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Promotion of products in social media

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Today, more and more people are actively using social networks, many just flip through interesting content, others are trying to become popular personalities, and the third advertise goods, agencies, services, and so on.

In other words, the third group of users promote their businesses. A large number of small companies start in social media just to make people notice them.

Social networks are considered to be the ideal place to start business promotion and development of management due to the ease of using information. They have become an important part of our lives, as well as in the economy. Through them, many products become popular and sales number increase.

Mobile applications like Instagram, Facebook, Twitter, and others, open up great opportunities for business to promote their products and services. According to various criteria, entrepreneurs get a chance to a large, different audience.

With the advent of the Internet, requirements to the quality of promotion of products and to the quality of products themselves have risen. Consumers began to have access to a lot of information about competitors who might have the same product but with different quality and composition. Therefore, many things depend on the features of the personal page, the content presented and the success of Internet marketing.

It is important to remember that advertising in social networks should not remind users of direct advertising, which they may see on the streets of the city, or in other places. A negative part of such format of attracting consumers is that it may cause a sense irritation [1].

Social media marketing has a big place; it can reinforce positive feedback from

consumers and help spread the word to customers and attract new ones.

Social networking and social connections rely on people. When thinking about tactics for communicating with loyal and potential customers, companies are looking for the most accessible way to disseminate information. This path has been clarified to them by social media.

The formation of an audience of consumers who promote the brand and of some who absorb useful information about it from the first ones, is also important and can be a good advertisement for the company. People are like sponges absorbing any useful information for them and if the advice from another person will be helpful for them, for example to look at the Instagram page of a company that sells something these people need, then they will visit it without thinking twice and will be convinced that the information is correct and they will be satisfied. Then the brand will have some new customers, who may become trustworthy in the future.

With a loyal audience that can always overshadow a few bad reviews, the influence of critics and detractors, a company can reach a higher level of development, so it is crucial to create an audience on social media that will always respond positively, support and try to take the company to the next level.

A company should have an explicit goal, a so-called strategy for more massive sales. The company strategies will work provided that all the posts on your social media page will look beautiful and high quality not only in the photo, but also when the customer comes to the store and sees that the product they like look exactly the same and its description match the products [2].

Such factors as a product quality, good reviews, a reasonable product price, a large audience play some of the most important roles in the promotion of a product and in the success of a company. Nevertheless, it must also be remembered that online consultants must behave properly with customers. If the consumer is satisfied with everything and is ready for an online purchase, but still has questions, he or

she has the right to write down to the brand messenger to clarify them. The chances that the consumer will run into a low-qualified employee are quite high, which may lead the buyer to refuse making a purchase from this brand. Talking to rude employees of stores is not very pleasant and attractive, but when it happens in social media, then people may already strongly think of the reputation of a brand. Consequently, such employees can incur great losses for the company.

A reliable way to build customer trust is to establish a product warranty period. Within an entrepreneur's marketing strategy, a product warranty can be a good tactical tool. If an entrepreneur gives a warranty on sold products, sales and profits can rise substantially [3].

Many of the businesses are very slow to develop, both in the marketplace and on social media. All manufacturers, no matter where they sell their products, need some amount of time to get their production go up.

While an entrepreneur solves a firm's problems, by the time he has solved them, new competitors on the market may have formed. Because of the resulting competition problems, entrepreneurs make many inadequate decisions and may start to react sharply, but take no real action.

To solve problems from unexpected sources of increasing or decreasing in sales revenues entrepreneurs can ask for help to accountants, quality control analysts, and others. With their help, entrepreneurs can regain the flexibility they may have lost when the company grew dramatically.

And such help, positions, and problems appear everywhere, whether in the marketplace or in the Internet space. Entrepreneurs in different promotion environments face the same problems and solve them in almost identical ways. It's just that somewhere you have to plan more, and somewhere adding a positive comment will suffice.

Highly developed actions used in social media marketing can lead a company to get a fairly large audience and an increase in sales. By setting certain goals for the increase in sales, they can be easily transferred into real actions using social

media. After all, in this way it is possible to easily improve the level of advertising, increase the number of new potential customers and members of affiliate programs can lead to an upturn in sales and increase the number of regular customers.

So, we can conclude that social media, as mentioned earlier, has become an integral part of our lives. Thanks to them, businesses can flourish, and consumers can enjoy good quality products and accompanying services.

When it is necessary to promote a company in the present time it is not possible to be limited to one social network. Also, each social network has a large number of pros and cons, they have their own characteristics, and the progress in development can be halted if an entrepreneur will not be able to make adjustment to them.

One of the problems of entrepreneurs is that they sometimes forget to at least try to add a little creativity and strategic thinking to the development of their businesses. And this, too, can play an important role in its development and promotion of services.

The most important thing is not to throw the development off track and if you already have a plan of action, do not forget to follow it. The art of planning is one of the easiest in the world, the main thing is to start to act and not to think that something is impossible.

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The creation of a perfect business leader

Dauren Abdykarimov, BIL, Kostanay

ABSTRACT

The main purpose of this article is to represent the main criteries that are covered when aiming to become the perfect leader. Author used an opportunity to immerse into the world of business related researches to analyze main points so that the path to becoming a leader of the commercial property will be clarified. Furthermore, polls, opinions, and different types of data were used to reach the understanding of the main point. Author made multiple conclusions which were followed by logical reasonings that have a lot in common with the human nature and the field of business. Study objectives were directed to make readers comprehend proven methods of constructing the perfect individual for marketing. The conclusions and recommendations were made to provide beginners with assistance so that they can implement gathered info into their and their business' development.

Key words: Managing the business; The traits of a business leader; The correlation of market with individual's capabilities.

INTRODUCTION

Managing the business is one of the most predominant skills that every manager should possess, and reaching the point where leaders will be able to lead the way for the camaraderie is a challenging process that needs to be carefully observed. Although there are many factors that affect the success of the business, the only way that the certain purpose can be achieved is by the scrupulous endeavor of the manager who is the only that can eliminate the chance of business' s failure. If the leader is experienced enough to take the steering wheel and control the financial flow of the company, then other thing will get under the control too. As the position of the leader is the most dominant one, it takes a lot of determination to see how the business operates, which can only be achieved by actually emerging in the process. While the

process will be on no matter if failure or success will be on the way, the manager will undergo tons of occasions in which he or she has to solve different issues regarding the business's next step.

Of course, it is apparent that every persona will contemplate his own image of succeeding in the market, but the problem is that the market can never be predicted unless something is worked and analyzed carefully. It is actually the perspective of beginners that make them think that they can control business related issues, which is common in all of them. There were many examples that were the illustrations of how leaders can mess up whilst pursuing the breakthrough in the marketing field, which can be the result of not being able to manage the corporation properly. So that is why the author studied many managers and their traits just to help beginners learn to manage more expeditiously.

MATERIALS AND METHODS

Methods of thorough analysis are realized by presenting the most predominant criteries and providing the right information to make it comprehensible for business novices. Every recommendation is followed by researches and author's follow-ups to give readers a clear idea of requirements. Apparently, authors also noted that some cases may have misinterpretations and can be easily undermined, so every factor is chosen specifically for the sake of avoiding those problems. The way that authors collected data is contingent upon foreseeing the potential outcome of a recommended strategies, and the depiction of those strategies are characterized as follows:

- The election of the suitable info is based on the possible errors that may occur later on. In order for the strategy to be as accurate and effective as possible, there has to be a thorough plan of how to eliminate possible mistakes.
- Whilst reminiscing and figuring out all the characteristics that a business persona needs, there has to be a certain level of critical thinking in order to undermine the obvious advices so that there are only those that have an immense chance of engendering growth. As obvious as it may be, only new information can result in the appropriate development.
- Authors also made sure to include practical recommendation that could be immediately interpreted, which is predominantly because

people tend to disregard messages that have a lot in common with spam information, which are usually created with the goal of forcing people to pay attention, not to make progress. So that is why authors(we) included steps that can be taken with more regard.

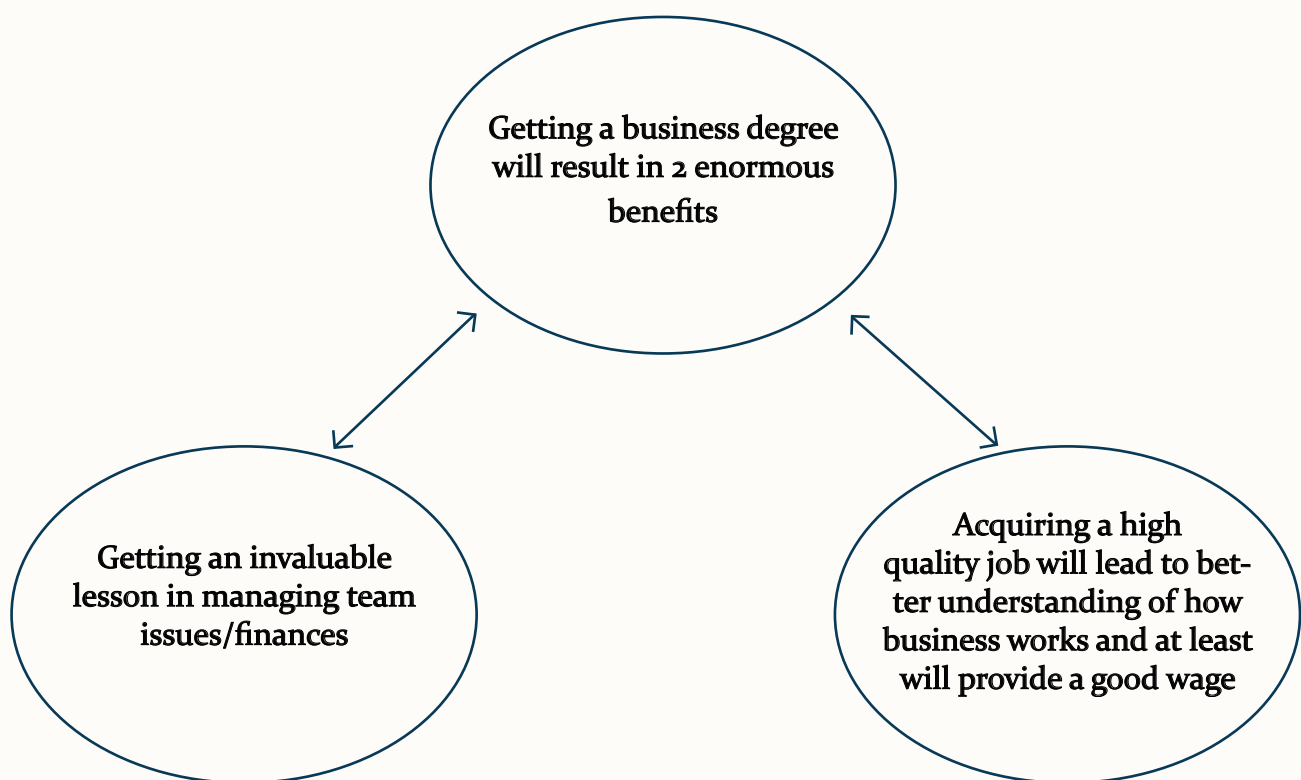
MAIN PART

CHOOSING THE RIGHT EDUCATION

According to PayScale, MBA graduates had a median annual salary of approximately \$91,000 as of October 2021. By comparison, those with a bachelor's in business administration had a median salary of around \$69,000. From a return-on-investment perspective, the additional time and effort required to earn an MBA makes good financial sense. In the modern world, knowing what decisions to make in order to increase company's productivity both in long and short terms is one of the most advantageous things that a manager can have in his thought. Of course, gaining an infinite amount of experience can give boost of cash flow to the business

executives, it is always the right choice to graduate with a business degree which at least is gonna provide individuals with common understanding of how business goes from 0 to perfection.

As seen above, business education can enrich students with tons of invaluable knowledge that will give them a hand in laying the bricks to business's foundation. As most business degree holders have stated, they have received a lot of ideas of how to successfully manage all the tasks that a team will stumble upon. The advantage that business degree holders will get in comparison to other degree holders is that they will have a better basic information and principles that they can already implement at university's practical work, or they can just commence founding their own businesses, which can be given as a assignment. As those kind of assignments will be in completion, those students who will be running it are going to get in touch with coworkers, which subsequently can have a positive impact on their leadership skills. It is also scientifically has been



proven that those who both study and apply learned lessons into real world problems are going to have a better chance of success when it comes to running a business company. Just by working at a practical work and majoring in a business degree will provide students with financial literacy which will make them more experienced business runners, and in fact, those leaders who possess more knowledge tend to overcome all problems that may occur inside the camaraderie, so that is why it's wise to choose the suitable degree just to get a proper start in the business world.

BEING NICE TO COWORKERS

Many people subconsciously tend to desire getting hired by professionals who showcase better attitude towards the employees, and it is actually one of the most crucial points that a leader should consider. According to Harvard Business review, those managers who enthusiastically help their workers actually stimulate their desires to work at the company. Imagine if somebody gets angry or arrogant in front of their employees, I guess this kind of behaviour will lead to workers getting fired and clients getting dissatisfied. Many psychologists and philosophy journals have demonstrated that positive attitude brings better productivity in team chemistry and cash flow in general, which of course has a lot to do with how leaders control their emotions. So in the first place we have added that we share practical advices, so one of them would be training temper and working out a skill of controlling feelings. In order for the leader to achieve a sustainable mood and be in control of their intrusive thoughts, they have to practice discipline. What we actually mean is that they have to do what they consider to be advantageous and stick to that

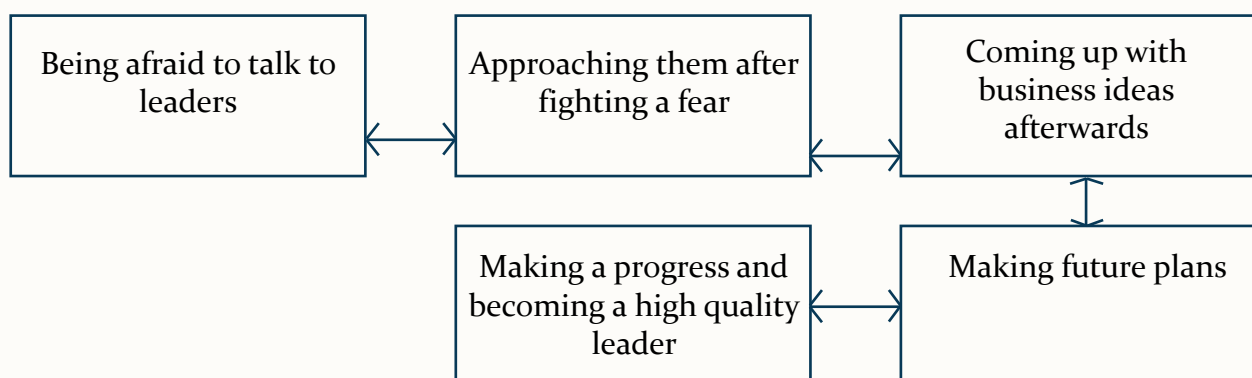
rather than do something that can only produce short term benefits. Yoga, meditation and cold showers would be perfect for helping managers not burst out during hardships. Those listed activities are scientifically proven to control one's thoughts and emotions, which can help a leader become more stable emotionally. Every time they will appear inside a cold shower and resist the urge of giving up, they will simultaneously practice the skill of being stoic in difficult times. So these activities can be implemented in a daily routine of managers in order to help them fight emotional attacks, and having a stoic and calm attitude which can be received after practices will be worth a friendly business team.

APPROPRIATE SOCIAL CIRCLE

What can be more productive than being inside a group that have a lot of unbelievable ideas that could be shared within a company? I guess people tend to be scared of competitions, but in order to be a leader, you have to push past your limits. Just stepping outside a comfort zone can lead to more confidence and better chances of succeeding: Imagine having a million dollar dinner with the richest people on the planet, I suppose that every single individual can get a late night motivation after that (they will be full of decent ideas of making millions). Successful people are naturally leaders, so just having a conversation with them will make you believe that you can accomplish what they have accomplished.

CONCLUSION

Sticking to these advices can boost one's chances of becoming one of the best leaders,



and we endeavored to present all the needed recommendations that have the biggest impact on future leaders. I hope that our research helped our readers and we believe that we inspired and encouraged people to finally take action.

The role of interaction between higher education and entrepreneurship in the social and economic modernisation of the country

Sayara Ussenova, Turan University

ABSTRACT

The article considers the role of interaction between higher education and entrepreneurship in social and economic modernization of Kazakhstan. In order to achieve competitiveness and growth of innovative development of the country, one of the important aspects is the study of the relationship between higher education and business. Despite the fact that the government has undertaken many different programs and concepts in this area, however, there are still unresolved problems, for example, regarding the mechanisms of interaction between higher education institutions and businesses. The authors provide key statistical indicators pointing to the need to increase funding for R&D, strengthen the country's research potential, and improve the effectiveness of the mechanism of interaction in the system "government-university-business". Examples of different university models, from research to innovation-entrepreneurial, are presented, and their main characteristics are highlighted. The paper shows the relevant links between universities and businesses in the context of developing innovative infrastructure for entrepreneurship and fostering economic growth in the region.

Key words: Innovative development, socio-economic modernization, entrepreneurial university, research activity, transformation,

higher education, innovation infrastructure.

The digitalization impact on new patterns in consumer behaviour of the banking industry and strategies implemented by banks based on insights

Renata Kazhitay, Ademi Tolegenva, Zhanbota Aktas, Diana Minaimbekova, MNU

In an age of rapid technological development, online banking services have advanced to an unprecedented level and contributed to the closing of many bank branches as well as a greater focus on mobile applications. The development of mobile services, online payments and Mobile Banking has been a major driver for widening access to finance, but there are always certain risks. The problem may be that some consumers are not adapting to a rapidly changing world and some of them might face unpleasant experiences. The objective of the study is to identify key characteristics of Kazakhstan banks which attract all generations and determine consumer interests both before and after they started using mobile banking. Convergent Mixed Method Design was used for analyses of data, where we collected the data and results separately. The study results will help banks to better understand their consumers and to know what strategies they should be investing in.

INTRODUCTION

Nowadays the tendency of digitalization is to capture every aspect of our lives and the entire world. It should be highlighted that the banking systems are particularly affected by this.

Online banking has become a crucial part of every consumer's life in the age of rapidly evolving technologies. Especially since the global COVID-19 quarantine, the development of IT in banking services has advanced to a new level and contributed to the closure of many banks'

branches while increasing its focus on mobile applications. The development of mobile services, online payment, and online banking provided the impetus for expanding the accessibility of financial services. In more than 20 countries around the world, the number of people using mobile phones to save money and make purchases today exceeds the number of bank account holders.¹

Due to the fast-evolving relationship between the client and the bank, convenience, quickness, and simplicity have stopped being advantages in use and have instead become the norm for users. Customers now only consider how well the banking services they require can be delivered. The characteristics of user behaviour have also changed as a result of the new adjustments. The decision of the buyer is influenced by personal traits such as age, occupation, economic standing and lifestyle. It is our mission to comprehend how modifications impact the consumer's future decision-making and behaviour.

These changes also had an impact on Kazakhstan's banking systems, as a result of Kaspi's initial efforts to digitalize and simplify the usage of online banks, the proportion of mobile banking users has swiftly expanded². At the international forum Digital Almaty 2023, CEO & Chief Ecosystem Officer of Kaspi – Mikhail Lomtadze, highlighted their main mission to create innovative services that improve the lives of customers. In this speech, he demonstrated the results of their innovative services and featured customer reactions and feedback on how their life became easier with these changes. Therefore, it is not wrong to say that Kaspi, as a leading innovative bank that is trying to follow digital trends to meet the needs of customers, encouraged others to follow this innovative path.

The increasing popularity of digitalization and its relevance in modern realities prompts businesses and governmental institutions to consider new strategies and operating processes. The fact that it is now difficult to find someone who does not use online banking cannot be overlooked.

The primary goal of this research was to investigate the impact of digitalization on new models of consumer behaviour in the banking industry, as well as the strategies implemented by banks

based on the findings: Jusan, Forte, and Kaspi.

RESEARCH OBJECTIVES

The research was expected to discover the actual topic through the following hypothesis, as well as to identify the key characteristics that make Kazakhstani banks appealing to each generation and determine consumer interests both before and after they began using mobile banking regularly.

RESEARCH QUESTION

The main question of this study is "How digitalization forms new consumer patterns in the banking industry?". By analysing and finding the answer to this question the study aimed to identify the correlation between digitalization and consumer behaviour.

RESEARCH HYPOTHESIS

We have formulated three main hypotheses for further study.

H1. Digitalization has a greater impact on generations' Y and Z behaviour as bank consumers.

H2. Convenience and usability of banks' online services influences customers' choice of banks.

H3. If banks fail to deal with the consequences of digitalization, they risk becoming irrelevant and losing their customer base.

METHODOLOGY

Three hypotheses have been proposed in this research paper, which will be tested using a mixed-method approach. We examined factors that influenced behavioural patterns using quantitative and qualitative research approaches. We found out what strategies banks began to follow after digitalization and what changes their mobile applications have undergone through quantitative research, and we conducted an interview to find out exactly what characteristics influence the consumer's decision through qualitative research. And which perks

do they value the most when choosing a bank.

The use of interview questions allowed for the identification of trends and shifts in consumer preferences regarding the use of banking services. The questions were mostly focused on the technology used by banks, the changes that marketing departments had observed, and how satisfied consumers were with the mobile banking service.

We examined how banks came to digitalization and what motivated them to pay more attention to digitalization by conducting in-depth interviews with banks' marketing department senior specialists. To confirm whether our hypothesis 3 "If banks fail to deal with the consequences of digitalization, they risk becoming irrelevant and losing their customer base" is correct, we need to understand where each bank is in terms of digitalization and what future steps each bank will take to engage consumers.

The online survey was conducted to people of various ages to see if our first hypothesis, "Digitalization has a greater impact on generations' Y and Z behaviour as bank consumers" is accurate. We saw statistics on the age group of consumers based on the responses to the questionnaire. We also wanted to see if our second hypothesis, "convenience and usability of banks' online services influences customers' choice of banks" is confirmed by the questionnaire. The statistics from the questionnaire showed us the real situation of why bank customers choose a particular bank, and what characteristics of the bank prompt them to do so. We used closed-ended questions which is the method for gathering quantitative data. Based on the survey's findings, we anticipated finding a significant gap between generations Y and Z in terms of attitude, as well as finding the major need for banking services among customers of various ages. Coming to possible limitations we faced, the first one is not being able to take an interview with Kaspi marketing department senior specialist. Due to becoming a half-governmental bank with big data, Kaspi limited some information from the media in order to keep data safe.

The second possible limitation in our study was faced in the quantitative method part

due to the fact that nowadays people do not want to think a lot. Therefore, open-ended questions in questionnaires are not welcomed. Hence, while creating our questionnaire we minimised the number of questions people tend to ignore or answer insincerely.

Examining Country of Origin Effect among Generation Z Consumers in Kazakhstan

Dilzan Aitzhanova, Lana Kim, Aigerim Niyetbek, Dzhanel Nurgaliyeva, MNU

The research aims to investigate the relationship between Country-of-Origin (COO) and Product Evaluation (PE) of Home Appliances (HA) among Generation Z consumers in Kazakhstan. HA is used often across the world's houses and is an essential component of customers' way of life, which indicates that Technodom, Mechta.kz, Alser.kz, and Evrika are among the top 50 private firms in Kazakhstan, according to Forbes Kazakhstan (2022). Therefore, this study points to the following research question: What is the relationship between the country of origin and Generation Z's evaluation of household appliances in Kazakhstan?

The emphasis of the investigation will be on two variables: COO and PE. The study has a number of applications for the industry. First, HA marketing specialists can apply the research insights to planning effective marketing strategies. Second, the analysis can serve as a valuable resource for additional studies on the effect of COO on Kazakhstani younger consumers' purchasing behavior. Finally, the results of this investigation might offer a structure for further research on the impact of place of origin on other product categories and consumer demographics.

VARIABLES

Olson and Jacobi (1972) determined that consumers use both internal (performance, design, flavor, fit, quality) and external (brand image, store, advertising, price, warranty)

characteristics to evaluate a product. Thus, the study utilized country-of-origin and product evaluation as variables, including design and quality as the internal and price as external components. For a more in-depth analysis, the consumer's income, education, and place of residence were added to the questionnaire based on the demographic parameters.

METHODOLOGY STRUCTURE

A structured close-ended questionnaire was separated into two sections that included closed-ended multiple-choice and 5-point Likert-scale relationship-based items. The first part of the survey was designed to gather demographic information such as age, gender, location, income, and level of education. As a result, countries included Russia, China, South Korea, Turkey, Uzbekistan, Germany, Italy, the United Kingdom, and Sweden as the main HAs importers to Kazakhstan (Taybekuly, 2020).

