KAZAKHSTAN AND RUSSIA: RELATIONS AS PART OF RUSSIA'S FOREIGN POLICY STRATEGY

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In 2006 and 2007, the geopolitical situation around Central Asia underwent changes, some of which were quite substantial. The great powers shifted their political accents and readjusted cooperation formats. Energy moved to the forefront to become one of the new issues and centerpiece of the EU strategy. The rapidly worsening relations between Russia and the West are another geopolitically important factor. Russia had a strong, though not always obvious, impact on the region's geopolitical context. In fact, the entire range of relations (transport, economy, energy, and the humanitarian issues) between the EU and Central Asia cannot be correctly assessed without taking into account the Russian Federation. Russia's presence in the region (either obvious or hidden from the eye) and the vector of its relations with Europe have put an energy alliance between Moscow, other important energy producers, and transit countries on the agenda.

The worsening relations between Russia and the West (particularly with the United States, the EU, NATO, and OSCE) are a fact, the nature and repercussions of which look long-term and varied. It has already spread to cooperation in the economic and energy spheres, military-strategic stability, the counterterrorist struggle, and geopolitical and geo-economic cooperation between Russia and the West in Asia, Latin America, the Balkans, Africa, and the Middle East and, most important, in the CIS.

The wave of Color Revolutions that swept the post-Soviet expanse in 2003-2005 was in fact the first (still latent) clash of Russian and Western interests. To keep up appearances, the sides refrained for a while from openly discussing their

contradictions and problems. The West interpreted the strengthening of the SCO as one of the first signs that its relations with Russia were going downhill: in 2005 this regional organization raised the question of the time limits of America's military presence in Central Asia. Since 2006 (Vice-President Cheney's speech in Lithuania), Washington has been criticizing Moscow quite openly.

Planned transportation routes and pipelines for the Central Asian and Caspian hydrocarbons have become a field of open clashes and geopolitical and geo-economic rivalry. The EU, with the United States by its side, is talking about "the diversification of energy deliveries" to its markets, an undisguised anti-Russian position. This and other factors, as well as the U.S. and NATO presence in the region, suggest that the rapidly worsening relations between Russia and the West will affect the Central Asian states' international and geopolitical situation.

On the whole, Russia's elites are fully aware of the fact that the relations with the CIS members are their country's absolute foreign policy priority. It is in this sphere that Russia's main economic interests and security concerns are concentrated and it is this sphere that creates the most serious threats. Russian political analysts and politicians agree that the country should retain its main role on the post-Soviet expanse and should prevent its "erosion" caused by the gradually increasing involvement of the West and its institutions. It is commonly believed that in Central Asia Russia should fully tap the possibilities offered by the CSTO, EurAsEC, and SCO. To achieve this, Russia should offer attractive, competitive, and realistic prospects for both the political elites and the public at large.

Russia's Foreign Policy Strategy under Vladimir Putin

Today, President Putin's foreign policy strategy has become clear enough and can be discussed in detail. On the whole pragmatic (though there are exceptions), it takes into account Russia's geopolitical and economic resources and its real possibilities.[1]

There is the opinion that the Russian leadership is divided into two blocs conventionally described as military and economic (or those who favor the use of force and the pragmatists) and that the former is much more influential than the latter. This inevitably affects the country's foreign policy course. On the other hand, Russia's foreign policy is also affected by all sorts of ministries and departments with inevitably different, or at least specific, approaches and interests. Today, the Presidential Administration, as well as the Foreign Ministry of Russia, the Defense Ministry, and Gazprom (the structures which are able to directly influence the process) have their own ideas about Russia's policy in the CIS. As distinct from Yeltsin's times, under Vladimir Putin Russia's foreign policy became much more consolidated, which means that all the departments and ministries are obliged to promote national interests.

From the very beginning, President Putin concentrated on establishing pragmatic relations with the West and succeeded: Russia became a nearly fully-fledged G-8 member; it improved its relations with the U.S. and the EU, intensified its relations with NATO on an equal basis and, on the whole, balanced between the United States and the European Union while maintaining predominantly political relations with the former and predominantly economic cooperation with the latter.

[1] See: S. Morozov, *Diplomatia V.V. Putina. Vneshniaia politika Rossii. 1999-2004,* ID Izmaylovskiy Publishers, St. Petersburg, 2004, 256 pp; A. Rahr, "Kholodny mir. Putinskaia Rossia i Zapad," *Internationale Politik* (Berlin, Russian language edition), No. 2, 2004, pp. 5-16; *Strategicheskiy otvet Rossii na vyzovy novogo veka,* ed. by L.I. Abalkin, Ekzamen Publishers, Moscow, 2004, 608 pp.

