



Feature Article
July 31, 2024

Kazakhstan and the Rise of Middle Powers in Central Asia

Svante E. Cornell

A key development in Central Asian affairs is the rise of Middle Powers, states that are displaying considerable agency in shaping the region surrounding them and making their mark on international relations writ large. The first Middle Power to emerge and be recognized as such is Kazakhstan, through a combination of its economic might and its strategic approach to foreign relations. As Central Asia's outside partners reassess strategies toward the region that have been rendered obsolete by events in the past several years, this new reality should feature centrally in approaches to the region.

Since the states of Central Asia gained independence three decades ago, a key question has been whether the region's future will be determined by the countries of the region itself, or by outside powers. This should be no surprise. Central Asian states are surrounded by some of the most powerful states on the planet. In addition,



Leaders of the SCO Summit in Astana in July 2024. (Kremlin.ru)

several of these powers – including China, Russia, and Iran – have ambitions of domination over various parts of their neighborhood.

In the early decades of independence, the regional states banked on the principles of the international order, which upheld the equality of states irrespective of their size. But over recent years, this

order has begun to crumble. Increasingly, regional and great powers have taken to unilateral action in order to advance their goals, ignoring international norms and seeming to do what they think they can get away with.

This trend is certainly an unwelcome one for Central Asian states, which find themselves at the fulcrum of great power competition on the Eurasian continent. The American withdrawal from Afghanistan, followed shortly by Russia's full-scale invasion of Ukraine, raised the stakes for the region. Dividing lines became stronger around them, and the region confronted the risk of coming under the domination of an emerging axis of revisionist powers.

Still, so far, the states of Central Asia have managed, to different degrees, to maintain their freedom of action. How, one might ask, could small and landlocked states in the heart of the Eurasian continent maintain their sovereignty when faced with the towering influence of revisionist powers? Is their subjugation to the revisionist powers only a matter of time, a result of the fact that Russia, China and Iran have more pressing concerns elsewhere? Or do Central Asian leaders excel at diplomacy, maneuvering cleverly between the great powers sur-

rounding them? Or could their success be attributed to their growing mutual coordination in regional affairs?

These are certainly factors explaining the resilience of the region. But a strong argument can be made that the premise of the question is mistaken. For while Central Asian states were indeed weak and inexperienced at independence in 1991, they are no longer uniformly "small." Several of the states in the region are developing an ability to impact the region surrounding them, gaining sufficient power to withstand the aspirations of revisionist powers and to assert their own priorities – not least the strengthening of cooperation among each other. Indeed, one of the most defining developments of the past decade has been the rise of Middle Powers in Central Asia. The state that first exemplified the emergence of Middle Powers is Kazakhstan, through a combination of its economic strength, foreign policy strategy, and multilateral initiatives. Indeed, Kazakhstan has come to be recognized as a Middle Power in international studies, most recently in a publication by the leading German think tank SWP, which included Kazakhstan among a list of twelve Middle Powers.¹

¹ Barbara Lippert and Hans Meir, eds, *Mittlere Mächte – einflussreiche Akteure in der internationalen Politik*, Berlin: Stiftung Wissenschaft und Politik, 2024.

(https://www.swp-berlin.org/publications/products/studien/2024S01_MittlereMaechte.pdf)

This study seeks to shed light on the rise of Middle Powers in Central Asia, taking Kazakhstan as leading example. In the following pages, we will briefly look at the concept of Middle Powers and how it applies to the greater Central Asia region. We will then proceed to examine how Kazakhstan grew into the role of a Middle Power, as well as consider some of its remaining liabilities, before turning to the implications for the region.

Concept of Middle Powers*

The notion of Middle Powers arose after World War II. Scholars suggested that the creation of the United Nations would increase the standing of mid-size states, which would have the potential to exert more influence on the global stage than small states, without having the power to play the role of Great Powers.² Ever since, academic literature surrounding the subject has been fraught with debate about the precise definition of Middle Powers.

Scholars have come up with a number of criteria for Middle Powers. Some have attempted to define the concept empirically, for example based on the size of population, level of military expenditure, the size and structure of economy and development indicators like life

expectancy. But such methodologies fail to account for whether a Middle Power is actually acknowledged as such either regionally or globally.³ Others have looked more specifically at the functional role of middle powers. Bernard Wood, for example, outlined five roles that define them. First, they would have to be a regional or a sub-regional leader. Second, they would have to be a functional leader by addressing an issue that the Middle Power has expertise in. Third, they would act as a stabilizing force by mediating between or counterbalancing powers destabilizing a situation. Fourth, they attempt to gain status by allying with a big power. Finally, they are a “good multilateral citizen.”

Overall, most scholars agree that Middle Powers are international in focus, multilateral in method and “good citizens” in conduct. Middle Powers often turn to international organizations and multilateral agreements as a tool to exercise influence. By building coalitions of like-minded states, Middle Powers can gain leverage on the international stage, providing them with the potential to counteract the great powers. Additionally, Middle Powers often focus on niche diplomacy to increase their influence. Instead of focusing their efforts on big

* The author is grateful for the research support provided by Ashton Walter on the academic literature on Middle Powers.

² George de Twenebroses Glazebrook, “The Middle Powers in the United Nations System,” *International Organization*, vol. 1 no. 2, 1947, pp. 307-315.

³ Jonathan Ping, *Middle Power Statecraft: Indonesia, Malaysia and the Indo-Pacific*, London: Routledge, 2005.

picture issues, many Middle Powers instead focus on topics on which they have expertise, because that is where they can make the most impact. Additionally, they tend to take the role of honest brokers, allowing them to be the ideal choice for conflict mediation and negotiation.

