



Kazakhstan's Echo

A publication of the Embassy of Kazakhstan to the USA and Canada
with views and comments on developments in and around Kazakhstan

www.kazakhembus.com

July 10, 2006

No. 27

Tokaev: Kazakhstan Is Eager to Lead Sustainable Development in Central Asia

Kassymzhomart Tokaev, Kazakhstan's Minister of Foreign Affairs, delivered a speech, Kazakhstan: Strengthening Security in Central Asia through Democratic Reforms and Economic Development, at the Central Asia and Caucasus Institute of Paul H. Nitze School of Advanced International Studies of Johns Hopkins University in Washington D.C., on July 6.

In the speech Minister Tokaev said, "Kazakhstan is eager to lead sustainable development in Central Asia because it is crucial for the security of our own country and will generate prosperity for the entire region. We see our role as promoting regional economic integration, facilitating trade and investment, making the region more attractive to foreign capital and ready for full fledged integration into the global economy."

Following is the transcript of the speech.



Kassymzhomart Tokaev addresses more than 200 guests at the Central Asia and Caucasus Institute from the U.S. Administration, Congress, academia, business community and the media.

* * *

Thank you very much, Elizabeth [Jones]. From the very outset, I would like to express my profound appreciation for your so generous introduction of myself. We really appreciated you job as Ambassador of the United States to Kazakhstan and as Assistant Secretary of State and your contribution to developing the cooperation between our countries. We will never forget your contribution.

I also would like to express my sincere appreciation to the old friend of Kazakhstan, Mr. Frederick Starr, with whom we met not long ago, about two months ago, attending the conference in Kabul on the problems of cooperation and trade in Central Asia. It was a very successful forum, and I think we will continue our joint efforts in order to promote free trade and cooperation in Central Asia. Thank you very much.

It is a huge privilege for me to be here with you. This is my first appearance at the Johns Hopkins University. Using this opportunity, I would like to elaborate on a number of points relating to the strategy of Kazakhstan and our foreign policy, and to inform you how we are trying to promote our strategic interests bearing in mind challenges in the region and beyond.

At the very outset, I would like to wish our American friends a belated happy 230th birthday. Your historical struggles during more than two centuries have provided some interesting and very useful lessons for the forthcoming younger democracies such as ours.

My previous visit to Washington in August last year was followed by a number of visits to Kazakhstan by key members of the U.S. Administration, including, most recently, of Vice President Richard Cheney, which is a very positive signal of the growing relations between our countries.

My current visit seeks to lay the ground for the upcoming visit of President Nursultan Nazarbayev to the United States this fall. I have already met Secretary Rice this morning and her colleagues at the State Department, as well as US Trade Representative Susan Schwab. These meetings confirmed mutual determination to further develop our ties both in bilateral and multilateral dimensions.

I consider our meetings timely and further encouraging exploration and analysis of our bilateral relations and enhanced U.S. engagement in Central Asian affairs. It also gives us a chance for an open exchange of views on key issues of security in Central Asia.

During the last decade, our region has gradually transformed from a periphery into one of the focal points of international politics as the situation in Central Asia became a meaningful factor for global stability and security.

This is largely due to the synergy of economic and security considerations.

Today, Central Asia is attributed strategic value because of its immense natural resources, mostly, but not limited to, energy assets. The region, and especially Kazakhstan, is seen as a major alternative energy supplier whose importance continues to grow. One should also think of prospects of current and future transport corridors linking China's booming economy to European markets.

Talking about Kazakhstan's potential, I would like to mention the fact that apart from the energy resources, Kazakhstan is well known for other mineral resources like chrome, and Kazakhstan is the number two chrome producer in the world. Kazakhstan is going to be in top five uranium producers in the world. We are also number six in the world in terms of copper production. We are also number five in the world in terms of exporting wheat to the external markets.

But, at the same time, apart from natural resources Kazakhstan is attributing its success to the structural reforms. Our priority from the very beginning was to pursue economic reforms. Just now Elizabeth Jones noted that Kazakhstan is being recognized as a successful country in terms of promoting the banking system reforms and generally reforms in the economic area. And our GDP is larger than the economies of all Central Asian countries put together. So, I would like to make emphasis on the fact that, apart from the natural resources, our strategy is focusing on the continuing structural reforms. We believe it is very important to achieve success in the economic area and then to build up a solid middle class which will serve as a pillar of democracy in my country.

