

Reforming Kazakhstan: An Analysis of Socio-Economic and Political Changes under President Kassym-Jomart Tokayev

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ABSTRACT

This study examines the socio-economic and political reforms undertaken in Kazakhstan under the leadership of President Kassym-Jomart Tokayev, with particular emphasis on the continuity and transformation of policies initiated by his predecessor, Nursultan Nazarbayev. It argues that while the Kazakhstan-2050 Strategy laid the foundation for economic modernization and long-term development, the changing domestic and global political economy required a broader reform agenda integrating political, institutional, and social dimensions. The paper adopts a qualitative and analytical approach, drawing upon official government documents, policy statements, and secondary scholarly sources to evaluate the scope and impact of these reforms. The analysis highlights Tokayev's efforts to diversify the resource-dependent economy through industrial modernization, agricultural development, digital transformation, enhanced foreign direct investment, and support for small and medium enterprises. It also explores institutional initiatives aimed at improving governance, including the establishment of the National Council of Public Trust and the strengthening of mechanisms for policy implementation and public participation. In the political sphere, the study examines reforms related to constitutional restructuring, parliamentary empowerment, and the gradual liberalization of the right to peaceful assembly and civic engagement. These measures reflect an attempt to balance political stability with growing public demands for accountability and democratic participation. The paper contends that Tokayev's reform agenda represents both an extension of Nazarbayev's developmental vision and a pragmatic response to contemporary socio-political challenges, including economic vulnerabilities, the COVID-19 pandemic, and shifting geopolitical dynamics. Ultimately, the study concludes that the success of Kazakhstan's long-term development strategy depends on the effective integration of economic modernization with inclusive governance and institutional reforms, thereby fostering a more resilient, diversified, and participatory state.

Keywords: Kazakhstan, Kassym-Jomart Tokayev, Socio-economic Reforms, Political Reforms, Kazakhstan-2050 Strategy

INTRODUCTION

The leaders so far in Kazakhstan's national politics have been visionary and promising for the country and its fellow citizens. The first President of the country since independence, Nursultan Nazarbayev, set far-reaching goals for the country. The "Kazakhstan-2050" was launched in 2012 as one among such visionary goals, aiming to develop the country and place Kazakhstan among the world's top 30 most developed nations. President Nazarbayev repeated numerous times that for the country, "the economy first, then politics." But the

changes took place in Kazakhstan when the global political economy created a situation that forced the national policy of Kazakhstan to revise its national strategies. The Kazakhstan 2050 goal is primarily focused on the country's economic and infrastructure growth. By 2015, it was well understood that focusing solely on the economy was not going to be enough to achieve the promised goals; rather, they found the country progressing in a single dimension. While developed countries are developed not because of their robust economies, but because of diverse factors that help the country progress holistically. On the other hand, the national voice was

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increasingly demanding political reform alongside economic reforms.

New initiatives and political reforms were being initiated in the political ecosystem before President Nursultan Nazarbayev's unexpected resignation from office on March 19, 2019. Following the post-resignation national election, a new leader assumed the office of the President: President Kassym-Jomart Tokayev from Nur Otan, which was later rebranded as *Amanat* in 2022. In addition, he strategically created a new political party to back and cement his political legacy and to restructure the power structure of Kazakhstan's politics. Unlike former President Navarbayev's focus on the economic reforms, Takayev emphasised all facets of the government, constitutional, judiciary, executive, political, and economic as well. Among these groups of reforms, constitutional reforms were introduced in the executive to expand and strengthen the parliament's workforce. President Takayev, in the three-yearly National address, delivered a strong speech with scathing criticism of various functions of different sectors in the country's governance and announced the dire need for systemic reforms in the working country. The economic reforms were going hand in hand with ambitious targets to achieve the national goals. To maintain checks and balances and track the strict implementation of the reforms, President Tokayev established various new institutions to ensure that reforms are being properly carried out as directed. The National Council of Public Trust is one of the prime organs that works with government officials and hon'ble members of the civil society. In addition, these institutions are intended to generate new ideas and strategies to facilitate the smooth implementation of reforms. Reforms in the various fields are analysed below.