As can be seen, the literature on Middle Powers mixes objective and normative characteristics. The bulk of the literature does not consider only the objective power of a state in defining Middle Powers, but also the way a state exercises its power – specifically, whether it works to uphold the principles of the liberal international system. Thus, recent studies have differentiated between “status quo” and “revisionist” Middle Powers. The former, modeled upon Japan and Germany post-World War II, are content with the current power balance and work to sustain and stabilize the current world order. “Revisionist” Middle Powers, on the other hand, are “inclined to resent the extant balance of power ... as not reflecting [their] historical influence and geopolitical weight.”⁴ Such analyses are often explicit about the normative aspect of their analysis: one notes that “status quo” middle powers work “to maintain the so-called ‘rules-based’ international order

and with it the ideological supremacy of Western liberalism,” while “revisionist” middle powers tend to push in the opposite direction.⁵

Others have gone further, adding the domestic form of government in a country to the criteria. While measuring power in economic and military terms and studying states’ representation in key international bodies such as the UN Security Council, a recent study also divides middle powers into the categories of “normative middle powers” and “emerging middle powers.” The criteria is a state’s “commitment to global development and to upholding basic human rights at home.” This is measured in relatively crude terms, such as financial support for the UN Development Program (UNDP) and classification in the Freedom House Index. Countries that contribute less than 0.1 percent of total contributions to the UNDP and/or were classified as “Not Free” or “Partly Free” by Freedom House were designated as “emerging” Middle Powers.⁶ It is unclear, however, why a Middle Power that is not fully democratic or chooses not to contribute to the UNDP should be considered “emerging.” In fact, the very classification blurs the lines between what is a “middle power” and what is a

⁴ Arta Moeni, Christopher Mott, Zachary Paikin, David Polansky, *Middle Powers in the Multipolar World*, Institute for Peace and Diplomacy, 2022, p.12. (<https://peacediplomacy.org/wp-content/uploads/2022/03/Middle-Powers-in-the-Multipolar-World.pdf>)

⁵ Ibid.

⁶ Willem Oosterveld and Bianca Torossian, “A Balancing Act: The Role of Middle Powers in Contemporary Diplomacy,” Hague Center for Security Studies, Strategic Monitor 2018/29. (<https://hcss.nl/pub/2018/strategic-monitor-2018-2019/a-balancing-act/>)

subjectively “good” power, and ignores the fact that Middle Powers can be consistently revisionist.

The relevance of the domestic affairs of Middle Powers is a tenuous one. While the classification in Freedom House indices is of little use in defining a Middle Power, there is an argument to be made that a Middle Power can only be an attractive regional leader if it has a certain level of normative power – and if its domestic situation provides it with a sustainable basis for exercising that leadership. In this regard, a Middle Power is unlikely to sustain its regional and international position unless it can have a certain level of attraction to its neighbors. In other words, a Middle Power must be open to the implementation of domestic reforms in economic, social and political areas to be able to consolidate its position on the international scene.

In the final analysis, the exact definition of Middle Powers continues to be debated. But the concept itself is of considerable use as we try to make sense of a world that has long left the global bipolar confrontation behind – and where security matters have been increasingly regionalized. For the purposes of this study, we will accept the notion that Middle Powers are defined primarily by objective criteria, such as their relative economic, military as well as normative power. They are by nature intent on taking a leadership role in their neighborhood, and do so by mediating between or balancing

the ambitions of greater powers. We also accept the notion that middle powers can play crucial stabilizing roles, and serve as partners for multilateral institutions and well-wishers on the outside to counter the hegemonic ambitions of great powers.

Middle Powers and Central Asian Security

The concept of Middle Powers is particularly relevant to the greater Central Asia region for several reasons relating to the region’s security architecture: the region lacks collective security mechanisms; the size differential between regional states and surrounding powers is considerable; and the structure of interactions among these surrounding powers contributes to instability.

Central Asia lacks a functioning and reliable security mechanism. The only extant security mechanism is the Collective Security Treaty Organization, which has not proven either reliable or effective. The organization has shown itself to be mostly a vehicle for Russian foreign policy, and in any case does not encompass the entire region. Turkmenistan was never a member, and Uzbekistan left the grouping a decade ago (as did, for all intents and purposes, Armenia more recently, showing the CSTO’s lessening appeal). No other functioning mechanism for collective security has emerged that encompasses the entire region. Organizations like the Shanghai Cooperation Organization or the Organization of Turkic States do not provide for

security mechanisms, and do not cover the entire region.

The lack of a region-wide security mechanism in turn interlinks with the second point, namely the large differential in size between Central Asian states and the surrounding powers. In terms of population, GDP, or the size of military expenditure, the great powers surrounding Central Asia can measure orders of magnitude higher than the smaller Central Asian states. Had there been a stable security mechanism in the region, this might have been less of a concern. But in its absence, Central Asian states are exposed to the whims of the surrounding powers, a condition particularly troubling given the erosion of the norms governing the behavior of states. With great powers increasingly flouting the need to respect the sovereignty and territorial integrity of smaller states, Central Asia's situation leaves much to be desired.

The region's security is further affected by what one could call a structural instability. The larger powers surrounding Central Asia could each have a decisive impact on the region if that was their sole or main focus. But in all cases, the surrounding powers have priorities elsewhere. Russia's main security focus has always been Europe and its relationship with Western powers, and the Ukraine war underlines this fact. China's main concerns lie in the Asia-Pacific; Iran's focus is its relationship with

the Gulf states and pursuit of an "arc of hegemony" ranging from Lebanon to Yemen. India and Pakistan are busy with each other. Even Türkiye, whose profile in Central Asia has been on the rise, was until recently preoccupied mainly with Middle Eastern Affairs.

In one sense, this is a blessing for Central Asia as it keeps the great powers occupied elsewhere. But it also contributes to instability, as their behavior in the region can shift rapidly. Furthermore, shifts in great power behavior can have little to do with regional affairs – often, it is a result of changes in the relationship among great powers resulting from events in other parts of the world or at the global level.

This makes the role of Middle Powers a crucial factor with a potential to anchor Central Asian security. A Middle Power has the ability to impact, to some extent, the policy of great powers and stabilize the interaction among them in the region. It can raise the situation in the region to the attention of multilateral organizations and external powers. More importantly, a Middle Power can help organize the states of the region so that otherwise smaller and weaker states can band together and pool resources. In some instances, a Middle Power may be able to take initiatives at the international level.

