were not extradited by Kazakhstan to Ukraine; this amounted to an effective refusal to cooperate with the investigation into the opposition journalist’s murder. Concurrently, during 2023–2024, the Ak Orda deepened its alignment with Russia in the sphere of media regulation and civil society control. A series of bilateral agreements was concluded on the legal oversight of non-profit organizations, effectively harmonizing law enforcement practices between the two states. These included accords between Kazakhstan’s Ministry of Internal Affairs and Russia’s Investigative Committee, as well as between the justice ministries of both countries.

8. “V Kazakhstane nachali shtrafovat’ blogerov za rasprostraneniye ‘feykov’: obzor pervykh rezul’tatov raboty zakona ob onlayn-platformakh” [Kazakhstan has started fining bloggers for spreading “fakes”: a review of the first results of the work of the law on online platforms], Rankings.kz, October 10, 2024, available at: <https://ranking.kz>.

9. A. Tlegenova, S. Beisembaev, “Staryj ‘Novyj Kazakhstan’. Chto pomenyali reformy Tokaeva”, op. cit.

The war in Ukraine: a test for Kazakhstan's multivectorism

For both the Kazakhstani public and the country's leadership, Russia's full-scale invasion of Ukraine came as a profound shock. During the first month of the war, the government's response was marked by inconsistency and uncertainty. On March 2, 2022, for instance, President Tokayev held a conversation with Vladimir Putin in which they discussed what the official statement cautiously referred to as "the situation around Ukraine".¹⁰ That same day, Kazakhstan abstained during the emergency session of the United Nations General Assembly, thereby avoiding an open condemnation of Russia's invasion. Yet, just a few days later, on March 6, 2022, the authorities permitted a pro-Ukraine rally in Almaty that drew approximately 5,000 participants, an unusually large demonstration by Kazakhstani standards.¹¹ On March 14-15, 2022, Kazakhstan dispatched 82 tons of humanitarian aid to Ukraine, including medicines valued at \$2.2 million. Yet Tokayev's moves should not be read as signaling uncertainty over Kazakhstan's geopolitical orientation. Rather, they reflected a dual strategy: on the one hand, preserving cordial ties with the Kremlin to reduce the risk of a "Ukrainian scenario" in Kazakhstan; on the other, responding to strong domestic demands for solidarity with Ukraine—pressures the authorities could not ignore after the lessons of Bloody January.

Between April and November 2022, Kazakhstan's leadership shifted from nominal neutrality on the war in Ukraine to a posture increasingly aligned with Moscow. In April, President Tokayev published an article in *The National Interest*, a journal run by Kremlin-linked analyst Dmitry Simes, describing Russia's war as a "tragedy on a scale not seen on the European continent for a long time" and affirming "support for the territorial integrity of Ukraine, as does the overwhelming majority of countries in the world" (yet Kazakhstan abstained in the UN votes related to Ukraine's sovereignty, the humanitarian consequences of the invasion, and

10. "Sostoyalsya telefonnyj razgovor Prezidenta Kasym-Zhomarta Tokaeva s Prezidentom Rossii Vladimirom Putiny" [President Kassym-Jomart Tokayev had a telephone conversation with Russian President Vladimir Putin], Official website of the President of Kazakhstan, March 2, 2022, available at: <https://akorda.kz>.

11. "V Almaty proshel miting v podderzhku Ukrainy" [Rally in support of Ukraine held in Almaty], Exclusive, March 6, 2022, available at: <https://exclusive.kz>.

the security of nuclear infrastructure). In the first year of the war, Kazakhstan's leadership pointedly abstained from attending the Victory Day parade in Moscow on May 9, an event at which Vladimir Putin appeared conspicuously isolated. Tensions surfaced in July 2022, when Russia suspended operations of the Caspian Pipeline Consortium (CPC)—Kazakhstan's main export route for two-thirds of its oil—on the official grounds of environmental concerns. The move came just a day after Tokayev had pledged, in a call with European Council President Charles Michel, to help Europe address its energy crisis.

Yet, alongside gestures that suggested a posture of neutrality, Ak Orda gradually pursued closer alignment with Moscow at the official level. Throughout 2022, Tokayev held regular meetings with Putin, both in Russia and in Kazakhstan. Immediately after his re-election in the early presidential elections, Tokayev chose Russia for his first state visit in November 2022. The visit culminated in the signing of a declaration commemorating the 30th anniversary of diplomatic relations between the two states. The 37-point document underscored mutual commitments to refrain from actions that could undermine their strategic partnership and allied relations, while reaffirming existing agreements on friendship and good neighborliness. Reflecting this trajectory, Tokayev's visits to Russia—previously averaging two to three per year in 2019–2021—increased to seven in 2022.

By 2023–2024, Kazakhstan's stance had consolidated into a de facto pro-Kremlin position. Humanitarian support for Ukraine was reduced to private initiatives—such as the symbolic “yurt of indestructibility” in Kyiv, assistance with repairing a hospital in Mykolaiv damaged by Russian shelling, and the delivery of aid parcels—organized not by the state but by Kazakh entrepreneurs and civil society groups.¹² Tokayev's rhetoric likewise shifted toward a more overtly pro-Russian framing of the war. In June 2023, he underscored that Russia remained Kazakhstan's foremost strategic partner, noting that the two countries were “members of the same organizations”. That same year, he actively advanced the Kremlin's preferred narrative of “peace talks”, which Moscow used to push for international legitimization of its territorial gains. By 2024, Tokayev was articulating not only a pro-Russian interpretation of the war in Ukraine but also of the broader international order. During a meeting in Astana with German Chancellor Olaf Scholz, he asserted that “in military terms, Russia is invincible”, signaling acceptance of the militarized logic promoted by Vladimir Putin as a legitimate means of addressing political and economic challenges.