Kazakhstan under Tokayev: Economic and Political Reforms

Economic Reforms

The economic reforms were the backbone of the changes introduced by President Nazarbayev. He brought various reforms during his terms, but economic prosperity through reform was one of his prime mottos. However, his predecessor, President Tokayev, who was one of the most trusted political figures, seriously extended the reforms and sustained them under the leadership of the previous President. The economic reforms still remained the central pillar in one form or another. President Nazarbayev wants to build a stable and resilient economy,

mainly based on the country's abundant oil and natural gas resources. The global financial crisis of 2008 brought new lessons to learn as oil prices unexpectedly dropped worldwide. Nazarbayev envisioned that Kazakhstan would place among the top 30 most developed countries in the world by 2050. Therefore, he wished to frame a reform strategy intended to achieve the country's goal.

Despite such visionary goals and driving ambitions, the implementation of the policy did not gain momentum after the 2012 announcement. Serious implementation was evident from 2016 to 2019, even before Nazarbayev retired from office. When Takayev took office, he aimed to fully implement some of the policies with the same ambitions, while introducing new programmes and improving others to extend the previous administration's policies. The fact of the matter is that Nazarbayev retired from office but not from politics. He continued to serve as the chairman of Kazakhstan's Security Council and also held the responsible authority of the Nur Otan Party's leadership until November 2021. It is still believed that the people of Kazakhstan are convinced that President Tokayev has been sincerely focusing on the list of promises made during the State of the Nation. Therefore, Tokayev focused on implementing various initiatives, including the holistic development of the economy, reduction of dependency on natural resources, industrial development, agricultural reforms, infrastructure development, preservation and management of state-owned assets, and supplementing and supporting small and medium enterprises (SMEs). Like Nazarbayev, President Takayev also promised to implement in his State of the Nation address. This paper further identifies the priorities of Tokayev for Kazakhstan.

Modernisation of the Natural Resource-Based Economy

To understand the reforms and modernisation during the regime of President Tokayev, it is equally important to understand the policy and reforms initiated by former President Nazarbayev, who has been the pioneer of almost all reforms.

A large portion of Kazakhstan's economy depends on oil and gas. Therefore, the extraction industry is always in high demand to sustain the flow of natural resources. The extraction industry has expanded since the 20th century, particularly during the Soviet era. The Second World War period was a golden time for the oil industry. While the oil production between 1960 and 1969 increased

from two million tons to 10 million tons annually. The increased production continued and lasted longer, and Kazakhstan became the largest oil producer after Russia in 1974. Following Kazakhstan's independence after the collapse of the USSR in 1991, the oil industry and production were at a peak, but political and economic instability in the post-1991 period shook the country's economy. To rebuild and revive the oil industry and economy, President Nazarbayev welcomed foreign direct investment (FDI) to support the oil extraction industry and expedite existing oil projects. Later on, within less than a decade, FDI in the oil industry grew rapidly. Compared with GDP, FDI was 0.4% in the initial years of 1991, while it reached 12.7% by 2002. On the other hand, crude oil production from the extraction industry increased from 26.5 million tons to 40.9 million tons, accounting for 13% of the country's GDP (OECD n.d., World Bank n.d.).

Understanding the vulnerability of the economy, which is mostly dependent on the oil industry and production, Nazarbayev later decided to lay the foundation for diversifying the country's sources of income. Previously, the Kazakh economy was closely tied to the global economy, but in 2012, it launched the Kazakhstan-2050 strategy. This was intended to achieve and build the Kazakh economy immune to global commodity price and market fluctuations (Linn, 2014). Therefore, the road to the developed Kazakhstan was designed by Nazarbayev, keeping the future safe and holistic for tomorrow's economy. The key strategies of his economy were not confined to industrial growth but were fully supported by infrastructure development, agriculture, foreign investment, management of natural resources, state-owned assets, and support for small and medium enterprises. However, the ultimate goal of the country was to increase the economy's immunity, make it stable and diversified, and keep pace with the world economy.