Qualitative methods were employed with semi-structured and structured interviews conducted among the customer and HA retail shop assistant respondents. Key questions from Yang, Ramaran, and Wibowo's (2017) study were modified to focus on the importance of the country-of-origin and HA product evaluation criteria during the decision-making process.

This study's quantitative data collection took place in April 2023. The convenience and snowball samples consisted of Kazakhstani Generation Z citizens, where 175 respondents participated through recruiting on social media platforms. 52% of respondents were male and 48% were female. The majority had a bachelor's degree (42,9%) and higher incomplete education (33,1%). Other individuals had master's degrees (9,7%) and specialized secondary education (14,3%). Most of the respondents had income between 151K and 300K (34,9%), others earn between 301K and 450K (19,4%), and there's a percentage of those whose income level is below 150K. The remaining individuals' income level is between 451K and 600K (6,3%), above 601K (8%), and those who don't have income (13,7%).

FINDINGS AND ANALYSIS

The data analysis revealed that almost half (53.2%) believed or strongly believed that the COO was important. There was no correlation between gender, education and income levels, and COO importance, but a negative correlation between the location and COO. When respondents were asked about the refusal of goods based on the states of production, 50.3% answered that they had not declined and 49.7% responded that they have refused to purchase. Spearman's Rho assessment revealed that both the likelihood of goods rejection and the willingness of spending more for products from a country known for the superior quality of goods were positively correlated with the significance of the COO for the individuals. This study found that individuals who viewed the place of origin as an important factor in their purchasing decisions were more likely to pay a premium for products from countries associated with high quality.

85.7% of participants selected China for budget home appliances, followed by Russia (52%), Uzbekistan (50%), Turkey (34.9%), South Korea (12%), Germany (6.7%), Sweden (4.6%), Italy (4%), and the United Kingdom (3.9%). Some participants highlighted more than one option, demonstrating that they may associate low-cost home appliances with multiple countries. The most frequently chosen country associated the modern design HA products was South Korea (74.9%), followed by Germany (45.7%), Italy (33.7%), China (30.3%), Sweden (29.7%), the United Kingdom (25.7%), Turkey (3.4%), Russia (1.7%), and Uzbekistan (1.7%). Finally, Germany was the most often selected for high-quality domestic appliances, followed by South Korea (62.3%), Sweden (53.1%), Italy (42.3%), the United Kingdom (42.3%), China (12.6%), Russia (10.9%), Turkey (10.3%), and Uzbekistan (1.1%). These results indicate that South Korean-made HAs are seen as innovative, German-made HAs as high quality, and Chinese-made HAs as budget-friendly.

A two-stage exploratory study with Generation Z 13 consumer respondents and 15 store employees was conducted using a qualitative research approach. The customer participants' ages ranged from 18 to 30, and they came from different Kazakhstani geographical areas using convenience and snowball sampling procedures.

Understanding Gen Z consumer behavior and attitudes toward COO was the goal of the first study done with retail shop counselors. The study asked questions about the role of the COO, the quality of the product, the image of the nation, and demographic differences. According to the findings, 50% of respondents stated that Generation Z consumers' decisions for home appliances are heavily influenced by the COO. Additionally, the other half of the informants caution that the primary factor to consider while selecting home appliances is not the generation behind the COO. Participants say that with the exception of the COO of HA, Gen Z customers seek out qualities like characteristics, functionality, advantages, quality, and life cycle. Further, a chosen set of shoppers expressed their viewpoint on the nation's image while purchasing HA products. For instance, according to 50% of informants, Kazakhstan's Generation Z buyers prefer HA items created in Europe, particularly Germany. It was also discovered how popular Korean-made goods are. HA items created in Russia are likewise quite well-liked. Participants also assert that consumers are favorable toward the HA items made in Germany and Korea and are willing to pay more for them due to their superior quality. 50% of respondents agree that consumers have a bad opinion of the Chinese-made HA product. Besides, it was shown that talking positively about a Russian-made product among the younger age can start with the construction quality. Finally, counselors determined that the younger generation is more advanced, and for them, the country of origin does not play a key role. The older generation is more susceptible to COO. As for the choice of preferred products generation Z most often purchases smartphones, laptops, and smart home products. During the analysis of the influence of the COO Effect on different age groups participants confirm that there was no difference in the choice of a HA product based on it among people of different ages. The other side of the informants replied that the younger generation is less susceptible to COO. Furthermore, 75% of informants confirm that there is a noticeable difference in the perception of the country of origin among women/men. It was found that women pay more attention to the country of production, and men mostly pay attention to the function, characteristics, and other criteria of the HA product.

The findings of the second stage showed that the COO is the primary factor in choosing HA goods, while the brand is not relevant. Additionally, Gen Z customers prioritize Germany, Japan, and South Korea as their preferred countries of origin. Additionally, more than half of the respondents had to return goods from China and Belarus due to defective or unsatisfactory quality. Finally, participants were prepared to pay more for HA goods produced in the nation known for its premium goods due to the relationship between the guarantee and the product's extended life cycle. In response to the question about the specific HA being rejected based on the COO, the respondents had to return goods from China and Belarus because they were defective or of unsatisfactory quality. Additionally, more than half of the respondents had a favorable opinion of European nations but a bad opinion of Russia and China. Finally, participants said that they are prepared to pay more for HA goods produced in the nation known for its premium goods. It is directly related to the relationship between the guarantee and the product's extended life cycle.

CONCLUSION

This research examined the COO effect among Generation Z consumers in Kazakhstan. It found that the country of origin has a significant relationship with product evaluation cues, such as quality, price, and design. COO is an important factor, but individual attributes and personal experiences might also shape consumer perceptions. The study's limitations include using judgemental convenience and snowball samples, results being restricted to individuals who spoke the Russian language, and a product category was not considered as a hybrid of many distinct countries. Future studies should take these into account.

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Shadow economy as a threat to Kazakhstan's economic growth

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At the present stage of development, the shadow economy is an urgent, but unresolved problem in many countries of the world. The peculiarity of this problem is that in the country's economy, a large number of resources are involved in shadow turnover, which could positively affect the economic growth of the country. In many countries, reducing the shadow economy is the main goal of finance ministries. This article discusses the definition of the shadow economy, the factors of its development in Kazakhstan, the consequences, as well as ways to combat it.

There is no well-established definition of the term "shadow economy" in the scientific community, since the shadow economy is a complex and multifaceted phenomenon. Analyzing economic dictionaries, we can conclude that the shadow economy is a set of economic processes that are not advertised, are hidden by their participants, are not controlled by the state and society, and are not recorded by official state statistics. The shadow economy includes processes of production, distribution, exchange, consumption of goods and services invisible to the naked eye, economic relations in which individuals and groups of people are interested [1].

The shadow economy is divided into three forms: "second" (unofficial), "gray" (informal) and "black" (illegal). The "second" shadow economy refers to hidden economic activities prohibited by law, such as tax evasion, corruption. The informal sector includes those types of economic activities that are permitted by law, but cannot be officially recorded. An example of a "gray" economy is working without a license. Criminal activity that is prohibited by law is considered "black". It includes drug trafficking, arms

trafficking, illegal gambling, robberies [2], [3].

The main reasons for the existence of the shadow sector of the economy include high taxes and tax difficulties, the growth of corruption, the complexity of bureaucracy, the lack of mechanisms to counter economic crime.

The high level of the shadow economy leads to many consequences that have an impact on the country's economy and society. First of all, the shadow economy causes enormous damage to the state budget due to the reduction of the tax base, deforming the structure of the economy. Unaccounted-for goods and services produced in the shadow sector underestimate the country's true GDP. The growth of the shadow economy leads to the rapid criminalization of the country's economy, which can lead to a weakening of the country's economic security. Also, the growth of the shadow economy leads to an increase in the "gray salary", which also negatively affects the country's budget. As an example, we can cite data for 2014, in which the country's budget missed about 4 trillion tenge due to tax evasion by business [4].

The scale of the shadow economy is determined relative to the share of the shadow sector of the total GDP of the country. For example, according to statistics for 2022, the share of the shadow sector of Kazakhstan's total GDP was 19%, which is a high indicator compared to developed European countries, in which the share of the shadow sector does not exceed 7-8%. The shadow economy in Kazakhstan is widespread in all spheres of the country's economy.

In order to correctly identify ways to solve the problem of a high level of the shadow economy, it is necessary to identify the reasons contributing to the growth of the shadow economy in Kazakhstan. To determine the main reasons for the high level of the shadow economy in Kazakhstan, an analysis of the indicators of the share of the shadow sector from the total GDP and the reasons that contributed to changes in the share of the shadow economy was carried out. The period 2019-2022 was chosen for the analysis. According to the Financial Monitoring Agency of the Republic of Kazakhstan, in

three years the level of the shadow economy has decreased from 27% to 19%, while steadily continuing to decline. As a result, three questions arise: Why was the level of the shadow economy so high in 2019? When did the "turning point" happen? What factors influenced him? To answer the first question, it is necessary to familiarize yourself with the tax system, the level of bureaucratization of the state apparatus, the ability of small and medium-sized businesses to grow and develop without going into the shadows, as well as the level of corruption.

In 2019, as in previous years, the low threshold for switching to VAT, a large number of taxes and small incomes did not allow entrepreneurs to develop and increase the income of their business without performing shadow operations. According to statistics, in 2019, entrepreneurs of small and medium-sized businesses hid on average 80% of their true income in order to reduce taxes.

The bureaucratic apparatus was a big obstacle in the development of small and medium-sized businesses, since all bureaucratic procedures require large time and money resources [5]. Most entrepreneurs have resorted to using "dark" schemes, such as corruption, in order to save time [6]. In 2020, the conditions announced earlier, due to the pandemic and the global economic crisis, led to many negative consequences, such as the inability of 90% of entrepreneurs to pay taxes in full, while entrepreneurs were not able to receive state aid due to the developed bureaucracy [7]. Temporary measures were taken to stabilize the economic situation in the country, most of which were aimed at simplifying the tax burden and combating bureaucracy, and the work of anti-corruption services was strengthened [8]. The effectiveness of these measures is observed in the fact that, compared with 2019, the share of the shadow economy decreased by 8%, and the number of small and medium-sized businesses increased by 400,000 over the same period [9]. Based on this analysis, it can be concluded that the main reasons for the high level of the shadow economy in Kazakhstan are high taxes on small and medium-sized businesses, a low threshold for VAT, bureaucracy and a high level of corruption.

Based on certain reasons, it is possible to draw up several ways to minimize

the shadow economy in Kazakhstan:

- maintaining an economically fair taxation with a lower interest rate than was maintained in the period up to 2020.
- digitalization of the bureaucratic apparatus.
- maintaining a moratorium on inspections of small and medium-sized businesses.
- stimulation of non-cash turnover and the fight against cash payments, which will allow you to control cash flows.
- strengthening of active anti-corruption by anti-corruption services.

Summing up, I would like to note that an effective fight against the shadow economy is possible only through cumulative actions that form a single form of struggle against the shadow sector of the economy. It is important to understand that solving the problem of the shadow economy is impossible in the shortest possible time, since the shadow economy is caused by a complex of reasons. Solving the problem of the shadow sector of the economy will have an extremely positive impact on the economic condition of the Republic of Kazakhstan.

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Production of domestic profitable passenger cars by Kazakhstan in the next 10 years

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Nowadays, the production of cars is a very significant industry for economics. In many countries, it takes up a significant part of the GDP and provides the population with jobs. It means that starting of producing own designed cars would be very useful for Kazakhstani economics. Kazakhstan can start producing and collecting of own cars in the next 10 years. Now Kazakhstan is producing passenger cars of the foreign countries' companies. The automobile manufacturing industry is becoming one of the main signs of the technological advancement of the industrial countries of the world. And cars have become one of the main export items. However, at the moment, according to SidmartinBio, only 22 countries have their own car production and brands, while some other countries assemble their cars. This imbalance in the world is also the main economic problem in this area. It causes economic dependence of some countries on others and an ever greater difference in technological progress between different countries. Countries that do not have their own production of cars are forced to import them, so they get to such countries at a high price. And the assembly of machines from other countries is not so profitable and efficient in economic and

technological terms, especially when the level of localization of these products is very low. There are a lot of such countries in the world, so the problem can be considered global, which greatly affects the economic condition of underdeveloped or developing countries. The complexity of solving the problem lies in the fact that the creation of an automobile production without a base from scratch is almost impossible. For this reason, now mainly countries are taken first for the production and assembly of foreign cars. Now such experience is practiced in Kazakhstan and Uzbekistan. Both post-Soviet countries did not have their own auto industry, but Uzbekistan has greatly surpassed Kazakhstan in this area. Kazakhstan assembles cars with low levels of localization, averaging 33% according to the Astana Times. It is worth recalling that earlier there was a plan to raise the level of localization to 50% by 2017. The problem must be solved, since the finances invested in this area in Kazakhstan are wasted, and there are still no significant results. And Kazakhstan needs to move in the industrial direction to increase the country's GDP.

According to the statements of the head of Samal Motors Maksat Mirmanov, which were published in 2016, Kazakhstan is now developing auto technologies that were used 60 years ago, there are no modern technologies, and high-class specialists did not connect to this area timely 10-15 years ago, which led to a delay development of the Kazakhstan automobile industry. It can be assumed that the fact that Kazakhstan was part of the USSR and limited access to new technologies in this industry at that time became the key factor that did not allow the auto industry to develop strongly. Thus, we need to look for new ways to solve this problem. First we need to consider the history of the development of the country's automotive assembly industry. The Kazakh auto industry has existed for a relatively short time. According to the official information resource of the Prime Minister of the Republic of Kazakhstan, the automotive industry of Kazakhstan began in 2003, when the NIVA car was released. In the beginning, Kazakhstan produced VAZ cars. The agreements on industrial assembly of cars signed in 2010 were supposed to be key factors in the development of the domestic auto industry, but the production figures in 2016 were unsatisfactory, so other measures were taken. A recycling fee was introduced, support for the export of products,

preferential loans. Thus, a transnational investor "JAC Motors" was attracted and agreements were reached on the production of Daewoo, Hyundai, IVECO and ANKAI products. In addition, the resource indicated that since 2003 only a few thousand cars were produced per year and the peak was then in 2010, when about 4,000 cars were produced. According to the Association of Kazakhstan Auto Business, 77,471 cars were produced in 2020. This is more than in 2010 by as much as 19 times. In a word, according to the data, the volume of production is only going up. However, the absolute value cannot show the relative value, so it becomes necessary to check the share of produced Kazakh cars among all cars used in Kazakhstan. According to the work "The role and place of the automotive industry of the Republic of Kazakhstan in the country's economy" Ilasheva S.A. and Beknazarov B.D., in 2010 the share of imported cars in Kazakhstan was 84% of the number of all cars in the country, while 16% of all cars were Kazakhstani vehicles. And according to the data of the Association of Kazakhstan's Auto Business, in 2020, imported cars accounted for 27% of the total, and domestic cars 73%. Now, you can consider the current state of the auto industry. At the moment, there are 2 large car assembly plants in Kazakhstan: Asia-Avto and SaryarkaAvtoProm. The first one is located in Ust-Kamenogorsk, and the second one is in Kostanay. Asia-Auto stopped its work at the beginning of 2021, as it lost a lawsuit with the Ministry of Industry and Infrastructure Development, which decided to stop cooperation with them, as they did not fulfill the terms of the contract. According to Danial Akhmetov, akim of the East Kazakhstan region, Asia-Auto may soon resume its work. However, only SaryarkaAvtoProm remains among the existing car factories. SaryarkaAvtoProm cooperates with the brands JAC, Chevrolet, KIA, LADA, UAZ, MAN, Renault. According to the official website of the enterprise, in 2020 they produced 40,050 units of equipment. However, all this is an assembly of foreign cars with a low level of localization. That is, most spare parts and car parts were produced and brought by transnational companies themselves. There is information on the Forbes.kz website that SaryarkaAvtoProm began to assemble cars using SKD technology (semi knocked down). The company has begun to switch to small-scale production, but the level of localization is still

low (on average 33% according to Astana Times). To increase the level of localization, Kazakhstan itself must produce most of the parts of the cars it produces. According to Andrey Lavrentyev, president of the Allur Group automotive companies, during the production of cars, the companies produce cars on SKD lines for 3 years, work independently on welding and painting for the next 10 years, and then start manufacturing their parts for cars in parallel. Then, car chassis, interiors and tires are produced. Then Kazakhstan can reach 50% of the level of localization. Also, he noted that the sales market should be at least 100,000 units of cars per year. Then, licenses for full-fledged production of cars are bought and platforms are created. All this requires about 1.1 billion dollars. Also, in 2016 Andrey Lavrentyev said that by 2018 spare parts would be produced in Kazakhstan. It was planned to create infrastructure near the Kostanay plant for 2 billion tenge. This was reported on the website lsm.kz. However, Andrey Lavrentyev, the President of the Association of Kazakhstan's Auto Business at that time, admitted that they would produce only those simple parts of cars that very often fail, because the production of serious other parts is unprofitable due to competition. And as for the specialists who will work on the national brand, here I had to rely on the words of Andrey Lavrentiev once again, only this time in his interview for Forbes.kz. According to him, Kazakhstan can use the same specialists that work in the assembly of cars, as well as attract the best specialists in cooperation with strategic partners, analyzing the global engineering potential. We have identified the difficulties, now we need to consider possible ways to solve them. To do this, it is important to consider and rely on the experience of other countries that have developed their automotive production in a relatively short time. For example, consider South Korea, which used to be considered a poor country. An article from WapCar states that South Korea's per capita GDP in 1960 was US\$234. The article looks at how South Korea was able to boost this industry. In the beginning, South Korea produced cars from spare parts of American military vehicles. Later, they banned the import of automobiles and encouraged the small-scale assembly of automobiles. Producers learned from foreign manufacturers. Korean manufacturers understood that the state would not always protect the domestic market from

foreign cars, so they continued to develop their products. And also, when launching Hyundai, they hired an experienced British specialist in automotive production. He brought with him 6 more engineers. After all, Hyundai has become successful. Therefore, this experience can also be used in Kazakhstan. First, we need to support domestic manufacturers by making import conditions more difficult, and then launch foreign cars into the domestic market to create competition. Also, you can hire foreign specialists from experienced countries to start, and then train your students or specialists with the help of them and training programs abroad. If we take a closer look at the concepts of launching a national car brand, then we can consider Andrey Lavrentev's interview for Forbes.kz. When asked about the creation of national cars, the President of AllurGroup replied that Kazakhstan can produce completely its own cars and that this is necessary. In his opinion, the assembly of foreign cars is a risky business, since the policy of multinational companies may change and all the equipment and factories of these companies will become useless. And also, he noted that it is possible to create Kazakhstani cars in the form of electric cars, because these are innovations that will make us competitive and because they are easier to manufacture than traditional cars. However, it was said that Kazakh manufacturers are not yet capable of doing everything completely on their own, so it will be necessary to cooperate with strategic partners from China and the United States to gain new opportunities, markets and people. This still needs systematic support from the government, then things will go much easier. The creation of a national car brand will most likely be funded by the state, since even before that, small-knot assembly was funded by the government. According to the official information resource of the Prime Minister of the Republic of Kazakhstan, over the years of the implementation of the State Program for Industrial and Innovative Development, which was adopted in 2010, over 130 new machine-building industries worth about 400 billion tenge were introduced in the country. The state is interested in this area and most likely will continue to support this industry. The choice of the geographical location of the future production enterprise of national cars is very important, as it determines the economic benefits and opportunities for the use of labor

forces. However, in the case of Kazakhstan, the choice was not so great. SaryarkaAvtoProm has more prospects, whose president, Andrey Lavrentev, is seriously focused on future changes in this area - from smallscale assembly to full-fledged production of own cars. So, in an interview for Forbes.kz, he noted that, for example, he would like AllurGroup to present his own car based on a foreign one at the international exhibition in Frankfurt am Main in 2025. That is, it turns out best to accumulate all the funding, production and specialists around the Kostanay plant SaryarkaAvtoProm, since there are no other better options. If Kazakhstan wants to create its own car brand, then it must be taken into account that it must be able to win the trust of consumers, so it is necessary to create technologically advanced, but also safe, high-quality cars. However, it is difficult to evaluate the quality of cars that do not yet exist. Therefore, it is best to evaluate, although small-scale with a low level of localization, but already finished products of SaryarkaAvtoProm, which is the best option for introducing a national brand. The Baiterek.gov website published news that SaryarkaAvtoProm cars, which are exported to Tajikistan, were inspected in Tajikistan. It is reported that these cars are confidently conquering the Tajik market. 150 crossovers of the company were sent to Tajikistan to replenish the Dushanbe taxi fleet. This can be a sign of the quality of SaryarkaAvtoProm products. And also, given that we will cooperate with foreign brands and specialists to create our own brand, then we could choose those who are the best in the topic of car safety. According to Forbes.com, Volvo and Hyundai are the safest cars in 2021. Hyundai will definitely be our priority for cooperation, since we have already started cooperation with them, even if only in the field of car assembly.

Alternative representation of the labor market of Kazakhstan

Abdulaziz Kairatuly, Ilyas Sakhiyev, NIS, Kostanay

Brief explanation for the topic

Possible decision in strengthening the labor market of Kazakhstan is to declare open

borders because it is the global trend in the modern economics. For instance, Schengen supports this opportunity without any border checks (European Commission, 2021). As in *The Cultures of Economic Migration: International Perspectives* said (2007, pp.17-19), the issues of immigration and terrorism are becoming blurred in many countries. Therefore, open borders can seem hazardous.

Definition of the Central Terms

According to Henrekson M. (2020), “labor market” is including special rights to the employer that encourage labor mobility. The term “open borders” states as the government policy enabling immigrants to enter the country with no restriction (Longley, 2022).

Rationale for the study

This study is aimed to analyze the challenges and the solutions of the labor market of Kazakhstan.

Research questions

1. Why has the government not declared open borders, following the European countries since 1991?
2. How does the labor market of Kazakhstan is represented?
3. What other solutions are suitable for the development of the labor market of Kazakhstan?

Literature Review

Current situation of socio-economics of Kazakhstan and its neighbors

Many studies have shown that Kazakhstan has the border of 14,000 kilometers with 5 countries. As Sultangaliyeva A. (2016) writes: “Crisis situations in some neighboring states have impacted both the external and the internal security of Kazakhstan. For instance, during the political upheaval in Kyrgyzstan in 2010, Kazakhstan was forced temporarily to close the

border with that country for fear of an influx of refugees and crime”. The existing literature focuses particularly on socio-economic problems of Kazakhstan. As she also (2016, p.13) notes: “There is significant asymmetry between the countries of Kazakhstan’s neighborhood. For example, among Kazakhstan’s five neighbors, China is ranked at 89.3% in total GDP.” Thus, unequal relationships between neighbors decelerate the economic growth of Kazakhstan. Together, these studies indicate that geopolitical situations near Kazakhstan restrict the opportunities of open borders.

Current situation in labor mobility of Kazakhstan

Kazakhstan is developing country in which nearly 80% of labor force is employed, in average 5 % is unemployed and 15% is not in a labor force. Types of employment differ across all regions in Kazakhstan: if Mangystau, Atyrau and Karaganda regions focused on mining, Astana and Almaty cities concentrated on wage employment, and North-Kazakhstan, Kostanay and Zhambyl regions have self-employment in agriculture sphere (Strokova V., Elzir A. and Margolis D., 2016, p.21). Moreover, as Strokova V., Elzir A. and Mergolis D. state, the works are concentrated on low productivity activities, and differentials of wage across sectors and regions show the limits in labor mobility due to the disproportional regulation of economy. Removing some constraints or lowering individual costs of mobility can avoid the limits in labor mobility. Overall, open borders is omitted in the development of the labor market.

Methodology

Research Design

A qualitative research design has been chosen for this study. This type of research design will be convenient to get the point about the solution in positive and negative side.

Research Site

The data collection will be conducted in the “Google” search system by the spreading the link to users. Gained data will be saved

in “Google” account. The place to conduct the interview will be taken in the school.

Research Sample

All internet users of Kazakhstan can participate in the survey and only people in 16-50 ages can participate in the interview as those ones have more information on following topic.

Data Collection Instruments

10 open-ended questions will be provided in the interview and 10 questions for the survey.

Data Collection Procedures

To produce the data collection for survey instrument, it is necessary to cooperate with internet users. For the interview, it is vital to interact with an interviewee face-to-face. The data will be collected from April 2023 to May 2023.

Results

The survey and interview methods were used for this research. Many findings were grouped into two categories: Current situation of the labor market of Kazakhstan including some problems, and possible solutions of it.

