# The Ukraine Conflict and the Future of Kazakhstan's Multi-Vector Foreign Policy

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Sean R. Roberts<sup>1</sup> *George Washington University* 

Of all the Central Asian states, Kazakhstan has been most successful in balancing its foreign relations with a variety of global powers. The country has even branded its foreign policy as "multi-vector" to accentuate its success in maintaining a diverse set of international partners. Whether Kazakhstan's multi-vector foreign policy is the result of conscious policy planning or an outcome of necessity is unclear, but one cannot dispute that this policy's implementation has benefitted the country as it has maintained a broad array of partners both economically and politically without creating any pronounced adversaries in the international arena.

The Ukraine conflict presents the first real challenge to Astana's long-standing and successful "multi-vector" foreign policy. As the sanctions against Russia further isolate the country, its relationship with Kazakhstan is becoming more important and could become more demanding. U.S. and EU efforts to hold Russia accountable for its actions in Ukraine have placed Kazakhstan in an awkward position between two sides in what has emerged as a tense and prolonged diplomatic confrontation. Furthermore, Kazakhstan seeks to retain a close working relationship with Ukraine and does not want to be viewed as merely supporting Moscow's position toward the country. Finally, Russia's intervention in Ukraine is a cautionary tale for Astana about what could happen if serious disagreements were to emerge between Kazakhstan, which has a sizeable Russian minority population, and the Russian Federation.

Thus far, Kazakhstan has managed these challenges relatively well. It has maintained good relations with Europe, Russia, the United States, and Ukraine since the conflict between Russia and Ukraine began, and it has even attempted to play a mediating role in the conflict. However, the longer the conflict continues, the more likely that

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 $<sup>^1</sup>$  Sean Roberts is Associate Professor and Director of the International Development Studies Program at the George Washington University

Kazakhstan will find itself in a position where it becomes impossible to retain its "multi-vector" position.

In particular, the Ukraine conflict could force Kazakhstan to stray from its preferred "multi-vector" stance in three aspects of its foreign affairs—its international economic policies, its positions on regional cooperation in the former Soviet space, and its voting within the United Nations. In each of these areas, Kazakhstan is likely to find it increasingly difficult to balance close ties with Russia, Europe, the United States, and Ukraine without creating tensions with one or more of these partners.

## Kazakhstan's Multi-Vector Foreign Policy

With the exception of the Baltic states, which are now integrated into the European Union, Kazakhstan stands out as one of the most successful post-Soviet states in terms of development. The country has not experienced any significant conflicts in its almost twenty-five years of independence. Its <u>per capita GDP</u> in 2013 was only second to that of Russia among post-Soviet states (excluding the Baltics).

There are many reasons for Kazakhstan's success in a region that has struggled with its development since the fall of the USSR. One of Kazakhstan's most obvious advantages is its substantial natural resource wealth. Natural resources alone do not guarantee development and can even hinder sustainable economic growth, but Kazakhstan has done a relatively good job at using its resources to leverage other advantages, especially in its foreign affairs with other countries. By carefully cultivating its international partners in the extraction, processing, and export of its natural resources, Kazakhstan has adeptly avoided dependence on any single external state while maintaining friendly and productive partnerships with multiple geopolitical actors, not all of whom are friendly with each other.

First and foremost, Kazakhstan has a special relationship with Russia. Moscow views Kazakhstan as a key partner whose participation in the Eurasian Economic Union (EEU) is critical to that organization's overall success. In fact, one could argue that Kazakhstan has increasingly become Russia's most important international partner.

At the same time, Kazakhstan has established a close relationship with the West. Its relationship with the United States grew out of the two countries' cooperation on the disarmament of Kazakhstan's nuclear arsenal. Building on this relationship, Kazakhstan established its first major international oil exploration partnership in the early 1990s with a U.S. company, Chevron. Although Kazakhstan's relationship with the United States is not as important as that with Russia, Astana has continually sought to maintain substantial U.S. interest. Furthermore, Kazakhstan has forged a particularly strong relationship with the EU, especially through oil and gas partnerships (the EU is presently the country's largest trade partner).

