

KAZAKHSTAN'S REPRESSION, AMERICA'S PERIL

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Abstract

The Central Asian states of the former Soviet Union have come to play a vital role in the U.S. campaign to stamp out Islamic terrorism. While Uzbekistan and Kyrgyzstan have provided bases for U.S. military operations in Afghanistan, Kazakhstan may be even more critical for long-term U.S. interests. Kazakhstan is expected to become one of the world's top oil producers and exporters within a decade, and its inclusion in the world oil market will expand U.S. policy options in the Middle East. The spread of Islamic radicalism in Kazakhstan, however, could threaten U.S. plans.

Although a modest economic recovery has spared Kazakhstan, so far, from the destabilizing effects of radical Islamic activism that its neighbors have suffered, this may be only a temporary reprieve. Unless the government establishes legal outlets for political expression, either oil-driven prosperity or – should the oil boom not pan out – economic decline, could drive citizens to join underground Islamic movements, as they have elsewhere in Central Asia. As part of its global campaign against terrorism, the U.S. administration must take proactive measures to stem the spread of extremist Islamic groups in Kazakhstan, by encouraging the government to relax its repressive political practices.

Introduction

The Central Asian states of the former Soviet Union have come to play a vital role in the U.S. campaign to stamp out Islamic terrorism. The U.S. military has renovated bases and stationed troops in Uzbekistan and Kyrgyzstan to facilitate its operations in Afghanistan. While Uzbekistan and Kyrgyzstan can help address the immediate threat of al Qaeda, Kazakhstan is critical to long-term U.S. plans to halt Islamic terrorism. Kazakhstan is expected to become one of the world's top oil producers and exporters within a decade, and its inclusion in the world oil market will expand U.S. policy options in the Middle East. American reliance on oil from the Middle East has forced U.S. administrations to favor repressive stability over good governance in the region, thus fueling extremist Islamic movements. Yet, ironically, the spread of Islamic radicalism in Kazakhstan itself poses a significant threat to U.S. plans.

Islamic radicalism is likely to spread in Kazakhstan, threatening U.S. security and economic interests, unless political repression in the country ends. A slight economic recovery in Kazakhstan has granted the country a temporary reprieve from the extremist Islamic groups that have destabilized Uzbekistan, Kyrgyzstan, and Tajikistan. However, given the political climate in Kazakhstan, no future scenario is so rosy. If Kazakhstan's oil industry takes off as predicted and wealth is distributed well within the country, economic prosperity will free citizens from immediate survival concerns, enabling them to focus on political matters. However, without legal outlets for political expression, Kazakhs will turn to underground Islamic movements. If citizens do not share in the country's oil windfall or if oil prices decline, worsening economic conditions may force citizens to turn to radical Islamic groups for economic assistance. As part of its global campaign against terrorism, the U.S. administration must take proactive measures to stem the spread of extremist Islamic groups in Kazakhstan.

These conclusions are based primarily on 101 interviews I conducted in Kazakhstan in the summer of 2001 and media reports published since then. I interviewed three broad sets of people: 1) individuals who are coping with economic problems and may turn to extremist Islamic groups for assistance; 2) individuals who might be helping people survive economically; and 3) individuals who have background information about economic problems and assistance.

The first set included members of Kazakh and Russian households, unemployed individuals, and university students. The second set was comprised of religious leaders, wealthy entrepreneurs, private employment agencies, representatives of foreign and local nongovernmental organizations, and government officials. The first two sets of interviews took place in a northern city and its satellite towns, a southern province, and a village in that region. The third set of interviews was with social welfare consultants and government officials in the former national capital Almaty and the current capital Astana. Since returning from the field, I have reviewed media reports about these issues.

In addition to these interviews and news stories, this paper draws from statistics about welfare and the economy, which I gathered while in Kazakhstan. An additional 131 interviews that I conducted with government officials, religious leaders, political activists, and average citizens in Central Asia during the last five years also inform this paper.

Oil rich, freedom poor

Of all the post-Soviet Central Asian states, Kazakhstan is most important to long-term U.S. security and economic interests. The American economy is increasingly dependent on oil imports, now obtaining more than half of its oil from foreign countries. The U.S. seeks to diversify the world oil supply in order to reduce the political leverage of the Arabian Peninsula oil producers and to challenge the pricing and political influence of states in the Organization of Petroleum Exporting Countries [OPEC].