Moscow has managed to turn the economy, or rather cooperation in the energy sphere, into a powerful foreign policy tool. This was true of its contacts with the West and with China and Japan in the East. The newly found energy strategy loomed prominently in Russia's relations with the CIS countries; it became a geopolitical tool, a fact that directly affects the Republic of Kazakhstan's national, economic, and energy interests. On the other hand, Russia displayed a lot of ingenuity in using its relations with the Asian countries, particularly China, as a counterweight to the West. Recently, the Russian Federation and the People's Republic of China have become unprecedentedly close, especially in the military-political and military-strategic spheres; the SCO is helping them realize their shared geopolitical ambitions.

While maintaining close relations with China, Russia is working toward a higher level of relations with Japan by playing on its contradictions with China, among other things; Russia wants to remain the mediator on the Korean Peninsula; it is rebuilding its strategic cooperation with India; and it is making advances to Southeastern Asia and the Muslim world through the OIC.

The post-Soviet expanse remains the main target of Moscow's geopolitical efforts. President Putin's doctrine rests on his firm conviction that to regain its place among the leading geopolitical actors Russia should restore its influence in the traditional spheres of its domination: the Caucasus, Central Asia, and the CIS as a whole.

To achieve this remote goal, Russia put forward, more than two years ago, an economic (geopolitical in its essence) project of the Single Economic Space (SES). The Ukrainian events forced Moscow to shelve the project and revive the EurAsEC, the project's earlier version. Both projects are intended to establish extensive economic integration as the cornerstone of political integration, that is, to rebuild in Eurasia a certain geopolitical unit with imperial hues under Russia's aegis (a Liberal Empire).

The nuances and interpretations may vary (a Eurasian alliance, a confederation, etc.), but President Putin's main idea remained the same: if the post-Soviet expanse (or its part) remains disunited, neither Russia nor other CIS countries would be able to set up an effective political and economic union able to compete on the world scene. The geographic and geopolitical factors confirm this in the same way as it is suggested by the shared economic, transportation, and communication systems inherited from the past, historical and cultural associations, etc. Moscow is convinced that Russia's restored economic and political might will help its integration allies (Kazakhstan being one of them) to surge forward.

Large oil and gas companies either controlled by the state or closely connected with it have become the main vehicles of Russia's strategy. The 2005 events around the North European gas pipeline and the gas-related disagreements with Ukraine threw into bolder relief the fact that "gas" politics and Gazprom have become foreign policy tools.

Since 2000, when he became president, Vladimir Putin has been demonstrating pragmatic approaches to foreign policy: being aware of Russia's limited resources, he dropped the Great Power rhetoric and intentions and concentrated on pooling forces to achieve modernization at home. High-flown deliberations about the multipolar world were replaced with the thesis of a multi-vector foreign policy of a country seeking closer relations with Europe, more effective counterterrorist cooperation with the United States, strategic partnership with China and India, and a single economic space with the CIS countries (with the emphasis on Belarus, Kazakhstan, and Ukraine).

At all times President Putin demonstrated that his country was prepared to cooperate and work together with the West. At the early stages of his presidentship he readjusted the previous course; in actual fact he not only stemmed mounting disagreements between his country and the West (particularly the United States), but also increased confidence in Russia in the West. This greatly improved the external context for the reforms and modernization.

From the very beginning, however, President Putin demonstrated firmness and unwillingness to accept compromises his country did not need; and he was prepared to defend the most important national interests. By the beginning of his second term, his foreign policy resource began melting away.

During Putin's first years the two different ideas about Russia's strategies and its national interests inherited from the previous period were still competing, neither of them gaining priority. I have in mind the so-called Westerners and Realists. The former were convinced that Russia should replace China as Washington's most important strategic ally; it should stop flirting with Europe exploiting anti-American sentiments; act together with the United States in the world's key strategic regions; cooperate with it in modernizing the backward regions (the post-Soviet expanse); coordinate efforts in the sphere of strategic weapons, etc. By 2006-2007, this group lost nearly all of its former influence.

The Realists argue that in the last two years the external threat became even greater: they are convinced that Russia could be attacked by the United States from Afghanistan, Central Asia, and the Caucasus; destabilization on the Korean Peninsula and deployment of American armed forces there also cause concern. The Russian strategists do not exclude the fact that America could attack Iran and increase geopolitical tension in the Middle East and elsewhere, including in Xinjiang. They also expect that in the near future American actions in Afghanistan and Iraq will not defuse the threat of Islamic fundamentalism and that this threat will increase. The Russian strategists see radical Islam as the greatest threat to Russia's continued existence.

Russia postponed its decision to build up its military presence in Central Asia until the U.S. made an attempt to expand its military presence in the region. Meanwhile, the Russian generals were determined to push the president toward even more active rivalry with Washington in the region. The Realists were convinced that a multipolar world could be created if the Russian Federation cooperated more closely with the EU and Germany, if it worked together with France and China in the U.N. Security Council, strengthened the SCO, and remained firm in the face of America's efforts to infringe on its interests.