We are also very much concerned about the existing challenges and I would like to name some of them: drug trafficking, religious fundamentalism, international terrorism, separatism, interethnic tensions, proliferation of weapons of mass destruction, conflicts over scarce water resources, illegal migration, and so on which overshadow regional development agenda. The presence of these

challenges in the region is a source of instability. Moreover, problems of Central Asian nations have great repercussions not only for neighboring regions but globally.

Most of these problems stem from poverty and underdevelopment. The need for accelerated economic integration between Central Asian states and the global economy presents itself as the most effective way to tackle those acute challenges and galvanize regional cooperation.

Put together, Central Asian countries have a promising market of more than 50 million consumers and producers of goods and services. Once consolidated, this market could boost the economies of all parties involved in this process.

Kazakhstan is being recognized as a driving force for stability, economic development and political modernization in the region. Kazakhstan's booming economy allowed us to refrain from foreign financial aid including that from international financial institutions.

We intend to join the WTO very soon. I would like to underscore that we appreciate very much the support of the US Administration on this issue. I just mentioned that this morning I had very useful and intensive talks with Trade Representative Susan Schwab. The talks were very positive, and we believe that Kazakhstan, after all, will be able to join WTO.

We have already become a net capital exporter with considerable Kazakh investment being made throughout the region. The amount of investment Kazakhstan is sending abroad reached 10 billion dollars. This positively reshapes our region from the inside. We have nurtured a very active and modern business class who are on par with the best businessmen in the world.

Our own success story proves democratic development naturally comes after solid economic progress has been achieved. In other words, our concept is to build, first of all, a solid economic basis for further democratic changes and political reforms. This concept proved to be quite useful, feasible, practically minded, and we believe we will follow this concept; we will be implementing this program. We are taking into consideration good lessons and bad lessons which do exist in our history. We've been witnessing the lesson of the Soviet Union when the perestroika, or the political liberalization, has been proclaimed, with no efforts in the economic area, and the whole country, the whole empire collapsed. So, first of all, the economic basis must be solid than we will go ahead with political reforms. In this area, we achieved a lot. The role of the Parliament is being enhanced. The role of the NGOs is being increased. These policies are becoming irreversible, and we believe Kazakhstan, not only in the economic development, but in the political area also, must be going ahead and be a leader in our region. This is our historic destiny to be a democratic, secular and economically developed country.

Kazakhstan assumes its responsibility for strengthening security in Central Asia both by leading integration processes and setting the pace of political drive towards open civil society with strong roots of political pluralism and respect for human rights. By doing so, Kazakhstan would set an example to follow.

The rationale behind this is twofold. First, the need for Kazakhstan to be at least a half step ahead in modernizing economy and political sphere in order to stay competitive regionally and globally. Second, Kazakhstan is eager to lead sustainable development in Central Asia because it is crucial for the security of our own country and will generate prosperity for the entire region. We see our role as promoting regional economic integration, facilitating trade and investment, making the region more attractive to foreign capital and ready for full fledged integration into the global economy.

The major task is to promote all three components of sustainable development – economic development, social development and environmental protection – as interdependent and mutually reinforcing pillars which contribute to the enhancement of security as well as Kazakhstan's capacity to withstand the pressures from modern threats.

As we advocate regional integration, we place strong emphasis on supporting regional and international institutions.

The initiative of our President on convening the Conference on Interaction and Confidence Building Measures in Asia, CICA, has already been recognized as a prominent factor in contemporary international relations, promoting favorable climate for ensuring security in Asia. The second CICA summit, held recently in Almaty, marked a new phase in its development as it is clearly becoming more popular among the states. Currently, there are 18 states, including all our neighbors in the region and Afghanistan, which joined CICA.

Kazakhstan is also seen by the international community as a model of interethnic dialogue and inter-religious tolerance with more than 3,000 religious groups representing 40 religions in Kazakhstan. In September 2006, Kazakhstan will host the Second Congress of the Leaders of World Religions.

A few words about the Shanghai Cooperation Organization, I would like to indicate, contrary to some media misperceptions, that SCO is not an anti-Western club. It is a unique organization with a universal agenda ranging from security issues to economic cooperation. As its active member, Kazakhstan would work to keep the SCO universal and well-balanced organization.

Ladies and gentlemen,

Our country enters a new stage of social, economic and political modernization. President Nazarbayev has set an ambitious goal to join the world's most competitive nations in the nearest future through enhanced diversification and raising competitiveness of our economy.