Current situation of the labor market of Kazakhstan

As can be noticed in Figure 1, the most respondents gave 5 and 6 points out of 10 on a scale, demonstrating the level of the labor market of Kazakhstan as medium. According to the answers from interviewee 1, the main issue is the bureaucracy which slows down the efficiency of providing jobs:

"...in order to get a job, we have the main problem and it is the bureaucracy."

Interviewee 2 reasoned that specialists are needed to Kazakhstan:

Figure 1. The estimating the labor market of Kazakhstan on a scale of 0-10:



"...there is a lack of specialists in some spheres."

To sum up, secondary research affirmed that the labor market of Kazakhstan requires some changes to socio-economic programs.

Possible solutions of the labor market of Kazakhstan

Open borders would be ineffective decision. The interviewee 1 pointed out that Kazakhstan is situated closer to the most dangerous region of the world:

"... We have countries as Afghanistan. It is dangerous for us. This region is a heath of terrorism. So, our country has not opened it and it is not important to open."

Declaring open borders is no single solution. Interviewee 1 suggested establishing control by the government:

"Of course, all of them must be totally supervised by the government and local administrations. We have shortages in the labor market, due to the low supervision."

Interviewee 2 noted about the retraining courses for workers:

"... Employment of all able-bodied people, development of free retraining courses ... can be considered."

31 participants in the survey specified that the regulation of the infrastructure is necessary decision, creating convenient conditions of the workers. Summarizing this chapter, secondary research is against the open borders for Kazakhstan. Other possible solutions could be suitable ones.

Summary of findings

1. The level of the labor market of Kazakhstan is

Figure 2. Decisions that affect the labor market of Kazakhstan positively:



medium.

2. The bureaucracy slow-downs the labor efficiency.

3. As mentioned in the secondary research, jobs are focused on low productivity activities.

4. Some specialists are needed to Kazakhstan.

5. Open borders are an ineffective decision to improve the labor market.

6. Retraining courses for the workers are important.

7. It is necessary to regulate the infrastructure.

8. It is important to establish control by the government.

Conclusion

The aim of this study was to analyze the practical solutions of the labor market of Kazakhstan. The data collection tools involved the literature review, survey, and structured interviews. The current study was conducted by the following research questions:

Research question 1: Why has the government not declared open borders, following the European countries since 1991?

The study has shown that the open borders generate a huge risk of terrorism and contraband from Afghanistan, making the life of citizens hazardous. European countries created the Shengen area. Therefore, European countries are conducting open borders, whereas Kazakhstan are not.

Research question 2: How does the labor market of Kazakhstan is represented?

Current position of the labor market is assessed as medium. Kazakhstan is the developing country with the problem of bureaucracy that slowdowns the economics. There is unequal relationship between neighbors, making some troubles in socio-economic development.

Research question 3: What other solutions are suitable for the development of the labor market of Kazakhstan?

It is important to regulate the infrastructure for the convenient conditions of the workers, leading to the enhancement of the labor market. The next suitable solution is setting control by the government, avoiding the bureaucracy.

Further research

We would provide some recommendations the research questions.

Concerning the first research question, it would be fascinating to synthesize the previous periods of the history of the whole

world to get extra information about the necessity of the open borders for Kazakhstan.

Regarding the second research question, it would be interesting to explore what will remain unchanged.

Regarding the last research question, we would recommend concentrating also on the opinion of the foreign workers about the open borders in Kazakhstan.

Further research is needed to explore undiscovered information in getting totally objective answers about open borders for Kazakhstan.

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Factors influencing the economic growth of countries depending on the stage of their development

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This study examines the economic growth of countries from 2006 to 2018. It is a result of sustainable and intensive development of production, technology and improvement of living conditions in the country. The main purpose of the study is to understand what are the barriers to the transition of countries to a higher level of development, based on such factors as Infrastructure, Human Capital, Business Environment, Institutional System, Financial System and Macroeconomic indicators.

The work is based on a sample of 109 countries studied across 431 indicators. The study uses approaches such as "Min-Max" analysis, which aimed to find indicators that differed significantly between groups; the "Average" analysis, will provide a clear indication of the average across factors and countries from 2006 to 2018; and the "1.15" methodology outputs indicators that have improved by more than 15% in 2018 compared to 2006. Through these approaches, we expect to see a clear difference in development between groups of countries.

The result of this paper is that Business Environment and Financial System and Macroeconomic indicators are important for the transition from low income to lower-middle income group. Further, the country's transition from lower-middle income to upper-middle

income is determined by the development of the Infrastructure, Human Capital, Business Environment, Institutional System, and Financial System indicators. And finally, the transition from the upper-middle income group to the high-income group involves the improvement of such indicators as Financial System, Infrastructure, and Human Capital. By developing these factors, the country will be able to overcome the barrier and move to a new stage of development.

Bicycle and Micromobility vehicles in Kazakhstan: Economical, political and infrastructural influence

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Introduction

Kazakhstan is experiencing a large increase in population. With current population of 19 million and half of the population living in the cities, by the year 2050 the national population of the country may reach 29 million, where up to 70% will live in urban areas (Enbek.kz, 2022). Such a development in urbanization will certainly lead to increasing demand in transport infrastructure.

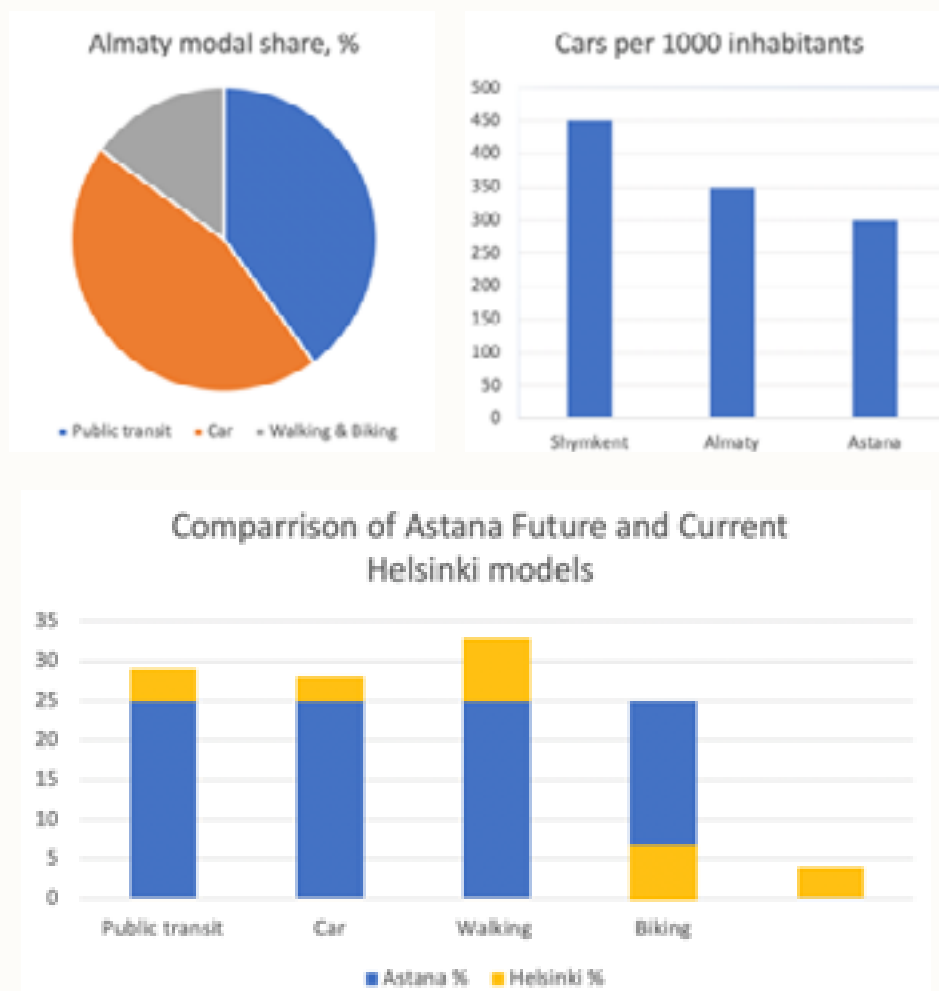
One of the main solutions on current traffic problems in the cities of Kazakhstan are micromobility vehicles, which include bicycles, e-scooters, e-bikes, e-monowheels etc. Nevertheless, both the central and local government agencies of the Republic of Kazakhstan still lack strategic vision and implementation of the micromobility in their economic and urban strategies.

This paper will analyze the possible impact of the bikes, scooters etc. on the local and republican economies and advise the ways the state agencies, researchers, communities and private businesses and individuals can help developing the "Bikenomics" in Kazakhstan. Also, the prospect for further studies in the sphere will be given.

In this paper for the purposes of simplicity we would only analyze the urban population of Kazakhstan and its corresponding trends. Micromobility is a very new item in use, thus researches on them are currently available in a small amount. Thanks to COVID-19 pandemic, e-scooters and micromobility elements became abundant in the cities of the globe, including Kazakhstan. Mostly, regulators generally countries consider bikes and electric scooters, monowheels etc. as one thing. (Mura, 2022).

Now we need to analyze the available share of transport taken by micromobility in the cities. The statistics on this matter are insufficient, hence this paper considers current numbers for Kazakh cities as following: Almaty has 40% of journeys made on public transport (bus, bus rapid transit, trolleybus, electric buses, metro), up to 15% are made by walk or on a bicycle, whereas the rest (45%) are made by private cars (which may include taxi and shared drives).

(UNDP-GEF, 2017). The motorization numbers are coherent with European averages of the cities with the same background and populations, with Shymkent having 450, Almaty having 350 and Astana greater area having 300 cars per 1000 citizens respectively. The aspirations of city administrations are ranging, with Astana's former Chief Architect B. Taitalyev stating, that Astana plans to have 25% of walking, 25% cycling and 25% as public transport in a modal share. (UNDP-GEF, 2017). Experts globally agree that Finland and Helsinki in particular can be a good example in terms of target model for share of transport (Dixon, Irshad, Pankratz, & Bornsteine, 2018), which currently has 28% for cars, 29% for public transit, walking 33%, cycling with 6% and 4% for othertypes of modes of transit. Choosing Helsinki is also applicable for its climate and historic similarities with the Northern Kazakhstan.



The comparison of two models shows that the Finnish model is more real. Despite the low biking numbers, Finland cycling infrastructure is recognized as a place of the northern bike-friendly city of Oulu. Reaching 25% of biking as mode transport is an ambitious but unreachable in a foresight of 20-30 years, because such numbers are hosted in the cities with finest bicycle infrastructure as Hamburg with shares of 22% (Hamburger Bürgermeisteramt, 2023) and Shanghai with 10% for bikes and 10% for e-bikes respectively. (SingaporeLandTransportAuthority, 2014). According to a study made by Qazaqstan Urban Community Public Association, upto 1% of school students go to school on a bike (2021). Comprehending the above numbers, the paper assumes that only 5% or less of the urban population is now using the micromobility as a primary mode of transit. If we consider the positive value on the economy which is generated by cycling economy, we may use Copenhagen's example as it is transparent on its generation of profit to the common folk and individuals, which comprises of 1.16 USD. It includes health, social, security, environmental and business benefits in comparison with cars. (Cycling Embassy of Denmark, 2021). The urban transport statistics

resulted in 80,408 million passenger-kilometers. (Bureau of National Statistics of the Republic of Kazakhstan, 2023). Due to the unavailability of data, we will use raw calculations with use of urban transport. The 5% penetration will result in USD 4,6 billion in profits for the economy, which is including the population ratios is almost similar to the Danish data (Cycling Embassy of Denmark, 2021). Analysis of the cycling infrastructure would be provided later, but it is assumed that Danish one is the safest and the most developed, thus, we need to lower the penetration rates. We will use the 1% of the Petropavlovskdataasanexample, whichwillresult in USD 928 millions in profit for the economy. Considering the development of the country-wide infrastructure, government may pose 5% of total kilometers in cities as a primary target for the cycling infrastructure development. Further development may result in a considerable increase in the local and republican Economy. Colvile-Andersen (2018) states, that each kilometer of cycling infrastructure brings national economy \$0,26/km, whereas cars generate losses as \$0,89/km, which is caused by the jobs creation, development of local shops and communities etc. (Yanocha & Mawdsley, 2022).

	Kazakhstan	Denmark
Proposed benefits (KZ=5%), USD	4642366400	1183000000
Country populations, people	20000000	5000000
Ratio (\$/person)	232,11832	236,6

Possible ways to increase the user base and further benefits The Mäjilis of the Parliament of Kazakhstan recently passed a bill on e-mobility (2023). It restricts the rights of the users of bicycles and e-scooters in the cities. This resulted in a big debate in the society. This legislation makes everyone liable to have a helmet, yellow jackets and lightings. In order to make a handful piece of legislation, analysis of the local and foreign experience is needed. A research, conducted by Qazaqtan Urban Community (2023) provides, that the majority gives bad marks to the bike infrastructure in their cities (55%). The collection of the commentaries provides, that cycling infrastructure should be city-wide, limit the cars and build the transport infrastructure such as LRT or BRT in a preventive

manner beforehand and the only way to increase the usage is to make the infrastructure comfortable for children and elderly. The responsible government agencies should adopt a country-wide and local strategic mobility plans in order to create a useful piece of infrastructure. The nowadays problems such as unsafe roads, lack of or poor bikelanes, conflict zones with pedestrians, with cars, trajectories and route design were mentioned as one of the most problematic for the city inhabitants. NACTO, one of the most respected transport consulting agencies, provides main advices as: 1,2 - 1,5m wide bike lanes, using the barriers as much as possible in order to physically. segregate the transport flows, provide safe bike infrastructure on the crossroads and give the priority on the traffic lights, protection from parking and floods (2011).

The advices can be seen adopted on a proposed redesign of Nazarbayev street in Petropavlovsk, image created by the author of the paper.



Limitations and recommendation for further studies

The topic of micromobility and its economic and politics has extremely limited data available for the researchers. This paper advises to introduce statistical measurements of traffic composition in different cities, measurement of micromobility in terms of economic benefit to the businesses and budgets. Additionally, studies on CO₂ in cities, legislator comparisons and further micromobility studies are needed for more accurate researches in the future.

Conclusion

This paper analyzes the impact of micromobility vehicles, such as bicycles and e-scooters, on the economies of Kazakhstan's cities. The paper suggests that only 5% or less of the urban population currently uses micromobility as a primary mode of transit. Increasing micromobility use could generate significant economic benefits in billions of USD. The paper recommends that the government should adopt country-wide and local strategic mobility plans to create useful infrastructure, and suggests

further studies on the topic of micromobility and its economic and political impact.

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The effects of monetary policy on Inflation in Kazakhstan

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Abstract

This study examines the impact of monetary policy on inflation in Kazakhstan. To evaluate the model, annual data for 2013-2022 were used. The study was limited to these variables, the interest

rate, the exchange rate, and the money supply versus inflation. In the research, we used the FDL multiple linear regression model with time series data. Main variables of the model, which used by the national bank to control inflation, are the discount rate, money supply, and exchange rate. Also, to achieve correct results, the model has been improved by "lag", i.e. to determine which subsequent periods are affected by the discount rate increase. The results of our study showed that in order to reduce the growth of inflation, an increase in the interest rate and a decrease in the money supply is followed by a decline in the inflation rate in the next quarter, but the exchange rate does not have a significant impact on the inflation rate. Economic and geopolitical shocks also have a substantial impact on inflation. Therefore, in our study, it is recommended to use not only monetary policy to control inflation but it is also required to use fiscal and other non-monetary measures.

Key words: Monetary Policy, Inflation, Money supply, Interest rate, Exchange rate

1. Introduction

Today, inflation is one of the most discussed economic terms in the media and public. Like Lekachman (1973), many economists have used different definitions of inflation, but there is a common theme. Inflation is usually defined as a continuing or sustained upward trend in the overall price level. According to economists similar to Friedman (1963), inflation is the result of the state's monetary policy, represented by the regulator. It is widely believed in the economic community that monetary policy, by controlling the money supply in the economy and influencing interest rates, can help maintain price stability, creating an enabling environment for sustained economic growth. Numerous detrimental effects of inflation include reduced purchase power of money, which might result in a drop in living standards for those on fixed incomes or with savings. Due to inflation, prices for products and services may grow quicker than the earnings of the most disadvantaged people, resulting in an unfair distribution of wealth and income among different demographic groups. A worsening of the economy and a rise in uncertainty are caused by unanchored

inflation expectations, which can result in unstable prices for goods and services and make it challenging for businesses to plan and invest. Monetary policy in Kazakhstan is aimed at curbing inflation, which has a significant impact on the economy. The National Bank of Kazakhstan implements monetary policy through various instruments, such as adjusting the required reserves for commercial banks, setting a discount rate for loans to commercial banks, or engaging in open market operations to buy or sell government securities. The specific goal of monetary policy may vary depending on the economic and financial conditions of the country. Still, its overarching goal is to maintain price stability, full employment, and economic growth. Inflation is a word that is very common in everyday life. Everyone describes inflation in their way; Amadeo (2012) cited it as when the prices of most goods and services continue to creep upward, leading to a low standard of living (p.10). Due to inflation, there is uncertainty and difficulty in predicting the relative prices of goods and services, which constitutes an obstacle to making financial decisions in everyday life. Most people strongly dislike high and variable inflation, which causes many economic distortions (Agarwal & Kimball, 2022, p.123). According to information taken from the official website of the NBK (www.nationalbank.kz), inflation can be caused by various factors, both internal and external. Internal factors include the velocity of money in the economy, the output gap, inflationary expectations of the population, labor productivity, the level of employment, competition in the markets, and the per capita income. External factors affecting inflation are prices on world commodity markets, exchange rates, international trade relations, and other economic events. The Consumer Price Index (CPI) is the most widely used measure of inflation. CPI is a consumer basket of goods and services, thus measuring the average cost of living. The percentage change in the CPI over a given period is consumer price inflation.

2. Literature review

Inflation often leads to a rise in poverty from loss of purchasing power (Cardoso, 1992). This leads to social tensions and high inflationary expectations, as it causes many economic distortions and

uncertainties. The study of inflation and monetary policy is essential for economic analysis, and Kazakhstan is no exception. This literature review will look at existing articles and studies on this topic, focusing on Kazakhstan. One of the critical conclusions of the article by Kadirbekov and Kazieva is that inflation is a multifactorial problem, and its solution requires a comprehensive approach (Kadirbekov & Kazieva, 2019). This article considers the main factors influencing inflation in Kazakhstan and proposes a strategy to combat inflation. According to the authors, one of the leading causes of high inflation is a weak link between monetary policy and the real sector of the economy. The main idea of Mukhamediev's article (Mukhamediev, 2018) is that price stability and inflation persistence in the economy of Kazakhstan directly depend on properly organized monetary policy and the balance between fiscal and budgetary policies. The author also points out the importance of money supply management and price control of goods and services in the economy. It analyses how fiscal policy can play a role in controlling inflation. Nargoziev (2007) provides an overview of the world's experience in regulating inflation and inflation expectations, including the experience of developed countries such as the USA, EU, and Japan and the experience of developing countries such as Brazil, Mexico, and India. Special attention is paid to the experience of Central Asian countries, including Kazakhstan. According to the article, Kazakhstan has pursued several initiatives to control inflation in Central Asia, including adopting inflation targeting, enhancing fiscal restraint, and carrying out structural reforms. The efficacy of these efforts in recent years in keeping Kazakhstan's inflation rate low is highlighted in the article. Overall, the paper offers a helpful summary of international techniques for controlling inflation and emphasizes the significance of controlling inflation expectations. Key factors such as central bank independence, transparency policy, monetary instruments, and sustainable fiscal policy are the foundations for confidence in the monetary policy conducted (Bems et al., 2021). The main conclusion is that an integrated approach, which should include monetary policy and fiscal, monetary, and structural policies, must be used to manage inflation effectively. It is also necessary to consider

the peculiarities of Kazakhstan's economy and the international experience in regulating inflation. When administering strategies to control inflation, it is vital to consider the unique characteristics of the Kazakhstan economy. For instance, its material reliance on commodity exports, particularly oil, and the extent to which the financial system laboriously dollarized. Additionally, the nation confronts considerable external shocks and has a relatively high level of economic openness, which can affect inflation. Thus, scientific research shows that monetary policy plays an essential role in combating inflation in Kazakhstan, but it is necessary to consider various factors and features of the national economy in its implementation.

2.1 Conceptual Framework

The money supply, inflation, and monetary policy are closely related. The money supply is the sum of money in the economy. Altogether, the monetary policy is a set of measures. The central bank takes to manage the money supply and inflation. The central bank, "the Bank's Bank," uses numerous appliances to collect the money supply and inflation. For instance, it can affect interest rates through its discount rate, reserve requirements, and mind-open market operations. Inflation can increase if the money supply is prospering than the accurate volume of consumption in the economy. Given this, the central bank may react to reduce the money supply, such as by uplifting interest rates. If the money supply grows more slowly than the natural volume of goods and services, then this can lead to deflation or low inflation. In the case that the central bank may take a move to display the money supply, such as dropping interest rates. However, in practice, the effectiveness of a monetary policy depends on a variety of factors, including the state of the economy, the behavior of households and businesses, and various external shocks, such as a sudden increase in the world commodity prices.

2.2 Theoretical Framework

Inflation has always been the subject of in-depth research for economists, with different schools interpreting inflation differently. For a long

time studying this process, many theories and guesses voiced that tried to explain the factors that strongly influence the inflation process—several main provisions related to the primary factors performed in several schools of thought. For example, adherents of monetarism believe that central banks' main task should be to maintain stable money supply growth and not to keep specific interest rates or various economic indicators. One of the scientific works on monetarism is the book "Monetary History of the United States" (Friedman & Schwartz, 1963). This book is in particular because the authors consider the history of money in the example of the United States and how specific processes affected the country's economy. For instance, the book indicates that the money supply changed crucially in the late 90s and early 00s. Due to this, inflation increased. Another important aspect of this school of thought is the concept of the velocity of money circulation - the average number of revolutions made by a monetary unit during the year. Monetarists say that changes in the speed of money circulation are less significant than changes in the amount of money in the economy (Friedman, 1956). The quantitative theory of money. This theory forms on the fact that there is a direct and proportional relationship between the money supply and the price level, with the obligatory condition that other factors will remain unchanged. According to this theory, a unique equation defines these statements: $M * V = P * Y$, where

- M is the money supply;
- V is the velocity of money circulation;
- P is the price level;
- Y is the level of actual output.

This equation demonstrates the same connection when, with an increase in the money supply, the price level or the production volume will increase, depending on the speed of response. Keynesian theory. Another macroeconomic theory indicates state intervention's high role in the country's economy. According to the votary of this theory, this is necessary to maintain the country's economy in a stable state. It is leading to long-term economic growth. One of this theory's central ideas is that aggregate demand plays a significant role in determining the level of economic activity.

Keynes proclaimed that insufficient aggregate demand could inspire prolonged unemployment and low economic growth. By addressing this issue, Keynes advocated for government intervention through fiscal policy, such as increasing government spending or cutting taxes, to stimulate aggregate demand and promote economic growth (Keynes, 1936). In addition to addressing recessions, it is significant to note that the Keynesian approach also offers insights into inflation. According to Keynesian economics, inflation can occur when aggregate demand exceeds the productive capacity of an economy. Keynesians argue that fiscal and monetary measures are plausibly transformed to manage and control inflationary pressures in such a situation. By regulating government spending, taxation, and monetary policy, policymakers can direct to strike a balance between stimulating aggregate demand to combat recessions and controlling inflationary pressures within an economy. Keynesian economists suggest that the government can implement contractionary fiscal measures, such as reducing government spending or increasing taxes. Diminish aggregate demand and mitigate inflationary pressures.

Furthermore, the central bank can use monetary tools, such as raising interest rates or tightening the money supply by controlling inflation. The Keynesian method emphasizes the weight by carefully managing twain aggregate demand and inflationary pressures to achieve stable and sustainable economic growth.