Finally, Kazakhstan has developed a close relationship with China, which has given the country substantial loans and has invested extensively in Kazakhstan's oil and uranium industries. In addition to the major oil and gas pipelines that travel from Central Asia to China going through Kazakhstan, the two countries are developing new transportation links, which will be critical to China's proposed "Silk Road Economic Belt" concept.

These key international partnerships, which are bolstered by other close relationships with Turkey, South Korea, Japan, and others, have allowed Kazakhstan to be a lively participant in the global economy, attract extensive foreign investment, and avoid economic and political dependency on any one geopolitical power. At times, it has also allowed Astana to play different international players against each other in an attempt to gain economic and political advantages. Most importantly, this maneuvering has bolstered the country's independence and allowed it to keep its options open for engagement with multiple international actors.

## **Economic Challenges to Multi-Vectorism**

The Ukraine conflict has created numerous pitfalls for Kazakhstan's foreign policy strategy. Economically, Kazakhstan has already committed to the EEU with Russia, Belarus, and recently-added Armenia and Kyrgyzstan. This has not prevented Kazakhstan from engaging its other international economic partners, but this could change if Russia finds itself increasingly isolated from Europe and the United States. One could imagine Moscow using the EEU politically by sanctioning certain Western companies or products from the entire union in an attempt to counter European and U.S. sanctions against it. Furthermore, it is not unreasonable to expect Russia to eventually try and leverage the EEU to limit Chinese economic relations in its member states. Fortunately for Kazakhstan, it occupies a critical role in the EEU and thus far has been able to push back on the trade organization's overt politicization. However, it is unclear whether Astana will be able to keep doing so if Moscow forcefully insists on such a course of action.

Even without Russia using the EEU as a political tool in the international crisis surrounding Ukraine, the organization has already created problems for Kazakhstan due to the impact of Russia sanctions on all EEU member states. Soon after sanctions were imposed, Kazakhstan found that the trade advantages the EEU provided Russia were creating stresses in Kazakhstan's economy as the ruble devaluated and cheap Russian imports weakened the sales of domestic products including oil, cars, and metal. This led to what the Russian media <u>called</u> a "trade war" between Russia and Kazakhstan as both countries began limiting the imports of certain products from the other. In this context, Kazakhstan's President Nursultan Nazarbayev openly <u>criticized</u> sanctions against Russia, calling them an "anti-economic" policy, but he also suggested that the only way to end them was to find a resolution to the Ukraine conflict.

The economic stresses of EEU membership on Kazakhstan have recently been exacerbated by other external factors, including a dramatic drop in global prices for natural resources and increasing instability in the Chinese economy. As a result, Kazakhstan has been forced to substantially devalue its own currency and is seeking ways to bail out its fledging financial sector. With economic volatility in Russia and China, it would make sense for Kazakhstan to more actively engage Europe and the United States. But this again is problematic in the context of the Ukraine conflict, as Moscow tends to perceive pro-Western leanings as explicitly anti-Russian. Furthermore, it is infeasible for Kazakhstan to react to its emerging economic woes by distancing itself from its leading role in the EEU, given the critical nature of this union to Russia's assertion of economic independence from the West.

## The Impact on Regional and Security Cooperation

The Ukraine conflict has likewise problematized Kazakhstan's usually very open position on regional political and security cooperation. While Russia has had tense relations with various post-Soviet states, including Moldova, Ukraine, and Georgia, Kazakhstan has continually sought to engage all post-Soviet states as partners. The Ukraine conflict has required Kazakhstan to proceed carefully in its engagement with Russia on regional initiatives in order not to be perceived as supporting Russia's position vis-à-vis Ukraine. This applies to Kazakhstan's participation in regional bodies like the Collective Security Treaty Organization (CSTO) and the Shanghai Cooperation Organization (SCO), but it is also apparent symbolically in more mundane situations.

The recent celebration of the seventieth anniversary of the Victory Day of the Second World War, or the Great Patriotic War, is a case in point. Hosting a spectacular military parade in Moscow to honor the event, Russia sought to use this remembrance of the struggles experienced by all former Soviet citizens to highlight Russia's historical role as a bulwark against fascism, a narrative it has cultivated in part to justify its present conflict with Ukraine. At the same time, Russia intensified its regional effort to promote the "Ribbon of St. George," a symbol from the Russian imperial period, as a sign of war remembrance for all former Soviet citizens, sponsoring the distribution of the ribbon throughout the post-Soviet region.