12. N. Drobny, “Spravzhnaya dopomoga: kto i kak v Kazakhstane prodolzhaet podderzhivat' Ukrainu” [True help: Who in Kazakhstan continues to support Ukraine, and how], Orda, February 24, 2024, available at: <https://orda.kz>.

It is important to note that, despite efforts in 2022-2023 to diversify military-technical cooperation with countries such as Turkey, Azerbaijan and Israel, Kazakhstan remains heavily dependent on Russia for its defense capabilities. As of 2024, over 90% of Kazakhstan's military equipment is of Soviet or Russian origin, with complete reliance on Moscow for critical systems including air defense, attack helicopters, combat aircraft, towed artillery, combat reconnaissance and patrol vehicles, as well as main battle tanks and self-propelled artillery. Kazakhstan continues to participate in all NACSTO military exercises, while joint exercises with the North Atlantic Treaty Organization (NATO) have not taken place since 2020. Doctrinal and personnel ties with Russia remain strong; senior military officials, including defense ministers and high-ranking officers, regularly undergo training at Russian military academies, and roughly 90% of Kazakh personnel receiving training abroad study in Russia. The country maintains around 80,000 active military personnel, including around 40,000 professional soldiers across the army, navy, air force, and other branches.¹³

Although mercenary activity is officially criminalized in Kazakhstan, as in other Central Asian states, the participation of Kazakh citizens in Russia's war in Ukraine has not strained relations between Moscow and Astana. According to the Ukrainian project "I Want to Live", 661 Kazakhs fought in Ukraine between 2022 and 2025, compared with 1,100 Uzbeks and 360 Kyrgyz. By 2025, only eight Kazakh participants had been convicted under domestic law for their involvement in the conflict.

Territorial issues and the Russian diaspora, comprising roughly 18% of Kazakhstan's 20 million population, remain significant levers of influence for Moscow. Throughout Kazakhstan's post-independence history, Russian politicians and media have repeatedly made provocative statements about the country's territorial integrity, historical statehood, and the status of the Russian-speaking population. Between 2022 and 2024, such rhetoric intensified. For instance, in 2023, Alexei Zhuravlev, deputy chairman of the Russian State Duma's Defense Committee, provocatively claimed that "it would be necessary, first of all, to abolish Kazakhstan altogether. After all, it is a pure product of Soviet power",¹⁴ and in 2024, another influential Duma deputy, Pyotr Tolstoy, stated that Kazakhstan could become "the next problem" for Russia after Ukraine.¹⁵ Despite strong public reactions to such statements, Kazakh authorities have consistently sought to de-escalate tensions. Between 2020 and 2023, the government formally summoned the Russian ambassador only three times to register its discontent, while

13. 2025 Military Strength Ranking, available at: www.globalfirepower.com.

14. "Zhuravlev—dlia OSN: Kazakhstan dogoniaet Ukrainu po rusofobii, ego nado 'otmenit'" [Zhuravlev—for OSN: Kazakhstan is catching up with Ukraine in Russophobia, it should be 'cancelled'], Party Rodina, March 3, 2023, available at: <https://rodina.ru>.

15. "Rossijskij deputat Piotr Tolstoj obvinil Kazakhstan v rusofobii i vspomnil pro 'gorod Vernyj'" [Russian MP Pyotr Tolstoy Accuses Kazakhstan of Russophobia and Recalls "Verny City"], *Nastoiashchee Vremia*, May 31, 2024, available at: www.currenttime.tv.

Russian politicians and media questioned Kazakhstan's sovereignty at least 14 times over the same period. In response to the most recent statement by Pyotr Tolstoy, Kazakh Senate Speaker Maulen Ashimbaev urged the media "not to dramatize the situation".¹⁶

In 2022-2023, there were at least two high-profile incidents in the Russian diaspora in Kazakhstan. In the first, a resident of Uralsk, Maxim Yakovchenko, called on social media for Petropavlovsk, Pavlodar and Uralsk to be returned to Russia; in the second, members of the People's Council of Workers (Petropavlovsk) declared that they did not accept the Republic of Kazakhstan and wanted to return to the Kazakh Soviet Socialist Republic (SSR). In both cases, the Kazakh authorities launched criminal proceedings; while Yakovchenko managed to flee to Russia and request political asylum, representatives of the People's Council of Workers received real prison sentences (ranging from 7 to 9 years). Moscow refrained from direct interference in these processes, allowing Astana to conduct the trials independently. In recent years, the Kremlin has balanced its approach: on one hand, exerting pressure on Kazakhstan regarding territorial integrity and the Russian diaspora, while, on the other, avoiding drastic interventions and maintaining communication primarily through formal diplomatic channels. Following Russia's partial mobilization in 2022, thousands of Russian citizens entered Kazakhstan; while most subsequently moved on to other countries, approximately 80,000 chose to regularize their status and settle in Kazakhstan. Although this influx did not significantly alter the Russian diaspora or Moscow's policy toward Kazakhstan, the newcomers had a noticeable impact on the domestic economy, particularly in Almaty (see further discussion below).

In summary, Kazakhstan's multivectorism has grown increasingly fragile in recent years under the combined pressures of internal dynamics and external influences. There is a clear trend toward consolidating Russia's role while diminishing the counterweights provided by engagement with the West, China and Turkey. Historically, cooperation with the EU and the United States has been limited and focused on select sectors, most notably oil production, where Western firms secured dominant positions in the 1990s. Since 2022, however, the Kazakh government has begun reviewing agreements with Western oil companies, a move with potential geopolitical ramifications. For instance, in 2023, the government filed a \$13 billion lawsuit against the North Caspian Consortium—including Shell,

16. According to *Deutsche Welle*, Kazakhstan has compiled a "blacklist" of Russian politicians and journalists who are banned from entering the country. Russia has a similar list for Kazakhstani citizens. Neither side has officially confirmed the existence of such lists.