Obtaining oil from Kazakhstan is preferable to importing it from other large producers. Whereas oil imports from Iran would reduce the influence of the Arabian Peninsula states, U.S. sanctions on Iran limit trade with that country. Although Russian oil production poses a challenge to OPEC, Russia's status as a global power and its relatively strong economic position limit U.S. opportunities to influence Russian oil exports. As such, the U.S. can more effectively achieve its foreign policy objectives by working with the Kazakhstani oil industry. Moreover, oil development in Kazakhstan also has the potential benefit to U.S. companies of creating capital for the expansion of other sectors of the Kazakh

economy, such as communications and transportation. American companies are already active in Kazakhstan's oil economy. Firms, such as ChevronTexaco, have acquired portions of Kazakhstani oilfields and have begun to invest in oil production. American companies own three-quarters of the enormous Tengiz oilfield.

While Kazakhstan has an abundance of oil, it lacks outlets for political protest. Citizens have little say in whether oil revenues line officials' pockets or fund social services. In fact, average people are shut out of all important political debates. The government holds elections, but it bans and arrests opposition figures. Most recently, police arrested two leaders of the political movement Democratic Choice on questionable charges.

Moreover, local government officials and state media have a strong influence on electoral outcomes. The president's oldest daughter exerts direct or indirect control over nearly all television stations and newspapers. The government has shut down most independent media outlets, and those remaining have been subject to harassment and, in some cases, violence. Recently, the parliament passed a law requiring parties to have 50,000 registered members spread across the country, making it unlikely that opposition groups will be able to operate as parties. This will further weaken the parliament, which President Nursultan Nazarbaev dissolved in the mid-1990s and reconstituted with pro-presidential parties.

As economic conditions in Kazakhstan change, this combination of resource wealth and political repression poses a risk to U.S. interests. Inadequate legal means to contest government policies may drive dissatisfied Kazakhs, who are Muslim, into outlawed, extremist Islamic groups, such as Hizb ut-Tahrir al-Islami and the Islamic Movement of Uzbekistan (IMU). The growth of radical Islam in Kazakhstan could encourage acts of terrorism against U.S. businesses in the country. A struggle between extremist groups and the government could destabilize Kazakhstan, making it difficult for U.S. companies to operate and interrupting exports of oil.

The introduction of an Islamic regime could also curtail U.S. business ventures in the country and cause chaos in the Russian Federation. An Islamic coup might also result in a revival of Russian secessionist movements in Kazakhstan or the flight north of Kazakhstan's five million Russians, taxing

Russia's already strained social service network. With an Islamic government on its southern border, Russia could respond with military force in Kazakhstan and greater repression of its own Muslim minorities, such as the Chechens. As in the fall of 2001, the U.S. would again be faced with the challenge of promoting stability and its own interests in Central Asia while maintaining its delicate relationship with Russia.

Islamic radicalism at the door

Of the radical Islamic movements in the region, Hizb ut-Tahrir poses the greatest threat to Kazakhstan, as well as to U.S. interests. The goal of regional Hizb ut-Tahrir members is to create a caliphate in Central Asia in order to reduce corruption and poverty. While the organization espouses peaceful methods, some of its leaders and members are willing to resort to violent tactics. Moreover, the group's statements tend to be hostile toward the U.S.

In July 2001, on the birthday of Kazakhstani President Nazarbaev, thousands of leaflets from Hizb ut-Tahrir appeared in people's mailboxes in the city of Almaty. That year, the government also tried and sentenced Hizb ut-Tahrir members in the southern Zhambyl province. The group is already well established in Uzbekistan and Kyrgyzstan, which share a border with Kazakhstan, as well as in nearby Tajikistan. The movement has served as a political outlet in Uzbekistan, Kyrgyzstan, and Tajikistan, where legal means to contest government actions are limited.

The government of Uzbekistan squelched its secular, democratic opposition in the early 1990s and has since prohibited any challenges to the regime. Tajikistan enjoys limited political pluralism today as a result of the chaos of the civil war in the mid-1990s, but its government has increasingly cracked down on opposition figures. Kyrgyzstan, once the "democracy of Central Asia," has witnessed a steady erosion of civic freedoms through the 1990s. In these countries, members of Hizb ut-Tahrir can express their dissatisfaction with their governments and feel that they are politically engaged by holding underground meetings and distributing leaflets to the public.