As will be seen in the following pages, Kazakhstan began to emerge as the first Middle Power in greater Central Asia a decade or so ago. It did so partly through its objective attributes; but also through the choices its leadership

made. As will be seen, its rise as a Middle Power has facilitated the rise of two other states aspiring to Middle Power status in cooperation with Kazakhstan – and the ability of these three to cooperate and coordinate constructively provides a key stabilizing role for Central Asia.

Kazakhstan: the First Middle Power in Central Asia

Kazakhstan emerged as the first Middle Power in Central Asia, and remains the only one recognized as such in a number of studies mapping the world's middle powers. A number of factors have contributed to Kazakhstan's rise as a Middle Power. First, the country's economy is by far the most developed of the region. Second, it has taken a proactive approach to developing a foreign policy to handle the competition among great powers. Third, it is taking a leading role in promoting regional cooperation. Fourth, it plays a crucial role in the connectivity of the region. Fifth, Kazakhstan has gone beyond the region with international initiatives that cemented its role. Finally, its internal reforms make its status as a Middle Power increasingly sustainable.

Economic Status

Since independence, Kazakhstan has built a middle-income economy whose GDP stands at ca \$264 billion as of the end of 2023. This makes Kazakhstan one of the world's 50 largest economies. Regionally, it is considerably larger than neighboring economies. Uzbekistan stands at ca. \$90 billion (as does Azerbaijan on the other side of the Caspian), but Kyrgyzstan and Tajikistan both linger at slightly over \$10 billion. In other words, Kazakhstan's economy is significantly larger than that of the rest of Central Asian states combined.⁷

This economic strength is noteworthy given that Kazakhstan's population, at 20 million, corresponds to only a quarter of Central Asia's population. In terms of GDP per capita, Kazakhstan's \$14,780 is five-seven times higher than the figure of its Central Asian neighbors.

As will be discussed in greater detail under liabilities, Kazakhstan's economy remains heavily dominated by raw materials and in particular oil. Oil and mining account for half of total exports and up to 30% of GDP. Still, this compares favorably to many oil producers, where oil often accounts for up to 90 percent of exports. Kazakhstan's relative diversification results in part from the country's history. Al-

⁷ International organizations do not provide reliable figures of Turkmenistan's GDP. The World Bank estimates a GDP of \$59 billion, and official figures put the number at \$90 billion.

ready in Soviet times, Kazakhstan was considered separately from the rest of Central Asia and received a comparatively large amount of industrial investment. Following independence, the government worked hard to make the country an attractive destination for foreign investment. Since 1993, Kazakhstan has attracted a total of \$441 billion in FDI, reflecting its success in this endeavor. While further steps remain to be taken, it is the regional state that has gone furthest in seeking to approximate OECD standards for foreign investment.⁸

This puts Kazakhstan in an advantageous position as a Middle Power in Central Asia. The country has, for example, become a provider rather than a recipient of foreign aid. Kazaid, launched in 2014, is the vehicle for Kazakhstan to deliver assistance to partner countries. Kazaid has played a role in Kazakh assistance to Afghanistan, among others, and has made clear that Central Asia is the agency's priority. Kazakhstan also provides significant economic investment in other Central Asian states, particularly Kyrgyzstan – but also across the Caspian in Georgia, where Kazakhstan has invested in port and infrastructure facilities that are crucial to its export of goods to the world.

Foreign Policy Strategy

As impressive as Kazakhstan's economic development has been, its economy alone cannot provide it with Middle Power status given the size of economies surrounding the region. Kazakhstan thus faced from the start the reality of living in a region where it was forced to find a way to manage great powers. It did so in an innovative manner, building a conceptual basis for its long-term foreign policy in the 1990s. The premise of the Kazakh foreign policy strategy was how to avoid being subjugated to the great powers or becoming an apple of contention among them. Further, the strategy sought to prevent a situation where the state has to engage in constant hedging among the great powers, jumping from relations with one power to another as necessity requires.

Kazakhstan developed a strategy for dealing with this complex reality based on the goal of safeguarding and consolidating independence in the face of Russian attempts to dominate its neighborhood. Its approach was based on the concept of *positive* balance, in other words, balancing close relations with Russia by building close relations with China; then complementing that by developing similarly strong ties with other powers, including the United States and Europe as well as other Asian powers. This thesis was laid out in a 1997 book published by

⁸ OECD, "Kazakhstan's Investment Regime," OECD Investment Policy Reviews, 2017. ([https://www.oecd-ili-](https://www.oecd-ili)

[brary.org/sites/9789264269606-7-en/index.html?itemId=/content/component/9789264269606-7-en](https://www.oecd-ili-brary.org/sites/9789264269606-7-en/index.html?itemId=/content/component/9789264269606-7-en))

then-Foreign Minister Kassym-Jomart Tokayev.⁹

At the time the main focus of this policy was to build relations with China, which then-President Nursultan Nazarbayev defined as a “non-hegemonic power,” in implicit contrast with Russia. Of course, Kazakhstan has had concerns about China’s possible future economic domination of the region, but it has nevertheless seen the development of its relationship with Beijing as a key ambition. Still, the notion of “positive” balance meant that it pursued such ties in parallel to its relations with Russia, not to replace those relations. In his book, Mr. Tokayev explicitly used the term “balance” in describing Kazakhstan’s foreign relations, noting the strategic relationships with both Russia and China. The challenge was to balance relations with the great powers in ways that would be mutually beneficial, minimize the worst tendencies of each partner, and strengthen the country’s sovereignty and independence.¹⁰

The policy to balance Russia’s role by expanding relations with China led to the establishment of a Permanent Comprehensive Strategic Partnership in 2019.¹¹ This policy bore fruit

most visibly in 2022. While Kazakhstan had requested CSTO assistance to quell a coup attempt, its subsequent refusal to support the Russian war in Ukraine led to veiled and less than veiled threats from influential Russian figures. At that point, Chinese leaders made their support for Kazakhstan’s sovereignty and territorial integrity clear, indicating the success of a policy that made Kazakhstan an important partner to Beijing.¹² During a recent visit, President Xi Jinping reaffirmed that China views relations with Kazakhstan from a strategic and long-term perspective, considering it a priority in its foreign policy in relations with neighboring countries and an important partner in Central Asia. At the SCO summit in July 2024, Kazakhstan demonstrated its ability to maintain positive relations with all states by implementing a balanced foreign policy. Astana coordinated the approval of documents by all SCO member states despite their ongoing geopolitical disputes. Promoting dialogue among conflicting parties has emerged as a priority in Kazakhstan’s foreign policy.