ExxonMobil, Eni, and TotalEnergies—seeking to exclude “unauthorized expenses” from 2010–2018 from reimbursable costs.¹⁷

The Kazakh government has recently initiated a gradual rapprochement with Turkey, particularly in military production; however, cooperation remains limited to a few projects—such as the construction of a Baykar Defense drone factory—and has not materially reduced Kazakhstan’s dependence on Russia in this sector. Meanwhile, China has been actively expanding its engagement with Kazakhstan, especially in trade and logistics under the Belt and Road Initiative. Yet, this engagement has largely remained confined to specific economic interests and has not emerged as a substantive geopolitical counterweight to Russia. Currently, Moscow and Beijing continue to coordinate their interests in Central Asia, avoiding competition or direct confrontation. Notably, in January 2022, during a critical domestic crisis in Kazakhstan, China did not assume a stabilizing role; that responsibility fell to Russia, which acted decisively by deploying armed forces to suppress unrest. Later, in September 2022, Xi Jinping conducted a state visit to Kazakhstan and met with President Tokayev. The Kazakh government’s website reported the following statement by the Chinese leader: “No matter how the international situation changes, we will continue our strong support to Kazakhstan in protecting its independence, sovereignty and territorial integrity, as well as firm support to the reforms you are carrying out to ensure stability and development, and strongly oppose (...) the interference of any forces in the internal affairs of your country”.¹⁸ In some media outlets, this statement was presented as a guarantee of Kazakhstan’s security from China (without specifying which external and internal threats they were intended to counter). However, such guarantees were not officially confirmed by the Chinese side; neither the website of the Chinese Ministry of Foreign Affairs nor the website of the main state news agency of the People’s Republic of China (PRC), Xinhua, mentioned this quote in their reports on Xi Jinping’s visit to Kazakhstan. Moreover, statements of commitment to territorial integrity, the protection of sovereignty, and the rejection of interference in internal affairs have often been used by Chinese diplomacy, including with Ukraine¹⁹ and other Central Asian countries.²⁰

17. R. Kospanov, “Zachem Kazakhstan peresmatrivaet kontrakty s neftianymi korporatsiiami” [Why Kazakhstan is reviewing contracts with oil corporations], Exclusive, May 8, 2025, available at: <https://exclusive.kz>.

18. “President Kassym-Jomart Tokayev Held a Bilateral Meeting with President Xi Jinping of China,” Official website of the President of Kazakhstan, September 14, 2022, available at: <https://akorda.kz>.

19. “On Ukraine, Xi Supports Territorial Integrity: White House”, Reuters, March 24, 2014, available at: www.reuters.com; “Chinese President Xi Jinping Tells Russia to ‘Respect Territorial Integrity’ of Ukraine”, *The Standard*, November 15, 2022, available at: www.standard.co.uk.

20. “Xi Jinping Meets with President Almazbek Atambayev of Kyrgyzstan”, Embassy of the People’s Republic of China in the Republic of the Philippines, May 16, 2017, available at: <https://ph.china-embassy.gov.cn>; “Xi Jinping Meets with Uzbek President Shavkat Mirziyoyev”, Ministry of Foreign

Thus, in terms of security, the situation in Central Asia has not changed significantly over the past decade. Moscow remains the dominant power, capable of both igniting and extinguishing armed conflicts.

The levelling of counterweights in Kazakhstan's foreign policy has become a favorable factor for Russia. On the one hand, it has significantly increased its influence, with Russia playing a decisive role in resolving the internal political crisis and keeping Tokayev in power in January 2022. On the other hand, the war unleashed by Moscow in Ukraine, although it came as a shock to Kazakh society, also helped it strengthen its position by showing, through the example of Ukraine, the price that "disobedient" neighbors are forced to pay.

Strengthening economic ties between Kazakhstan and Russia after 2022

Following Qandy Qantar and the outbreak of the war in Ukraine, Russia's influence in Kazakhstan expanded not only politically but also economically. Since 2022, trade, financial and energy linkages between the two countries have deepened steadily, further increasing Kazakhstan's dependence on Moscow.

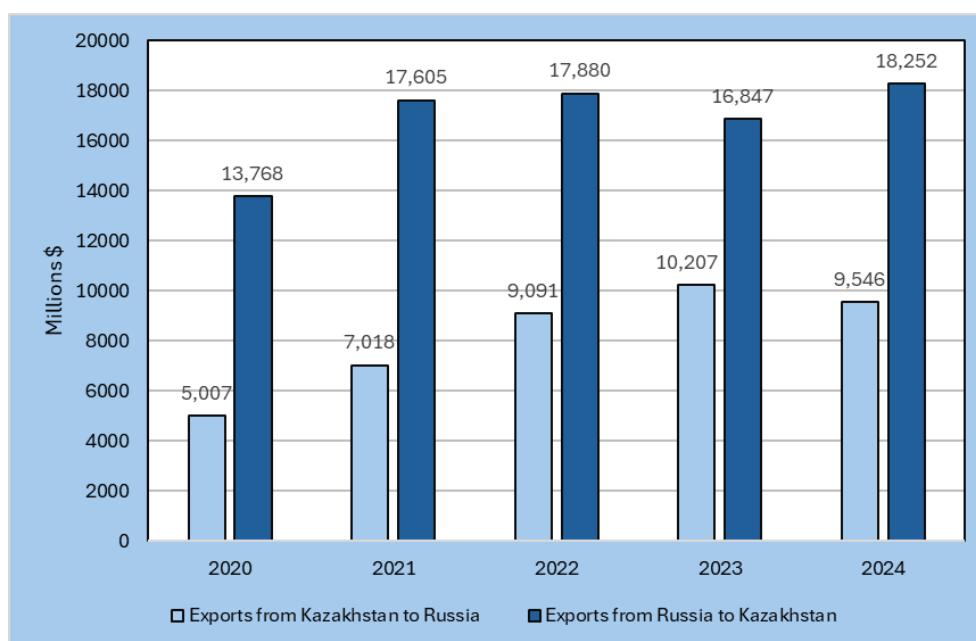
Since 2022, following the imposition of Western financial sanctions on Russia, Kazakhstan has emerged as a key partner for Russian businesses, facilitating “parallel imports”—a mechanism enabling sanctioned goods to enter Russia without the consent of rights holders. This has provided Kazakh companies with a unique opportunity to capitalize on increased Russian capital inflows, expanded trade and rising investment. However, the surge in commercial transactions conducted in rubles has also triggered a substantial outflow of convertible currency from Kazakhstan, creating macroeconomic pressures.²¹ This has had adverse effects on the Kazakh economy, including elevated inflation, market shortages of foreign currency, a widening budget deficit, and a depreciation of the national currency.