Hizb ut-Tahrir members number in the thousands or possibly tens of thousands in Uzbekistan, Kyrgyzstan, and Tajikistan, and they tend to be young, unemployed men. Reports conflict as to how educated and urbanized the men are, perhaps indicating that membership differs by country. While Uzbek members outnumber their Kyrgyz and Tajik counterparts, all are united by frustration with their governments' corruption and abuses of power. They join more as a way to reduce their ennui and discontentment than as an expression of Islamic belief, according to research done by the International Crisis Group. Membership can also provide economic benefits, as young adults who distribute leaflets receive some income. However, if possible, members are also expected to make monetary contributions to the organization.

The Islamic Movement of Uzbekistan poses a secondary threat to Kazakhstan and U.S. interests. While active in Uzbekistan, Kyrgyzstan, and Tajikistan, the IMU has not yet made its presence known in Kazakhstan. Like Hizb ut-Tahrir, the IMU also draws from the large pool of young, unemployed Uzbek, Kyrgyz, and Tajik men in the region. However, IMU members are predominately uneducated, rural residents. The IMU has boasted few members, at most 1,500 guerillas and their families, in part because of its violent tactics in pursuit of its more limited goal.

The IMU aims to establish an Islamic regime in the Ferghana Valley, shared by Uzbekistan, Kyrgyzstan, and Tajikistan. Having developed ties with the Taliban and al Qaeda, the IMU fought against U.S. forces in Afghanistan. The U.S. bombing campaign in Afghanistan severely weakened the IMU's leadership, damaged its physical infrastructure, and reduced its income. The U.S. military is believed to have killed IMU leader Juma Namangani, destroyed the organization's bases in Afghanistan, and hampered its ability to acquire funds from al Qaeda and the Afghan drug trade.

While the IMU is smaller and weaker than Hizb ut-Tahrir, it has already destabilized the region and continues to pose a threat to the countries of Central Asia and to U.S. interests. Operating out of Tajikistan, approximately 1,000 IMU members mounted incursions into Uzbekistan and Kyrgyzstan in 1999, 2000, and 2001. Members kidnapped citizens and foreigners in Kyrgyzstan, and, according to the government of Uzbekistan, tried to assassinate Uzbekistani President Islam Karimov in the Tashkent

bombings of February 1999. Hundreds of IMU guerillas battled U.S. forces in Afghanistan, and those who survived are likely to have become even more anti-American. Although the IMU has weakened, the economic hardship and political repression that led to its formation have not ended. IMU fighters allegedly received monthly salaries of 100 to 500 USD in cash, according to journalist Ahmed Rashid. If true, this income provided a means of economic survival, and if false, this rumor may continue to serve as a powerful tool to recruit young, unemployed men.

No cultural bulwark

Kazakhstan's culture offers no protection against the spread of Hizb ut-Tahrir and the IMU within its borders. The historical weakness of Islam and the strong Russian influence in Kazakhstan have been seen as bulwarks against the emergence of extremist Islamic groups in the country. However, the spread of radical Islam in culturally similar Kyrgyzstan has overturned these expectations.

In both Kyrgyzstan and Kazakhstan, Islam has relatively weak roots. Ethnic Kyrgyz and Kazakhs are descendants of nomads who had little contact with southern Central Asian cities, which were centers of Islamic practice and education and were home to the ancestors of present-day Uzbeks and Tajiks. Even at the time of the Russian conquest in the mid-1800s, the nomads continued to practice shamanism and animism, having no Islamic institutions and minimal knowledge of Islamic practices and doctrine. Moreover, throughout the Soviet period and today, significant numbers of Russians, most of whom are Christian or atheist, have lived in the north of each country. Their presence, coupled with Soviet education and employment policies that promoted Russian culture, was expected to serve as a bulwark against radical Islam.

Yet, the spread of extremist Islamic movements in Kyrgyzstan has shown that nomadic heritage and Russian culture offer no real protection after all. In Kyrgyzstan, approximately 3,000 Hizb ut-Tahrir members run discussion groups and informal mosques and distribute literature. More than 100 supporters have landed in jail, and a few hundred citizens have been trained in Afghanistan to work for either Hizb ut-Tahrir or the IMU. Radical Islam is strongest in southern Kyrgyzstan, where a large Uzbek minority

exists – some reports suggest that ten percent of the population of this region participates in the movement. However, ethnic Kyrgyz are also active in these groups, and the movements are spreading north. Similarly, in Kazakhstan Hizb ut-Tahrir has been most active in the south, where a significant Uzbek minority lives.