Kazakhstan, however, was not content with only balancing ties with the most immediate

⁹ Kassym-Jomart Tokayev, *Pod Styagom Nezavisimosti: Ocherki o Vneshnei Politike Kazakhstana* [Under the Banner of Independence: Essays on the Foreign Policy of Kazakhstan]. Almaty: Bilim, 1997.

¹⁰ S. Frederick Starr, “Kazakhstan’s Security Strategy: A Model for Central Asia?” *Central Asia Affairs*, no. 3, January 2007, p. 8.

¹¹ “China, Kazakhstan agree to develop permanent comprehensive strategic partnership,” *Xinhua*, September 12, 2019. (http://www.xinhuanet.com/english/2019-09/12/c_138384816.htm)

¹² Natalia Konarzewska, “China Backs Kazakhstan Against Russian Threats,” *Central Asia-Caucasus Analyst*, January 12, 2023. (<https://www.cacianalyst.org/publications/analytical-articles/item/13741>)

great powers. It also reached further and established relations with additional powers to reduce its dependence on these two large neighbors. Thus, in the 2000s Kazakhstan worked actively to develop relations with the U.S., which had a major presence in the region following the 9/11 attacks. Later, Kazakhstan expanded ties with the EU and Türkiye, as well as Asian powers like Japan, Korea and India.

Kazakhstan adopted this policy in the late 1990s and has doggedly implemented it since then. Importantly, Astana did not deviate from this strategy, making it a predictable actor in its region. And over the years, it has become clear that its approach has been adopted to some degree by most regional states. While smaller states like Kyrgyzstan and Tajikistan may not have the tools or position to engage regional powers the way Kazakhstan has, they have sought to embrace the main elements of the policy. Similarly, Uzbekistan has shifted its foreign policy in a way that increasingly resembles Kazakhstan's. In the past, Uzbekistan had a tendency to jump from relations with one foreign power to another in somewhat erratic ways, but in the 2010s it began to adopt a policy that embraced a more stable positive balance in its foreign relations.

Regional Cooperation

From the outset of independence, Kazakhstan has been a strong advocate for regional cooperation. The country from the start pursued this

along two tracks: specific Central Asian cooperative initiatives, as well as broader cooperation among former Soviet states. Kazakhstan's advanced economy, its long border with Russia, and its close integration into the Soviet economy were all factors that made Kazakhstan open to maintaining economic cooperation among former Soviet states while asserting its political independence. It is in this context that then-President Nursultan Nazarbayev in Moscow in 1994 proposed the creation of a Eurasian Economic Union. The suggestion fell on deaf ears at the time, but it was picked up a decade later by Vladimir Putin, who nevertheless twisted it into an instrument for Russian political influence rather than an economic alliance of equals.

Meanwhile, Kazakhstan pursued Central Asian cooperation. It was apparent already at this time that the bilateral relationship between Astana and Tashkent – the two larger Central Asian states – would be key to the prospect of Central Asian cooperation. Following the creation of a single economic space between Kazakhstan and Uzbekistan in 1994, a platform for regional cooperation was created the next year when Kyrgyzstan expressed interest in joining. This platform – known first as the Central Asian Union and subsequently as the Central Asia Cooperation Organization – expanded over the following years, including Tajikistan as well but not neutral Turkmenistan. Unfortunately, Central Asian cooperation fell victim to the geopolitical pressures of the time.

On one hand, the rise of Afghanistan-based Islamist extremists targeting Uzbekistan in the late 1990s exposed the weakness of security structures in some regional states. This led Tashkent to prioritize its domestic security and to close down its borders. Disagreements over how to react to security threats emanating from Afghanistan also marred regional cooperation. The U.S. intervention in Afghanistan helped address the terrorism problem, but also heightened geopolitical competition in the region – and provided Moscow with an opportunity to strengthen Eurasian integration mechanisms at the expense of Central Asian cooperative ventures.

The shift of power in Tashkent following the death of President Islam Karimov in 2016 provided a new opportunity for Central Asian regionalism. Astana jumped on the opportunity to rejuvenate its relationship with Uzbekistan, and jointly the two capitals began to rebuild the foundations for Central Asian regional cooperation. While no formal regional institutions have yet been built, the Central Asian presidents now meet regularly, and coordination on policy matters among regional governments has expanded considerably. Most importantly,

the cooperative mechanisms, though informal, now also involve Turkmenistan.

Kazakhstan was also a driving force along with Azerbaijan, to maintain and expand the structures of Turkic cooperation during the time that Ankara was relatively absent from the regional scene. In 2006, Kazakhstan proposed the creation of a Turkic Council.¹³ This helped ensure that structures of Turkic cooperation were developed by the time Ankara suddenly took a greater interest in the region in the late 2010s. This in turn provided the basis for the creation of the Organization of Turkic States in 2021, evolving from the Turkic Council.

The informal nature of regional cooperation has enabled the rise of a further dimension, the trilateral cooperation among Kazakhstan, Azerbaijan and Uzbekistan. As the three strongest regional states which aspire to Middle Power status, the cooperation among these three is crucial in helping the region navigate the uncertain geopolitical and geoeconomic situation the region finds itself in. In Central Asia, the mutual understanding between Astana and Tashkent is crucial in providing stability, creating a strong enough anchor to disincentivize

¹³ Assem Assaniyaz, “Pan-Turkism: Turkic Vector in Kazakhstan’s Foreign Policy,” *Astana Times*, February 21, 2024. (<https://astanatimes.com/2024/02/pan-turkism-turkic-vector-in-kazakhstan-foreign-policy/>); Murat Sofuoglu, “How the Turkic world can become

a global alternative energy source,” TRT World, December 20, 2022. (<https://www.trtworld.com/magazine/how-the-turkic-world-can-become-a-global-alternative-energy-source-63684>)

foreign powers from divide-and-rule strategies.