In 2022, Kazakhstan's foreign trade turnover grew by 32% compared to 2021, reaching \$134.4 billion. Exports increased by 40% (to \$84.3 billion), and imports by 21% (to \$50 billion). However, this growth has not generated meaningful economic benefits for Kazakhstan for several reasons. First, a substantial share of the increased imports does not remain in the country but is re-exported to Russia. In recent years, Kazakhstan has functioned as a transit hub for parallel imports, sourcing goods from China, Turkey and Europe and forwarding them to Russia without adding domestic value. Consequently, these re-exports do little to stimulate the Kazakh economy, effectively reducing the country to a logistics conduit. Second, most of these transactions are conducted in Russian rubles, resulting in a continued outflow of convertible currency from Kazakhstan. Instead of earning revenue in dollars or euros, Kazakhstan receives largely illiquid rubles, which are difficult to convert or

21. R. Abdrakhmanov, “Nalogovoe neravenstvo: spasenie biudzheta—v obespechenii spravedlivosti” [Tax Inequality: Saving the Budget Is in Ensuring Fairness], Spik.kz, February 11, 2025, available at: <https://spik.kz>.

use in international markets. This dynamic has contributed to depreciation of the tenge against major global currencies and has increasingly linked Kazakhstan's financial system to the monetary policy of the Central Bank of Russia, thereby deepening the country's economic dependence on Moscow.

Figure 1. Growth of Kazakhstan's exports to Russia from 2020 to 2024



Source: National Statistics Bureau of Kazakhstan.

Over the past three years, Russian companies have relocated a substantial portion of their commercial operations to Kazakhstan. Leveraging the privileges afforded to Eurasian Economic Union (EAEU) members, they have been able to obtain individual identification numbers (IINs) through a streamlined one-day procedure, enabling them to register companies, open bank accounts, sign employment contracts, operate legally, and participate in both state and commercial transactions. As a result, since 2022, the number of Russian firms operating in Kazakhstan has increased sharply: from 7,500 in 2021 to 23,600 in September 2024.²² However, the largest increase was observed in the trade sector, which is apparently related to re-export operations of sanctioned goods.

22. After Russia, Kazakhstan is followed by Uzbekistan (6,938), China (6,272) and Turkey (212) in terms of the number of registered companies.

**Table 1. Dynamics of Russian companies registered
in Kazakhstan in 2021-2024**

Data	Country of participation	Total (foreign)	Including		
			Small	Medium	Large
January 2021	Total	22,557	21,972	317	268
	Russia	7,516	7,366	103	47
January 2022	Total	37,813	37,137	376	264
	Russia	11,515	11,345	116	54
January 2023	Total	48,134	47,354	353	247
	Russia	18,906	18,741	117	48
September 2024	Total	59,010	58,445	340	226
	Russia	23,639	23,458	99	51

Source: National Statistics Bureau of Kazakhstan.

According to unofficial sources, in 2022, Kazakh Invest, the state agency responsible for attracting foreign investment, issued an informal circular granting Russian companies most-favored-nation status. This selective policy provided Russian businesses with preferential operating conditions in Kazakhstan. Since 2022, Russian investment in the country has been steadily rising. Although Russia, like China, has never ranked among Kazakhstan's top three investors—traditionally dominated by the Netherlands, the United States and Switzerland,²³ its growing presence signals a notable shift in the investment landscape; in 2023, Russia displaced Switzerland and took third place in terms of investment in Kazakhstan, increasing its investments in the country by 60.5%. By 2024, Russia had become the leading investor, directing a record \$4 billion to Kazakhstan.

The influence of Russian capital has been particularly pronounced in strategic sectors of Kazakhstan's economy. A notable example is the uranium mining industry. On January 1, 2024, Kazakh authorities suspended production at the country's largest uranium deposit, Inkay, 40% of which is owned by the Canadian firm Cameco, citing an alleged failure to provide the required documentation as justification.²⁴ Inkay plays a critical role in global uranium production, and its suspension could have serious

23. Zh. Zhazetova, "Russia Outperforms the Netherlands as the Largest Investor in Kazakhstan," Kursiv, April 5, 2025, available at: <https://kz.kursiv.media>.