The Westerners and the Realists agreed that Russia should preserve its nuclear potential as the cornerstone of its security. As for China, the Realists believe that the strategic partnership with this country enforced by circumstances should be preserved for the simple reason that both countries are objectively the subjects of the United States' so-called containment strategy. Late in April 2002, Russia made a strategically important step by setting up the Collective Security Treaty Organization; it was obviously resolved to stay in the zone of its traditional domination in the Caucasus and Central Asia.

Russia did not intend to limit is military cooperation within the CSTO; it was building up its cooperation within the EurAsEC to bring its allies closer through economic instruments. This means that the Kremlin had finally formulated a complete strategy in the CIS; part of it envisaged coordinated WTO membership for the EurAsEC members. The weakest point in this strategy was the fact that Russia, a former great power, failed to grasp the full extent of its economic, demographic, and domestic weakness.

Russia's present geopolitical situation, therefore, can be described as very difficult, while its possibilities for expanding its geopolitical influence are very limited. Russia has been pursuing a moderate and cautious policy in Afghanistan. The West and the Northern Alliance regularly invited Russia to join the international coalition, but never succeeded. Russia was determined to stay outside. At the same time, it is interested in the Afghan issue for several reasons: it needed stabilization and guarantees that in future the country would not become a source of terrorism; it wants to stem the flow of drugs, and it intends to support the Northern Alliance, its military-political client. To a certain extent, the Central Asian states have similar interests in Afghanistan. On the whole, Russia's interests in Afghanistan can be divided into political, military-strategic, and economic.[2] In December 2004, Moscow confirmed its position on the Afghan issue at an informal meeting of the defense ministers of Russia and NATO in Poiana Brasov, Rumania.

Drugs are the worst problem created by Afghanistan. The Russian Federation intends to invite the EU and NATO to coordinate anti-drug efforts. The Russian side is convinced that this cooperation

[2] See: V. Korgun, "Rossia i Afghanistan," *Internationale Politik*, No. 3, 2002, pp. 76-85; idem, "Rossia-Afghanistan: na puti k vosstanovleniu sotrudnichestva," *Azia i Afrika segodnia,* No. 8, 2006, pp. 59-60.

can proceed through CSTO-NATO and NATO-SCO. This means that Russia and the Central Asian states have a common Afghanistan-related agenda based on their natural desire to preserve regional security and stability and prevent another wave of militant Islam.

Russia's Policy in the CIS

The Russian Federation regards its relations with Ukraine, Belarus, and Kazakhstan as a priority; and it is closely monitoring the South Caucasian developments too. Russia and the West find themselves on opposite sides in Belarus, Ukraine, Kazakhstan, Azerbaijan, and Georgia. Moscow regards the West's political favorites in these republics as anti-Russian politicians.

Several years ago the Russian leaders showed concern over the future of the Commonwealth of Independent States: the Russian side wondered why integration in the CIS was moving ahead with such difficulty; it tried to find ways and means to accelerate it and impart it with positive dynamics.[3] Moscow posed itself the following tasks: the CIS should become a clear priority of Russia's foreign policy; Russia should treat its national security as another priority; it should exercise a pragmatic and differentiated approach to its partners depending on their willingness to take Russia's interests into account; it should add life to economic cooperation, promote Russian business, add vigor to bilateral cooperation, and readjust integration priorities to shift the accent from the multisided CIS to specialized units: the Belarus-Russia Union, EurAsEC, and CSTO.

Russia hoped to regain the position it had lost in the post-Soviet expanse through the gradually developing SES. The Kremlin retreated on many points, which allowed its partners to exploit the still non-existent integration project in their interests. Some Russian strategists believed that the Caucasus, particularly Georgia and its policy, was still a factor that could undermine Russia's authority and the authority of the CIS as a whole. Moscow was apprehensive about a possible aggravation of the military situation around South Ossetia and Abkhazia, which might force Russia to distance itself from it and cause Georgia's obvious progress in at least one of the two seats of conflict. Such developments might jolt Baku into using force in Karabakh. Moscow was openly negative about the planned Democratic Choice Community project. In 2005, the crisis in the CIS made itself felt: Turkmenistan left the CIS to become its associate member, while Russia tried to squeeze Georgia out of the structure. Ukraine and Moldova announced that they would either leave the CIS altogether or freeze their membership in it.

In 2006 and 2007, Moscow faced a hard choice: either continue integration across the CIS (SES, EurAsEC, and the union with Belarus), or go on with its integration into the world economy through WTO membership. The SES and Russia's membership in the WTO would be compatible if other SES members (Belarus, Ukraine, and Kazakhstan) joined the WTO in turn.