Most of the efforts carried out by President Tokayev can be seen as an extension of those of former President Nazarbayev. Tokayev often either accelerated or continued most of the strategies rolled out by Nazarbayev. Many of the key objectives and priorities announced by Nazarbayev under the Kazakhstan-2050 Strategy are reiterated by President Tokayev in the 2019 State of the Nation address. He focused on various areas of industry, such as agriculture, the digital economy, increased FDI, and MSMEs, to ensure diversified growth and production. In addition, he launched the knowledge-based economy

in 2017 to promote diversification, five years after the launch of Kazakhstan-2050. To ensure proper implementation of all rolled-out policies, Tokayev developed a programme called Nurly Zhol in 2014. This was primarily established to oversee transportation and infrastructure activities in the country. To regulate small- and medium-sized businesses, the Business Road Map was established in 2010, and the country's national funds were properly managed to prevent overuse.

No doubt Tokayev continued the economic reforms started by his predecessor, but he also brought many of his own reforms to the table. Two of his economic reforms brought structural changes to the country, such as a) modernising the tax system, and b) reducing the role of state-owned enterprises (SOE) in the Kazakh economy. Compared to his predecessor, Tokayev is seen working more meticulously and closely on the announced initiatives for the State. Nazarbayev set goals and targets for the Kazakhstan-2050 Strategy, but Tokayev introduced more granular implementation strategies for every programme. For instance, Tokayev developed a design to upscale Kazakhstan's agricultural industry by expanding irrigated land, increasing agricultural production by around 4.5 times by 2030, and seizing agricultural land for sale to foreign companies and land that is left unused. The national addresses by Tokayev in 2020 and 2021 in the post-pandemic era assured a renewed approach to implementing strategies to achieve the old targets. However, the COVID-19 pandemic in the country did not divert the national focus from the priorities. Rather, the pandemic nationwide prompted necessary reforms in the health care system. The 2018 programme of compulsory health insurance was implemented in 2020 (Official Information Source of the Prime Minister of the Republic of Kazakhstan, 2021).

President Tokayev wanted to accelerate the country's development through the existing initiatives. He was strongly convinced of the initiatives to achieve the set goals. Therefore, he declared new 'seven basic principles' for a more diversified, technologically sound economy. For that, he announced the new set of laws on 'industrial policy'. He promoted the agricultural industry under the 'National Project for the Development of the Agro-Industrial Complex' (Office of the President of the Republic of Kazakhstan, 2020). There was a list of such initiatives aligned with all projects and programmes to speed up. Several long-term initiatives announced in the statement of the nation in 2021 include the agro-industrial

complex and the digitalisation of the economy. He had to face specific challenges that slowed down the reforms and economic progress. However, despite this fact, he continues with the new reforms. On the other hand, short-term plans mentioned in the National Development Plan in 2021 were meant to improve the well-being of common citizens, quality of life, and institutions, and to achieve a stronger economy by 2025. President Tokayev's short-term plans for the country include three elements: a) building a diverse and innovative economy, b) development of economic and trade diplomacy, and c) balanced territorial development (Official Information Source of the Prime Minister of the Republic of Kazakhstan, 2021).

To expedite the plan, the short-term programme includes the role of the Astana International Financial Centre, which supplements the effort by privatising businesses and attracting foreign investment. While President Tokayev was consistently cooperative with all national priorities to ensure the smooth functioning of the economic reforms in Kazakhstan. He has left no room for a slowdown in development. Such a serious implementation of the National Plan was sufficient indication of President Tokayev's pragmatic vision. Therefore, there were some presuppositions in the country during the post-Pandemic COVID-19 period that the government would give up because of the pandemic's mismanagement and be distracted from its focused reforms, mainly with the 'Made in Kazakhstan' programme initiated by President Nazarbayev. The 'made in Kazakhstan' motto aimed to raise Kazakhstan as the 'breadbasket' of Central Asia and establish a trusted, renowned 'Made in Kazakhstan' brand (Office of the President of the Republic of Kazakhstan, 2017).

Political Reforms

It is one of the most sensitive reforms instituted in the country, driven by strong convictions. The relevance of political reforms is not limited to the domestic and national spheres; it is connected to the force of democracy in the international sphere. On the one hand, the two leaders introduce a bunch of reforms in the country incessantly to speed up growth and development in order to achieve the established goal. In addition, international agencies, particularly Western organisations, highlighted various loopholes and deficiencies in the country's electoral system. Various watchdogs, including international organisations and Western governments, urged Kazakhstan to expedite the reform process. While

the two significant partners, Russia and China, opposed the democratic reforms imposed by the Western powers. In fact, researcher Thomas Ambrosio has found in his study that Russia and China utilise the Shanghai Cooperation Organisation to promote authoritarian models across all Central Asian countries (Ambrosio, 2008).