No political bulwark

Political repression also does not provide a bulwark against the spread of Islamic extremism in Kazakhstan. As we have seen in Uzbekistan, the lack of political outlets in Kazakhstan may fuel illegal Islamic movements. Political repression has been severe in Uzbekistan since the early 1990s, when the government squashed the country's secular, democratic opposition and the independent media. Since then, the government has arrested people for minor forms of protest, such as possessing opposition leaflets. Security forces use informers to find opposition figures, and they employ torture to elicit confessions. Uzbekistan now has an estimated 7,000 to 15,000 political prisoners. While a climate of fear has developed during this period, extreme Islamic movements have also grown.

The more mild political repression in Kazakhstan has not dampened opposition in the country. In fact, in the last year a new opposition movement, Democratic Choice of Kazakhstan, emerged. Its supporters have increasingly called for President Nazarbaev's ouster, rather than collaboration to reform the system. Among other factors, the movement's leaders have cited imprisonment of political figures as a reason for the president's removal.

A temporary reprieve

While culture and repression have not made Kazakhstan immune to Islamic radicalism, a slight economic recovery and citizens' reactions to it have granted the country a temporary reprieve. Extremist Islam in Uzbekistan, Kyrgyzstan and Tajikistan is largely a result of worsening economic conditions and political repression. Frustrated with the lack of economic opportunities and the rampant political corruption, citizens of these countries, particularly young, unemployed men, seek a means of economic

survival and an outlet for protest. In authoritarian Uzbekistan, semi-authoritarian Tajikistan and increasingly authoritarian Kyrgyzstan, legal oppositions are non-existent, co-opted, or weak. Consequently, the disgruntled support and join outlawed, radical Islamic groups.

Unlike its neighbors, Kazakhstan has witnessed an economic recovery since 1996, which has discouraged people from turning to radical Islamic institutions for solace or assistance. The citizens of this country have experienced greater employment opportunities, a stable currency, economic growth, and a government budget surplus. Also, increasingly people receive their salaries and pensions and receive them on time – rare occurrences throughout most of the former Soviet Union. The relative economic recovery has led people to believe that the state has begun and will continue to create the conditions for citizens to build a decent life in Kazakhstan. And, this faith in government economic policies has encouraged people to seek legal means of coping with ongoing economic challenges.

Yet, this reprieve from Islamic radicalism is only temporary. Kazakhstan has severely restricted legal opposition. Continued political repression, coupled with shifting economic conditions, will bring an end to this grace period. The next three sections demonstrate that, in the face of new economic challenges, Kazakhstan has two temporary lines of defense against the spread of Islamic extremism.

Economic challenges

While Kazakhstan has experienced a mild recovery, people still face significant economic hardship. Rural residents struggle to find any source of income and to obtain services no longer provided free-of-charge by the state. Residents of cities have difficulties finding stable, high-paying jobs in their fields of expertise. Additionally, in both rural and urban areas, people who wish to create jobs for themselves, through entrepreneurship, have trouble obtaining credit.

The fate of rural dwellers is closely linked to the transformation of the *sovkhos* (state farm) or *kolkhoz* (collective farm) in their village. Both of these agricultural institutions were once state entities that provided stable employment and a broad range of services. Today, most of these farms have dissolved, leaving rural dwellers with no guaranteed source of income and almost no social services.

In one village in southern Kazakhstan, the *sovkhos* continues to exist, but employees have not received their salaries for five years, and all but eleven of the 780 employees have left the enterprise. As one of them explained: “We receive no pay. We work for free. For a ‘thank you’.” The demise of the Soviet Union disrupted the *sovkhos*’s import and export networks with other former republics. Moreover, the government of Kazakhstan ended subsidies to the farm and freed prices on inputs, such as energy.

Those individuals who have tried to create agricultural businesses in the independence period face the problem of obtaining credit. Credit is essential to enable these businesses to survive poor harvests and to allow them to become more profitable. For example, one wheat farmer would like to process flour in order to challenge the local milling monopoly. Currently, he has to give the miller 40 percent of his harvest as payment. However, equipment for processing flour costs 12,000 USD. Available loans are not large enough and loan periods are too short to enable such an investment. Saving this sum of money would require years of excellent harvests. This lack of capital also prevents independent farmers from replacing worn equipment and from selling their goods when the prices are highest.