Early in October 2005, St. Petersburg hosted a meeting of heads of state of the Central Asian Cooperation Organization, which Kazakhstan also attended. It was decided to unite this structure with the Eurasian Economic Community. In view of the shared strategic aims and tasks of the two organizations and taking into consideration that the practical tasks of creating an integrated market, water and energy programs, as well as programs in transport, foodstuffs, and other spheres the CACO is dealing with are being successfully carried out within the EurAsEC, the heads of the CACO members decided to accept the Republic of Uzbekistan as another member of EurAsEC at its request; Russia's position proved to be the key one.

Russia's political elite is concentrated on integration of the Four (Russia, Belarus, Kazakhstan, and Ukraine), expecting that the other CIS countries will also be attracted. Turkmenistan is left out-

[3] See: V.I. Alesin, "Sodruzhestvo Nezavisimykh Gosudarstv: integratsia ili vzaimodeystvie?" *Kazakhstan-Spektr* (Almaty, KISI), No. 3, 2006, pp. 24-31.

side the integration project, however, it may join the Eurasian Gas Consortium now being built. Uzbekistan and Azerbaijan may be tempted to join the integration process later. Tajikistan and Kyrgyzstan, two EurAsEC members, will also join the SES; Moldova and Armenia are still pondering on the subject.

So far, however, Russia has not yet formulated an integrated and strategically substantiated policy in relation to the CIS countries for several serious reasons. First, the centrifugal trends are too strong; it is impossible to apply the same pattern to states that have already moved away from one another during the independence years. This explains the RF's intention to concentrate on bilateral relations. The Russian political elite is disunited over Moscow's CIS policy: while the military establishment is resolved to restore the country's position based on force by resorting to all sorts of legal means and methods (from military-technical cooperation to artificially fanning these countries' concerns over the threat of international terrorism, extremism, and drug-related crime), other political forces are convinced that Russia should get rid of its so-called Central Asian underbelly.

On the whole, Russia's national interests in the CIS can be reduced to the following key positions: stability across the post-Soviet expanse; unhampered use of the CIS members' transit potential; preservation of a single economic space; Moscow's greater role in the use of hydropower and mineral resources (particularly in Central Asia); and international recognition (by the West, China, etc.) of Russia's special role in the CIS, which should take the form of consultations on all important decisions that might affect conflict settlement and the geopolitical context.

Russia was determined to increase the effectiveness of the already functioning mechanisms: the CIS, the Union of Belarus and Russia, CSTO, EurAsEC, and SCO, and to set up new structures: the SES (which was frozen because of the Ukrainian developments). The union with Belarus was suspended because of the crisis in the two countries bilateral relations in the late 2006 and early 2007.

Kazakhstani-Russian Relations

During the past decade and a half, relations between the two countries have been generally good and friendly despite certain unsettled issues. Spurred on by Russia's recent increased attention toward Central Asia, relations between Kazakhstan and Russia became more dynamic. As a geopolitical neighbor with considerable international weight, and because of its economic potential and several other factors, Russia moved high up the list of Kazakhstan's foreign policy priorities.

In the far from simple conditions of 2004 and 2005 when the threat of interference in the republic's domestic affairs became very real, Moscow stood staunchly by Astana's side. Their active concerted efforts defused the threat of another Color Revolution, this time in Kazakhstan.

In turn, Kazakhstan fully supported Russia's integration efforts and remained a loyal ally in the CIS, SCO, CSTO, EurAsEC, and SES even though this might have damaged Kazakhstan's bilateral relations with some of the countries both in Near and Far abroad and even its own economic interests.

At the new stage of their bilateral relations, Astana has to decide for itself how close it is prepared to approach Russia and how deep their integration should be in order not to impair Kazakhstan's national sovereignty. The following questions had to be answered: What did President Putin have in mind? And might Moscow subject Kazakhstan to the pressure it had already used elsewhere?

Kazakhstani-Russian relations are commonly divided into four stages:

(1) 1991-1992, when the legal basis of inter-state relations was formed;

(2) 992-1994, when the main trends and forms of bilateral cooperation in the political, economic, and military spheres became obvious;

(3) 1995-2000, when bilateral cooperation was extended and deepened within the integration processes in the CIS; and

(4) 2001 to the present, when the two countries have been cooperating in the bilateral rather than multilateral format.[4]

In the late 1990s and early 2000s, relations between the two countries, and Russia's Central Asian strategy for that matter, entered a new phase. This coincided with two events: first, much more obvious security threats emanating from Afghanistan and incursions of IMU fighters into some of the Central Asian republics; second, Vladimir Putin became the president of the Russian Federation, which meant changes at Russia's highest political level. This obviously affected the dynamics of the two countries' bilateral relations.