2.3 Empirical review

Over the years, the Kazakhstan economy has undergone several changes, and one of the valuable areas that politicians have focused on is inflation. The National Bank of Kazakhstan (nowadays - NBK) is promptly pursuing a monetary policy to maintain a stable inflation rate. This section examines the impact of monetary policy rates on inflation in Kazakhstan. The Central Bank of Kazakhstan used monetary policy instruments to control the degree of inflation in the country. Several studies have examined the impact of this policy on inflation. For example, in research by Kalyuzhnova et al. (2016), the authors looked at the relationship between inflation and interest rates in Kazakhstan using quarterly data for 2003-2013. They found a significant connection

between inflation and interest rates, which stipulates that the monetary policy was effective in curbing inflation in Kazakhstan. In another study, Kasymova and Suleimenova (2019) used monthly data for 2001-2017 to study the impact of monetary policy rates on inflation in Kazakhstan. The authors used a vector autoregressive model (VAR) to estimate the relationship between interest rates and inflation. They found that monetary policy's impact on Kazakhstan's inflation is remarkable. The study by Esenova and Baymukhanova (2018) explored the impact of monetary policy rates on inflation in Kazakhstan using monthly data span from 2001 to 2017. The authors used a structural vector autoregression (SVAR) model to assess the relationship between monetary policy and inflation. The study showed that monetary policy rates have weighty inflation in Kazakhstan. The study shows that monetary policy has a short-term impact on inflation and requires the central bank to adjust interest rates to stabilize inflation regularly. In a more recent study, Tolegenova et al. (2021) examined the impact of monetary policy on inflation in Kazakhstan using monthly data stretch from 2008 to 2019. The study showed a long-term relationship between monetary policy rates and inflation in Kazakhstan. The authors also found that changes in interest rates have a compelling impact on inflation. The reviewed studies show a significant relationship between monetary policy rates and inflation in Kazakhstan. Studies show that the monetary policy of the Central Bank of Kazakhstan has effectively curbed inflation. The results also indicate that the central bank needs to continue adjusting interest rates to maintain a stable inflation rate. These findings are important for policymakers in Kazakhstan and can serve as a basis for future monetary policy decisions.

2.4 Overview of Kazakhstan banking sector: National Bank, inflation, strategy 2030

History. The collapse of the Soviet Union in 1991, gaining independence, and the subsequent transition from a planned economy to a market economy - dispersed inflation in Kazakhstan. Until the end of the 1990s, inflation in the country had unpredictable trends. The previously unexplored market economy, involving free pricing, led to a sharp price rise. As a result, at the end of 1992, inflation in Kazakhstan amounted to 2962%. The Kazakhstan government introduced reforms to counteract inflation and stabilize the economic situation.

The introduction of its currency, the tenge, in 1993, the low level of foreign exchange reserves, insufficient political stability, and high inflation, which increased the likelihood of massive currency speculation, made it impossible for Kazakhstan to introduce a fixed exchange rate. In this regard, the government of Kazakhstan has taken measures to strengthen tenge while maintaining a freely floating rate. According to Kazbekov (2021), the reasons for ineffectiveness lie in the breakdown of existing markets and value chains within the CIS countries, especially with Russia, and limited access to foreign markets. At the same time, the cost of imports increased, which led to adverse shifts in the current account balance, a decrease in production volumes, a reduction in gold and foreign exchange reserves, and an increase in the country's external and internal debt. Distrust in the new currency, hyperinflation, and general economic instability - led to the depreciation of the tenge, increased inflation expectations, and, as a result, an even more significant increase in inflation. The devaluation of the tenge was so rapid that it limited the ability to use various monetary policy instruments to combat inflation. As a result, from the second half of 1994, the exchange rate's policy changed from floating to "managed" floating. Between 1995 and 1999, inflation was high but stabilized at about 30%. In 2000, the period of stabilization of the economy of Kazakhstan began. During this period, inflation decreased from 6% to 10%. In 2007, inflation reached 18.8% due to rising food and energy prices amid the global financial crisis. From 2008 to 2014, inflation was relatively low and did not exceed 8%. In 2015 it increased to 13.6% due to the fall in oil prices and the ruble. In addition, this year, the tenge goes into the so-called "free float," and the NBK switches to the inflation-targeting regime. With the transition to a floating exchange rate, the National Bank keeps inflation within the target corridor by changing the discount rate. Since 2015, the NBK's increased attention to domestic price stability and the emphasis on exchange rate flexibility helped to anchor inflation expectations and absorb external shocks. Generally, the National Bank does not intervene in the exchange rate but can carry out interventions to smooth out market volatility. In 2016, inflation decreased to 8.5%, and in 2017 to 7.1%. In 2018, inflation in Kazakhstan was at the level

of 5.3%. In 2019, it decreased to 4.6%, but in 2020 it rose to 7.4%, associated with the COVID-19 pandemic and the global value chains crisis. At the end of 2021, inflation reached 8.4%. The Russian invasion of Ukraine in 2022 impacted economic activity in Kazakhstan. Inflation rose to 20.3%, reflecting global inflation and local shocks. From 2016-2019, the discount rate had a downward trend. In 2020, there was some tightening due to the pandemic. Due to the risks amid the uncertainty of the geopolitical situation, starting from February 2022, the monetary policy tightened in response; the rate rose from 10.25% to 16.75% over the year. National Bank. Before the creation of the National Bank in 1993, the Central Committee of the Communist Party of Kazakhstan and the Council of Ministers of the Kazakh SSR made decisions on the money supply. In those years, Kazakhstan was part of the Soviet Union, and the national currency - the Kazakh tenge - had not yet been introduced. Central planning was the primary tool for regulating the economy in those years, which determined the prices of goods and services and the money supply. After Kazakhstan gained independence in 1991, the economic situation in the country began to change, and it became necessary to create new institutions to regulate the economy. As a result, the National Bank - the central bank representing the first level of the banking system, the primary purpose of ensuring price stability in the country - has appeared (NBK Annual Report, 2022). Broadly understood, the tasks of the NBK include:

- Improving the welfare of the population of Kazakhstan through managing economic fluctuations.
- Ensuring low inflation.
- The financial system's stability.

The National Bank of Kazakhstan is engaged in the development and implementation of the monetary policy of the state. The main instrument of this policy is the manipulation of the discount rate. In addition, per the law, it ensures the functioning of payment systems and carries out currency regulation and control. For example, the NBA implements macroprudential policies to maintain the financial system's stability. This policy aims to reduce the financial sector's systemic risks and minimize the likelihood of a liquidity loss risk for a significant part of financial market participants, i.e., financial

crisis. The NBK collects and analyzes monetary, financial market, and external sector statistics. NBK's Monetary Policy Strategy up to 2030. The Strategy aims to increase the openness of the NBK's policy to ensure price stability and strengthen the foundation of the inflation-targeting regime in Kazakhstan. Inflation targeting is a monetary policy that aims to control inflation by targeting its level. This approach was first used in New Zealand in the 1990s and is now widely used in many countries, including Kazakhstan, since 2015. As part of this policy, the NBK sets inflation targets on an annual basis. For example 2023, the target value is 4-5%. Inflation targeting in Kazakhstan is part of a broad macroeconomic strategy aimed at sustainable economic growth and inflation control. This approach enables investors and businesses to plan their investments and operations more accurately and increases the transparency and predictability of monetary policy. Although inflation targeting has proven effective in many countries, its implementation may face specific problems and challenges. One of the main problems may be the discrepancy between actual economic conditions and inflation targets. In addition, inflation targeting is not a one-size-fits-all solution to all financial problems and may require additional measures to achieve sustainable economic growth. The NBK's Monetary Policy Strategy 2030 defines the main priorities and principles of conducting monetary policy, which will increase public awareness and understanding of the policies of the National Bank. The key initiatives in the Strategy are divided into three areas: 1) strengthening the monetary bases; 2) increasing the efficiency of the financial market; 3) strengthening the macroeconomic policy framework (National Bank of Kazakhstan, 2021).

3. Methodology

3.1 Regression model

In this study, we replicate an econometric model from Ahiabor's paper "The effects of monetary policy on inflation in Ghana" (2013) to identify the relationship between the inflation rate (measured by CPI) and the NBK's monetary policy tools to reduce the inflation rate. Also, this model is the most suitable for our study, since the economy of Ghana is developing and the main part of GDP is agriculture and mining, likewise

in Kazakhstan. The key instruments of the National Bank for reducing the inflation rate are:

- Discount rate which is the interest rate charged to commercial banks (second-tier banks) for the short-term loans they take from the National Bank;
- Money Supply (M_1) which indicates the quantity of money on the market including currency, deposits and savings;
- Exchange rate. Actually, this is not the direct instrument of the National Bank. However, the National Bank can affect the exchange rates by providing currency interventions to control inflation.

In addition, we will be able to predict the value of the dependent variable (CPI Growth) assuming any changes in monetary policy.

The purpose of our study is to determine the dependence of the CPI growth rate on the monetary policy of Kazakhstan using quarterly data for 2013-2022 (40 quarters). The model is as follows:

$$\text{CPI Growth rate} = b_0 + b_1 \cdot \text{Discount rate growth} + b_2 \cdot \text{Exchange rate growth} + b_3 \cdot M_1 \text{ growth} + b_4 \cdot \text{Discount rate growth lagged}_1 + b_5 \cdot \text{Discount rate growth lagged}_2$$

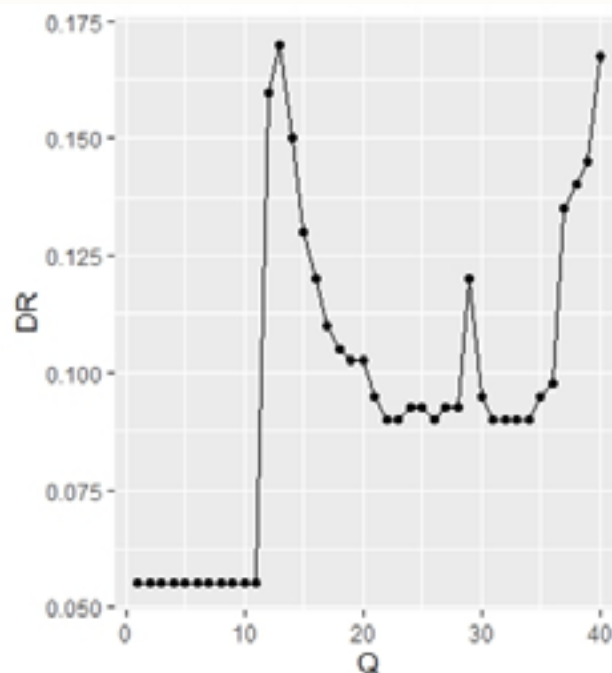


Figure 1 – Discount rate dynamics

The discount rate in Kazakhstan is the main instrument for controlling inflation, therefore, in cases of inflation spikes caused by political shocks, the national bank raises the rate significantly both in 2015 and 2016 after sanctions against Russia and in 2022 due to the war in Ukraine, as it is seen from figure 1.

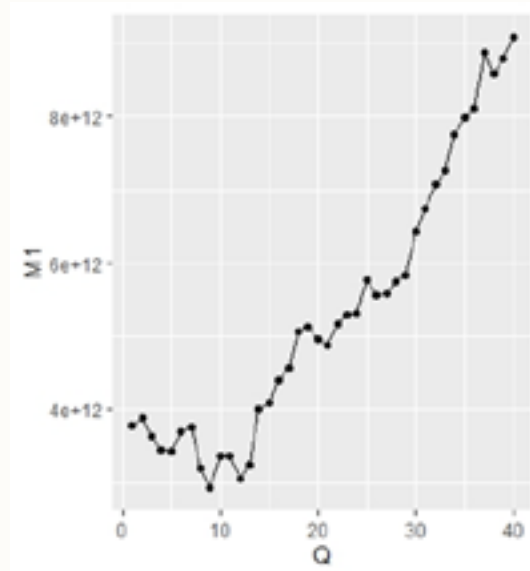


Figure 2 – Money supply dynamics

In Kazakhstan, where inflation is historically high, the money supply has had a positive trend over 10 years under analysis. When the national

bank of Kazakhstan increases the money supply to stimulate the economy, then prices also increase.

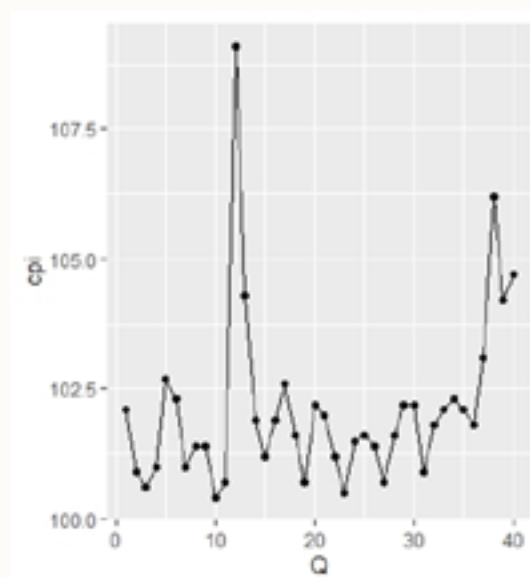
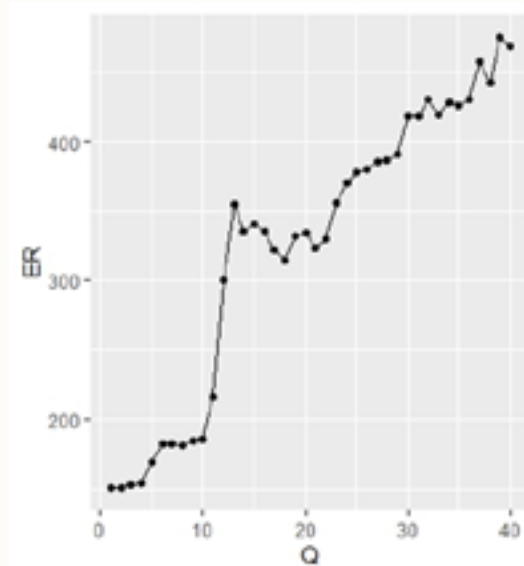


Figure 3 – CPI dynamics

Kazakhstan is a developing economy, where inflation has been high since independence. Political shocks also have a negative impact, such as the sanctions imposed on Russia, which is the main economic partner of Kazakhstan in 2014, and the war in Ukraine, which has been going on for more than a year. Until 2015, Kazakhstan had a fixed exchange rate, which is typical for countries with developing economies, where the state allocates money from the budget to maintain the exchange rate of the national currency. The maximum exchange rate was observed in February –

March 2022 when Russia invaded Ukraine. To accommodate possible non-instant effects of the change in the discount rate on CPI growth, so we add lagged discount rate growth for one and two years as additional regressors to estimate its effect on current inflation. Thus, our model is the finite distributed lag (FDL) model. Additionally, we employ all variables in their growth rates to show the effect of the change in the independent variables on the change in our dependent variable. Data on Kazakhstan's M1, discount rate, exchange rate, and CPI were taken from the following



sources for the period from Q1 2013 to Q4 2022:

- Bureau of National Statistics of the Agency for Strategic Planning and Reforms of the Republic of Kazakhstan;
- National Bank of the Republic of Kazakhstan;
- Refinitiv.

	(0.030)
DR_growth_lagged	-0.016*** (0.006)
DR_growth_lagged2	-0.009 (0.006)

3.2 Results

To estimate the effect of monetary policy on inflation, we used the FDL multiple linear regression model with time series data. The National Bank increases the discount rate during periods of high inflation, so the results of the rate increase have an impact on subsequent periods, while in the current period, we expect a positive correlation between CPI and the discount rate (b_1 coefficient). To determine which subsequent periods are affected by the discount rate increase, we used “lag” in relation to the discount rate. The regression showed the following results:

Constant	0.196 (0.207)
----------	------------------

Observations	37
R ₂	0.736
Adjusted R ₂	0.693
Residual Std. Error	1.036 (df = 31)
F Statistic	17.244*** (df = 5; 31)

Note: *p<0.1; **p<0.05; ***p<0.01

Dependent variable:

cpi_growth

DR_growth	0.044*** (0.009)
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ER_growth	-0.027
	(0.038)

M1_growth -0.038

It was found that the discount rate growth is highly statistically significant only for the first subsequent quarter. Other variables show insignificant results. The R^2 equals 0.736, which means that 73.6 percent of the total variation in the dependent variable can be explained by the variation in independent variables. The increase in discount by one percentage point reduces inflation by 0.016 percentage points. For determining the impact of the exchange rate and money supply on subsequent periods, we conducted an additional

regression. The model defined is as follows:

$$\text{CPI Growth rate} = b_1 \cdot \text{Discount rate growth} + b_2 \cdot \text{Exchange rate growth} + b_3 \cdot \text{M1 growth} + b_4 \cdot \text{Discount rate growth lagged}_1 + b_5 \cdot \text{M1 lagged}_1 + b_6 \cdot \text{Exchange rate lagged}_1$$

This regression shows the following results:

=====

Dependent variable:

cpi_growth

DR_growth 0.040***
(0.009)

ER_growth -0.002
(0.042)

M1_growth -0.058*
(0.031)

DR_growth_lagged -0.018***
(0.006)

ER_lagged 0.001
(0.004)

M1_lagged 0.000
(0.000)

Constant -0.409
(0.700)

Observations 38

R2 0.719

Adjusted R2 0.665

Residual Std. Error 1.068 (df = 31)

F Statistic 13.252*** (df = 6; 31)

=====

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Note: *p<0.1; **p<0.05; ***p<0.01

=====

This regression shows statistically significant results for the lagged discount rate growth and money supply growth in the current quarter, however, the results for the exchange rate are insignificant in the current and subsequent quarters. Thus, our results do not confirm the effect of the exchange rate on inflation in Kazakhstan. An increase in inflation in the current quarter causes a decrease in the money supply in the current quarter as a result of the contractionary monetary policy (an increase in the discount rate). This, in turn, decreases inflation slightly in the subsequent quarter. Therefore, our analysis confirms the effect of the monetary policy on inflation one quarter later, though this effect is found to be very modest. The R2 of 0.719 indicates 71.9 percent of the total variation in the dependent variable is explained by the variation in independent variables.

The impact of the discount rate on inflation in the Republic of Kazakhstan has a delay of one quarter. This means that changes in the discount rate begin to affect the inflation rate only after a certain time. This is probably due to the fact that monetary policy requires time to implement its impact on the economy.

The regression results did not show a significant effect of the exchange rate on the consumer price index. This may indicate that other factors, such as changes in world trade, changes in supply chains, and domestic factors, have a greater impact on inflation in Kazakhstan than the exchange rate.

Inflation in Kazakhstan is highly dependent on external factors, such as economic and geopolitical shocks. This may mean that changes in the international environment, prices on world markets or political events may have a significant impact on the inflation rate in the country.

For a more accurate analysis and forecasting of inflation in Kazakhstan, it may be necessary to take into account not only internal factors, such as the discount rate, but also external factors, such as the exchange rate and global economic trends. This can help to more fully and accurately assess the relationship and predict future changes in the inflation rate in the country.

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Impact of general economic indicators on Net migration of the Central Asian countries and Russia during 2000-2021

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Migration nowadays is a complicated phenomenon that is influenced by a variety of factors, including economic, social, and political conditions. Central Asian countries and Russia have experienced significant migration flows in recent years, with many people leaving their home countries in search of better economic opportunities. Despite making up a small portion of the world's total migrant population, migrant workers have a significant impact on the economy of Central Asia. The highest ratio of remittances to GDP is in Tajikistan. Remittance inflows to GDP in Tajikistan was reported at 26.88 % in 2020, according to the World Bank collection of development indicators (2020), whereas Kyrgyzstan received nearly \$2 billion in remittances, equivalent to 30.4% of GDP. The aim of this research is to examine the impact of general economic indicators on net migration in these regions over the period from 2000 to 2021. The study will investigate the relationship of

economic growth, unemployment rates, inflation, and other economic indicators with net migration of population, with the goal of identifying the main drivers of migration flows in these regions.

The following research questions were aroused to analyze the migration topic:

1. How migration in Central Asian countries has been impacted from economic indicators through the past 21 years?

2. How significant are indicators such as political stability index or corruption control index indicating patterns of migration over the past 21 years?

Following hypothesis were proposed for this study:

1) main drivers of the emigration are low GDP, rising inflation and unemployment in the origin country (push factors);

2) comparatively better life and work conditions abroad determine the decision of an immigration (pull factors);

3) political stability and corruption indexes are less important than economic factors in motivating migration and choosing the destination to relocate.

The information regarding “net migration” was obtained from the official website of The World Bank from 1990-2020. Independent variables i.e. economic growth, inflation, unemployment rate, government spending and other were taken from web-page called The Global Economy.

According to Hass (2007), migration and remittances contribute to the growing economic imbalance between the wealthy and the poor. According to some scholars, moving across national borders might have an impact on the familial structure of the individual's home country (Hayes, 1991). They claim that remittance monies sent by expats may not be a consistent source of income (Hass, 2007). The recent economic issues have resulted in a 50% decrease in remittance inflows to Kyrgyzstan and Tajikistan. This figure is significant because it highlights the significant

amount of these countries' total economic revenues received from remittances, which account for around 27-30% of their entire revenue.

Net migration refers to the difference between the number of people immigrating to a particular place and the number of people emigrating from that same place over a given time period (Eurostat Glossary: Migration - Statistics Explained).

The type of methodology of research is qualitative and was based on analysis of Panel data (or longitudinal). The benefit of panel data is that heterogeneity can be regulated in our

regression model by classifying it as fixed or random. There are numerous approaches for analyzing panel data, including fixed-effects models, random-effects models, and pooled regression models. The dependent variable is net migration - the migration balance which is defined as:

Net migration (NM) = Immigrating population - emigrating population (Inflow - outflow)

To estimate the relationship between net migration and economical-political data, the R-studio software was used. For the analysis of panel data, a variety of techniques are available, including fixed effects, random effects, and pooled simple OLS regression models.

Models	p-value	R ²	Separate p-values		Coefficients in Equation
Pooled OLS	4.578e-13	0.5122	Economic growth	0.9859	Net Migration =
			Consumption	9.18e-05	161662.98
			Unemployment rate	0.1486	- 55.18*Growth
			Government spending	0.0178	- 2886.89*C
			Government effectiveness	1.05e-05	+ 8084.84*U
			Control of corruption	0.0763	+ 8400.80*GS
			Political stability index	0.0104	+ 199695.04*GE
			Freedom from corruption	0.0763	- 133449.67*CC
			Economic freedom	0.0603	- 58315.75*PS
					+ 3242.5*FC
					- 4195*EF.
Random effect	0.41215	0.086575	Economic growth	0.1887	Net Migration =
			Consumption	0.6748	-287.23
			Unemployment rate	0.4890	- 871.63*Growth
			Government spending	0.5887	- 154.85*C
			Government effectiveness	0.6124	+ 2079.54*U
			Control of corruption	0.1204	- 967.24*GS
			Political stability index	0.8292	- 9089.94*GE
			Freedom from corruption	0.3395	- 40531.33*CC
			Economic freedom	0.4944	- 2241.36*PS
					+ 649.83*FC
					+ 758.14*EF.
Fixed Effect	0.14347	0.1219	Economic growth	0.22851	Net Migration =
			Consumption	0.12848	- 1013.09*Growth
			Unemployment rate	0.4890	- 424.14*C
			Government spending	0.85750	+ 424.06*U
			Government effectiveness	0.8501	+ 285.74*GS
			Control of corruption	0.0147	+ 3046.48*GE
			Political stability index	0.6162	-54955.13*CC
			Freedom from corruption	0.55301	+ 3980.73*PS
			Economic freedom	0.62641	+ 319.18*FC
					+ 418.17*EF.

Table above shows the results of each three panel data models used in R. The second column describes summaries of probability value (p-value) of F-statistic, meaning the joint probability of all nine independent variables fitting the data well. First, it is needed to identify whether pooled OLS regression is suitable for this model, because this model has a few conditions for choosing OLS. If at least one of the assumptions of Gauss-Markov theorems (Exogeneity, Homoscedasticity and Non-autocorrelation) are violated, then the Fixed Effect or Random Effect models are more applicable. Through running

the Breusch-Pagan test Heteroskedasticity assumption resulted in the output of a high test statistic (BP=47.466) and a low p-value (<0.05). We therefore reject the null hypothesis and concluded that the homoscedasticity assumption is violated by this regression model. Here it can be concluded that FE or RE models are preferred to continue the analysis. The following step is to select between Fixed and Random effect models. This was accomplished by using the Hausman test. The assumption of zero covariance between independent variables and the error term is the null hypothesis. If so,

FE should be avoided in favor of RE. We must use the FE-model if the null hypothesis is rejected. In this situation, selecting the Fixed effect for the regression model have the best results. Interpreting the results in the table of Fixed effect model results, the joint p-value of independent variables is equal to 0.14347 which is greater than the significance level of 5%. Thus, it is concluded that the model is statistically insignificant. There is evidence that there is no linear relationship, so variables are not statistically significant. R-squared resulted in a low percentage of 12.19% indicating the percentage of the model explained by the independent variables. Looking at the separate p-values of each indicator, there is only one significant variable with a p-value of 0.01472. Control of corruption is statistically significant and has a direct relationship with the change in Net migration, according to our results. Along with that, this result is economically meaningless, as the coefficient turned out to be negative which means that a perception of the increased control over corruption is associated with the increase in migration outflow and/or decrease in migration inflow. The rest of the coefficients though some of them have expected signs are not statistically significant. One possible explanation for the inconsistent results of our regressions is insufficient data points or unobserved non-recorded illegal immigration flows between the countries under analysis. Another possible explanation is that the tested factors indeed do not explain the migration flows between these countries and more research is needed.