The expansion of cooperative ventures with Azerbaijan extends this spirit of cooperation to the South Caucasus, where Azerbaijan is by far the most powerful state. Azerbaijan and Kazakhstan have long sought to deepen their cooperation, a process further accelerated since 2022. That year, Moscow on several occasions impeded Kazakhstan's ability to export energy through Russian-controlled pipelines and ports, a development that – combined with the blockages to trade across Russia and Belarus – led President Kassym-Jomart Tokayev to direct his government to expand diversification opportunities across the Caspian Sea. Soon thereafter, Azerbaijan-Uzbekistan cooperative ventures entered into a new phase, expanding interactions in the economic as well as security realms. By 2024, the three states had begun to take trilateral initiatives – key among them being the decision in May 2024 to interconnect the energy grids of the three countries, a step which is scheduled to be followed by an effort to export renewable energy from Central Asia toward the West, through a high-voltage cable across the Caspian seabed.¹⁴ This is likely only the first among such trilateral initiatives.

Kazakhstan also worked to create a financial hub in Central Asia. The Astana International Financial Center, launched in 2018, aims to serve as a financial center for the region and beyond, operating under a common law system. The AIFC has registered over 2,800 companies from more than 80 countries, with assets under management now exceeding \$1 billion. In 2023, it was designated as the financial center of the Organization of Turkic States.

As a consistent champion of regional cooperation, Kazakhstan has been the initiator and consistent supporter of a series of cooperative ventures involving Central Asia as a region, the broader Caspian-Central Asian basin, as well as Turkic cooperation. As these initiatives increasingly bear fruit, they are a testament to the ability of Middle Powers to shape the region around them.

Connectivity

One of the most important developments of the last quarter century has been the slow but inevitable restoration of land transportation links connecting the rimlands of the Eurasian continents. Historically, these connected Europe and the Middle East with China and especially India. Difficulties involving Iran, Afghanistan, and the India-Pakistan conflict have delayed the restoration of transport routes to India. But

¹⁴ "Kazakhstan, Azerbaijan, and Uzbekistan Sign Agreement on Energy Interconnection," *Astana Times*,

May 2, 2024. (<https://astanatimes.com/2024/05/kazakhstan-azerbaijan-and-uzbekistan-sign-agreement-on-energy-interconnection/>)

in the meantime, considerable work has been done to rebuild trade and transport links between Europe and China. Both the EU and China have been enthusiastic supporters of this process, something that has led to a commonality of interest between these outside powers and the countries of Central Asia and the Caucasus.¹⁵

Kazakhstan's geographic location and sheer size makes it one of the key countries in the restoration of East-West trade. From China, Kazakhstan's territory connects to Europe both through links to Russia and links across the Caspian Sea across the South Caucasus. While the connection through Russia and Belarus was preferred by many freight forwarders before 2022, the war in Ukraine and growing trade barriers between Russia and the West led to a massive increase in demand for shipping through the "middle corridor" connecting Kazakhstan with Azerbaijan and onward to Georgian Black Sea ports or through Türkiye. In fact, Caspian seaports were unable to meet the demand, leading to a portion of trade being rerouted to slower maritime routes.

Kazakhstan has worked to remedy the situation, in cooperation with partner countries. It built the dry port of Khorgos on the Chinese

border to facilitate the transit of large volumes of trade across its territory. On the Caspian, it worked to develop two ports – Aktau and Kuryk – and incorporated them both into a Special Economic Zone. Kazakhstan hosts the formal coordination association of the Trans-Caspian International Transport Route, known as TITR or the "Middle Corridor," which was setup in 2017 as a cooperative venture started by Kazakhstan railways in tandem with its Azerbaijani and Georgian counterparts.

Kazakhstan also works with the EBRD to increase capacity across the country's transport infrastructure in line with the EU and EBRD vision to increase the capacity of the Trans-Caspian Transport Corridor, which has a throughput capacity of 6 million tons, including 100,000 TEUs over a length of 6,180 km, with goals for further expansion to 130,000 by 2040.¹⁶ Cargo transportation via the TITR in the first half of 2024 was 2.2 million tons.

Foreign partners are interested in further developing this route. The EU has committed to investing €10 billion in interconnectivity in Central Asia at the Global Gateway Investment Forum held in Brussels in January 2024. The European Investment Bank and EBRD signed

¹⁵ Svante E. Cornell and Niklas Swanström, *Compatible Interests? The EU and China's Belt and Road Initiative*, Stockholm: Swedish Institute for European Policy Studies, 2020. (https://isdpeu/wp-content/uploads/2020/02/Sieps-2020_1-eng-web.pdf)

¹⁶ "EBRD to invest major funds in development of cargo flows along Middle Corridor," Trend News Agency, February 27, 2024. (<https://en.trend.az/casia/kazakhstan/3866300.html>)

MOUs totalling €1.47 billion with the governments of Kazakhstan, Kyrgyzstan, and Uzbekistan, as well as with the Development Bank of Kazakhstan.

The connection across the Caspian to Azerbaijan and onward to Türkiye and Europe allows the Central Asian powers to strengthen their economic lifeline to the world, allowing them to reduce dependence on Russia for transit and trade at a time when the potential for the opening of a trade link to the south through Afghanistan continues to be marred by difficulties. Kazakhstan's leadership role in this corridor's development is a further example of its role as a Middle Power.

International Initiatives

As viewed above, a key feature of Middle Powers is their ability to take initiatives on the regional and international scene, and often this involves areas of the country's specific expertise; similarly, roles played in international organizations are an important marker of Middle Powers. No regional country can compare to the initiatives Kazakhstan has taken, beginning in the nuclear field; Kazakhstan has also taken initiatives to launch international conferences,

while serving as Chair of the OSCE and occupying a non-permanent seat at the UN Security Council.