The core idea of our internal policy is to harmonize political development with our economic achievements. A State Commission on furthering democratic modernization has been set up with the ultimate goal of presenting conclusions and introducing recommendations on how to boost political reforms.

In this regard, I would like to stress that Kazakhstan's political system is based on Western values and standards and on universal principles of human rights and democratic society.

The latest presidential and parliamentary elections have shown a steady and consistent progress of democratic processes in Kazakhstan. This coming fall for the first time in the region 30% of local mayors will be elected in Kazakhstan.

We actively support nongovernmental organizations. More than 5,000 NGOs combined with more than 2,000 news media outlets serve to further deepening of democracy. The concept of civil society currently is being elaborated with the active involvement of NGOs and international experts.

I would like to express our appreciation to the U.S. Administration for its support of our bid to be chairman of the OSCE, the Organization for Security and Cooperation in Europe. Principally, we believe the United States is quite positive about this bid. At the same time, of course, there are some discussions about when this presidency could be implemented. But, it is a very good stimulus for Kazakhstan to go ahead with the democratic changes and with the transformation of our society. We believe it is a very good issue of mutual cooperation between the United States and Kazakhstan.

We are also very much committed to the nonproliferation. Ten years ago, all nuclear devices left from the former Soviet Union were finally removed from the territory of my country. Currently, we are working with our neighbors to establish a nuclear weapons free zone in Central Asia. Initially, that was an initiative put forward by Uzbekistan. We supported this initiative, and we are closely working with all our neighbors and we are very close to signing of this treaty which is going to be held in Kazakhstan, in Semipalatinsk, the city which used to serve as a nuclear testing site for forty years.

Central Asia's security cannot be considered comprehensive without interaction with and between global and regional powers. It is especially essential for Kazakhstan as we border several nuclear powers and enjoy close political ties and economic contacts with the United States and the European Union.

Kazakhstan's geopolitical position as well as our priorities in social and economic and political development undoubtedly influence the guidelines of our foreign policy, which from the very outset has been directed at balancing the interests of all parties concerned.

We have managed to develop stable and predictable relationship with all of our immediate neighbors, first of all, Russia, China and the Central Asian countries. In this respect, the historic importance of demarcation of the borders with all neighboring countries has to be underscored. Kazakhstan has legally fixed its 14 thousand kilometer long border, thus significantly reducing any challenge to our security. This naturally encourages the stability and security throughout the region.

We regard the United States as our strategic political, trade and economic partner. Our close relationship is rooted in the days when the U.S. helped us rid ourselves from the unwanted legacy of the world's fourth largest nuclear arsenal. That cooperation sprang from our nations' shared values.

These days our fruitful multifaceted cooperation continues. Kazakhstan renders comprehensive support for the United States led coalition in Afghanistan and has deployed its troops to Iraq, thus effectively contributing to the global war against terrorism and restoration of normal life in those troubled regions. Kazakhstan has proven itself a reliable partner in the nuclear disarmament and nonproliferation. We also pursue mutually beneficial cooperation in the energy sphere which is quite instrumental in preserving global energy balance.

The United States has been consistent in its commitment to Central Asia. Today, we can and should work hand in hand to promote regional integration.

The concept of Greater Central Asia is being discussed at many levels. We believe this concept has to be discussed as a concept, as a very interesting view of future cooperation and integration in Central Asia. In this context, we highly evaluate draft Silk Road Strategy Act 2006 recently introduced in the United States Senate. We also see benefits in the Trade and Investment Framework Agreement, or TIFA, spearheaded by the United States as a means to breathe new life into regional trade and increase stability. In fact, in about a week Kazakhstan will host regional and US delegations for major discussions under the TIFA framework.

I believe that nurturing interest in American society about developments in Kazakhstan and the region will help us achieve our goals. We are seeing many people in this country wanting to learn more about Kazakhstan, and we welcome this kind of interest.

Let me assure you that Kazakhstan is committed to further developing the relations of strategic partnership with the United States. New horizons are seen in our relations today and we have every reason to look into the future with great optimism. We believe the upcoming visit of President Nazarbayev to the USA and his meetings with President George Bush later this fall will give a powerful boost to our partnership.

Thank you for your attention.

For more news and information about Kazakhstan visit us at www.kazakhembus.com

Embassy of Kazakhstan to the USA and Canada

1401 16th Street, N.W. Washington, DC 20036

Phone: (202) 232- 5488 ext. 104, Fax: (202) 232- 5845

Contact person: Roman Vassilenko