Summarizing the research project on net migration of the population of five Central Asian countries and Russia, the result is based on research data with linear regression indicating that there is no connection between basic economic and political data with the net migration flow. This conclusion serves as the foundation for disproving the initially anticipated theories that the primary driving forces are the relative political stability and economic allure of other nations. The chance that people from Central Asia will not have sufficient resources to relocate to a country with living circumstances comparable to those in their home countries, however, is raised by such a conclusion. There is an interesting finding that the low control of corruption by the government is statistically significant for the outflow of the

population and vice versa. It can be concluded that political indicators are somewhat more important in choosing the destination of living. Additionally, it is reasonable to believe that such a conclusion could result from a lack of official data, a lack of indicators, or the population's majority of illegal immigration. The above-mentioned finding might have the path for fresh, original research projects in the future.

Economical expansion of China through the initiative «The Belt and Road» and its effect on Kazakhstan.

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Abstract

The research paper examines China's economic expansion as part of its flagship program, BRI (the Belt and Road Initiative). Also, this paper explores strategic goals and mechanisms used by China to extend its political influence to the participating countries. What is more, the research illuminates the BRI political aspects and possible consequences for the economy of Kazakhstan and its impact on world politics via analysis of studies on the topic and geopolitical implications of the Belt and Road Strategy.

Key words: Belt and Road Initiative, BRI, China, Kazakhstan, Political expansion, regional dynamics, ties.

Introduction

Background of the Study

BRI is a worldwide strategy for infrastructure development embraced by the Chinese authorities in 2013, intending to invest in over 147 countries (James McBride et al., 2023).

The endeavours comprise approximately one-

third of the worldwide gross domestic product and two-thirds of the global populace. The majority of the nations involved have the potential to gain significant advantages. (World Bank, 2018)

During China's President's visit to Kazakhstan and Indonesia, Xi Jinping suggested the idea of the BRI in September 2013. The plan included building a land-based "Silk Road Economic Belt" and a sea-based "21st Century Maritime Silk Road". (Julian Kirchherr et.al, 2022)

This initiative aimed to stimulate growth in its neighboring countries, increase its exports and accessibility to land-based and maritime transport infrastructure, enhance the competitiveness of its manufacturing and construction industries, and reinforce its economic, political clout overseas (OECD, The Organization for Economic Cooperation and Development, 2018).

As an illustration, BRI economies experience a decrease in shipment times by 3.2% on average with the rest of the world and 4% with other BRI economies. Developing connections by enhancing the capability and system of railways and other transportation infrastructure could enhance investment and spur economic growth. (Michele Ruta et. al, 2018)

The Purpose of the Study

The research aims to study possible weaknesses, strengths, opportunities, and threats of the BRI for Kazakhstan and how it impacts political relations between China and Kazakhstan.

Objectives of the Study

- to develop a SWOT analysis of BRI
- to examine possible perspectives of BRI
- to explore the impact of BRI on the political relations between Kazakhstan and China

Significance of the Study

China's initiative includes the participation

of Kazakhstan as its neighbour country, through which land-based transportation goes on. The successful execution of the program may increase the investment of China, export figures, and develop logistical structures throughout the country.

Methodology

According to John W. Creswell and J. David Creswell (2022), diverse research combines quantitative and qualitative investigations. This study employed the qualitative record-keeping method, interviews and surveys to analyse the BRI's weaknesses, strengths, opportunities, and threats. Several politologists and economists received an online survey on the Outlook platform. Graphs with the survey results were created and analysed using special software programs. The anonymity of research participants was guaranteed as the study was completely anonymous; participants did not enter personal information only specified their profession.

Limitations of the Study

The research may have some significant limitations. One of the essential constraints is that only seven people participated in the survey. It may cause the opinions to be biased due to the small number of participants. Besides, during the study, articles from banks, universities, and databases were taken into account to obtain the research data, making the research less extensive. Nevertheless, the state agreements, decrees and other documents were not analysed.

Data Analysis

The BRI initiative may have a significant impact on GDP. The influence of the made strides framework alone on Kazakh GDP is assessed at around 6.5 per cent; at the same time, progressing exchange help and diminishing duties along the passages will include around 15 per cent. In any case, taking into consideration the taking toll of building the foundation brings down the gain, and the welfare for Kazakhstan will decrease by around 9 per cent in a situation of moved forward foundation, combined with diminished border delays and

bringing down duties. (World Bank, 2020) Due to the increase in trade volumes, the creation of joint ventures and industrial cooperation, Kazakhstan can expect accelerated economic development. An increase in economic zones and industrial parks and the promotion of innovation and entrepreneurship can contribute to the country's economic diversification program. Prospects are observed in the development of the country's infrastructure because the BRI focuses on the development of the infrastructure of the intermediary country. Bank (2018), Brautigam (2020), and Bolton (2017) noted that the rapid rise in China's economic sphere over the past ten years, partly thanks to the Chinese initiative in Astana, is alarming in Western countries. What is more, Frankopan (2018), Beeson (2018) and Kumar (2021) say that everyone is curious about China's sincere motives, and all the professors are fixating on this since XI Jinping said: "If once all roads were introduced to Rome, now they lead to Beijing". (as cited in Vitalis, 2023).

Blackwell & Harris (2017) and Arynov (2017) opine that Kazakhstan's embrace of the BRI demonstrates its ambition to become a significant player in Central Asia. Kassenova (2017), Louthan (2022) and Zhakypova et al. (2020) highlighted that the joint plan signed with China in 2016 focuses on transportation infrastructure, trade, and manufacturing industries. Trade and manufacturing partnerships, particularly in Kazakhstan's Special Economic Zone, stimulate economic growth and involve an investment of approximately \$25 billion to transfer China's industrial capacity. Kley & Yau (2021) and Zhakypova et al. (2020) mentioned that funding for the fifty-five projects is expected from Chinese

policy banks, given the appeal of Nurly Zhol as the only economic policy directly developed by a BRI participant (as cited in Vitalis, 2023).

Findings

In the survey for the experts in economy and political science, four politologists and three economists participated. Question 3, "What is your professional opinion on The BRI?" revealed that no participant negatively considers the BRI. In Question 4, "In your opinion, does this program have more pluses or minuses for Kazakhstan?" Most of the participants noted that The BRI is beneficial for Kazakhstan and explained their answers in Question 5 "Explain your answer to the previous question and give examples of benefits or drawbacks.". The participants suggested many benefits regarding BRI, where they outlined economic advantages, such as the increase in GDP, development of transport routes and others. These suggestions explain the positive economical impact on the growth of Kazakhstan and the development of diplomatic relationships with foreign countries due to the progress of trade through new transport routes. In Question 6, "What do you think are the prospects (economic and political) of Kazakhstan if the country refuses to participate in this program?" the participants mentioned that the refusal to participate in BRI would negatively affect diplomatic relationships with other countries, as well as lead to an economic decrease. These possible future perspectives prove the dependence of Kazakhstan on BRI. All observed data was analysed in the following SWOT analysis table:

Table 1 SWOT analysis of BRI and its effect on Kazakhstan.

<p>Strengths</p> <ol style="list-style-type: none"> 1. Strategic Geographical Location: Kazakhstan's location gives an unique advantage as a transit hub connecting Europe and Asia. This positioning enables Kazakhstan to play a crucial role in facilitating trade and transportation along BRI routes. The country's transport systems can enhance connectivity and reduce transportation costs. 2. The Abundance of Natural Resources: Kazakhstan boasts significant reserves of natural resources. The BRI presents an opportunity to attract foreign investment and leverage these resources for exports. 3. Infrastructure Development: BRI places an emphasis on infrastructure development. Kazakhstan can enhance its transportation capabilities. Improved connectivity can reduce trade barriers, expand market access, and facilitate the movement of goods, leading to increased trade volumes and economic integration. 	<p>Weaknesses</p> <ol style="list-style-type: none"> 1. Economic Dependence: As a landlocked country, Kazakhstan relies heavily on neighbouring nations for transit routes and market access. This dependence on external transportation networks poses risks and uncertainties for successfully implementing BRI. Political tensions, trade disputes, or infrastructure disruptions in neighbouring countries can impact Kazakhstan's connectivity and trade flows. 2. Infrastructure Gaps: While Kazakhstan has made progress in developing its infrastructure, gaps still need to be addressed. Implementing large-scale infrastructure projects under the BRI requires significant investments, and Kazakhstan may face financial constraints in completing these projects. Collaborating with international partners and seeking foreign assistance may be necessary to bridge these gaps and fully capitalize on the potential benefits of the BRI.
<p>Opportunities</p> <ol style="list-style-type: none"> 1. Trade and Investment Boost: The BRI offers significant opportunities for Kazakhstan to expand its export markets, particularly to China and other Asian countries. By leveraging its natural resources Kazakhstan can attract more foreign direct investment and stimulate economic growth. 2. Industrial Development: Through collaboration with partner countries BRI can catalyse industrial growth. By promoting industrial cooperation and the development of manufacturing and processing industries, Kazakhstan can create new employment opportunities, enhance productivity, and diversify its economic base. 3. Tourism Potential: The improved connectivity and infrastructure resulting from BRI can unlock Kazakhstan's tourism potential. By investing in tourism infrastructure and offering unique travel experiences, Kazakhstan can boost the tourism sector. 	<p>Threats</p> <ol style="list-style-type: none"> 1. Debt Burden: Large-scale infrastructure projects associated with BRI require substantial financial resources. Kazakhstan must carefully manage its borrowing and investment decisions to avoid excessive debt burdens. It is crucial to ensure that investments generate sufficient returns to cover costs and contribute to economic growth. 2. Competition and Dependency: Kazakhstan may face competition from other countries in attracting foreign investment and trade opportunities. The presence of other countries along BRI routes can lead to intensified competition for investment, markets, etc. Additionally, an overreliance on specific partners, especially China, may create an imbalanced dependence on a single market, posing risks to Kazakhstan's economic sovereignty.

Conclusion

Researchers revealed that BRI is mainly beneficial to Kazakhstan in case of logistical structures, political relations with China, and creating employment opportunities for inhabitants. Also, it is a significant chance for Kazakhstan to boost its trade growth, the volume of export. Additionally, prospects for economic diversification are seen. Kazakhstan can diversify its economy outside the usual fields of natural gas and oil. It lures investors to invest in the production, agriculture, technology, and services sectors.

However, some disadvantages are significant to mention. Kazakhstan primarily depends on its neighbours for market access and transit links. The BRI's successful implementation is at risk because it relies on other networks. Kazakhstan's connectivity and trade flows may be impacted by political unrest, commercial conflicts, or infrastructure interruptions in its neighbours. At the same time, the BRI's massive infrastructure projects demand a lot of financial resources. Kazakhstan must carefully manage its borrowing decisions to prevent an unsustainable amount of debt. Evaluating projects' economic feasibility and long-term sustainability is essential to avoid relying too heavily on debt financing and ensure that investments provide enough returns to cover costs and contribute to sustainable economic growth.

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Problems and Prospects of Kazakhstan's Participation in the World Customs Organization

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Kazakhstan, historically a region that has served as a major trade route for centuries, played a crucial role in facilitating trade between China and Europe through the famous Silk Road, which dates from the II century to the XV century. This route enabled the exchange of various goods such as silk, porcelain, spices, jewelry, and paper. During its heyday, cities like Otrar, Turkestan, Sairam, and Taraz flourished as vital centers along the Great Silk Road.

In the XVIII – XIX centuries, Kazakhstan became part of the Russian Empire, which stimulated trade relations with Russia and other European countries. Cattle and minerals were the primary exports from Kazakhstan to Russia, while trade with China, Persia, and other Central Asian states also took place. The construction of the first railway in Kazakhstan in 1906, connecting Orenburg and Tashkent, improved the already existing trade between Kazakhstan and Russia.

During the XX century, Kazakhstan became part of the Soviet Union, leading to significant changes in trade relations. The establishment of new factories and enterprises focused on raw material production, which hindered the development of a diversified economy for the republic.

Since the early 1990s, after the dissolution of the Soviet Union, Kazakhstan has actively pursued economic ties with countries worldwide. This endeavor opened up new markets, facilitated joint ventures, and attracted foreign investment for various sectors of the economy, leading to significant economic recovery. However, the young republic faced numerous challenges, including goods shortages, enterprise closures, and limited resources.

Today, Kazakhstan stands as a prominent participant in the global economy and continues to strengthen trade relations with numerous countries. With its strategic geographical location,

Kazakhstan proudly possesses the largest economy in Central Asia and serves as a crucial hub for the transit of goods between China and Europe.

According to the Ministry of National Economy, in 2022, Kazakhstan's foreign trade turnover reached a record high of \$134.4 billion, with major commodities in export including oil, gas, uranium, copper, gold, aluminum, and zinc. Oil comprises more than 56% of the country's total exports. China, Russia, the European Union, the United States, and Turkey are among its main trade partners. China and Russia are particularly significant due to their close proximity and strong economic ties.

Kazakhstan is actively developing its economic relations with European countries, among which Germany, Italy, France, the Netherlands and Switzerland stand out. According to the Economic Research Institute, In January-August 2022, the trade turnover between Kazakhstan and the European Union was \$26.3 billion, marking a 43% increase compared to the same period the previous year (\$18.4 billion). Italy was the top consumer of Kazakhstani goods among EU countries, with exports totaling \$9.96 billion in the first 8 months of this year, a significant increase of 92% compared to the previous year. Additionally, billion-dollar shipments were also made to the Netherlands (\$3.6 billion, +18%), France (\$1.8 billion, +13%), Spain (\$1.7 billion, +47%), Romania (\$1.3 billion, +22%), and Greece (\$1.2 billion, +46%). Kazakhstan exports oil, gas, metals, grain, flour, and agricultural goods to Europe, while importing machinery, equipment, automobiles, chemicals, and pharmaceuticals.

One of the most promising areas of development of trade relations between Kazakhstan and Europe is the development of transit transport potential. In this regard, Kazakhstan actively cooperates with European partners in a number of international projects, such as the New Silk Road, the Eurasian Bridge, the Southern Gas Corridor projects, etc.

Given Kazakhstan's position at the intersection of various transport routes, the customs system plays a vital role in ensuring security and controlling the import and export of goods. Kazakhstan adheres to a single customs tariff based on the Law "On Customs Regulation in the Republic of Kazakhstan" in accordance

with international standards. As a member of the World Customs Organization (WCO) since 1992, Kazakhstan regularly updates its customs rules to meet the organization's requirements.

Membership in the WCO represents a significant milestone for Kazakhstan's trade relations with the international community. It ensures the country's participation in an international trading system that reduces customs duties and other restrictions. Compliance with WCO rules and procedures enables Kazakhstan to establish trade relations with other members, contributing to increased exports and imports of goods.

Kazakhstan's participation in the WCO offers numerous advantages for the country's trade and economy. Firstly, Kazakhstan's participation in the World Customs Organization (WCO) offers several advantages in the realm of international trade relations. With over 160 member countries, WCO membership enables Kazakhstan to engage in trade with a wide range of nations, leading to increased exports and imports of goods and services. Secondly, being a part of the WCO facilitates the establishment of stable and transparent trade rules, simplifying market access in other countries and safeguarding national interests. By utilizing WCO mechanisms, Kazakhstan can protect its exporters from discrimination by other nations and enhance its customs procedures and practices through access to WCO resources. Furthermore, WCO membership grants Kazakhstan the opportunity to participate in the decision-making process of the organization and contribute to the formation of international rules, thereby protecting its interests at the global level and elevating its prestige among international partners.

Despite the aforementioned benefits, Kazakhstan's involvement in the World Customs Organization is not without its challenges and limitations. One of the primary issues lies in the need to align national customs laws and regulations with WCO requirements. This undertaking may necessitate significant legislative and infrastructural changes, potentially encountering opposition and protests from certain segments of the population. Another challenge is the intensified competition within the domestic market as Kazakhstan is obligated to open its doors to imported goods according to

WCO standards. This openness may negatively impact domestic producers, who could struggle to compete with foreign companies, leading to losses and job cuts. Additionally, participation in the WCO restricts the government's decision-making autonomy in trade policy matters. Kazakhstan must adhere to the organization's established rules and regulations, which may limit the government's flexibility in implementing measures to protect the national economy when required. Moreover, Kazakhstan's ability to fully protect its interests during trade negotiations could be compromised, as it may find itself in a relatively weaker position compared to larger and more influential WCO members such as the United States, the European Union, and China.

To address the challenges associated with Kazakhstan's participation in the World Customs Organization, several proposed solutions can be considered. Corruption in customs procedures stands as a significant problem, necessitating legislative reforms to combat it effectively. Simplifying and standardizing customs regulations can reduce bureaucratic processes, eliminate ambiguities, and minimize corruption opportunities. Furthermore, revising sanctions for customs violations and imposing stricter penalties on individuals involved in corrupt practices are crucial steps in combating corruption. Enhancing control and oversight over customs officials, improving monitoring systems, and regularly evaluating the effectiveness of customs services are also vital measures in preventing corrupt practices. Establishing an open and transparent information system can aid in the detection of violations and corruption schemes, while promoting civil society participation in monitoring customs authorities' activities. Additionally, improving working conditions and remuneration for customs officials helps reduce susceptibility to bribery and encourages professionalism. In addition to legislative reforms, improving education, providing advanced training, and strengthening control over customs authorities' activities are integral to achieving the goal of eliminating corruption in the customs sector.

With the advent of modern technologies, the digitalization of customs systems becomes imperative. Electronic customs systems, as a means of optimizing procedures and

enhancing transparency in interactions with other countries, offer essential benefits. These systems reduce customs processing times and minimize the likelihood of errors. In Kazakhstan, the development of electronic customs systems is prioritized, evident in the introduction of the "Single Window" electronic goods declaration system through a joint project between the Eurasian Economic Commission and the World Bank. This system streamlines customs procedures, improves information processing, and reduces paper documentation costs. Furthermore, Kazakhstan actively collaborates with other nations to enhance cross-border trade, exemplified by the implementation of an electronic customs system in partnership with China to facilitate border crossings and expedite customs clearance.

However, the development of electronic customs systems is not without challenges. Processing large amounts of data often leads to technical issues, and substantial investments are required to develop and maintain these electronic systems. Furthermore, effective operation necessitates coordination and standardization of procedures across different countries, which can present certain difficulties.

In conclusion, Kazakhstan's participation in the World Customs Organization has both positive and negative aspects. Advantages include expanded sales markets, increased investment inflows, improved customs services, and active involvement in international customs standard development. However, several challenges persist, such as inadequate infrastructure development, imperfect legislation, corruption in the customs sector, and insufficient training of customs officers. To address these issues, legislative reforms, enhanced qualifications of customs officials, technological advancements, and strengthened control and anti-corruption measures are necessary. Despite the existing challenges, Kazakhstan's participation in the World Customs Organization holds great potential for the country's economic development and international standing. Nevertheless, systematic efforts to address the current problems and improve the customs sector as a whole are essential for realizing these prospects.

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Interaction of the Republic of Kazakhstan with UNICEF: Activities, problems and prospects

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The United Nations Children's Fund is a worldwide organisation that has set global goals focusing mostly on ensuring equal rights and opportunities for everyone. In 1994, Kazakhstan acceded to the Convention on the Rights of the Child which is known today as the basic document through which the rights of minors to survive, develop and use their personal potential is realised.

The organisation works closely with the government and local authorities to jointly implement programmes of equal access to education, health care and social guarantees

for members of different social strata. Children from vulnerable groups, including kids with special developmental needs or psychological problems, receive special attention.

Kazakhstan's work with the United Nations Children's Rights Fund plays an important role in securing the well-being of children and protecting their rights. Moreover, it is one of the priorities of Kazakhstan's state social and legal policy. The President, Kassym-Jomart Tokayev, has emphasised the importance of ensuring the safety of the younger generation by declaring 2022 the Year of the Child. Cooperation between Kazakhstan and UNICEF has its own specificities and also faces certain challenges. This article examines Kazakhstan's activities in partnership with UNICEF, analyses the challenges facing this cooperation and discusses the prospects for its development.

The interaction between the Republic of Kazakhstan and UNICEF is of paramount importance and invaluable in safeguarding the welfare of children and protecting their rights. UNICEF is the leading international authority on the protection and promotion of children's rights, and its partnership allows Kazakhstan to implement effective measures to protect children from violence, exploitation, discrimination and other forms of violation of their rights. In addition, initiatives developed jointly by UNICEF and the Government of Kazakhstan are helping to improve the availability and quality of education for children. UNICEF supports the development of innovative educational programmes, teacher training and professional development, inclusive education for children with special needs, and the expansion of pre-school education. Kazakhstan's health collaboration with UNICEF aims to reduce mother and child mortality rates, improve access to and quality of maternal and child health services, and controls the spread of infectious diseases.

One of the most important areas of cooperation between Kazakhstan and UNICEF is education. Several significant projects have been implemented as part of this partnership. An example is the project on 'Supporting Primary Education Reform in Kazakhstan'. The goal of the project was to improve the quality and accessibility of primary education in the

country, including through the development of new educational programmes and materials, teacher training on new methodologies, and the introduction of innovative approaches in the educational process. Under the programme, UNICEF supported the establishment of a national steering committee for GIGA and the connection of 38 rural schools to broadband Internet, reaching 20,000 children. Following a study of gaps in teachers' knowledge of inclusive education and awareness and use of digital tools, a 14-hour training course on inclusive blended learning for 5,500 primary and secondary school teachers was developed in cooperation with Astana Hub. The International University of Information Technology (IUIT) developed a 72-hour training programme on inclusive blended learning for 1,437 primary and secondary school teachers. UNICEF also worked directly with the Ministry of Education and Science (MOES) and the Ministry of Information and Community Development (MID) to scale up the UPSHIFT and Samgau programme to improve children and adolescents' skills for learning, employment and decent work. 46 youth resource centers and 70 educational organizations, including organizations for the most vulnerable young people, have started conducting trainings on development of skills.

Kazakhstan also cooperates actively with UNICEF in the field of child health and social protection. The Improving Maternal and Child Health project was one of the key projects in this area. The project aimed at reducing maternal and child mortality rates and improving the quality of health care for mothers and children. The project trained health workers, provided medical equipment and expanded access to health services. UNICEF provided tremendous support to Kazakhstan during the global pandemic COVID-19 by supervising the vaccination of Kazakhstan's underage population.

The international organisation also addresses the critical issue of bullying in Kazakhstan. According to UNICEF, in 2020 in Kazakhstan 63% of children witnessed violence and discrimination, 44% were victims and 24% committed acts of violence and discrimination against other children in school. It is almost impossible to establish accurate statistics on bullying in Kazakhstan due to the fact that school

officials prefer to hide incidents of bullying. This creates a serious safety risk for children. Taking into consideration the importance of this problem in the country, UNICEF has developed the BeKind volunteer project. This project will be the first step for raising public awareness to prevent bullying in schools and cyberbullying among children and teenagers. Volunteers will go to schools and hold interactive sessions for younger pupils, where they will talk about the dangers of bullying and the need to inform adults about it immediately. In addition, there will be a series of live broadcasts on the now popular social networks such as TikTok, where together with UNICEF and with the support of the Committee for the Protection of Children's Rights of the Ministry of Education of Kazakhstan, the large-scale "Safety Academy" campaign, which was launched in 2022, continues. The second stage of the campaign is dedicated to the problem of bullying in the online environment. The platform will host a series of live broadcasts on cyberbullying with leading experts in psychology, law and child safety.

Another major project was launched in order to guarantee equal opportunities and prevent gender inequality. According to the World Economic Forum, only 14% of Kazakhstani girls graduate in STEM fields, compared to 37% of men. These statistics are observed in the countries of Central Asia as a result of gender stereotypes concerning the division of 'male' and 'female' professions. The UniSat project started in Kazakhstan in March 2020. It invited girls to take part in assembling their own nanosatellite and launch it into the stratosphere after training in 3D modelling, 3D programming and the construction of a circuit board. In the first year, 20 Kazakh women aged 14 to 35 mastered the programme. In 2021, UNICEF expanded the programme to include girls from Kyrgyzstan and Uzbekistan. A total of 2,000 girls from three countries completed the online course, after selection 238 best participants made it to the second phase of the programme and took part in a 10-day offline marathon. The programme is now being worked out for distribution through learning hubs so that as many girls from rural areas as possible can develop STEM skills.

Despite the significant achievements and potential for cooperation between UNICEF

and the Republic of Kazakhstan, there are some challenges that make it difficult to work effectively. One of the main problems is limited funding. The implementation of large-scale projects and programmes aimed at protecting children's rights requires significant resources. However, the lack of funding can limit the ability of Kazakhstan and UNICEF to fully implement their plans and initiatives. Another issue may be the inconsistency between international standards, UNICEF recommendations and national laws of Kazakhstan. There are difficulties in bringing national legislation in line with international standards and recommendations, which can slow down the implementation of the project and influence on coordination negatively. In cases of conflict between the laws of the Republic and the proposals of the Children's Fund, a long, legal process starts, at the end of which, recommendations may be rejected and the proposed project may even be cancelled.