With the loss of their jobs, village residents also faced an end to most social services. In the Soviet era, the state funded the village school and hospital, and profits from the *sovkhos* went to other services such as free home repairs, subsidized day care, and a village club that housed a library and offered free concerts. The *sovkhos* sent young residents to study in Almaty, paying for their education and hiring them when they completed their studies. The farm also contributed to the costs of residents’ gas and water and subsidized villagers’ vacations.

Today, the village offers few services and those it does provide are expensive. Primary education is no longer free. While the government continues to pay the salaries of teachers at the village school, parents pay for textbooks, provide coal for heating, and contribute building materials for renovations. The hospital now charges for all services and can no longer care for patients overnight or transport them by ambulance. Moreover, patients must obtain all medicines on their own. As one resident explained: “Now we are afraid of getting sick.”

The *sovkhos* no longer offers any services. The day care center closed, and the village club is now a private disco that charges admission. Private firms provide electricity and gas at higher rates. Furthermore, the gas company has turned off the gas to the entire village because some people have not paid and it is not profitable to supply gas to only some residents. With the economic deterioration in the village, all but one of the stores closed.

Like rural residents, urban dwellers face the basic problem of earning income to purchase food and clothes, as well as to pay for services no longer provided for free by the state. In urban areas people have a wider selection of goods and services, yet, as a resident of a northern city in Kazakhstan pointed out: "Everything is in stores. Now the problem is money." While urban residents no longer face Soviet-era deficits in goods, they do have difficulty earning sufficient income. In cities, unlike in villages, jobs are available, but finding high-paying, stable work in one's field of expertise is difficult.

Consider, for example, a young man preparing to graduate with a degree in mining. "I want to work in my field but the main consideration is that the salary is high and stable," he explained. While studying he took a job at a firm that produces iron bars for fences, and he earns more there than he would in any mining job. Similarly, a man in his forties left his job at a furniture factory three years ago because the firm received no orders and thus did not pay wages. Unemployed during this period, the man has found jobs outside of the city, but they do not pay enough to justify the transportation fare from home to work.

For those with initiative, entrepreneurship is common way of earning income in urban areas. However, like private farmers in villages, small businesspeople in cities face the problem of obtaining credit. For urban entrepreneurs collateral is the most significant obstacle. A woman who began a car parts business described how her apartment was insufficient collateral to obtain credit at local banks.

Secular faith

Despite these economic challenges, citizens of Kazakhstan are not likely to turn to Islamic extremism in the near future. The first temporary line of defense against Islamic radicalism in Kazakhstan is citizens' faith in government economic policies. People in Kazakhstan – Kazakhs, as well as Muslims of other ethnic backgrounds and non-Muslims – believe that the government has already made progress toward developing conditions that enable citizens to prosper on their own in the new market economy. Citizens no longer expect the government to act as a “nanny state,” providing extensive services from cradle to grave. Instead, people merely want the government to create conditions necessary to “make it on one’s own.” Moreover, rural and urban dwellers, young and old, explain that the current government is not guilty for the new economic problems that they face. Instead, these difficulties are merely a byproduct of the creation of a market economy.

A Kazakh elder in a southern village in Kazakhstan recently compared the current era to the Soviet period by saying that: “We are freer now. Before, the KGB monitored with whom we spoke. Freedom is freedom, but people need to live and we have not reached a good level yet.”

Few in Kazakhstan would claim that they are economically better off today than in Soviet times. Yet, despite the current economic challenges, Kazakhstanis do not blame the government for their hardship. A Muslim university student soon to graduate with a mining degree, credentials in little demand since the end of Soviet industrial policies, said: “No one is guilty [for the low salaries]. Before, coal production was state-run. Now employers may decide how to run the business... It is just the market... the economy.” Even residents of rural areas, where economic survival is more difficult, do not point fingers at the state. If people in rural areas place blame, it tends to fall on the directors of the *sovkhozy* and *kolkhozy*, most of which are now private.