Kazakhstan's specific experience in nuclear issues is connected to a dark chapter in the country's history, namely the Soviet use of Kazakhstan's territory for a series of atmospheric nuclear tests conducted at the test site in Semipalatinsk (today's Semey) in northern Kazakhstan. These tests had devastating effects on the environment as well as the health of the population in the region. But upon independence, this also meant that Kazakhstan was left with both research facilities in nuclear matters as well as a sizable arsenal of nuclear weapons. Kazakhstan's leadership immediately closed the Semipalatinsk test site and used its willingness to forgo its nuclear arsenal as a ticket to raise the country's international standing.¹⁷

Kazakhstan in subsequent years made itself a leading voice for global nuclear disarmament. It also took practical steps in this regard. One example is Astana's role in hosting talks on the Iranian nuclear program in 2013, talks that led to the further negotiations that culminated in the Joint Comprehensive Plan of Action concluded a few years later between Iran and the international community. More importantly

¹⁷ See S. Frederick Starr and Svante E. Cornell, *Strong & Unique: Three Decades of U.S.-Kazakhstan Partnership*, Washington: Central Asia-Caucasus Institute, 2021,

pp. 37-46. (<https://silkroadstudies.org/publications/silkroad-papers-and-monographs/item/13428>)

perhaps, Kazakhstan took the lead in advocating for the creation of an international nuclear fuel bank, which would obviate the need for countries to engage in nuclear programs that could have both civilian and military use. This proposal met with success, and the International Atomic Energy Agency's Low-Enriched Uranium Bank opened in 2017 at Kazakhstan's Ulba metallurgical plant.

Kazakhstan has not stayed at engaging on the nuclear issue. Its foreign policy has had a strong multilateral approach – something very much in line with the academic discussion of the role of Middle Powers in international organizations. Very soon after independence, Kazakhstan launched the idea of a Conference on Interaction and Confidence-Building Measures in Asia (CICA) – a format that has grown to include 28 member countries, and is in the process of developing into a fully-fledged international organization, headquartered in Astana. This organization was inspired by the mandate of the Conference on Security and Cooperation in Europe, which itself was transformed into an Organization, the OSCE, in 1994. In the OSCE as well, Kazakhstan has had a prominent profile, although the organization over time became increasingly polarized as disagreements grew between Western powers on one hand, and Russia and several Russian-aligned countries on the other. In this situation, Kazakhstan sought to find common ground for the OSCE to continue to remain relevant. Kazakhstan

chaired the OSCE in 2010, and managed to organize a summit of the organization for the first time in over a decade in December 2010 in Astana.

The United Nations has similarly played an important role in Kazakh diplomacy. Astana's role in nuclear diplomacy contributed to its standing in UN organizations, and paved the way for Kazakhstan to be elected as a non-permanent member of the UN Security Council in 2017-18. During this tenure, Kazakhstan in particular raised the attention of the security council to the conflict in Afghanistan, and promoted the strengthened partnership between Afghanistan and Central Asian states.

Another important role of Middle Powers is to provide good offices or mediate in regional and international disputes. Kazakhstan's strong multilateral profile has provided it with the credibility to take such initiatives. A first such example occurred during Kazakhstan's chairmanship of the OSCE, when it was confronted with the crisis in neighboring Kyrgyzstan. In the face of a rapidly deteriorating situation where the country was polarized along political as well as regional lines, Kazakhstan helped broker the resignation of President Kurmanbek Bakiyev, and helped exfiltrate Bakiyev from the country, thus defusing the tensions and enabling Kyrgyzstan to move beyond the crisis. A few years later, as noted, Kazakhstan hosted talks on the Iranian nuclear issue. It stepped into more contentious geopolitical matters in

2014, following the crisis in Ukraine and the ensuing Russian annexation of Crimea. Kazakhstan played an active role in the beginning of the crisis, when numerous European leaders reached out to Astana and pleaded for President Nazarbayev to urge President Putin to agree to a dialogue. Kazakhstan played a role in the informal talks that led to the Minsk agreements and to the emergence of the “Normandy Four” format of negotiations. Moreover, Astana helped realize a meeting between the leaders of Ukraine, the Eurasian Customs Union (Russia, Kazakhstan and Belarus) and the European Union. While talks were physically held in Minsk for logistical reasons, Kazakhstan played a more central role behind the scenes in the diplomacy that made possible the “Minsk Process.”¹⁸

In 2016, Kazakhstan also prevailed on Türkiye and Russia to agree to President Nazarbayev’s offer to host talks on the Syrian conflict. Several rounds of “Astana Talks” took place in the years that followed. These involved the Syrian government, opposition groups, and the key external powers in the conflict – Russia, Türkiye and Iran, and in particular served to regulate the relations among these three power in Syria.

Kazakhstan’s mediation efforts have focused on areas that affect the geopolitical stability of Eurasia, which in turn determines Kazakhstan’s own stability. Thus, it has focused on crises right on Kazakhstan’s doorstep, as well as on disputes that involve the regional and great powers of Eurasia. Both types of crises involved confrontations that threatened to destabilize the geopolitics of Eurasia, and thus posed a threat to Kazakhstan’s own security. Kazakhstan’s economic development and strategic stability is directly correlated to the relative harmony of the broader Eurasian geopolitical environment, and it has been in its interest to work to mitigate such threats to stability. While Kazakhstan has worked hard to minimize tensions, unfortunately the situation escalated beyond Astana’s ability to mitigate in recent years, following the total breakdown in relations between Russia and the West since 2022.