24. R. Karataeva, "'Kazatomprom' ostanovil dobychu urana k razocharovaniuu kanadtsev: chto proiskhodit na mestorozhdenii Inkaj" [Kazatomprom Halts Uranium Mining to Canadian Disappointment: What's Happening at Inkai Deposit], Orda, January 4, 2025, available at: <https://orda.kz>.

repercussions for both Kazakhstan's exports and broader economic stability. The timing of this closure coincided with the expanding presence of the Russian company Rosatom, which has substantially increased its footprint in Kazakhstan over the past three years. Through its subsidiary, Uranium One Group, Rosatom now controls 58% of uranium reserves in joint ventures with Kazakhstan, establishing itself as the dominant foreign actor in the sector.

Russian companies have increasingly participated in the construction and modernization of Kazakhstan's energy infrastructure. Currently, the project to develop three combined heat and power (CHP) plants in Kokshetau, Semey, and Ust-Kamenogorsk, involving the Russian firm Inter RAO, is at the stage of finalizing design contracts. The total projected cost of these plants is \$2.7 billion, with construction slated to begin in 2025. Inter RAO is also considered a potential key participant in the national Modernization of the Energy and Utilities Sectors program for 2025–2029, which carries a projected investment of 12 trillion tenge (\$25.5 billion). Additionally, in June 2025, Russian companies—most notably Rosatom—secured a state contract to lead the construction of Kazakhstan's first nuclear power plant, outcompeting Électricité de France and Korea Hydro & Nuclear Power in the tender.²⁵ The estimated cost of the first nuclear power plant in Kazakhstan (2,800 MW) will be approximately \$14–28 billion. If two or three plants are built, the total investment could exceed \$40–60 billion.

With the exception of strategic industries, Russian business in Kazakhstan, according to the National Statistics Bureau,²⁶ is mainly focused on trade and intermediary operations, which are not accompanied by qualitative changes in the economy. The rapid growth in the number of Russian companies (from 7,516 in 2022 to 23,639 in 2024) did not lead to an increase in tax revenues, which in 2024 fell short of the Kazakh budget by 3.5 trillion tenge (approx. \$7.45 billion) compared to previous years, nor to an inflow of foreign investment. The decline of foreign direct investment in Kazakhstan has been pronounced; in the first nine months of 2024, inflows fell more than 30-fold, from \$2.3 billion in 2023 to \$72.9 million. Official explanations cite cyclical factors, including the completion of major infrastructure projects such as the Tengiz Future Expansion Project (FEP). However, the dramatic reduction also reflects mounting concerns among Kazakhstan's foreign partners about political instability and economic prospects. Heightened apprehension over potential exposure to secondary sanctions, given Kazakhstan's deepening economic ties with Russia, further

25. “Rosatom’ vozglavit stroitel’svo pervoj AES v Kazakhstane. Kak Astana delala vybor” [Rosatom to lead construction of first NPP in Kazakhstan. How Astana made its choice], Radio Azattyk, June 14, 2025, available at: <https://rus.azattyq.org>.

26. Key indicators of mutual trade between the Republic of Kazakhstan and the EAEU countries by region, Bureau of National Statistics of Kazakhstan, available at: <https://stat.gov.kz>.

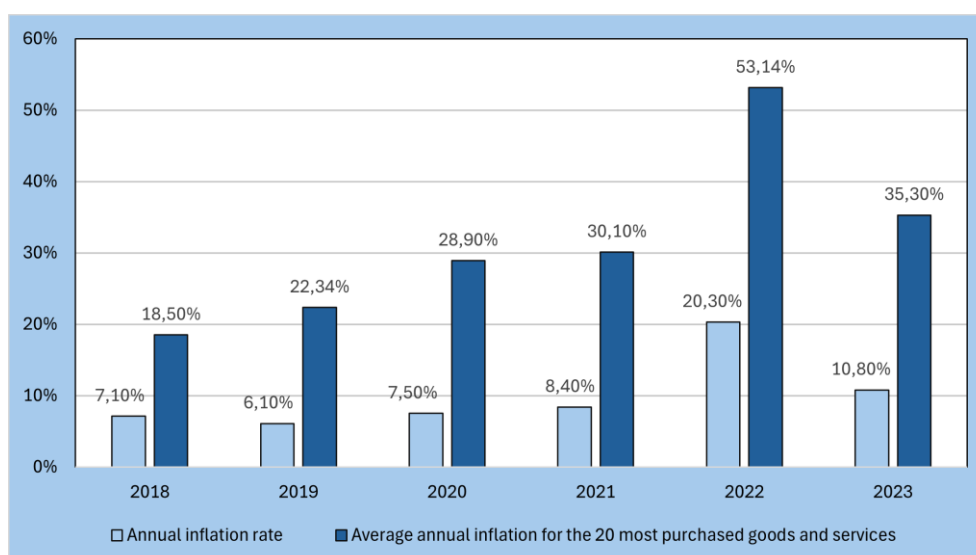
constrains investor confidence. These risks are compounded by domestic socio-economic pressures, including rising inflation and declining living standards, which exacerbate uncertainty and reduce the country's attractiveness for long-term investment.

The influx of Russian emigrants between 2022 and 2024 had a pronounced impact on Kazakhstan's economy. Following the announcement of partial mobilization in September 2022, around 937,000 Russian nationals arrived in the country, marking one of the largest migration waves in recent Kazakh history. While most used Kazakhstan as a temporary transit point, roughly 80,000 settled permanently, integrating into the labor market and contributing to economic activity. The surge in population placed additional pressure on financial and social infrastructure. In particular, housing rental markets in Almaty and Astana experienced a 30% increase in 2022 due to high demand, exacerbating affordability challenges for local residents. The presence of migrants with relatively high purchasing power also elevated overall demand for goods and services, fueling inflation and inflationary expectations. Although mass unemployment did not materialize, competition intensified in key sectors such as IT, media and business, creating challenges for domestic specialists and companies.