Kazakhstanis have come to accept a more limited economic role for their government. They no longer expect government officials to resolve individuals' personal problems, as authorities often did in the Soviet era. A Kazakh farmer frustrated with limited credit options explained that he would not contact authorities about his problems: “The president cannot be bothered with 100 letters from many

farmers.” Instead, people desire only that the government will create conditions for them to prosper on their own. Those engaged in farming want the government to provide long-term credit and to subsidize energy prices. “We do not need anything else from the government. The main thing is that we should work, pay our taxes, and the government should not bother us,” the farmer explained.

Urban entrepreneurs also ascribe few economic responsibilities to the government. A Kazakh woman who began an auto parts business in a northern city said: “The government should continue to establish contact with credit programs like the EBRD [European Bank for Reconstruction and Development], help people to receive credit, allow people to work freely in the market, [and] allow people on their own to determine the demand of the population.” Interestingly, she did not believe that the government should solve one of her most challenging problems – insufficient collateral. Instead, private banks should resolve this issue, she claimed.

Even unemployed, middle-aged people desire a surprisingly limited role for the government. They do not demand a government employment guarantee, as existed in the Soviet era, but merely better protection for workers’ rights at private firms, a stronger safety net for the unemployed and disabled, and greater support for industry, so that there will be economic opportunities outside of the bazaars.

Kazakhstanis believe that the government has already made progress in creating conditions enabling citizens to prosper independently. For the average person, the fact that the government now generally pays pensions on time is evidence that the government has created, more or less, effective economic policies. Farmers describe how greater government policing and economic improvements in recent years have reduced the problem of horse theft. Another indication of people’s faith in some government processes is citizens’ willingness to sue for salaries. For example, fifteen employees of a former *sovkhos* in the south are suing for back wages, and a mining student is suing a firm for his full salary and disability payments. The fact that unemployed people express a belief that it is possible to find employment if one wants to work suggests that people feel the state has enabled, or at least not hindered, survival in the market economy. This faith in government economic policies currently discourages citizens from protesting through radical Islamic movements.

Secular coping

The second, present line of defense against extreme Islam in Kazakhstan is people's reliance on themselves, their families, their friends, and secular institutions to cope with economic challenges. Instead, of turning to radical Islamic groups for assistance, as some individuals in Uzbekistan, Kyrgyzstan, and Tajikistan have, Kazakhstanis take a non-violent secular approach to solving their problems.

Rural residents' primary means of survival is their own efforts. Common means of coping include living off one's plot of land, selling extra produce, and earning income from seasonal work, like harvesting wheat. Some rural dwellers also opt to create their own businesses. The most common entrepreneurial ventures are taxi services and agricultural businesses. If a man owns an automobile he can ferry people to and from the town for a fee. Renting a large piece of land from the *sovkhos* and investing in farm equipment entails greater risk. Nonetheless, a small number of people – four of the former 780 *sovkhos* employees in one village – have become private farmers.

In addition to their own individual efforts, villagers also rely on assistance from neighbors and family. According to the Russian proverb, you don't buy a home, you buy a neighbor. And, in this era neighbors, as well as family, are important for exchanges of money and food. Wealthier members of the village have adopted some of the state's earlier responsibilities. Private farmers employ people, support the impoverished, and help maintain the village, plowing snow from the road in the winter, for instance. For other services, a small number of rural residents turn to alternative service-providers, although not Islamic groups. Farmers seek credit from private banks, and the poorest villagers receive donations from secular charities.

Urban residents are more likely than rural dwellers to seek assistance outside their circle of family and friends. Connections can be helpful in finding a stable, high-paying job, but often family and friends do not work in one's field of expertise. For this reason, students and recent graduates rely on university placement offices, and older citizens turn to city employment offices and, in some cases, private employment agencies.

In the Soviet era the Ministry of Education assigned jobs to university graduates, but today the government provides no placement assistance to universities or their students. Instead, university placement offices try to help students find jobs. Such an office in a northern city of Kazakhstan was able to place 517 of its 719 graduates in 2000.

The employment office in the city mainly serves middle-aged individuals who have been out of work, on average, more than two years. In the Soviet Union the state guaranteed employment, finding jobs almost immediately for those who lost work. Today the city employment office is able to find jobs for many people, offering others temporary public works positions.