By that time, relations between America and Kazakhstan had developed into an irritant that strongly affected bilateral relations between Moscow and Astana. Russia closely followed and continues to follow Washington's rising pressure on Kazakhstan. It is especially irritated by the fact that the sharpest criticism of the Republic of Kazakhstan and its leaders coming from across the ocean coincided with another period of closer relations between Kazakhstan and Russia. This was especially obvious between the late 1990s and early 2000s. Few in Russia doubted that America intended to keep the country away from the integration processes that involved Russia and prevent its drawing closer to Moscow.

Early this decade, foreign experts concluded that Moscow was acting much faster on the Caspian thanks to the already existing long-term agreements between Russia and Kazakhstan and between Russia and Turkmenistan on gas and oil transit, as well as to the highly attractive Baltic pipelines which would move gas condensate from the Karachaganak gas field.

Moscow and the West could not agree on how the Kashagan oil should reach the markets. Russia tried to block the use of oil tankers and the intention to build an underwater pipeline across the Caspian. Many in the West were convinced that Moscow wanted to move Russian and Caspian oil in a single flow under its own control in order to gain economic advantages and acquire new levers of pressure on the European customers. Russia's pipelines, however, are depleted, while their load-carrying capacities are relatively small.

On the whole, under Putin, Moscow expected that Astana would remain a loyal ally on all strategic issues of their bilateral relations. Indeed, had Kazakhstan chosen to remove itself from the sphere of the Kremlin's strategic interests, Central Asia would have been lost; Russia's economic interests and geopolitical status would have been damaged beyond repair, while its military security would have been threatened.

Kazakhstan's relations with the West on many issues aroused concern in Moscow; the republic's dependence on Russia in the military-technical sphere could no longer be taken for granted. Astana was actively developing its relations with the West (within NATO and on a bilateral basis). Moscow and Beijing (Kazakhstan's SCO partners) did not like the fact that several countries (the U.S., Germany, and the U.K.) were invited to modernize Kazakhstan's air defense system.

Russia, which in the past had been more or less indifferent to Kazakhstan's (so far abstract) statements about its potential involvement in the Baku-Tbilisi-Ceyhan pipeline, displayed much more concern as the intention began gradually developing into a firm decision. The Kremlin is sometimes puzzled by Astana's stand on certain international issues, the Iraqi issue among them, in which it apparently counted on Astana's support. The Caspian problem can be described as a far from simple challenge to Kazakhstan's future. It will affect its relations with all the geopolitical actors (Russia, the U.S., China, Iran, and the European Union).

[4] See: K.K. Tokaev, *Vneshniaia politika Kazakhstana v usloviakh globalizatsii,* Almaty, 2000, p. 248.

We can say that, on the whole, relations between Kazakhstan and the Russian Federation remained stable throughout the entire period of independence when both countries demonstrated their readiness to cooperate. A solid legal, economic, political, and cultural basis has formed under this cooperation. When shaping its relations with Russia, Kazakhstan proceeded from the fact that Russia was one of the key partners in all spheres of possible cooperation. At the same time, Russia never betrayed its intention to influence Kazakhstan's foreign policy or interfere in its relations with third countries. There is every reason to believe that in the 21st century the two countries will remain good neighbors and will maintain stable relations on the bilateral and multilateral levels.

Throughout 2004 and 2005, the situation in the CIS developed under the strong influence of the Georgian, Ukrainian, and partly Moldavian events: rapid regime changes, the new regimes' Western orientation, and the West's obvious intention to export Color Revolutions to other CIS countries. Throughout 2005 and 2006, Russia and Kazakhstan found it much harder to pursue their joint policies in the CIS and other integration structures. The crisis in the CIS forced Kazakhstan to step up its involvement in the post-Soviet expanse and, at the same time, shift its interests to smaller integration units (the EurAsEC and SES). Strange as it may seem, in 2005 Kazakhstan intensified its contacts with the "revolutionary" republics—Georgia, Ukraine, Kyrgyzstan—even though Astana remained firmly pro-Russian and condemned the "revolutionary" practices. These republics, in turn, wanted cooperation, particularly in the energy sphere.

In the very complex situation of 2004-2006, Kazakhstan sided with Russia, which wanted to preserve, at least formally, the CIS in the near future as a guarantee of a certain amount of political stability across the post-Soviet expanse. On the other hand, in 2006 Astana and Moscow launched unofficial and hardly publicized consultations on setting up a new integration organization as an alternative to the CIS. It was to be more compact and more effective in the military-strategic and economic fields. In the fall of 2006, Kazakhstan submitted its suggestions.

It proceeded from the conviction that the ideology and conception of the CIS should be changed rather than merely transformed to develop the CIS into an effective structure of economic integration. An analysis of the key aspects of the new independent states' development patterns suggests that the post-Soviet expanse lacks an adequate basis for synchronized multisided integration for the simple reason that the social, economic, political and general development levels of its states are very different.