In response to this field of symbolic landmines, different states felt compelled to take a variety of measures related to the anniversary, which belied their position on the conflict in Ukraine. In condemnation of Russia's involvement in the Ukraine conflict, Ukraine, Moldova, Georgia, and the Baltic states joined other states including the United States, a significant number of European countries, Japan, Australia, Canada, and Israel in publicly declining to participate in the Moscow parade (with most only sending their ambassadors as part of the diplomatic corps). Likewise, various post-Soviet states sought to counteract Russia's regional distribution of the "Ribbon of St. George." In

Ukraine, the ribbon was banned entirely, and the state promoted the wearing of a poppy flower, a popular symbol of remembrance across Europe. Others like Moldova, Kyrgyzstan, and Kazakhstan created and promoted their own ribbons without actively discouraging the wearing of the Russian version. Kazakhstan generally adroitly navigated this field of symbolic landmines, with President Nazarbayev prominently attending the Moscow parade but also visibly being the only post-Soviet leader in attendance without the "Ribbon of St. George" on his lapel.

Symbols aside, with many regional initiatives depending upon Kazakhstan as a key participant, it will be difficult for Astana to retain neutrality. As the conflict in Ukraine continues to drag on, it is likely that the tension over regional cooperation and allegiances will intensify. Moscow will likely seek to leverage the CSTO and even the SCO as more overt adversaries of NATO, and the positions of Ukraine, Georgia, and, to a lesser extent, Moldova toward any regional initiatives spearheaded by Russia will probably only become more antagonistic.

#### Kazakhstan in the United Nations

Finally, on the world stage, Kazakhstan is likely to face difficult choices in its UN voting as the conflict in Ukraine continues. To date, there has been only one controversial vote at the UN regarding the Ukraine conflict: the March 2014 resolution on the "territorial integrity of Ukraine," which focused primarily on Russia's annexation of Crimea. Among post-Soviet states, Georgia, Ukraine, Moldova, Azerbaijan, and the Baltic states supported the resolution, while Russia, Belarus, and Armenia voted against it. Tajikistan, Turkmenistan, and Kyrgyzstan avoided the vote by being absent, and Kazakhstan and Uzbekistan simply abstained. In this instance, Kazakhstan was able to publicly articulate its neutral stance vis-à-vis the Ukraine conflict, but it will become more difficult for Astana to do this if more Ukraine-related resolutions are brought to the floor. In this case, Russia will likely pressure Kazakhstan to support Moscow's position in the conflict, which could antagonize Astana's partners in Europe and the United States. Furthermore, the conflict between Russia and the West may intensify other UN issues, such as votes regarding the conflict in Syria. In such instances, one can imagine both the United States and Russia pressuring Kazakhstan to vote one way or another.

#### Conclusion

In general, the Ukraine conflict presents the largest challenge to date to Astana's "multi-vector" foreign policy. As antagonisms increase between Russia and the West over Ukraine, it is becoming impossible for Kazakhstan to maintain a balance in its relations with these important international partners. Relations with China, which is able to remain forcefully neutral in the conflict, have provided the country a strong global economic partner. However, this partnership will not allow Kazakhstan to ignore the

situation in Ukraine unless Astana makes a move to become entirely dependent upon Beijing, thereby abolishing its "multi-vector" foreign policy. Overall, the conflict in Ukraine places Kazakhstan between "a rock and a hard place" and threatens to undermine its most successful tool for promoting the country's further development.

This is a situation that is largely outside Kazakhstan's control, and there are few good options for Astana to pursue until the conflict in Ukraine is resolved. At present, it can only continue its foreign policy *modus operandi* and try to retain good relations with all parties. However, Kazakhstan must also prepare for the likelihood that it will not be able to sustain this balancing act. It would be good if Russia, the United States, and the EU would not pressure Astana to publicly support their agendas in Ukraine and appreciate that Kazakhstan's most constructive contribution to the conflict's resolution would be as a neutral mediator. However, it is difficult to believe that Moscow at least will not try to gain Astana's explicit support in the conflict as it finds itself increasingly isolated from the international community. Under increased pressure from Russia to present a united front on Ukraine, Kazakhstan may need to re-invent its foreign policy to the detriment of the country's continued prosperity.

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