Domestic Stability and Reform Agenda

A Middle Power’s sustainability rests in no small degree on its domestic stability. That stability can in turn only be achieved in the long term by domestic reform that makes government more efficient and responsive to the needs of citizens. While Western academics have linked Middle Power status to criteria of democratic development, the reality in many

¹⁸ See Svante E. Cornell and S. Frederick Starr, *Kazakhstan’s Role in International Mediation under First Presi-*

dent Nursultan Nazarbayev, Silk Road Paper, November 2020, p. 56. (<https://silkroadstudies.org/resources/Kazakhstan-mediation-Final.pdf>)

parts of the world is more complicated. In an area lacking collective security mechanisms and surrounded by revisionist foreign powers, opening up the political system increases exposure to foreign manipulation. As has been seen in several states in the former Soviet Union, uncontrolled liberalization has led not to stability but to internal strife and the takeover of government by oligarchic interests, as in Georgia, Moldova and Kyrgyzstan. In Georgia and Ukraine, it has exposed vulnerabilities that also opened up the countries to external manipulation and ultimately to foreign invasion. This does not mean that countries are better off maintaining an authoritarian form of government. What it does mean is that political reform, to be sustainable, must be undertaken in a manner that sustains rather than weakens sovereignty, and in a manner that is synchronized with the country's security against external threats.

In the case of Kazakhstan, it is clear that the state has long struggled with this balance between stability and reform, and that the leadership erred on the side of caution. As became clear during the latter part of President Nazarbayev's tenure, however, the political leadership underestimated the population's demand for change. In particular, popular frustration with economic injustices had grown considerably. It was thus clear that to maintain and develop its Middle Power status, Kazakhstan needed to focus on internal reform. President Tokayev came to power with the clearly stated

ambition of doing so, but until 2022 needed to account for the continued presence in influential positions of vested interests connected with established elites that sought to delay or prevent reform that they viewed as detrimental to their narrow self-interest. Things came to a head in January 2022, when elements of this "old guard," with prominent representation in the security services, sought to stage a coup d'état.

Rather than back down, however, President Tokayev doubled down on his reform agenda and expanded it, putting it to a public vote in a June 2022 referendum. This four-package political reform agenda has included important efforts in the economic and social area, working to make government more efficient, raise the level of healthcare and education services and make them more uniform across the country, address the prevalence of corruption and mismanagement in government institutions. Importantly, however, the reforms answered to some degree the popular demand for more voice in the political system.

One key facet has been the creation of a Constitutional Court, to which all citizens can appeal, with a set of judges that departs from the traditional Soviet mold. Kazakhstan has also introduced more participatory politics by mandating elections rather than appointments for the posts of rural mayors. This reform has also been expanded to larger districts and cities. The introduction of presidential term limit of

one term of seven years is another step toward creating a better system of checks and balances. On the national level, recent parliamentary elections saw the broadening of political parties represented in parliament, as a half-dozen parties gained representation. All of these can be classified as “loyal” opposition, however, but they may serve to make parliament a more important locus for debate on government policy. In its report, the OSCE acknowledged that the election saw greater competitiveness and provide voters with greater choice.

Most recently, reforms agenda also saw the introduction of a new law tightening responsibility for violence against women and children, apart from criminalizing domestic violence, it brings administrative liability for bullying and cyberbullying of minors. Another recent law on mass media serves to enhance protections and expanding rights for journalists in Kazakhstan.

The government has also launched an effort to recover assets stolen by officials in earlier administrations and transferred abroad. Kazakhstan has partnered with major international organizations, successfully returning over \$736 million to the country in the form of money, securities, real estate, and jewelry. The recovered assets are being used to set up a special fund for social spending.

The aim of these reforms is not to trigger immediate democratization or a rapid liberaliza-

tion of the political system. Kazakhstan’s leaders remain skeptical of uncontrolled liberalization, fearing the security risks that it could entail for a country bordering Russia and China. Rather, the reforms aim to gradually modernize the country in a controlled fashion, first and foremost by ensuring more efficient and transparent government – something that will, inevitably, generate conditions for evolutionary political change over time.

In sum, President Tokayev has placed a bet on meeting the growing demand for change and socio-economic development in society. All the while, the objective is to drive change while retaining overall control over the political system and avoid the type of unrest that has affected countries in the region and opened up for nefarious foreign actors to undermine the stability of these countries.

Liabilities

Kazakhstan has been able to develop into the status of a Middle Power thanks to all the factors discussed above. Still, there are liabilities that challenge the country’s future ability to sustain and develop its Middle Power status. These include both external and internal factors.

On the external side, the chief challenge to Kazakhstan’s status as a Middle Power on the global level is the decline of the international norms governing the conduct of states. As viewed above, the very concept of Middle

Powers arose following the creation of the United Nations, as it was expected that mid-size countries could play a greater role within an international system governed by certain norms, which regulated the behavior of larger states. In other words, the rules-based international system and Middle Powers in a sense go hand in hand. Over the past two decades, however, this system has eroded considerably – and this erosion itself was certainly one reason behind Kazakhstan’s highly active foreign policy, as Astana sought to mitigate the fallout of this erosion and insulate itself against it.

As great powers increasingly do what they think they can get away with, the ability of Middle Powers to influence their behavior will face challenges. Kazakhstan already experienced this, as the increase of tensions between Russia and the West at present provides little room for a Middle Power to act as a mediator, as Kazakhstan had done a decade ago. Still, it is entirely possible that a future stalemate will provide new opportunities for Middle Powers that maintain positive relations with the West, Russia and China; in that case Kazakhstan will be well positioned.

A more specific challenge is the configuration of forces surrounding Central Asia. As mentioned, the region is surrounded by a set of revisionist powers, which seek to remake the international system and undo the so-called liberal international order. This is bad news for a

Middle Power like Kazakhstan, which thrives in this liberal international order. Further, the growing coordination among Russia, China and Iran is worrisome as it risks restricting the freedom of maneuver of the Central Asian states stuck between these three powers, Kazakhstan chief among them. Yet while these three powers may have converging interests on the global level, they are likely to continue to have divergent interests at the regional and local levels. As already seen, Beijing has made clear that in spite of its close relations with Moscow, it will not accept any Russian moves that threaten Kazakhstan’s independence. Still, Kazakhstan is vulnerable to the nature of the Sino-Russian relationship, and its ability to impact that relationship – or the Russian-Iranian relationship – will be limited.