Russia's interests in Kazakhstan are not limited to close economic ties and humanitarian cooperation. They also extend to the national security sphere for the simple reason that part of its strategic infrastructure is located in Kazakhstan; the two countries are tied together by all sorts of agreements in the security sphere within the CSTO and on a bilateral basis; military industries and the armies of the two states are closely connected; Russia has geopolitical interests in the part of the Republic of Kazakhstan that borders on Russia (the Caspian being one such place). And, what is even more important, the bulk of Russia's nuclear and strategic potential is deployed very close to Kazakhstan's border.

This means that Russia will never permit any unfriendly or even inadequately loyal regime in Kazakhstan. In 2004 and 2005 Russia threw its political weight into stabilization of the situation around Kazakhstan at the far from simple time of the parliamentary and presidential elections. By demonstrating his support of the president of Kazakhstan on the eve of elections, President Putin attracted the votes of the Russian-speaking population. Moscow used its own channels to inform the most active geopolitical actors in Central Asia that Russia would never permit a repetition of the Ukrainian alternative.

Astana cherished its cooperation with Moscow as its main partner in the military-technical sphere. Kazakhstan and Russia share a normative-legal base of military-technical cooperation, which includes bilateral agreements and involvement in multisided structures (the CSTO and SCO).

The present strategic situation in the world and the region, as well as Russia's real potential mostly concentrated in the military-political sphere and science allow Kazakhstan to channel military-technical cooperation with Russia in the desired direction. Moscow, always ready to fortify its regional

position, is prepared to meet Astana halfway on many issues to keep Washington, another factor of influence, away from Kazakhstan—the republic is too close a neighbor to tolerate this.

Bilateral cooperation in the security sphere was confirmed by the agreements on deliveries of weapons and military equipment on easy terms. The documents, which are in effect over a long-term period, not only allow Kazakhstan to consistently develop its army, but also impose certain obligations on Russia.

In 2005-2006, military-technical cooperation was marred by Astana's vague stance on the air defense complexes. Russia expected Kazakhstan to buy its modified S-300 complex in accordance with the corresponding documents on military-technical cooperation and the 2003 agreement. For several reasons, primarily financial reasons, Kazakhstan decided to buy air defense systems from NATO countries and entered into negotiations with some of them, thus creating tension between the two countries in the military-technical sphere.

Early in 2006, however, strategic cooperation between them was crowned with the launching of KazSat, Kazakhstan's first satellite. Russia and Kazakhstan worked together on the Bayterek carrier rocket. Related to peaceful space activities, these achievements objectively strengthen both countries' strategic potential.

In the strained security situation, the CSTO will prove its usefulness for Kazakhstan. Russia, the structure's centerpiece, makes it even stronger, which explains why Astana was willing to specify the points that guaranteed the members' security (patterned on similar NATO clauses, the central points of the Alliance's constituent documents). This was done when the CST was transformed into the CSTO in 2002.

The geopolitical collisions of the latter half of the 1990s created a fairly unexpected structure—the Shanghai Cooperation Organization—with two heavyweights (Russia and China) and Kazakhstan as an active member. For ten years now this organization has been an important factor of Kazakhstan's international status and of the regional geopolitical situation.

Today, this is one of the world's most contradictory structures: it is neither a military-strategic alliance, nor a fully-fledged economic union, nor a political structure in the traditional (geographic, culture, civilizational, etc.) respect. Still, it holds an important place in Astana's foreign policy merely because Russia and China (two powers that Kazakhstan cannot ignore for geographic and geopolitical reasons) are SCO members. On the other hand, the SCO plays on the Central Asian field, which means that Astana cannot stay away from it either.

The SCO has created certain foreign policy advantages for Kazakhstan, as well as certain risks. The country is firmly resolved to pursue a multi-vector foreign policy; as a SCO member it acquires better chances to balance its relations with the West. But every time Kazakhstan has to shoulder new excessive responsibilities suggested or imposed either by China or Russia within the SCO, it creates new problems for itself. Its involvement in the SCO makes it harder to balance between Moscow and China; it is very possible that in the future it will be forced to take sides.

SCO membership is part, but not the most important part, of Kazakhstani-Russian relations. The Kremlin is much less jealous of Astana's contacts with Beijing than of its Washington connections. There is no doubt, however, that relations between Kazakhstan and China do affect Kazakhstan's relations with Russia. Neither the RF nor China has so far formulated the SCO's final goals and its immediate tasks—this is the organization's greatest mystery. SCO membership poses an element of uncertainty: neither Kazakhstan nor the other Central Asian members know how any of the SCO countries will respond to each other's unilateral steps; and whether they are prepared to jointly respond to certain steps of the Central Asian countries in relation to one of them or in relation to the geopolitical forces outside the SCO.

In 2005, the Chinese suggested that the political structure should become an economic one. Moscow and Astana's response was cool: if realized the SCO would have to run the risk of turning into a Chinese "economic protectorate."