Freedom of Assembly is one of the most sensitive concerns for the government of Kazakhstan. Oppressive treatment of the right to Assembly in the country was very common for every protest and demonstration. Police brutality and women's rights were often raised as concerns among the common people of Kazakhstan. The authoritarian behaviour of the system gave the government the strength to silence public disturbances, but on the other hand, the government also felt the need to provide some outlet for civilian frustration with government policies. The government also understands the consequences of total control over freedom of speech, Assembly, and protest, which is a double-edged sword. It may also lead to a rise in the danger force challenging the government. So far, the Central Asian region has been experiencing political demonstrations; whenever there is a strong protest by the masses, it has led to the overthrow of the government. Therefore, the leaders of Kazakhstan have learnt unambiguously that any change, upgradation, or modernisation must take place gradually and at an acceptable pace, rather than in a radical or revolutionary manner.

However, the Constitution of Kazakhstan guarantees the right to Assembly, but raises some concerns. The limitations on the right to Assembly are based on state security, public order, and the protection of the rights of other persons. In the early years of independence, civilians enjoyed considerable freedom of Assembly across the country. While the government afterwards adopted a strict approach in restricting the freedom of Assembly. As a result, the government hardly grants any permission for protests and mass demonstrations, particularly unauthorised gatherings, which are prohibited under new regulations. While the situation in Kazakhstan regarding the right to freedom of Peaceful Assembly was reported to be the best by a UN Special Rapporteur on the Right to Freedom of Peaceful Assembly and Association, Maina Kai (Former UN Special Rapporteur, 2015). According to the special rapporteur, people had assumed and treated freedom of Assembly as "a privilege, or a favour, rather than a right." He observed in an interview with a high-ranking government official

that “the emphasis was on the restriction to the rights rather than the rights themselves.” A study conducted by the Kazakhstan human rights activist found that the government had permitted only authorised political opposition assemblies in regions distant from government buildings and city centres, thus reducing their impact on the public (Kazakhstan International Bureau for Human Rights and the Law, 2010).

In December 2019, President Tokayev created the Forum of the National Council of Public Trust to emphasise the validity of diversity of opinion among the public. The President openly identified and recognised differences of opinion, showing equal respect for all kinds of views. One step ahead, he launched the idea of “different opinions-one nation”, and expressed with conviction that “alternative opinions and public debate do not lead to stagnation, but they are the main requirements of development”. Inspired by these thoughts, the President brought forward legislative reforms for rallies and demonstrations in the country. The legislative reforms on rallies and demonstrations were liberalised, allowing peaceful rallies and demonstrations without strict permission from the authorities, unlike the pre-reforms, but only with a notification to be acknowledged by the relevant authorities. In addition, he expressed his genuine concerns and care for the diverse cultures and opinions growing in the country. As per his statement, “culture of rallies should be cultivated among the people, and that rallies are not only a right, but a responsibility” (Satubaldina, 2019).

Conclusion

This paper seeks to understand the changes that occurred during President Tokayev’s tenure. Reforms in Kazakhstan are always a matter of national significance. Ever since independence, intensified political, social, and economic reforms have been brought before the public and politicians alike. No doubt, President Nazarbayev started the trend of reforms in the nation, but it is President Tokayev who has extended and implemented those reforms seriously, with clear objectives. During these reforms, both presidents had to manage their relations with the powers in neighbouring countries, such as Russia, China, and the USA, and with the influence-creating organisations in the West. But it was deeply convinced that reforms are the dire need of the country to ensure the country is stable and progressive in the future. Therefore, President Tokayev did not hesitate to take

stronger decisions to liberate or empower the people of Kazakhstan. Reforms in the freedom of Assembly and political reforms reduce the power of politicians while empowering the people of the country, gradually helping nurture the democratic ethos in the country and in civil society and preparing the country for self-governing societies.

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