The geopolitical tensions surrounding Kazakhstan also impact the country’s economic status. The economic warfare between the West and Russia has not been without collateral damage: it has had a negative effect on Central Asian economies, not least that of Kazakhstan. In addition, it has restricted the transport corridor linking China with Europe across Kazakhstan and Russia, depriving Kazakhstan of income from transit trade. This has increased Kazakhstan’s vulnerabilities, as its main link for trade with Europe now is restricted to the route across the Caspian and the South Caucasus. This is likely to remain the case for the foreseeable future, and Kazakhstan will continue to

work to solidify this transport route. Still, the current situation exacerbates the costs of landlockedness that have added a burden to Kazakhstan's economy since independence.

Finally, internal challenges will affect Kazakhstan's status as a Middle Power. The pace at which President Tokayev is embarking on reforms indicates a keen understanding on the need for change to maintain internal stability. Internal stability, in turn, can be divided into two separate aspects: elite relations and the mood among the broader public. As events in 2022 indicated, the rift in the country's elite was deep enough that a part of the state elite attempted to unseat the president. Events following the coup attempt suggest that President Tokayev has consolidated the control of the legitimate authorities over state institutions; still, no one should assume that the forces resisting reform are completely defeated. They are likely to continue to affect developments in the country in various way, and will continue to constitute a challenge for the President.

As for the general public mood, its demand for change has been made very clear in recent years, and the President has worked to answer public expectations. The question is whether the reforms conducted will be sufficiently tangible to satisfy these expectations. Reform work anywhere is difficult, and as Western politicians know well, ambitious attempts at re-

form are not guaranteed to succeed. In particular given the difficult geoeconomic and geopolitical situation Kazakhstan finds itself in, the potential pitfalls on the road to successful reforms are many.

Middle Powers and Small States

Going forward, Kazakhstan's ability to consolidate its Middle Power status and contribute to the stability of Greater Central Asia will depend not only on how it manages the great powers, but perhaps even more how it relates to the other states of Central Asia and the Caucasus. In this regard, Kazakhstan has a unique role, as its geography connecting the Caspian Sea with China, coupled with its economic interests as far as Georgia makes it able to have influence across the East-West corridor. Kazakhstan has been able to achieve a lot on its own as a Middle Power, but given the challenges in the region, it will be necessary for Astana to work with other regional states to overcome these challenges and guide the region toward stability and development.

Among the states of the region, some are small, while others are themselves aspiring Middle Powers. For Kazakhstan, it will be crucial to continue to build strong partnerships with the

emerging Middle Powers, while also managing relations with the smaller states of the region.¹⁹

Azerbaijan and Uzbekistan both have emerged as aspiring Middle Powers. Azerbaijan is the key state of the South Caucasus, and has strengthened its regional role by developing an independent foreign policy much the same way Kazakhstan has. While its population and its GDP are half of Kazakhstan's, Azerbaijan has emerged as a military power in its own right, while anchoring itself to Türkiye and concluding a defense treaty with Ankara. This partnership has done much to bring Türkiye closer to Central Asian affairs, and has opened the door for greater Turkish engagement in security affairs with Kazakhstan and other Central Asian states. As for Uzbekistan, it is the most populous country of Central Asia, but has an economy that is lagging far behind Kazakhstan's. As mentioned, the Astana-Tashkent relationship is crucial for the viability of Central Asian cooperation. Similarly, the Astana-Baku relationship cements the link between Central Asia and the South Caucasus; it in turn facilitates the Baku-Tashkent link that completes a potential triangle of Middle Powers anchoring Greater Central Asia.

Still, the smaller states in the region are important not least because the stability of the region is only as strong as its weakest link. As seen in the past, turmoil in Kyrgyzstan or Tajikistan has had the potential to spread into neighboring countries. Similarly, in the South Caucasus the stability of Armenia and Georgia is crucial to the viability of the Middle Corridor. As such, the Middle Powers, Kazakhstan chief among them, has an important role to play in helping stabilize the weaker and smaller countries of the region. This, in turn, will also make it more difficult for external powers to undermine Central Asian cooperation by using the smaller states as a lever against the Middle Powers. In the case of Central Asia, the most urgent such challenge is the infected relationship between Kyrgyzstan and Tajikistan. While the countries are working to delimit their common border and no further armed clashes have occurred since 2022, the troubled relationship has impeded a further institutionalization of Central Asian cooperation and is a clear example of the challenges that Middle Powers will have to take a lead to solve for the region's future.

Implications

The rise of Kazakhstan as a Middle Power in Central Asia has considerable implications. In

¹⁹ Miras Zhiyenbayev, *Widening the Scope: How Middle Powers are Changing Liberal Institutionalism*, Astana: Kazakhstan Institute for Strategic Studies, 2023.

fact, it should lead to a fundamental rethink in many quarters about how the Greater Central Asian region should be understood. Too often, the region is still viewed in terms of a “Great Game,” where large power vie with each other for influence, while local states are seen as helpless and possibly dependent areas that lack agency of their own.

As this essay has aspired to show, that description of the region, is now not just inaccurate but misleading. For over two decades, Kazakhstan has established its agency in the region and beyond, and emerged as a Middle Power that serves as an anchor for the stability and development of the region. This has in turn facilitated the strengthening of agency among other regional states, especially the growing tendency toward cooperation on a regional level to address regional issues.

Outside the region, this reality is still poorly understood. But for external forces – be it powers such as the EU, US or Japan, or international

organizations – the emergence of Middle Powers in Greater Central Asia present an important opportunity. The strategies adopted by foreign states toward the region have yet to explicitly acknowledge the emergence of Middle Powers that can serve as key partners with which foreign powers can safeguard their interests in the region.

The United States and EU both developed strategy documents toward Central Asia in the late 2010s. These strategies were well-received in the region, as they took a step toward acknowledging the regional states as subjects rather than objects of international relations. Events since then have largely made these strategies obsolete, however. As these strategies are revised, it is imperative that they reflect the new reality in the region – the emergence of Middle Powers that have considerable agency in helping shape their region for the future.