This threat is very real with respect to Moscow and Astana, which are seen from China as potential raw material suppliers and China's energy-rich rear. This means that its strategic interests in Central Asia and its SCO involvement deserve close scrutiny.

Russia's strategic community is in two minds about the growing energy cooperation between Kazakhstan and China. The new actor (Kazakhstan) added certain new dimensions to the energy-related contexts, but experts refuse to describe the developments as negative.[5] Russian specialists believe that China's willingness to pay for the pipeline to bring fuel from Kazakhstan should be interpreted as a demonstration of alternatives and a response to those in Russia who obviously bided for time before coming to a final decision about the route.

Russian analysts came to the conclusion that, political ambitions apart, Kazakhstan had no economic potential to compete with Russia when it came to energy-related contacts with China. What is more, it does not need this rivalry. In fact, Russia might shift energy cooperation with Astana to the strategic level: the pipeline to China will make it possible to move oil along the idling Omsk-Pavlodar-Chimkent pipeline and then along the Kazakhstan-China pipeline.

Russian companies find Kazakhstan, a country rich in mineral resources that needs foreign investments and is one of the Kremlin's important partners in the post-Soviet expanse, a most attractive target of investments. Gazprom plans to buy shares of its gas transportation system if and when it is put on the market.

Russia is resolved to help preserve Kazakhstan's domestic and foreign policy stability, its social and economic health, and its freedom to pursue an independent policy while remaining Russia's good neighbor. Kazakhstan is Russia's most important partner in its system of geopolitical and geostrategic priorities in Central Asia. In the future, Moscow will preserve its active position in its relations with Astana.

The Future of Kazakhstan-Russia Bilateral Relations

The following questions will dominate the joint geopolitical agenda in the next few decades: How will their relations develop? Will the two states become the core of a new integration structure in Eurasia, or will the inertia of disintegration spurred on by their national interests and geopolitical pressure from the outside force them to choose their own routes? The answers call for a detailed investigation of the future of economic integration, the degree of mutual dependence and mutual interest, and the potential of bilateral cooperation.

Globalization is one of the most important factors which will strongly affect the economies of Kazakhstan and Russia in the near future and has already created a paradox. Moscow and Astana are developing into allies and rivals; they are already involved in rivalry over the European and world markets of hydrocarbons, steel, rolled metal, ores, uranium, grain, etc. For many years their rivalry was contained by objective circumstances: the situation on the world markets, the EU's tariff policies (the main trade partner of both countries), Kazakhstan's dependence on Russia in the sphere of transportation, and their bilateral and multilateral agreements (Tariff Agreements, EurAsEC, and others) determined the volume and structure of exports. The leaders' political will and political understanding played an even more important part.

This means that their relations were regulated not so much by economic as by the political mechanisms created by the need for mutual support and continued positive bilateral contacts. Eurasian

[5] See: N. Khrenkov, "Kreml, 'Gazprom' i Sredniaia Azia," *Azia i Afrika segodnia,* No. 6, 2005, pp. 12-18.

integration, at least its Kazakhstani-Russian sector, is not limited to economic considerations—it is suggested by political considerations as well.

The Russian expert community believes that Moscow does not want the Kazakhstani elite's "special" political orientations (including an independent foreign policy) to become a stumbling block on the road to closer economic cooperation. Mutually advantageous economic relations and successful bilateral integration projects are expected to introduce more trust and efficiency into the political relations between the two countries.

In 2007, we watched a unique political situation take shape: Astana was concerned with who would replace Putin as Russia's president, while Moscow was following the Astana developments with the same feelings. This created a field of uncertainty and made outside interference probable. 2008 might produce unexpected risks.

Strange as it may seem, Russia, Kazakhstan's closest ally, is also a potential source of very serious challenges to its future development. Moscow might try to bring integration to its logical end and shift it from the economic to the political sphere, while Astana cannot cut its full-fledged cooperation with the West, which is very much needed for the country's future advance. This calls for maximum flexibility and inordinate diplomatic skills. Political independence and close military-technical cooperation and economic integration are two main conditions of continued allied relations between the two countries and of the entire range of their development for that matter.

We all know that the Republic of Kazakhstan needs real—military-strategic—security guarantees; allied relations with Russia are undoubtedly the weightiest of such guarantees. Throughout the post-Soviet period Kazakhstan's CSTO membership and its bilateral agreements with Russia in the defense sphere have remained the most reliable guarantee of the country's military-strategic and political security.

It should be said that Astana would like to see Putin as Russia's leader. On the whole, seen from Astana, his two terms as the president can be described as positive: he always took Kazakhstan's justified interests into account, he was always prepared to seek compromises, and he valued strategic partnership and allied relations with Kazakhstan. There is only one thing that causes concern in Astana: it is unclear how far Moscow is prepared to go in its efforts to integrate the post-Soviet expanse around itself.