Some institutional problems may also complicate the partnership as well as the access to remote and vulnerable regions of Kazakhstan. Limited infrastructure and resources may hinder the delivery of programmes and services to these regions, making it difficult to achieve equal opportunities for all children in the country. In addition, child protection priorities and needs change from time to time, which may require adjustments of programmes and projects.

Rapidly changing problems such as climate change, geopolitical conflicts, and epidemiological crises may require a more flexible and swift response from Kazakhstan and UNICEF. The world has witnessed this since the onset of the global COVID-19 epidemic, during which many projects have had to be paused or completely shut down. Addressing these challenges and ensuring a more effective partnership between Kazakhstan and UNICEF demands joint efforts, including improved funding, negotiation of standards and policies, and the development of more flexible and adaptive approaches to meeting the needs of children in the country.

There are high prospects for cooperation of the Republic of Kazakhstan and the international foundation which offers broad potential for further development. First of all, the this

collaborative work should be directed towards the expansion of programmes and projects: The Republic of Kazakhstan and UNICEF can expand their joint programmes and projects in various areas, such as education, health care, protection of children's rights, social protection, etc. This would allow focusing on a broader range of issues related to child welfare and protection. In addition, Kazakhstan can take advantage of the best practices and innovative approaches provided by UNICEF to develop its own programmes and strategies to enhance children's rights protection. This includes the use of new technologies, best methodologies and adopting leading practices from other countries where UNICEF is active. Cooperation with UNICEF can help the Republic of Kazakhstan to strengthen its position in the field of children's rights protection. This requires developing the skills and competencies of staff, establishing monitoring and evaluation mechanisms, strengthening the legal framework, and developing policy and strategy documents. The international interaction of UNICEF members is equally important to address common issues relating to children's rights. This can include sharing experiences, developing joint projects and programmes, and coordinating with other countries in the region to achieve common goals. Additionally, cooperation between Kazakhstan and UNICEF can be aimed at achieving the United Nations Sustainable Development Goals by 2030. This includes promoting better education, reducing disparities, combating poverty, ensuring children's health and well-being, and achieving gender equality. Overall, cooperation between the Republic of Kazakhstan and UNICEF is promising and further development of this partnership can significantly contribute to the protection of children's rights and enhance their well-being in Kazakhstan.

The collaboration between the Republic of Kazakhstan and UNICEF is important for the protection and well-being of children. The results of the cooperation show positive changes in education, health, social protection and other areas. The programmes and projects implemented jointly demonstrate important achievements and make a significant contribution to the well-being of every child. Child protection and elimination of violence should be the main focus of the work of the

Children's Fund with the support of the state. To dwell on the problem of bullying alone, as it is shown in practice; an immediate action should be taken to eradicate it. The Republic of Kazakhstan should make full use of the internet space as a tool to promote the right values and life lessons for young people, and promote the implementation of active measures to prevent it.

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Prospects for the creation of a single state of the Turkic peoples

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One of the most noticeable phenomena observed in the geopolitical arena in Central and South Asia since the collapse of the USSR is strengthening cooperation between the countries of the Turkic world. The multilateral development of relations includes economic, military, political and cultural spheres of development,

which provide for long-term cooperation in the future. After the independence of many Soviet republics (Kazakhstan, Uzbekistan, Kyrgyzstan, Azerbaijan, Turkmenistan), the processes of establishing diplomatic relations with the countries of the world were initiated. Turkey played an important role in this process, becoming one of the first countries to recognize the independence of all these states. This moment became the starting point for the establishment of fruitful relations between the Republic of Turkey and the countries of Central and South Asia, as well as an important milestone in the history of pan-Turkism. Strengthening of these relations can be assessed from different points of view. Firstly, from the point of view of Turkey's open prospects for penetration into the Central Asian market, where it could gain great influence (both economic and political). Secondly, the cultural aspect plays an important role, which implies the common historical past of the countries and Turkey's desire to restore former ties. Relations and cooperation based on this aspect continue to this day, as evidenced by the summits and meetings held by both sides (both Turkish and Turkic). Definitely, the future prospects of Turkic cooperation are also being considered, one of which may be the creation of a single state of the Turkic-speaking peoples.

The spread of pan-Turkism in the regions of Asia gave impetus to the Turkish Republic to create an organization whose goal was to unite the existing Turkic-speaking states and delineate the circle that includes these countries. This is how the International Organization of Turkic States (hereinafter – OTS) appeared. At the moment, the organization consists of 5 countries with permanent membership: Turkey, Kazakhstan, Uzbekistan, Kyrgyzstan and Azerbaijan, as well as 3 observer countries: Turkmenistan, Northern Cyprus and Hungary. The appearance of the OTS in the international arena showed the full potential of Turkish influence and the spread of its ideologies and ideas in relation to the circle of Turkic-speaking countries. Previously, the organization was called the "Cooperation Council of Turkic Speaking States", and the name change had 2 goals: the desire to hide the ambitions of pan-Turkism and strengthen the slogan "Six States – one Nation", which was uttered by Turkish President Abdullah Gul at the 10th summit of Turkic-speaking countries

in September 2010. After such slogans, some people began to have thoughts, and moreover, plans were brewing to create one single state that would unite all these 6 countries. However, in fact, the idea of creating a single country has been around for centuries, but as time passes, it is perceived in a new way each time. After the spread of the doctrine of pan-Turkism in the 20th-21st centuries, in terms of geopolitics, this perspective began to play with new colors.

In November 2022, in the city of Samarkand, under the chairmanship of the President of Uzbekistan Shavkat Mirziyoyev, the OTS summit was held, the main topic of which was "A New Era of Turkic Civilization: On the Path to Common Progress and Prosperity". At this summit of the heads of the Turkic states, the current state and future prospects of economic, political, cultural and humanitarian cooperation were discussed.

An important event of the summit was the mention of the concept "Turkic World Vision – 2040" and the discussion of details on its implementation. It is in this document that the prospects for the development of the world of Turkic-speaking countries in the next 17 years are contained. "Turkic World Vision – 2040" is a roadmap for the development of OTS. One of the most important goals of this concept is the formation of the largest transit country of Eurasia on the basis of five countries. If this idea is implemented, the new transit operator will be able to control the trade corridors West-East, North-South, etc. The roadmap itself was developed by Turkey, which claims leadership in the organization. At the same time, the idea itself is quite promising and when it is achieved, the OTS will gain not only economic, but also political influence in the region.

This fact is crucial in considering the prospects of creating a single state of the Turkic-speaking peoples, because the emergence of a global transit country could unite the countries, and the concept of "Turkic World Vision – 2040" would form the basis of the views and attitudes of a potential state. It is also worth noting that after the adoption of this aforementioned concept in 2021 in Istanbul, a "Map of the Turkic World" was presented, with which the leader of the Turkish nationalists Devlet Bahçeli (he also presented this map) and the President of

the Turkish Republic Recep Tayyip Erdogan took a photo. This indicates the seriousness of the intentions of the Turkish side and the beginning of delineating the potential borders of the state. Similar international borders have been encountered in the state of "Turan".

The concept of "Turan" has a centuries-old history and is closely related to pan-Turkism, and it also occurred as the antipode of "Iran" – a country with dominant Persians. The territories of "Turan" included vast lands from the Caspian Sea in the west to China in the east, from Altai in the north to Iran in the south, which were considered as the homeland of the "Turan" nationalities – the peoples of the Turkic language group. Therefore, pan-Turkism is considered a narrower expression of a broad and extensive "pan-Turanism".

If we delve into history, the concept of "Turan" was repeatedly used in the 20th century when trying to describe the powerful Turkic union in culture and the media. For example, such prominent Turkish authors as Ziya Gökalp and Halide Edib Adivar became the authors of the novel "Yeni Turan" (1912; "New Turan"), where the past and future of the Turkic race were glorified in a heroic form. That is, under this significant concept ("Turan"), the ideas of pan-Turkism began to spread, which serve as the basis for cooperation between Turkic-speaking countries today.

At the moment, Turan is considered as a potential union state of Turkey, Kazakhstan, Azerbaijan, Kyrgyzstan, Uzbekistan, Turkmenistan and other countries and regions with a predominantly Turkic population. "Turan" can be called a strategic goal of the Turkish leaders, which many of them have repeatedly talked about. At the same time, the heads of Kazakhstan and Azerbaijan consider this initiative interesting and profitable. Turan has its own valid flag, which is currently the flag of OTS. Each of the elements of the flag was taken from the flags of the OTS member countries, which can be considered a strategically advantageous move, because (a) it is another manifestation of the policy of pan-Turkic unity and (b) it is a good reception for the public. In the light exhibited in the media, "Turan" seems to be an excellent prospect, and many representatives of the Turkic peoples live by this idea.

At the end of August 2020, Turkish military expert Kaan Sariaydın said that in October, at the OTS summit, the creation of a unified army of the Turkic countries – the so-called "Turan Army" – would be announced. If the Turan State existed, the number of its military personnel would be:

- 1,620,000 people, and
- about 2,000 aircraft units
- about 32,000 pieces of artillery equipment about 270 units of the navy

The population of the state would number about 165 million people, which would make Turan the 9th country in the world by population, while the area of the state would be 4,732,037 square kilometers, making the Turkic country the 7th state in the world by area. Speaking about other prospects of the country, they can be divided into 3 areas:

Political prospects. In political terms, the "Turan" project and the creation of any other state identical in goals does not seem possible. Due to the unstable political situation among some neighboring states, as well as the general geopolitical background, other countries will not perceive unification in a positive way. Moreover, Turan has a very complicated geographical location, which makes it a neighbor of the world's 2 powers, such as China and Russia, which in turn would not allow competitors to appear in the region. Also, the difference in ideologies (pan-Turkism against national patriotism, Marxism and Islamism in the southern neighbors) will not allow the state to develop properly. Another difficulty would be the choice of the head of state, the capital, the official language, etc. Each country in the composition would act in its own interests and would not make concessions on such issues. At the same time, the state could become quite powerful militarily, competing with some of the world's major armies.

Economic prospects. The total GDP of the state would be estimated at \$1.5 trillion, thus ranking 13th in the world economy. Despite the negative aspects in the field of politics related to the geographical location of "Turan", at the same time, it would be beneficial in trade and economic terms. The state would be located both in Europe and in Asia, which would allow cooperation with both sides.

Social prospects. The people of the countries potentially included in the "Turan" would have an ambiguous attitude to the association, because despite the common history and similar culture, cultural characteristics, values, languages and social norms in these 6 countries differ. The opinion of the people about a single Turkic country is ambiguous and society is divided into 2 categories: those who fully support this initiative and those who are against it. Unification can lead to both ardent approval and support, and to complete skepticism and discontent among the masses.

After assessing prospects for the creation of a single state of the Turkic-speaking peoples, it can be concluded that due to its unfavorable sides, the implementation of this idea is currently impossible. However, the cooperation of the Turkic countries is a sufficient level of cooperation at the moment and the creation of a "Turan" with the OTS countries as a part is only an ambitious dream of pan-Turkists. The implementation of this project in the future, due to geopolitical circumstances, is also considered unlikely.

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The USA and China: new rivalry in the 21st century?

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ABSTRACT

This article investigates the fluctuating relationship between America and China, examining whether it points at the outbreak of the new Cold War. Additionally, this article sets out to identify the factors behind destabilized Sino-American relationships. Both positive and negative consequences of the shift from unipolar to bipolar world will also be elaborated below.

INTRODUCTION

During Alaska Summit in 2021 between the US and Chinese senior officials, two sides did not manage to sign a joint statement on any issue but climate change. The reason for this failed summit can be perfectly explained by Antony Blinken's (United States secretary of state) comments after the talks, who stated that "there is a number of areas where we (China and the USA) are fundamentally at odds" [1]. Indeed, China and the US have lately been competing in numerous areas, namely trade, military, political influence and innovations. As the summit progressed, Americans accused China of not only violating basic human rights and democracy, but also disrupting rule-based order that maintains global stability [2]. Meanwhile, Chinese senior officials accused their American counterparts of "condescension and hypocrisy" [3]. Yet, these recent disputes do not imply that the diplomatic relationship between the US and China has always been tense. For

instance, in 2009 Barak Obama visited China which resulted in a signing of joint statement between the two countries. This agreement can be described as an attempt to consolidate Sino-American relations in the upcoming years [4]. Therefore, neither deteriorations, nor improvements in Sino-American relationship have never been linear but rather erratic [5]. This article will set out to determine whether these two countries' unstable rapport can possibly result in the new cold war between abovementioned countries which represent the 21st century's main powerholders.

DESTABILISING FACTORS OF SINO-AMERICAN RELATIONS.

Two explanations for these adversarial relations have arisen. Despite China's denial of its bold and cruel actions taken against minorities within its border, there are also several evidences of its growing nationalism [5]. Second explanation can be described by alteration of military and economic state of the China in the recent years which is resulting in audacious actions and confrontations taken by China's government towards the USA.

Although inadequate in explaining short-term declines, the rising nationalism can shed light on why conflicts occur between China and the US. Firstly, it is important to investigate the reasons behind China's nationalism. Throughout mid-19th century and the first half of 20th century, China was under huge influence of western countries, who used China for their own purposes, overlooking local people's opinions and intensions. In Chinese history this period is known as "century of humiliation". A. Kaufman refers to this period as one of the highlights of Chinese culture and visible pattern in the current national idea-building. She also points out the fact of historical importance of the actions taken by Western powers towards China which are perceived as lessons of the past as well as serving as an indicative for them to act [6].

All of this fueled the growing nationalism and offense for the past. Hence, China works towards preventing the recurrence of this scenario in the future, and the aftermath of its traumatic past is evident in the policies it adheres to in dealings with the western world.

Another destabilizing factor is China's increased military power. Taiwan conflict, also known as "Cross-Strait relations", fits best to give further elaboration on this point. From 1950 to late 90-s, China intended to take over the island where Kuomintang (Nationalist Party of China) settled back in 50-s by means of either diplomacy or violence. The intention of mainland China to invade Taiwan can be explained by the position of the former on this issue, who considers Taiwan to be a "rebellious state which is a part of mainland China". Nevertheless, because of partnership and similar ideology, Taiwan is extensively supported by Americans, who, by showing their military might to China, managed to avert the possible war several times. To give illustration, in 1995, China gathered its troops in the Fujian (the region located 130 kilometers from Taiwan) to demonstratively test its missiles after Taiwanese president's request for visa to visit the USA.

Moreover, Taiwan was holding its first democratic elections at that time, which also triggered adverse reaction from China. However, Bill Clinton (42nd US president) ordered the US navy to show its presence in the strait between China and Taiwan in order to deter China from launching an attack. Subsequently, these steps proved viable, and Chinese troops had to recoil. Yet, everything changed dramatically after almost 20-30 years. The Chinese witnessed a dramatic improvement in virtually all sectors, including technologies, military power, medicine, and education, which enabled them to act bolder in dealings with the United States. In 2021, China provoked Taiwan by trespassing their air zone and publishing controversial articles about their relationship. Although the United States sent their troops to this region again, this time such precaution failed to work, and Chinese resumed their provocations afterwards [7]. This incident actively demonstrates that China is capable of dealing with the USA on equal terms, marking the shift from America's few decades of domination which occurred after the dissolution of its primary Cold War opponent USSR to fierce rivalry with China in several areas [8].

In my opinion, the relationship between the US and China is similar to that of the USA and the USSR: they are both powerful, the ideologies

and strategies they adhere to vary greatly, and they both fight for spheres of influence across the world. Apparently, all of these events have marked the outbreak of the new Cold War.

FROM UNIPOLARITY TO BIPOLARITY: THE IMPORTANCE OF SINO-AMERICAN RELATIONS

As initial power of USSR had been confronting the USA after the WWII, by the end of the Cold War there occurred a gap in the international politic area which was later filled by the evaluation of Sino-American relations. As the USA was left with no power equal to face its progress, in the middle of 90's China's rapid development in economic area preominated the future changes of 21st century where these two countries created some perception of bipolar world [8]. In a bipolar world, each is aware that only it possesses the capability to encounter threats the other one might pose. According to Kenneth Waltz, tension created by the actions of the "duopolists" in this system, where two poles are defined, can be justified by an initial fear and estimation of one side having an upper hand advantage over another one [9]. The tension between these two countries has been emerging throughout the decades of 21st century by intensifying in the second one which resulted in its effect on the countries beyond the East Asia [8]. For instance, due to China's changing role in the international scene especially concerning its economic and military expansion in several parts of the world the US government has been showing signs of its concern towards China's domination in these areas such as Africa and Arctica. The government has also accused China of cyberattacks and violation of human rights. Meanwhile, China has condemned America's alarmism aimed to hinder China's benign interest in playing an integral role in current affairs.

This situation has a strong resemblance to Soviet-American relations. From my perspective, the question as to whether the global community will benefit from bipolar world is highly controversial. On the one hand, it will make both sides keep one another accountable. In case one country starts to act aggressively, the other one will

be powerful enough to confront it. Conversely, it may trigger the division of the world into two groups: one supporting authoritative China, the other one in favor of capitalistic USA, as it was during the first Cold War.

CONCLUSION

In conclusion, the instability of adversarial relations between the US and China is caused by two destabilizing factors, one of which is the rising nationalism in China. Due to suffering and humiliation Chinese people experienced under the huge influence of western world between 1850-s and 1950-s, China wants to avoid the repetition of this historic event, and the effects of its traumatic past can clearly be seen in its action in regard with western nations. In addition to the growing nationalism, the aggravation of relationship can be ascribed to China's greater military power compared to the 20th century. Despite being incapable of confronting American army in 1990-s, by 2020's China's powerfulness has soared, enabling it to deal with the USA on equal terms. These two factors have exacerbated Sino-American relations and may have probably marked the outbreak of the new Cold War. China has also initiated the transition from unipolar to bipolar world, which has strong resemblance to the first Cold War. Personally, I believe that Sino-American relations exceed others in terms of its significance. Both China and the USA will have a profound impact on power distribution and global order, and Earth's future depends on them.

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relations with Russia and China, including the analysis of multidimensional collaboration with two major states. By investigating diplomatic agreements, economic and energetic partnership with each state, I seek to reveal a comprehensive understanding of the dynamics in the Central Asia and situation in the region in the nearest future.

Relationships with Russia

Since acquisition of independence from Soviet Union in 1991, Kazakhstan was closely related to Russian sway in newly established nations of former USSR. December 21, 1991 in Almaty, Kazakhstan ratified Declaration of Purposes and Principles of the CIS, hence, entered in CIS along with Russia. Additionally, Kazakhstan is a part of Moscow-led Collective security treaty organization (CSTO) since May 15, 1992. CSTO troops were deployed during January events in 2022 and provided a military assistance in stifling the rebellion and restoring the order in the protest-driven republic. While the exact number of CSTO troops and their national make-up is unclear, it is believed that approximately 100 Armenian, 150 Kyrgyz, 200 Tajik, and 100 Belarussian soldiers deployed alongside the Russian contingent making up the remainder of the 2,500 personnel, including the mission head. Therefore, Russia plays a crucial role in maintaining national security of Kazakhstan.

The great game of XXI century: shifting balance between Russian and Chinese influence in Kazakhstan

Nizam Imanov, NIS, Kostanay

Introduction

Kazakhstan's external policy is mostly determined by its geographical location. Kazakhstan, clamped in a vise of two major players, Russia and China, is seeking an equilibrium between following the national interests and maintaining diplomatic cooperation with each of the giants of Central Asian region. This report is focused on providing insightful analytics of Kazakhstan's

However, many Kazakhstanis, especially the younger generation, are skeptical to the possibility of military partnership with Russian Federation. The main reason is the Russian-Ukrainian war, started on February 24, 2022. According to the survey, conducted by Demoscope, 22 percent of residents unconditionally support Ukraine in the conflict with Russia; this is more than twice as much as in March (10%), when the first poll of the inhabitants of Kazakhstan was conducted on the issue of attitudes towards the war. At the same time, a significant decrease in the number of Kazakh citizens supporting Russia was also recorded: if in March there were 39% of them, now it is only 13%. The overwhelming majority of respondents - 59 percent - said that they take a neutral position in relation to Russia's war in Ukraine. As well in cooperation in military sphere,

Kazakhstan is strongly bonded with Russia in matters of energy security, although the dependance from Moscow gradually decreases due to fierce competitors, such as the US and China. Until 2001, when the Tengiz-Novorossiysk oil pipeline, built by the CPC consortium, was put into operation, the Atyrau-Samara oil pipeline was the main export artery for Kazakh oil; quotas for pumping through it were distributed in the Russian Ministry of Fuel and Energy. The annual agreement on the quota for Kazakhstan was a political bargaining. Now the Russian presence in the oil and gas industry stays low. Mainly, it is provided by Lukoil, which managed to build good relations with the young Kazakhstani political elite and, with the help of the Minister of Oil and Gas, Nurlan Balgimbaev, secured the favor of President Nursultan Nazarbayev. In order to provide the country with geopolitical security, the government relied on a multi-vector approach: among the contenders for Kazakhstani resources there should have been representatives of different states. According to independent analysts, Russian companies produce about 3,3% of the total volume of oil and about 15 percent of the total volume of gas. At the same time, the share of American companies is about 29%, while the share of Chinese companies in the oil and gas sector of the country is 24%.

To sum up, Russia still plays a huge role in Kazakhstan's security. Two countries are robustly bonded with political agreements. However, its predominance is gradually decreasing due to the risen impact of such players as China and the West. The special military operation, started by Russia, emerged mistrust to the perspective of friendship with Moscow, therefore, accelerated the exit from the axis of the Kremlin.

Relationships with China

The external relations between Kazakhstan and China have been growing rapidly since the establishment of diplomatic ties in 1992. Both countries have a high level of cooperation on regional and global issues, such as national security, international terrorism. June 15, 2001, Kazakhstan has entered the Beijing-initiative Shanghai Cooperation organization (SCO) and Conference on

Interaction and Confidence-Building Measures in Asia (CICA). These political agreements have contributed by emerging of bilateral trust between two nations and established a ground for the further collaboration.

Kazakhstan and China have developed a strong partnership in economical sphere. China's rapid economic growth is forcing more and more preference in economic agreements to Beijing over Moscow. In 2021, for the second year in a row, China's GDP per capita has exceeded \$10,000. In Russia, on the contrary, this indicator has fallen below the threshold of \$10,000. Thus, trade with Beijing is growing every year. At the end of 2022, mutual trade between Kazakhstan and China reached \$24 billion. Exports of Kazakh products to China grew by more than a third and exceeded \$13 billion. Imports increased by 33.5% and amounted to \$11 billion. At the same time, compared to Russia, the Chinese share of exports is higher by 6.8%, but imports are still inferior by 14%. Economic cooperation is promoted by establishing China-Kazakhstan Cross-Border Economic Cooperation Zone and Chinese investments in development of infrastructure in the great steppe. China's Belt and Road Initiative (BRI) has provided a significant opportunity for creation of economical bonds between two countries, as Kazakhstan became a crucial transit hub for Chinese goods, transporting through Kazakhstan to Europe by the overland route.

China is showing an increased interest in Kazakhstan's natural resources, especially oil and gas, due to its economic expansion as well as industry and construction needs. Within 2021, China-Kazakhstan oil pipeline (Atasu-Alashankou pipeline) 10,9 mln tons of oil was transported. Currently, Beijing's share of oil production puts it second only to the US (17,7% and 29,5% relatively). Comparing with 3,3% of Russian production, Chinese companies, such as CNPC and Sinopec, were much more successful in obtaining resources of Kazakhstan, which makes Beijing's impact on energy security of Kazakhstan much more prominent.

In conclusion, due to the stable growth of the Chinese economy and an increasing number of mutually beneficial proposals, in the economic

and energy sphere, Kazakhstan increasingly prefers China, which annually ousts the Kremlin from the market of Kazakhstan.

Conclusion

To sum up, the shifting of power between Russian Federation and PRC is becoming explicit annually. China offers Kazakhstan mutually beneficial economic projects, while Russia is losing its preponderance upon economics, energetics and people's opinion, due to the war with Ukraine. However, for Kremlin, Kazakhstan still remains as a strategic gateway to Central Asia and major economical partner. As China tries to influx its influence in Kazakhstan and to become a paramount player in the region, it will be more difficult for Astana to stick to the multi-vector policy and balance between two great powers.