Consequently, rather than delivering the anticipated economic benefits, deeper integration with Russia has generated serious socio-economic challenges for Kazakhstan, with several key areas of concern emerging.

First, galloping inflation and devaluation. In 2022, the overall inflation rate in Kazakhstan reached 20.3% due to growing demand from Russia and the devaluation of the tenge. Average inflation for goods and services reached a record high of 53.14%. In 2023, inflation fell to 10.8%, but prices for goods continued to rise, reaching 35.3%. A central driver of inflation in Kazakhstan has been the free convertibility of the Russian ruble. The influx of non-convertible rubles into the Kazakh market created an oversupply, contributing to the devaluation of the tenge, higher import prices and general price increases. This dynamic also amplified demand for goods imported with convertible currencies, further fueling inflationary pressures. Since 2021, ruble trading on the Kazakhstan Stock Exchange (KASE) has increased eightfold, while over-the-counter trading expanded 26-fold, intensifying excess demand, upward price pressures, and strain on the national currency. Following the disconnection of major Russian banks from SWIFT and the imposition of restrictions on the Moscow Exchange, Kazakhstan emerged as a key platform for currency transactions. This development heightened the country's financial dependence on Russia, undermined foreign investor confidence, and accelerated capital outflows.

Figure 2. Annual inflation and average inflation for the 20 most demanded goods/services in Kazakhstan in 2018–2023



Source: National Statistics Bureau of Kazakhstan.

Second, the budget deficit and withdrawals from the National Fund. The unhindered circulation of the Russian ruble in Kazakhstan facilitated “parallel imports”, allowing Russia to avoid spending its own scarce foreign exchange reserves. This caused a sharp foreign currency shortage in Kazakhstan and a surge in inflation. As a result, withdrawals from the National Fund rose sharply; in 2021, transfers from the National Fund amounted to 4.5 trillion tenge (approx. \$10.3 billion), in 2022 to 4.6 trillion tenge (approx. \$10 billion), in 2023 to 5.7 trillion tenge (approx. \$11.7 billion) and in 2024 to a record 6.1 trillion tenge (approx. \$12 billion).

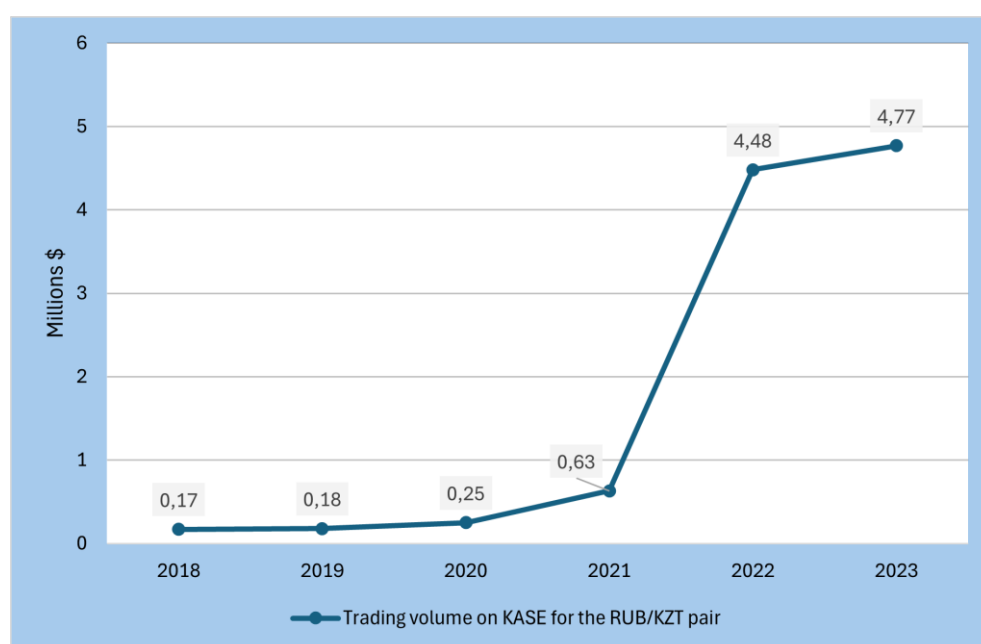
The growth of the budget deficit in Kazakhstan in 2022–2024 is directly linked to increased inflationary processes caused by external and internal factors. In 2024, the state lost 3.5 trillion tenge (approx. \$7.45 billion) in tax revenue, which was a record and almost three times higher than in 2023 (1.3 trillion tenge—approx. \$2.85 billion). The devaluation of the tenge, driven by the influx of Russian rubles and a broader currency shortage, triggered significant price increases that eroded the purchasing power of the population. In response, the government had to expand social commitments and accelerate the indexation of pensions and public sector salaries—amounting to an additional \$2 billion in 2022 alone compared to 2021. Concurrently, Kazakhstan experienced a marked expansion of the shadow economy, a contraction in domestic business activity, and increased capital outflows,²⁷ which led to abnormal dynamics. Despite formal growth in GDP and foreign trade, from 2022 to 2024, there was a sharp decline in tax

27. M. Elisarov, “*Ekonomika Kazakhstana vozvrashchaetsia v ten'*” [Kazakhstan's economy returns to the shadows], *Exclusive*, January 27, 2025, available at: <https://exclusive.kz>.

revenues, accompanied by an increase in transfers from the National Fund and a worsening of the budget crisis. These developments were driven not only by Russia's influence but also by the intensification of negative macroeconomic trends, amplified by the January 2022 protests, which destabilized the business environment, prompted capital outflows, and undermined Kazakhstan's investment appeal.