Conclusion

When President Putin agreed to deploy the forces of the counterterrorist coalition in Central Asia, many believed that the previous axiom of Central Asia being the sphere of Russia's vital interests, which Moscow would not abandon at any cost, was disproved.

Obviously, throughout the 1990s, the Russian factor dominated in Kazakhstan's national security sphere. It rested on bilateral relations and on the countries' cooperation within multisided structures (the CIS, CST, and EurAsEC). It should be said that there were practically no serious contradictions between Kazakhstan and Russia in the military-political and strategic spheres. Their disagreements were limited mostly to the economic sphere and were consistently removed (the agreement on the legal status of the Caspian can serve as an example). In fact, both countries have always been prepared to reach compromises and to achieve mutual understanding. Those Western and Kazakhstani analysts who were convinced that Moscow would threaten Kazakhstan's state sovereignty or try to bring the region back into the sphere of its influence were proved wrong.

In 2001 and 2002, the situation changed to the extent that it seemed that Russia was losing its role as the region's security guarantor. In 2002, however, the Russian Federation restored some of its former military-political presence in the region and in Kyrgyzstan as its part. In late 2002, Moscow

more clearly formulated its aims and tasks within its Central Asian strategy; it separated its military-political contacts from its economic ties with the local republics and identified the means and methods to be used in both fields. The Kremlin took into account Washington's possible opposition to its plans, as well as the opposition of part of the local political elite. Even though Moscow might lose a large part of its former regional influence, the Russian factor will still be prominent in the region and in Kazakhstan for a long time to come.

The Caspian issue presents the greatest problem and the greatest challenge: in the future, it may affect the republic's relations with almost all the geopolitical actors of importance, such as Russia, the United States, China, Iran, and the European Union. The relevance of the Caspian issue to the relations between Russia and Kazakhstan is not limited to the oil component.

In the long run, a Eurasian Confederation of five to ten states might appear on the CIS's territory with Russia and Kazakhstan as the main centripetal force, of which the EurAsEC/SES/CSTO chain may serve as a prototype. If realized, the Confederation will be able to claim the role of a geopolitical force of the first order.

Any changes, to the best or worst, in Moscow's relations with Washington and Brussels will inevitably affect, to one degree or another, the situation in Central Asia and Kazakhstan's international status and security. The main actors (Russia, the U.S., and the EU) never lose sight of the region as a sphere of their strategic interests.

To sum up. By 2007, the Russian Federation had not acquired clear ideas about the future of the post-Soviet expanse as a whole and of Central Asia and the Southern Caucasus in particular. When formulating its foreign policy strategy in its southern "soft underbelly," Russia should keep in mind that, first, the Soviet Union cannot be revived for economic, political, ideological, and other reasons. Second, the political and economic processes in the region are going in different directions, thus adding to the contradictions among the CIS members. This means that Russia should devise highly discriminatory approaches.

Kazakhstan and its close ally Kyrgyzstan are two Central Asian countries with which Russia can establish closer integration based on the already accomplished economic reforms. A single energy market within the EurAsEC is one of Russia's foremost aims; it perfectly fits what is known as Putin's Doctrine and is, in fact, its starting point. Russia is working hard to restore its former influence in the region. Alarmed by China's growing political and economic presence in the region, it is stepping up its involvement in the SCO.

The above suggests that the situation has been developing stably in the past few years; the potential Color Revolutions in Uzbekistan and Kazakhstan were nipped in the bud, so to speak. Kyrgyzstan and Tajikistan remained in Russia's and the CIS's orbit; until President Niyazov's death Turkmenistan remained faithful to its obligations to Gazprom. The Russian Federation still dominates the sphere of hydrocarbon transportation to the outside markets. The region seems to confirm that President Putin's decision to make an "energy superpower" out of his country and a club of energy producers and energy transporters under Moscow's chairmanship out of the EurAsEC countries was the right one.

At the same time, it is fraught with conflicts: today Turkmenistan, Uzbekistan, and Kazakhstan sell their gas under bilateral agreements each of them has with Russia and lose part of potential incomes on Russia's transit. Fully aware of this, Russia's Central Asian partners are looking for alternative routes bypassing Russian territory.

Realizing this, the West has stepped up its contacts with the Caspian-Central Asian countries in the sphere of hydrocarbon production and transportation. Undaunted by Russia's potentially sharp responses (Moscow regards the region as its natural monopoly), the West has moved forward in the conviction that the time has come to lay new pipelines (particularly gas pipelines) to leave Russia out in the cold. This move is expected to kill two birds with one stone: Europe will be relieved of its ex-

cessive energy dependence on Russia, while the West will widen its sphere of influence in the region. The Western capitals are pursuing an even more ambitious aim: to undermine Putin's Doctrine designed to reintegrate the post-Soviet expanse.