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Critical discourse analysis of US and Russia media framing January events of Kazakhstan

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Abstract

At the moment, the significance of the image in the media and its impact on the reputation, the global perception of the country has been proven. If the media framing of such global actors as the USA, Germany, Russia and other countries is studied by scholars and continues to be replenished with research, the representation of Kazakhstan in the media has become the subject of a small number of works despite the recent mass strikes in January 2022. The uprisings in Kazakhstan had a serious influence on the perception of the largest country in Central Asia and the region as a whole, therefore, it is extremely important to study the change in characterization and the difference in approaches to describing the country in order to understand how Kazakhstan is currently perceived by foreign actors. This work examines and studies how the largest news portals in the United States and Russia, namely CNN and Ria Novosti, portray Kazakhstan's January protests and its three main components: protesters, government and CSTO troops. Since the study is a replication of Guzman's article (2015) about media framing of Egyptian Revolution, a case study design was similarly used in the work. Qualitative research methods were utilized in the study, namely, the analysis of secondary data, specifically news articles, and Critical Discourse analysis was used to analyze and interpret the collected data, which focuses on the linguistic choices in the articles of CNN and Ria Novosti to understand their subtext. The study can be further used by the polytechnologists of Kazakhstan and the Ministry of Foreign Affairs of the Republic of Kazakhstan in order to develop a further PR-strategy for the improving image of the country if it is necessary. The research work itself may be expanded in the future to include other leading news portals for analysis as well as news articles not only in English and Russian language and contribute to future investigations regarding covering of other Central Asian region protests.

Preventing Migration-Relation Corruption: Kazakhstani case

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ABSTRACT

Kazakhstan is an emerging economy in Central Asia that attracts labor migrants from neighboring countries. However, these migrants often face difficulties working in Kazakhstan due to informal management constraints and corruption risks from local authorities. This paper examines the conditions under which corruption and informal management occur in immigration control in Kazakhstan. By analyzing relevant literature, reports, news, and interview responses, the study found that increased pressure from local law enforcement and authorities, migrant diasporas' unity, and the involvement of third parties contributed to migrants' engagement in informal networks. Identifying these corruption conditions can assist in proposing policies to relevant governmental organizations. Future studies could include interviewing more migrants to understand the whole mechanism of corruption. The research supports the hypothesis based on both practical and theoretical investigations. However, the involvement of third parties who do not belong to migrants or local authorities presents difficulties in minimizing corruption risks. The constant engagement of third parties with migrants and local authorities is a crucial detail that can help reveal cases of corruption among migrants who engage in informal networks.

Keywords: authorities; Central Asia; compliance; informal networks; labor migration.

Is democracy possible here? The case of Central Asia

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Over 30 years have passed since the dissolution of the Soviet Union, yet some would argue that the bitter legacy of the 20th century superpower still haunts the countries that have been under its control for a number of decades. While certain states might have inherited cultural or linguistic aspects of the “Evil Empire”, others, including Central Asian states, have left with authoritarian institutions and never-changing regimes. Although the majority of former Soviet republics were in a poor economic and social condition in the aftermath of 1991, some would grow and develop into emerging democracies, as with the case of the Eastern European countries. On the contrary, a quite different picture can be observed in Central Asia, where after 30 years of independence and countless reforms, not much has changed in terms of the spread of democracy and the rule of law, which is evident when looking at the continuation of violent suppressions of mass movements and peaceful protests turning into bloodshed. With illegitimate elections and a narrow circle of high-ranking individuals enjoying almost unprecedented amount of wealth and unchecked power, it seems the region is doomed for authoritarianism with regimes taking monopoly over both public and private sectors and that prospects for properly functioning democracies are bleak.

Thus, the following questions arise: is authoritarian rule an inherent feature of the region or it has been shaped by a chain of events and the way the countries function now might change in the future. During the research, the hypothesis that geographic proximity to the so-called authoritarian core states, or authoritarian gravity centers, prevents democratic developments in the nearby countries, will be examined and tested. In the last section of the work, a set of policy recommendations for the government of Kazakhstan, evaluated

using the feasibility chart with various criterias, will be presented as well.

Kazakh-Hungarian relations

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Kazakh-Hungarian relations have a long history associated with economic, cultural and political ties between these two people. With the expansion of the borders of CEE to Central Asia, the transit-transport and logistics sphere of activity have become very relevant. Hungary has a favorable geographical location. Due to this it is easy to move for CEE countries. Thus, there is an opportunity to simplify the work of the embassy on the issue of transportation of raw materials and product. Also, there are an opportunity to contribute to the development of tourism among Kazakhstani travel agencies.

Another distinguishing factor of Hungary among the countries of the CEE region is the spiritual element. Before the Hungarians, nomadic tribes lived in the Carpathian Basin, which were the westernmost wing of the peoples of the endless Eurasian steppes. They were Scythians and Sarmatians. It is believed that the Scythians came to the territory of Eastern Hungary in the VI century BC. Thereby, laying the foundation for the Scythian period. According to Hungarian scientists, the advancement of the Scythians began from the Black Sea and Kuban steppes, then they headed west, where they reached the lands of Bulgaria. After all, the Magyars and Kazakhs are connected by common historical roots. In addition, the descendants of the Kipchaks, who migrated from the steppes of Kazakhstan, live in the current territories of Hungary. In 1239, Rogerius and Alberic de Trois-Fontaine mentioned that Khan Kotyan and his people moved to Hungary. In the 18th century, Hungarian merchants began to trade with the Kazakh lands [1]. The ancestors of the modern Magyars ended up in the west. Due to the fact that they were involved in the orbit of

the Hunnic confederation and turned from an Asian people into a European one, as they were surrounded by the Romano-Germanic tribes of the early Middle Ages. Thus, in the first lives in Europe, the ancient Hungarians were here as representatives of the Great Steppe.

Proceeding from this, the expansion of scientific and cultural ties also becomes relevant. The European vector occupies an important place in the foreign policy of the Republic of Kazakhstan. A policy aimed at mutually beneficial and equal cooperation entails centuries of experience, which is the experience of one of the centers of world politics - Europe.

Kazakh-Hungarian relations have a long history. Diplomatic relations between Kazakhstan and Hungary were established shortly after the formation of independent Kazakhstan. Hungary was among the first countries which recognized the independence of Republic of Kazakhstan in 1996. Already on March 23 1992 the establishment of diplomatic relations between the Republic of Kazakhstan and the Republic of Hungary took place [2]. After that, on February 8, 1993, Memorandum between two countries where mutual understanding and cooperation in the field of agriculture, processing industry and healthcare were discussed, took place in Budapest. . This was the first visit of the Kazakh government delegation headed by Prime Minister Sergei Tereshchenko to Hungary at such a high level. It is connected with the desire of the leadership of the two countries to lay the foundation for the dynamic development of fruitful economic ties [3].

In the next two years, Hungary opened a regional diplomatic mission in the city of Almaty, and established first diplomatic representation in Central and Eastern Europe in Budapest [4]. In 1993, it was planned to open 15 embassies of the Republic of Kazakhstan [5]. The functioning of the Kazakhstan embassy in Hungary is a great success, as the embassy was faced with the task of disseminating information about our country. While during the visit of Hungarian government to Kazakhstan particular attention was paid to the issues of bilateral Kazakh-Hungarian cooperation.

During the Budapest talks, the Hungarian Government expressed support and voted for Kazakhstan's chairmanship of the OSCE in 2010. Moreover Kazakhstan's intentions to join the World Trade Organization (WTO) were supported by Hungary [6].

Considering all the successes achieved in the Kazakh-Hungarian relations as a direct result of the efforts made earlier by both sides to establish effective cooperation in the political, trade, economic and cultural spheres.

During 1992-1993, diplomatic relations were established, the legal basis for interstate relations was formed, the Foreign Ministry of the Republic of Kazakhstan acquired the status of a central body that ensures the implementation of measures to conduct foreign policy and public administration in the field of foreign relations. [7]

March 9, 1995 the official visit of Prime Minister D. Horn to Almaty began. During which, the Agreement on the opening of air traffic between Kazakhstan and Hungary was signed, and the Interdepartmental Protocol on cooperation between the Ministries of Industry and Trade of the Republic of Kazakhstan and the Republic of Hungary was also signed [4]. On July 24, 1995, the first scheduled plane left for Kazakhstan from Ferihegy Airport in the evening.

In June 2014, Prime Minister of the Republic of Kazakhstan K. Massimov paid an official visit to Hungary, during which the "Joint Declaration on Strategic Partnership" and 10 agreements on cooperation in trade, economic, cultural and humanitarian spheres were signed, and the 4th meeting of the IPC [7].

At the moment, in the international community of interdependence, it is necessary to open up opportunities for the development of bilateral cooperation.

One of the key areas of cooperation is the economy. The mutual economic interests of the two countries are connected with the fact that Kazakhstan, with its huge natural resource reserves, is making great efforts to create a national processing industry. Hungarian

businesses are getting opportunities to join this process. They would like to pay attention to the extraction and processing of oil and gas fields in Kazakhstan. Our republic is interested in the successes achieved by Hungary in the field of agriculture, primarily in the intensive cultivation of corn [3].

Trade turnover between Kazakhstan and Hungary in 2021 amounted to \$138 million, which is 24% higher than in the previous year. For 9 months of 2022, the figure amounted to over \$114 million. Kazakhstan mainly exports oil products, pipes, parts for machines and devices, and imports pharmaceutical products, medicines, insecticides, herbicides, and hygiene items.

Kazakh-Hungarian relations are developing steadily and have good prospects for further development in the future. The most promising area of cooperation between Kazakhstan and Hungary should be agriculture. But tourism will also remain relevant.

We should also note the significant contribution of Hungary to the development of education and culture in Kazakhstan. Hungarian educational institutions, such as the Budapest University of Economics and Technology or the University of Central Europe, have partnerships with Kazakh universities and actively cooperate in the exchange of experience and knowledge.

In 1995, at the headquarters of UNESCO, the year of A. Kunanbaev was announced. In Hungary, official events were held on October 24-28 in the cities of Budapest and Szeged. During the official visit of the Prime Minister of the Republic of Kazakhstan K. Massimov to Hungary on June 2-3, 2014, the official opening of Astana Street and the bust of Abai Kunanbaev in Budapest took place [8].

In honor of the 25th anniversary of the Independence of the Republic of Kazakhstan, the Center for Kazakh Literature and Culture was opened in the Hungarian National Library "Széchenyi" in Budapest. In 2016 alone, a number of major events took place: the Chamber Choir of the State Academic Philharmonic of Astana participated in the

international festival "Budapest International Choral Celebration", the dance group of the Astana Ballet Theater performed at the Palace of Arts in Budapest, etc. The first events on the occasion of the 175th anniversary of the Kazakh poet A. Kunanbaev were held in Budapest on January 29, 2020, which was attended by representatives of the creative intelligentsia, socio-political, scientific and cultural circles of Hungary and Kazakhstan [7].

Throughout the time of establishing friendly relations based on trust, Kazakhstan and Hungary support each other's initiatives and proposals. Economic, political, diplomatic, cultural factors play a significant role in our relations. Our future is built on mutual economic interest, human ties, deep knowledge of our cultures that have lived for thousands of years in the vastness of the Great Steppe, enriching each other. And I would like to hope that my work will serve to bring the people of Kazakhstan and Hungary closer together.

Risk of Water Shortage in Kazakhstan due to the Construction of the Qosh Tepa Canal in Afghanistan, Which Will Take a Third of the Water from the Amu Darya

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Abstract

The research aims to analyse the situation with water resources in Kazakhstan and to raise the question about water scarcity due to the renovative water policy of Afghanistan.

The water Agenda plays one of the most crucial roles in the geopolitics of Kazakhstan. The issue of water distribution amongst the "lower" countries due to the construction of the Qosh Tepa Canal on the Amu Darya

River may lead to such problems as the reduction of reservoir capacity in Kazakhstan.

To solve this problem, the researchers suggest establishing diplomatic relationships with Central Asiatic countries, especially the conclusion of the contracts with joint management accounting of big reservoirs of Hydroelectric Power Plants and shifting to the long-term regulation of perennial water supplies. Besides, it is recommended to develop general rules for managing the watercourses of the Amu Darya River. Moreover, Kazakhstan should support Uzbekistan's initiative to save the Aral region's ecosystem. Thus, these measures will enable occupied countries to keep the water balance and strengthen international relationships.

Using data from other countries experiences, distribution of water resources and establishing international diplomatic ties with lower and upper reaches countries of the Amu Darya River, Kazakhstan can avoid Afghanistan's water policy; this is through the construction of the Qosh Tepa Canal.

Considering the previous researchers' investigations on this topic, the drawbacks and benefits of the Qosh Tepa Canal construction were outlined.

Keywords: water, Qosh Tepa Canal, Afghanistan, Kazakhstan, water scarcity, potential impact, water savings

Introduction

Background of the Study

According to the study by Sarsambekov et al. (2004), the critical factor for the deterioration of ties between the nations of the higher reaches as Tajikistan, Kyrgyzstan, Afghanistan and the lower reaches as Kazakhstan, Turkmenistan, and Uzbekistan of transboundary rivers is a method of flow. Kazakhstan and Uzbekistan are the most industrialised countries, consuming gas reserves and other resources. These countries have the largest population

among the states of the region. Located in the middle reaches, they are within the limits of dependence on the "upper" countries such as Kyrgyzstan, Tajikistan and Afghanistan, which are the most provided with water resources and control the main watercourses of the Amu Darya and Syr Darya - the main water arteries of Central Asia (Sarsambekov et al., 2004).

Conversely, opposed processes have happened in transboundary rivers' upper and lower portions for over twenty years. The upstream nations are working on large-scale plans for the construction of large new water-power plants and water canals, which is supposed to solve economic problems, while the lower reaches nations are developing programmes to reduce water scarcity, for example, the President of Kazakhstan approved the water resources management programme in April 2014.

Two years ago, to upgrade Afghanistan's water supply system, the Qosh Tepa Canal was constructed in Balkh province. Nowadays, the 285 km long Canal has already been developed for more than 100 km. Moreover, The Canal plans to pump 10 billion cubic metres from the Amu Darya River, which is also used by such adjacent countries as Uzbekistan and Turkmenistan. Thus the potential effect of this project becomes more real (Seamus Duffy, 2023).

The Amu Darya is a transnational river between Tajikistan, Uzbekistan and Turkmenistan. Afghanistan integrated with these three countries to become a comprehensive member of the basin in the post-Taliban period. Therefore, this has become an international issue, turning a severe factor of multinational politics in the region and a feasible object of conflicts that cause disagreements between the regional countries (Sonn et al., 2018).

Meanwhile, Kazakhstan has made several following decisions that should improve the situation with water resources:

- to restore the Small Aral Sea
- to change the structure of crops grown in the country
- to reduce water consumption by designing water-saving technologies

In addition, Kazakhstan has built the Koksaray counter-regulator, which smooths seasonal changes in water resources. However, the more water is sorted, the more problems the region's countries have with its shortage. As a result, disputes turn into a political plane and cause interstate confrontation. (Borisova, 2011)

The Purpose of the Study

The study is aimed to examine the current state of water shortage in Kazakhstan and its impact on society. Besides, the research attempts to identify the causes of the water crisis, evaluate the quantity and quality of the water supplies, and identify feasible solutions to this problem. Additionally, the study will consider the best ways for people, organisations, and governments to save water and manage water resources sustainably. Ultimately, the study aims to increase public awareness of the value of water conservation and inspire action to guarantee that everyone in Kazakhstan has access to enough clean water.

Objectives of the Study

- To assess the effect of the Qosh Tepa Canal in the Amu Darya River basin on water availability in Kazakhstan.
- To analyse the social and environmental consequences of water scarcity in Kazakhstan resulting from the construction of the Qosh Tepa Canal.
- To explore potential strategies and solutions to mitigate the risks of water shortage in Kazakhstan, and also alternative water sources, water conservation practices, and international relationships.

Research Question

Why is the problem of drying up the waters of Kazakhstan becoming more urgent and may be repeated due to the construction of the Qosh Tepa Canal?

Significance of the Study

The study is critical because it examines the dangers and effects on a transboundary river system of a large-scale water diversion project.

It also highlights the importance of sustainable water management practices and the need for international cooperation to ensure equitable access to water resources. The outcome of this study might be valuable for policy decisions and actions to mitigate the negative impacts of the Qosh Tepa Canal on water availability in Kazakhstan and promote sustainable water management practices in the region.

Methodology

The qualitative record-keeping method was used to systematise the collected information on the problem of the water policy of Afghanistan in Central Asia and Kazakhstan, particularly for its analysis. This method was chosen since qualitative research allows describing the context in detail and explaining experiences and perceptions using case studies, observations, and textual analysis of different authors. (Yasir Rashid et al., 2019) The acquired data was statistically examined to estimate the potential risks of water scarcity in Kazakhstan due to the Qosh Tepa Canal construction in Afghanistan.

Data Analysis

Grinyaev, Fomin (2009) and Zhiltsov and Pimenova (2015) analysed this problem. However, they provided more critical information about the state of water policy between the countries of Central Asia during the period of the USSR. The Soviet system of inter-republican water relations was based on the limits of water allocation between them and the balance of contractual obligations between the republics and the Union centre. The regulation of the river flow of transboundary rivers was aimed at the balanced economic development of all five Central Asian republics, combining electricity generation and the development of the agricultural sector of the economy. The criterion for the operation of reservoirs was the maximum overall benefit. (Sarsembekov & Mironenkov, 2007)

The reservoirs designed in the River's upper reaches expedited the solution to this problem. It enabled the regulation of the flow entering the republics, situated in the lower reaches and impeding inter-republican conflicts. The focus

of Central Asia's development was irrigation: the irrigated agriculture in Kazakhstan and Uzbekistan. For instance, reservoirs of the Naryn-Syr Darya cascade regulated the flow of the Syr Darya River under an irrigation schedule. The annual water discharge from the Toktogul reservoir was approximately 75% in summer. Alternately Kyrgyzstan was provided with source material by Kazakhstan and Uzbekistan. The same method was applied to the Amu Darya River, and The Nurek reservoir regulated the stock (Zhiltsov & Pimenova, 2015).

According to Maddock et al. (2015), the countries of Central Asia are experiencing a crisis related to an increasing water deficit. One of the World Resources Institute's most recent assessments show the possibilities of global water stress in 2040. Moreover, the calculations based on economic models and socio-economic scenarios show that Kazakhstan is among the top 20 countries in the world that will experience water stress by 2040. (Maddocks et al., 2015)

Limitations of the Study

The study's potential drawback is that the research was conducted solely involving examining existing literature. The study did not employ other research methods, such as surveys, interviews, observations, and experiments. As a result, the work comprises only theoretical information without analysing empirical data. Additionally, the investigation focused exclusively on the situation within Kazakhstan and did not incorporate examples from other countries. The study did not include official government websites.

Findings

A recent World Resources Institute paper claims that potential water scarcity and water stress are also identified as problems facing the countries of Central Asia (Sonn et al., 2018). The same issue could face Kazakhstan as well because after the collapse of the Soviet system, whose goal was to develop the economies of the five countries of Central Asia, the dialogue and shared goals between the states were lost, and water distribution became a severe problem. If reservoirs in the

upper reaches of the rivers are not restored to regulate the flow and prevent inter-republican conflicts, Kazakhstan will face a growing water shortage. Prospective strategies and solutions to reduce the risk of scarcity in Kazakhstan include alternative water sources, water-saving practices and international cooperation. Assuming the construction of the Qosh Tepa Canal in Afghanistan on the Amu Darya River and considering the possible pros and cons for Kazakhstan, the following factors can be taken into account:

Figure 1 Benefits and drawbacks of Qosh Tepa Canal construction.

<p>PROS:</p> <p>Transport Infrastructure Development: The Kushtepa Canal could provide a new waterway that would enhance transport links between Kazakhstan and Afghanistan.</p> <p>Expanding trade opportunities: new opportunities to export and import goods and stimulate economic growth in the country.</p> <p>Geopolitics Importance: Improved trade and cooperation can enhance diplomatic relations and stability in the region.</p>	<p>CONS:</p> <p>Financial costs: The construction of a large infrastructure project, such as a canal, requires significant financial investments.</p> <p>Security and Stability: Afghanistan is a country with an unstable political situation and security problems.</p> <p>Environmental consequences: the construction of the canal may have a negative impact on the ecosystems of the Amudarya River and the surrounding nature.</p>
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Conclusion and Recommendations

The study aims to look at Kazakhstan's current water deficit and how it affects society. Taking into consideration the current situation, the researchers suggest the following solutions to deal with this issue:

- Joint management of large hydroelectric reservoirs and transition to long-term regulation of flow to reduce water deficit due to long-term stocks of runoff, legal guarantees to prevent a decrease in summer water consumption
- The development of rules for managing the flow of the Amu Darya River involves establishing guidelines and agreements among the countries that

share the river to ensure equitable and sustainable use of its water resources.

- Uzbekistan's initiatives for the development and improvement of the Aral Sea region and the conservation of aquatic ecosystems.
- Negotiations and consultations between countries should be provided. Since the non-violation of commitments, initiation of a new agreement on the Syr Darya and a mechanism for its implementation on the established releases of HPP (Hydroelectric Power Plant) cascades.

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Kazakhstan's diplomatic relations with China as a model of multivector policy and the impact of multivector policy on international relations.

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Abstract

This study examines the multivector policy of Kazakhstan and its impact on international relations with China. The study aims to analyse and evaluate the diplomatic strategies adopted by Kazakhstan to balance its relations with major powers and their consequences for international relations with China. The study highlights the importance of Kazakhstan's multivector policy for preserving its independence, regional stability and analyses the potential problems it brings to relations with China.

Keywords: Kazakhstan, multivector policy, foreign policy, international relations, China.

Introduction

Background of the Study

Kazakhstan is a nation in Central Asia with abundant natural resources, a key strategic location, and a multivector policy. The term "multivector policy" refers to the State's approach to protecting its national interests and promoting economic development. It involves maintaining a diverse and balanced relationship with several superpowers, including China (Kasabekov & Auken, 2009). It is illustrated by the fact that on January 3, 1992, the Republic of Kazakhstan and the People's Republic of China established diplomatic ties. Particularly significant documents include the Joint Declaration on the Establishment and Development of Strategic Partnership, signed on July 4, 2005, and the Treaty on Good-Neighborliness, Friendship, and Cooperation, which was signed on December 23, 2002.

A multivector foreign strategy, according to Nazarbayev, "means the development of predictable and friendly relations with all countries" (Diyarbakirlioglu & Yigit, 2014).

A multivector approach, as systematic conduct of foreign policy, began to take shape in the first half of the 1990s. Kazakhstan participates in the OSCE, CSTO, SCO and CICA regional security organisations.

All this combined to create a "belt of friendship and cooperation", which ensured the absence of military threats and the peaceful resolution of interstate disputes.

The Purpose of the Study

This study examines the multivector policy of Kazakhstan and its impact on international relations with China and thoroughly analyses Kazakhstan's diplomatic tactics and their effect on its bilateral ties with China.

Objectives

- To explore the historical background and rationale for adopting the multivector policy in Kazakhstan.
- To discuss the international relations of Kazakhstan with China.
- To develop a SWOT analysis of the multivector policy concerning Kazakhstan's relationships with China.
- To conclude about the efficiency of the multivector policy.

Research Question

How does Kazakhstan's multivector policy impact international relations, particularly its relationship with China?

Significance of the Study

Currently, due to conflict situations in the world, Kazakhstan needs to ensure and maintain the country's security. Kazakhstan adheres to a multivector policy, so its impact on international relations with countries such as China should be assessed to prevent further dangers.

Methodology

This research employed data collection to analyse Kazakhstan's multivector policy and its impact on international relations with China. The study uses a qualitative method using secondary sources, such as official records, scholarly writings, and professional assessments. These sources include details on current events, changes in policy, and bilateral interactions between Kazakhstan and China,

which allow an understanding of the dynamics and events around the multivector policy. The study's objectives and the research question were solved by methodically collecting and systematising data from secondary sources.

Limitations of the Study

The study of Kazakhstan's multivector policy and its impact on international relations with China has several limitations that should be considered. Firstly, quantitative analysis, including tools such as interviews and surveys, was not used as it was impossible to conduct interviews with experts on this topic. Only secondary credible sources and opinions of trustworthy authors were employed in the research work. In addition, insufficient data collection can lead to bias and subjectivity in the work. Official agreements, treaties and conventions were not used in the research work.

Data Analysis

Kazakhstan's foreign policy is based on a multivector approach, that is, on maintaining good relations with all countries. There were several reasons for adopting a multivector policy. Firstly, Kazakhstan is located between the two most influential powers in the world: Russia and China, which play a significant role in the level of the country's economy (Zhanbulatova, 2015). Therefore, it is vital to maintain good relations with them. Then, due to the need for direct access to the ocean, Kazakhstan has to enter the world market only through neighbouring states. Thus, diplomatic relations with border countries ensure the stability of the economy. Zhanbulatova also noted that the Kazakh authorities put the safety of the people first. Moreover, to preserve territorial integrity and sovereignty in the face of a few citizens and a large territory, Kazakhstan must maintain compromises in relations with its neighbours.