Thirdly, capital flight and currency restrictions. Between 2021 and 2024, foreign investors withdrew \$92.5 billion from Kazakhstan, intensifying pressure on the tenge, driving inflation, and depleting reserves. To stabilize the currency market, authorities implemented foreign exchange transaction restrictions (effective January 1, 2025). European investment has historically played a strategic role in Kazakhstan's economy, serving as a key indicator of the country's economic and political stability and, by extension, its broader investment attractiveness.

Figure 3. Dynamics of the ratio of ruble and dollar trade in Kazakhstan, 2018–2023



Source: Kazakhstan Stock Exchange (KASE).

Moreover, the volatility of the Russian ruble has introduced additional macroeconomic risks, further undermining Kazakhstan's investment climate. Kazakh businesses receiving payments in rubles must convert them into hard currencies (dollars, euros, yuan) to procure goods for the Russian market, generating losses from exchange-rate fluctuations. Sanctions-driven ruble depreciation has led to unplanned devaluation losses, increasing business costs, fueling inflation, and eroding household purchasing power. While the influence of the ruble on Kazakhstan's financial market is actively debated among policymakers and experts, authorities are politically constrained from imposing strict conversion

controls. Consequently, the continued reliance on the ruble exacerbates the depreciation, heightens inflationary pressures, and deepens the fiscal crisis, necessitating targeted measures to mitigate these risks.

It is also important to note that Russia maintains control over the export of Kazakh oil via the CPC, which partially traverses Russian territory. Approximately 70% of Kazakhstan's annual convertible currency earnings derive from oil exports transported through the CPC. While the Middle Corridor project—linking the Baku-Tbilisi-Kars railway, the trans-Kazakhstan railway, and the maritime route from Aktau to Baku—is being actively discussed, it is not a viable alternative in the near term. As a land-sea transport route, its capacity remains limited and will be insufficient to meaningfully offset Kazakhstan's dependence on the CPC for oil exports for the foreseeable future.²⁸ In addition, the Middle Corridor project faces a number of infrastructure problems, ranging from limited tanker capacity to dilapidated ports and a shortage of locomotives.²⁹

Expectations that China and Turkey could serve as counterweights to Russia's political and economic influence in the current context appear overstated. Despite the resonance of ideas such as the "Great Turan" and the Organization of Turkic States (OTS) among the public, Kazakhstan's potential for closer alignment with Turkey remains limited. While Ankara frequently signals interest in deepening cooperation, Astana remains cautious due to its entrenched ties with Russia through the EAEU and CSTO frameworks. In 2023, Kazakhstan's trade turnover with Turkey totaled \$6 billion, compared to \$27 billion with Russia. Similarly, Russian investment in Kazakhstan exceeds \$50 billion, whereas Turkish investment stands at only \$4.6 billion.

The expansion of economic cooperation with China primarily reflects Kazakhstan's growing role as a transit hub rather than a deepening of bilateral economic integration. In 2023, Kazakhstan's trade turnover with China reached \$30 billion, with imports from China (\$15.4 billion) surpassing exports (\$14.6 billion) for the first time. Transit cargo through Kazakhstan also increased significantly; in 2022, 15.5 million tons were transported—2 million tons more than in 2021 and nearly double the volume in 2018—driven mainly by deliveries of transport equipment, including trucks, cars and tractors. By 2023, transit volumes had reached a record 18.5 million tons.

The volume of transit of freight vehicles increased from 126,900 tons in 2021 to 650,700 tons in 2022 and 1.31 million tons in 2023. The growth over two years was more than tenfold. For passenger cars, the volume

28. "Europe's Hunt for Natural Resources in Central Asia," Oilprice, May 5, 2025, available at: <https://oilprice.com>.

29. P. Aguiar, "The Middle Corridor: A Route Born of the New Eurasian Geopolitics", *Geopolitical Monitor*, January 23, 2025, available at: www.geopoliticalmonitor.com.

increased from 103,400 tons in 2021 to 173,200 tons in 2022 and 835,300 tons in 2023—an eightfold increase in two years. The increase in tractors is even more pronounced: from 20,800 tons in 2021 to 116,700 tons in 2022 and 623,300 tons in 2023, i.e., almost 30 times. All three product categories are subject to export controls in the EU, the US and other countries when shipped to Russia, especially in the context of dual use.

Analysis of transit cargo destinations in 2023 highlights the rapid growth of the China–Russia route through Kazakhstan, which became the dominant corridor. Cargo volumes along this route surged from 444,000 tons in 2021 to 4,165,000 tons in 2023, an increase of nearly 9.4 times in just two years. By comparison, the historically leading China–Kazakhstan route grew from 1,348,000 tons to 2,720,000 tons over the same period—just over a twofold increase.

Overall, the data indicate two key trends. First, there has been an explosive growth in the transit of high-tech and sanction-sensitive goods that bypass Kazakhstan’s official export statistics. Second, the bulk of this increase is concentrated along the largest transit corridor—China–Russia—passing through Kazakh territory.

**Table 2. Transit shipments through Kazakhstan
in 2021–2023**

Country of origin	Destination Country	2021	2022	Growth rate	2023	Growth Rate
		Total Weight (Gross) kg	Total Weight (Gross) kg		Total Weight (Gross) kg	
Germany	Kazakhstan	4,000,245	8,182,189	205%	38,280,194	468%
Georgia	Kazakhstan	17,281,601	56,463,821	327%	98,896,134	175%
Iran	Kazakhstan	122,541,098	152,164,160	124%	229,073,506	151%
Kazakhstan	Kyrgyzstan	108,390,090	92,079,013	85%	104,966,190	114%
Kazakhstan	Russia	156,203,363	55,684,263	36%	66,420,643	119%
China	Belarus	12,517,608	110,775,320	885%	382,099,799	345%
China	Kazakhstan	1,348,189,677	1,942,066,053	144%	2,719,626,262	140%
China	Kyrgyzstan	303,010,294	349,996,201	116%	417,511,618	119%
China	Poland	1,854,006,742	1,469,555,402	79%	825,285,075	56%
China	Russia	443,737,770	2,640,553,250	595%	4,164,767,694	158%
China	Uzbekistan	1,724,279,165	2,071,742,695	120%	3,290,272,923	159%

Source: National Statistics Bureau of Kazakhstan.