Thus, occupying a unique geopolitical position between Europe and Asia, based on a deep analysis of Kazakhstan's global and regional processes and internal development, "geopolitical diplomacy" of Kazakhstan seeks to ensure the country's strategic interests. (Zhasekenova, 2014)

French expert on Central Asia A. Deletro (as cited in Zhanbulatova, 2015) notes:

"Kazakhstan pursues the most ambitious foreign policy compared to the region's countries. Kazakhstan's diplomacy is very successful. The authority to preside over the OSCE was granted to Astana a few years ago, and it is now eligible to compete for a spot on the Security Council. Moreover, it is clear that they have a good chance of getting it."

He assesses membership in the UN Security Council as a significant political lesson for the entire world. One of the possible reasons for this opinion is that by implementing a multivector policy, Kazakhstan has already established good relations with surrounding countries. For example, having entered the list of SCO members, the republic successfully began cooperating with China and Russia. Within the framework of the union, Kazakhstan and China have started work on some projects to develop the SCO transport and communication system to revive the Great Silk Road. It was also discussed whether to broaden the "Maritime Silk Road" - the sea routes across the Persian Gulf and the Indian Ocean. China announced the establishment of the \$40 billion Silk Road Fund in November 2014 (Turuntayeva, 2018). Kazakhstan actively supports the project, allowing the country to increase its trade turnover with other Asian countries. Moreover, the policy allows Kazakhstan to protect its national security. The country is located in the hotbeds of terrorism, so Kazakhstan actively cooperates with the SCO member states and other organisations in the fight against these threats. Like other SCO members, Kazakhstan is interested in finding a solution to this issue, given the growing threat posed by the military-political situation in Afghanistan, which is one of the SCO's efforts (Aitenov, 2018). Considering various geopolitical factors, this policy might be advantageous.

As for relations with other Asian countries, such as China, the multivector policy has allowed Kazakhstan to establish good political ties with these countries; a systematic approach that helps Kazakhstan

form friendly relations with most countries has allowed the republic to improve its economic and political spheres. The SCO is an excellent example of cooperation based on a multivector policy. Being a member of the Union, Kazakhstan began its productive work with China on the reconstruction of the Silk Road. This policy gave the country a chance to improve its trading system. Due to China's status as one of the world's most influential economies, extensive collaboration benefits the economy. In addition, on February 3-5, 2022, President of the Republic of Kazakhstan Kassym-Jomart Tokayev combined a visit to Beijing with participation in the opening ceremony of the XXIV Olympic Games. Special attention was given to bilateral relations, trade, economic cooperation, and interaction within the framework of international institutions during the meeting between Presidents of the Republic of Kazakhstan, K.K. Tokayev, and the People's Republic of China, Xi Jinping (Ministry of Foreign Affairs of the Republic of Kazakhstan, 2022)

Findings

Now the policy itself and its profitable implementations will be analysed. The SWOT method was chosen in the following table to analyse the problem and conclude whether the policy is effective and how it affects national relationships with China.

Table 1 SWOT Analysis of the Impact of Multi-Vector Policy on International Relations with China

<p>STRENGTHS</p> <ol style="list-style-type: none"> 1. Diversification of alliances: Kazakhstan can forge partnerships with many powerful nations, notably China, thanks to the multi-vector policy, which lessens Kazakhstan's reliance on any country. 2. Economic gains: China has invested in and collaborated on projects thanks to the multi-vector approach. Kazakhstan gains from China's enormous investments in energy and infrastructure projects. These economic ties facilitate the expansion and growth of Kazakhstan's economy. 3. Enhanced regional stability: Kazakhstan is essential because of its balanced relations with China. It serves as a link between these mighty nations, promoting communication and collaboration on regional security challenges. As a result, Kazakhstan's influence grows, and the atmosphere in Central Asia becomes stable. 	<p>WEAKNESS</p> <ol style="list-style-type: none"> 1. Interaction with such powerful countries as China, which have substantial economic and political influence, can lead to an imbalance of forces. Kazakhstan needs to carefully manage its partnerships to protect its national interests and avoid excessive dependence on any one partner. 2. Cultural obstacles: Due to a multi-vector approach, Kazakhstan's national identity and cultural heritage may be challenging to preserve. A close relationship with China could allow its cultural standards to penetrate Kazakhstan and potentially overshadow its unique cultural history. The preservation of national identity while ensuring a balance between cultural exchanges is of crucial importance.
<p>OPPORTUNITIES</p> <ol style="list-style-type: none"> 1. Economic diversification: Thanks to the multi-vector policy, Kazakhstan can develop industries beyond the traditional energy sector, such as technology, manufacturing, and innovation, by cooperating with China and taking advantage of its technological achievements and knowledge. 2. Geopolitical leverage: Kazakhstan can maximize its geopolitical position as a transit country and regional power by maintaining relations with China. As a result, Kazakhstan is better prepared to attract investors, conclude profitable trade deals, and participate in regional projects. 	<p>THREATS</p> <ol style="list-style-type: none"> 1. Altering geopolitical dynamics: How quickly the geopolitical environment changes may impact the multivector policy's success. To protect its national interests and regional stability, Kazakhstan may need to modify its strategy and reevaluate its relations with China in response to changes in alliances, conflicts, or shifts in the global order.

Conclusion

The multi-vector policy has strengths and weaknesses in Kazakhstan's international relations with China. By diversifying partnerships, Kazakhstan gains economic benefits, enhances regional stability, and expands its geopolitical leverage. However, challenges exist in maintaining a balance of power, preserving cultural identity, managing competition, and adapting to shifting geopolitical dynamics. Kazakhstan must remain vigilant, exercise diplomacy, and evaluate the evolving landscape to maximize the benefits and mitigate the risks associated with its multi-vector policy.

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The Asian vector of Kazakhstan's diplomacy

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Kazakhstan's foreign policy of the Asian vector plays a significant role in the modern world, as it corresponds to the economic growth and geopolitical changes in the Asian territory. Kazakhstan is seeking to enlarge its foreign economic ties, furthermore, to build reliable partnerships with Asian countries, such as China, Japan, Korea, India, and other countries. The importance of this diplomacy within this frame of countries is important not only due to its geographical situation but also because of the necessity to build transport and logistics corridors for further promotion of trade and investment between the countries. Kazakhstan is actively involved in the initiative of other countries, such as China's One Belt, One Road Initiative, and other infrastructure development projects that aim to strengthen the economic relationships between Asian countries. In addition, Kazakhstan actively participates in many UN peacekeeping missions around the world, which is an indicator of the high level of Kazakh diplomacy. By participating in peacekeeping actions, Kazakhstan sends its armed forces to conflict areas or crisis zones in Asia, and these efforts are widely recognized in the world community, increasing the significance of Kazakhstan.

Kazakhstan has great potential not only as an economic and commercial bridge in Asia but also as a center of scientific and technological development. It is already actively developing its research base institutions by hiring professionals and applying educational materials from other countries of Asia.

In general, the Asian vector of Kazakhstan's diplomacy is a key factor in the development and progress of the country.

One of the active organizations and full-fledged Asian organizations is the Conference

on Asian Interaction and Confidence Building Measures in Asia (CICA). It is possible to single out its special features, such as political culture, features of the geostrategic position, emphasis on religious questions, the level of social and economic development.

In Almaty in 2002, the first CICA summit was organized, where the most important processes in Asia were considered. The organizers managed to put the leaders of India and Pakistan to the negotiating table, who could not find a compromise on political issues and there was a threat of using nuclear weapons in the war between them. The result was the adoption of two important documents: the Almaty Act of the CICA and the Declaration on the elimination of terrorism and the promotion of dialogue among civilizations, the heads of all 16 member states signed it. Despite the fact that Atal Bihari Vajpayee and Pervez Musharraf communicated through intermediaries, journalists note that it was after the CICA summit that Indo-Pakistani relations began to improve [1]. Kazakh diplomats have accumulated sufficient experience to conduct a high level of communication between countries, which served as a success for this summit. The efforts of Kazakh diplomats to develop documents for the summit on world countries and to establish compromises in its decisions were highly appreciated by the world community. UN Secretary-General Kofi Annan called the meeting a "great achievement". Head of the Department of Eurasian Higher Education and Development of the SCO Institute of CIS Countries Vladimir Evseev emphasized the opinion that "There are a lot of acute conflicts in Asia that require quick and compromise solutions to eliminate the danger of local wars". CICA, according to him, "is a forum where it is possible to achieve certain mutual understanding, primarily on security issues. The expert believes it is especially important now in connection with the worsening of the Afghan threat.

Currently, twenty-eight states are members of the CICA, which cover about 90% of the territory and population of Asia. Nine countries and five international organizations, including the UN, have observer status. Poletaev, a

Kazakhstani political scientist and president of the Eurasian Peace Fund, expressed his views on CICA, saying: "We will hear about this dialogue platform very often in the future."

Following the success of the CICA, Astana was one of the initiators of the creation of another truly influential international organization - the SCO, which, in addition to Kazakhstan, now includes China, Russia, Tajikistan, Kyrgyzstan and Uzbekistan, India and Pakistan joined it. In 2002, at a meeting of the Council of Heads of State of the SCO Member States in St. Petersburg, the Charter of the Shanghai Cooperation Organization was signed, which entered into force on September 19, 2003.

This is the basic statutory document that fixes the goals and principles of the organization, its structure and main activities [2]. National coordinator for the SCO, Ali Yerlik, explained that it was Kazakhstan that initiated the creation of one of the SCO's most important bodies, the Council of Heads of Government, which addresses fundamental issues of developing cooperation in practical areas, especially in the economic sphere. In 2008, during the global recession the parties decided to take steps to minimize the consequences of economic downturn and promote closer regional trade, economic and investment cooperation. It was during this period that the fact that China is undoubtedly the driving force of the organization in the development of economic cooperation became clearly evident. On June 16, 2009, China decided to allocate a \$10 billion loan to the SCO countries to solve problems related to the consequences of the crisis. Later, on October 14, 2009, a Joint Initiative was adopted in Beijing to intensify multilateral economic cooperation in order to overcome the consequences of the global financial and economic crisis. It should be noted that in the period from 2001 to 2011, the trade turnover between China and other SCO members alone increased almost tenfold, from 12.1 to 113.4 billion US dollars [3]. In 2020, during the coronavirus pandemic, the SCO has established itself as a highly effective mechanism. As for the cooperation of Kazakhstan with other countries of Central Asia within the framework of the SCO, it is obvious that the commonality of cultural

and historical values, as well as the common challenges of our time, expressed in the threat of international terrorism, encourage both Kazakhstan and other Central Asian countries to draw closer and join forces in within the framework of the SCO [4].

Kazakhstan is also active in the framework of the Organization of Islamic Cooperation, which unites 57 Muslim states. The Republic became a member of this alliance back in 1995, and in 2011 it was given the chairmanship of the organization

At that time, extraordinary meetings of the OIC Executive Committee were held, dedicated to resolving the crisis in Syria and Libya. Kazakhstan was also the first to bring together representatives of the Syrian authorities and the Syrian armed opposition. The dialogue, which consisted of 8 rounds, called "Astana process", took place in 2017. As a result of these negotiations, an agreement was reached on the exchange of prisoners between the government and the opposition, in addition, "de-escalation zones" were also created in Syria, which contributed to the emergence of conditions for the delivery of humanitarian aid [5]. Kazakhstan annually provides humanitarian assistance in the form of wheat and flour to needy OIC member countries. Delivering up to 7 million tons of wheat abroad, Kazakhstan is one of the 10 largest exporters of food wheat and flour. Kazakhstan continues to actively increase its international activity - in 2021 the republic became the chairman of the Islamic Organization for Food Security. Astana, Kazakhstan, holds a prominent position within the Organization of Turkic States, comprising Azerbaijan, Kazakhstan, Kyrgyzstan, Turkey, Uzbekistan, and with Hungary as an observer. Notably, Kassym-Jomart Tokayev has proposed the establishment of an International Consortium to advance technologies for hydrogen production, storage, and transportation, as well as the creation of the Center of Modern Technoparks within the Turkic Organization.

In conclusion, Kazakhstan's role in Asian diplomacy is significant as it contributes to regional peace and harmony in the modern

world, and strengthens economic, cultural, and scientific connections with other countries in Asia. Kazakhstan is one of the leaders of Asian diplomacy which makes it even more important in the world's stage and in solving relevant problems. Kazakhstan will be able to strengthen its position in Asia by successfully doing diplomatic work. The development of economic and trade relations with other countries, the establishment of cultural and educational exchange, and helping in peacekeeping missions are the key factors for Kazakhstan as it strengthens its role. Simultaneously its increase in importance goes with emphasizing peace and stability by participating in multilateral dialogues and cooperation with other regions. To sum up, the future of Kazakhstan's diplomacy within Asia is promising even if there are various challenges in the region, as it already shows particular achievements.

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Navigating Nationalism and Pragmatism in a Globalized World: European Right Wing Parties' Evolving Attitudes Toward China.

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Abstract

This article delves into the perspectives of three notable right-wing populist parties in Europe—Lega Nord (Italy), Alternative für Deutschland (Germany), and Rassemblement National (France)—regarding the People's Republic of China. Despite belonging to the European Parliament's "Identity and Democracy" group, these parties hold different views on China, reflecting a mix of hardline anti-Chinese sentiments and more practical approaches. It shows the fluidity and dynamism of their positions, which are further shaped by various factors such as economic concerns, national interests, and inter-state relations. The right-wing populist parties' views on China range from being perceived as a danger to the national economy and an undemocratic state to one of the leading partners in global initiatives, which shows the complex populist nature of the far-right in the European Union.

Introduction

Right-wing populist parties are strengthening their position at the national level and within the European Union. In the last ten years, the right-wing parties have gained prominence and political strength. Regarding foreign policy, right-wing parties have their views and hardline positions regarding external actors, which sometimes act as an alternative to official positions; one is China. Right-wing populist parties have ambiguous positions on the People's Republic of China, with parties ranging from the hardline anti-Chinese positions of the National Rally to the cynical, contradictory views of Lega Nord. While the official position of the European Union recognizes the importance of cooperation with China, it also views China as a systemic rival and economic competitor,

reflected in the political and economic approach between the EU and China. (EU-China Relations Factsheet | EEAS, n.d.).

Right-wing populist parties have political influence in national parliaments and the European Parliament. In the later, right-wing parties have reunited and formed a coalition called "Identity and Democracy." The coalition has three influential far-right parties: Lega Nord (Italy), Alternative for Germany (Germany), and the National Rally (France) (Identity and Democracy Group, n.d). This article explores the attitudes of the three right-wing parties towards the People's Republic of China, showing their positions and how they are changing. Many factors influence attitudes towards China among right-wing populist parties and may be perceived differently. Some parties adopt an anti-China stance seen as an economic competitor or because of the U.S. Parties may have also a hardline stance at the beginning of their populist rhetoric. However, as they gain political power, they modify their views, even sometimes radically changing their perspective.

In this study, we systematically examined the attitudes of three major right-wing parties towards China. We utilized a mixed-method approach that included a comprehensive review and analysis of official party statements and policy documents, combined with discourse analysis of party leaders' public statements and interviews related to China. Moreover, we also incorporated policy commentary from external sources that specifically address these parties' strategies towards China, providing a multi-faceted examination of their approach.

Lega Nord: Economic nationalism facing China's rise

The League is an Italian political party which was established in 1991. Since the parties' inception, the League has advocated the creation of autonomy for Padania, as this region is a rich part of Italy. Over the next ten years, the party grew from a minor separatist campaign in the Lombardy region to an alliance of northern regionalists (Tambini, 2014). The League's and its leaders' anti-globalization and anti-Chinese sentiment

were directed at international trade. Lega Nord is one of the right wing parties with long considerably long existence in the European political landscape. The impending accession of China to the World Trade Organisation in the late 1990s disturbed the party leaders. They believed that China and its industry would harm the national economy, especially the Italian textile industry (Woods, 2009). In an interview with Umberto Bossi, the Federal Secretary of the League parties (2003) made a statement that people have begun to understand that they need to preserve the local economy from fast food, Chinese food, and couscous. The same understanding is required to increase globalization's democratization and save local businesses and jobs, or it will be too late to remedy the situation. Leaders of the League parties have been against the WTO and China's entry into the organization, claiming it is a global threat to unrestricted trade in cheap goods. However, the position against international trade may seem contradictory, as the Padania region is based on small and medium-sized enterprises that depend on trade; company owners have expressed that China's trade threatens their exports (Woods, 2009). For instance, in Prato, Tuscany, anti-China sentiment spread because citizens elected a mayor supported by the League parties. The mayor of Prato has conducted law enforcement raids on Chinese garment factories to better regulate all migration regulations and create a fair business (Esparrago, 2017).

Allesandro Orsini, director of the Observatory for International Security at Luiss University, was at a Borghezio League rally in 2014, exploring Italy's party attitudes towards China, and recorded that one of the rhetoric was that all Chinese shops in Italy should be "near the toilet" (Assab, 2020). However, under Salvini's reign, the League party had an anti-Chinese sentiment but was weakened. In one of his interviews about China, Salvini expressed several anti-China statements including his stance against Huawei's 5G expansion plans in Europe and also his call to hold China accountable for Covid-19 pandemic (Bechis, 2020).

The anti-Chinese stance on the part of the

League parties may seem contradictory because one of the critical roles in signing the memorandum on Italy's inclusion in the "One Belt, One Road" program was Matteo Salvini. However, in an interview, he expressed that China is not a democracy and has a spirit of imperialism and control of the world" (Reuters, 2019). Although the League party supports Vladimir Putin's views, we cannot say that Russia is a democracy. In this cited example, we can see the contradiction in the parties' statements and positions. Party views can be fluid; party leaders are willing to make concessions for the good of the economy and growth, such as signing the memorandum on the Belt and Road Initiative. This is the position that Grano and Huang (2023) have indicated that the Italian Government is deviating from economic pragmatism towards a "selective approach." To sum up, the League uses negative rhetoric towards China, but their views may change dramatically due to global changes or economic gains.

Alternative für Deutschland: Selective and instrumental approach

Alternative for Germany (AfD) is an extreme right-wing party that also has an anti-Chinese stance. The party was founded in 2013 as an opposition party to the other parties in the Bundestag and is the third-largest party. The AfD was founded by German conservatives who were unhappy with the centrist direction of the German government. However, the party gained political momentum because of the nature and composition of the eurozone and Germany's role as one of the big payers (Lees, 2018). Also, Lees (2018) pointed out that the strengthening of parties was due to the European crises, such as the financial, migration, and Brexit crises, which mobilized the discontent of the European population. After gaining political influence, Germany began to take China's interests into account by creating strategic and economic plans. Recognizing China's economic importance as an essential strategic and trading partner, AfD takes a particular approach to the Silk Road project, believing that the project is of a significant scale that requires a more thorough assessment. Alternative for Germany believes that the German government should assist

in implementing the project, albeit from a critical perspective. Active involvement by the far-right party and the creation of a campaign for Germany to join this project is one of the main goals. However, this party's defense and foreign policy indicate that China is a world problem, as its growing influence threatens German sovereignty. Cooperation with China will only be possible under conditions of fairness and equality when the whole legal framework is harmonized, namely in trade and investment (AfD, 2020). Protectionism in Europe is not only about trade but also about direct investment, public procurement, and taxation (Fratzscher, 2020).

The leaders and representatives of the right-wing parties use China's political ploy to strengthen their position before the citizens of the European Union. For example, the Alternative for Germany party has supported China's initiative to suspend subsidies for the creation of electric cars and is proposing this proposal to E.U. institutions. It points out that China has deceived bureaucrats on plans to create electric vehicles and that all "greenies" have fallen into its trap. "Pure electric mobility is a dead horse; it's time to rush before we do more damage" (Weidel, 2019). In 2020, the far-right party backed the U.K. and the U.S. by criticizing Huawei's exclusion from the 5G expansion. Paul (2020) argues that banning Huawei is suitable for security reasons; we need it because this company is closely linked to the Chinese Government and can transmit sensitive data; we must preserve German sovereignty and exclude this company from expansion. Alternative for Germany has an anti-Chinese stance on some issues where popular thought is directly influenced. Brandner (2020) stresses that Germany must stop the sell-out of the German economy and payments to China because China is trying to catch up and increase its influence in Germany by buying out ailing companies. He also points out that 600 million euros annually goes to China as development aid from Germany, and the Germans are paying China. Every year the party takes a harsh stance against China, criticizing them on various issues.

However, it will be incorrect to resume the AfD's stance toward China to simple China-

bashing. Especially in recent years, the AfD's approach to China seems undergoing changes. Chrupalla (2022) notes in support of China, pointing towards not extending economic warfare to China due to the Russia-Ukraine conflict. We must avoid unilateral dependence as Germany will be cut off from China's new technology and further resources. Their position is changing with current situations acting in their interest. In the last months of 2023, the AfD is changing its views on China. The party tries to oppose the Government in distancing the economy of Europe from China. Representatives of the party clearly state that "we must not cut ourselves off from Russian raw materials and China's high technology. We pursue a policy which takes into account the interests of our citizens" (Kastner, 2023). To sum up, we can show that the position of Germany's far-right party changes with the global crises and their benefits to the country, using a "selective approach."

Rassemblement National: Populist Nationalism and Economic Protectionism

The National Rally is one of the most influential far-right parties in Europe. The party was founded in 1972 and is considered to be an ultra-right-wing party. Since the 1980s, the party has focused on French identity and culture. This idea of defending the interests of the French people can touch on a multitude of issues, which has made them flexible to speak out and agitate their positions. Above all, the party considers itself an exiled group, excluded from the political corridor by the French elite and the "the Band of Four" (Davies, 1999). After that, the party began to strengthen its position in the French parliament by speaking out about solid powers such as the US and China. The French party takes an anti-Chinese stance, including several populist rhetoric and tools. Initially, the party had populist aims and dealt with immigration, unemployment, and protecting the country's sovereignty. The party emphasized national identity and defended the interests of citizens. The National Rally combines signs of autocracy and nationalism, using these tools with strong populist slogans (Inglehart & Norris, 2017).

Former party leader Jean-Marie Le Pen

criticized the European Union for its soft liberal policies, which cannot fight and protect the interests of businesses outside Europe, for example, from China (Vasilopoulou, 2010). Marine Le Pen, one of the most influential leaders of the party, speaks out about "protectionism." In her presidential campaign, she said, "I will use protectionism intelligently, and I will constantly fight unfair international competition, protecting workers from 'anarchic globalization'" (Reuters, 2017). We note that she is using international competition against China, and the U.S. Marine Le Pen has had a hard anti-China stance during her party leadership. Marine Le Pen (2012) accused the elite of the European Union of denying the relocation of manufacturing industries and factories from the E.U. to China, affecting all economic sectors in the European Union, particularly France. They further criticize China that their influence on the international market has involved unemployment in France.

Marine Le Pen has argued that those countries that have protected industry diversified their international clients, and developed a national strategy have felt or are feeling the Chinese tsunami (Esparrago, 2017). Marine Le Pen is addressing the issue of monetary dumping because China is creating an imbalance at the international level. The party seeks to touch on the economic side to link the topic to China and use populist rhetoric to protect citizens' interests. In the campaign for 2022, Marine Le Pen said she would oppose China in the Indo-Pacific (Pene-Lassus & Shiraishi, 2021). In summary, the national front has a solid and tough anti-China stance. It does not change it from previous parties because Marine Le Pen believes China is an unfair 'economic competitor' (Chrysosgelos, 2021).

Conclusions

The analysis of this article shows that: Lega Nord, Alternative for Germany, and the National Rally are in the same coalition in the European Parliament and are closely related to each other. European countries have been trying to develop unified stance on China in recent years. However, the complexity of 'China question' has proven an obstacle for national governments and the EU to develop

such harmonized stance. In our article, we have demonstrated that this problem also exists among European right wing parties who usually present themselves as alternative to conventional European approaches. Initial analysis of the right-wing populist parties' attitudes toward China are rather volatile. Their position towards China is influenced by many factors, such as their concern for public opinion, economic considerations, and ties with the U.S.

In particular, Lega Nord and Alternative for Germany exhibit fluid stances, adjusting their positions in response to China's perceived advantages and disadvantages relative to their party interests, but also the impact of China on their country's domestic conditions. These parties frequently portray China as an economic adversary or as a state devoid of democratic principles. Interestingly, they seldom voice critiques concerning Taiwan's rights and situation, highlighting their selective approach to international affairs. Thus, these right-wing populist parties skillfully manipulate the 'China issue' to serve their domestic agendas, employing populist rhetoric to fuel their narratives.

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