Since 2022, Chinese dual-use goods have been entering Russia via Kazakhstan, along with Kyrgyzstan and Uzbekistan; some Kazakh companies involved in transit and re-export have already been hit by secondary US sanctions (e.g., Kazstanex TOO, KBR-Technology TOO, Defense Engineering TOO, etc). Since 2021, there has been an abnormal surge in imports from China to Kazakhstan in certain categories of goods. For example, China has quadrupled its deliveries of cars to Kazakhstan (61,400 units), doubled its deliveries of computers and laptops (6 million units), and increased its deliveries of plastics and plastic products by 10%. Tractor deliveries to Kazakhstan increased 30 times, from 20,800 units in 2021 to 623,300 units in 2023.³⁰ Imports of trucks increased tenfold, from 127,000 units in 2021 to 1.3 million units in 2023. Deliveries of passenger cars increased eightfold, from 103,400 units (2021) to 835,300 units (2023). Imports of washing machines increased sixfold over the same period, from 13,600 units to 82,400 units. Deliveries of electric generators increased sixfold, from 25,600 units to 150,000 units. The volume of imported industrial components and household electrical equipment increased significantly. Shipments of electrodes and carbon brushes rose to 69,600 units, compared to 16,700 units in previous years. Similarly, supplies of electric water heaters and heaters nearly doubled, growing from 58,700 units to 108,000 units.

Despite the apparent deepening of economic ties with Russia, Kazakhstan is likely to face significant socio-economic costs from its rapprochement with Moscow. Under the pressures of sanctions and war, Russia has been leveraging Kazakhstan as a logistics, financial and currency hub, generating multiple negative consequences for the national economy, including rising inflation, currency instability, growth of the shadow sector, and heightened economic dependence on Russia. Since 2022, the Kremlin has actively used Kazakhstan to circumvent sanctions, replenish currency reserves, transfer capital, and expand the presence of Russian companies in strategic sectors. As a result, the Kazakh economy is losing competitiveness, the population is suffering from accelerating inflation and declining incomes, and domestic businesses are operating under heightened risk and increased competition from Russian firms.

30. Ibid.

Conclusion

The year 2022 represented a dual shock for Kazakhstan. The unprecedented political crisis in early January and Russia's military invasion of Ukraine a month later acted as a stress test for the country's political system and its multi-vector foreign policy. The Bloody January events finalized the transition of power from Nazarbayev to Tokayev and prompted the leadership to pursue reforms; however, these measures have yet to produce meaningful democratization. Negative trends have also emerged, including the publication of a foreign agents' list, the expansion of censorship mechanisms targeting government critics, and the continued persecution of journalists and civil society activists. According to The Economist Democracy Index for 2022-2024, Kazakhstan has not advanced toward genuine democratization, remaining among the lowest-ranked countries globally, at 128th out of 167.

Despite a challenging foreign policy environment, Russia has successfully expanded its influence in Kazakhstan in recent years, rendering Astana's multi-vector strategy increasingly fragile. This outcome reflects both the longstanding geopolitical inertia of Russia in Central Asia and the weakening of counterweights from other major actors in the region, combined with the Kremlin's targeted strategy of exerting pressure on Kazakhstan. Concerned with preventing a repeat of the "Ukrainian scenario", Ak Orda gradually adopted a de facto pro-Russian position on the conflict in Ukraine, evident both in its rhetoric and in its practical policies. Between 2022 and 2024, this shift translated into closer cooperation with Russia across multiple domains. Economically, it manifested in increased trade, assistance for Russian entities in circumventing sanctions, the deep penetration of Russian companies into the Kazakh market, and growing dependence of the tenge on the ruble and the monetary policy of the Russian Central Bank. By 2024, Russia had re-emerged as Kazakhstan's largest investor, surpassing traditional leaders such as the Netherlands, the US and Switzerland. In the military sphere, despite limited diversification efforts with Turkey and Azerbaijan, Kazakhstan remained Russia's partner within the CSTO, reliant on Moscow for arms supplies and military maintenance. In the energy sector, Russia has sustained a dominant position in uranium mining, maintained control over Kazakhstan's primary oil export infrastructure, and secured the rights to construct the country's first nuclear power plant. The deepening of economic ties with Moscow, however, has come at a cost; the outflow of foreign investment, particularly from EU countries, has intensified budget

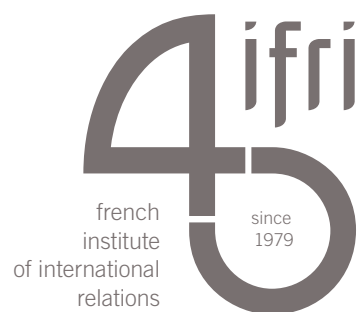
deficits, inflationary pressures, and social inequality, creating significant challenges for Kazakhstan's economic stability.

This strategic orientation, which has ultimately increased Kazakhstan's dependence on Russia, reflects a confluence of factors: complex domestic political calculations in the aftermath of Bloody January, direct and indirect pressure from Moscow, and enduring postcolonial legacies. These historical and structural dynamics compel Kazakh decision-makers to navigate their country's "geographical destiny", and often make choices that are framed as "the lesser of two evils" in an environment of constrained options.

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