Another option for the unemployed is private placement firms; however, these agencies charge fees and offer few opportunities for specialists, like doctors. Another possibility is to establish one's own business in the hopes of earning a higher income. The greatest obstacle to entrepreneurship is credit, and to resolve this problem some urban businesspeople turn to foreign credit programs. The EBRD provides loans of 100 to 200,000 USD to traders, storeowners, and other small businesspeople in some regions of Kazakhstan. Local private banks also offer credit to entrepreneurs, but their collateral requirements are prohibitive for most.

Today, the young, unemployed man in Kazakhstan believes he will find legal work, thinks government leaders are capable of improving the economy, and seeks only legal means of coping with economic challenges. By contrast, his counterparts in Uzbekistan, Tajikistan, and Kyrgyzstan have lost all hope in the economy and the government and are increasingly tempted to seek income and solace from radical Islamic groups. While the situation in Kazakhstan is relatively rosy today, it is unlikely to remain so.

Proactive measures

Islamic radicalism is likely to spread in Kazakhstan unless there is either an end to political repression or a continuation of the current economic conditions. It is improbable that the economic status quo will continue indefinitely. Instead, Kazakhstan will likely experience an oil boom. If this economic

success reaches average citizens, they will be freed from their daily economic struggles to consider how weak their political voice is. If, on the other hand, economic success enriches mainly government officials, the population will grow angry. In either case, citizens will seek outlets for political protest only to find that they have been restricted or destroyed by the government. The most available means of political dissent in the region today is membership in a radical Islamic movement. A less likely economic scenario for Kazakhstan is that oil profits will not materialize and economic conditions will worsen. In such a case, Kazakhs are likely to follow in the footsteps of southern neighbors who have joined extreme Islamic groups as a means of economic survival and political expression.

While political reform and pluralism in Central Asia is in the U.S. interest, it is unlikely that these radical Islamic movements, which lack effective plans for governance and favor their own Islamic ideology over civil freedoms, can achieve these objectives. Moreover, it would be harmful to U.S. interests if these anti-Western groups came to power.

A better alternative for Kazakhstan and the U.S. is to contain the spread of Islamic radicalism by ending political repression. Although the economic scenarios portend a rise in Islamic radicalism, Kazakhstan's fate is not yet sealed. The creation of legal outlets for political protest could undermine the extremist Islamic alternative. The Bush administration should convince Kazakhstani officials to expand opportunities for political opposition in the country. The U.S. government is currently investigating Nazarbaev for wrongdoings in his relationship with American oil companies. The U.S. must encourage not only honesty in business dealings, but openness in the political sphere.

How can the U.S. administration persuade Kazakhstani authorities to increase outlets for political opposition? Linking the issue of political freedom to economic aid is not the solution, as Kazakhstan is an oil rich country that is currently receiving significant funds through the investments of U.S. and other foreign companies. Trying to persuade American companies to make political demands on Kazakhstani officials is also not the best approach. U.S. companies have only limited influence in Kazakhstan because Russian firms hold shares in oil fields, the Chinese government has committed to funding a pipeline, and other countries are investing in the oil industry, as well.

The best approach for encouraging Kazakhstani officials to create legal outlets for political opposition is to explicitly link U.S. military assistance to increasing political freedom and stemming Islamic radicalism. Authorities in Kazakhstan already fear the spread of extreme Islamic movements in their country, so they are likely to be more receptive to an argument based on this concern.

Moreover, U.S. military cooperation with Uzbekistan makes Kazakhstani officials all the more eager to collaborate with the U.S. government militarily. Uzbekistan, the most populous country in the region, has vied with Kazakhstan, the largest state territorially, for status as the regional power in Central Asia. The establishment of U.S. military bases in Uzbekistan has caused Kazakhstani authorities to consider inviting the U.S. to set up bases in their country, too.

Although the impact on Kazakhstani-Chinese ties is unclear, Russia's acquiescence to bases in Uzbekistan and Kyrgyzstan has led some Kazakhstani officials to believe that a correction of the imbalance with Uzbekistan outweighs any harm to relations with Russia. At this point, Kazakhstan has only limited interaction with the U.S. military. Kazakhstani troops and the U.S. National Guard hold joint training exercises, and Kazakhstan has allowed the U.S. to use its airfields for military operations in Afghanistan.

The Bush administration should offer Kazakhstan greater military assistance, while tying this aid to the opening of the political sphere. U.S. government officials need to explicitly make the argument that while military might is a good tool to help prevent the spread of Islamic terrorism, political freedom is a much better tool. American officials can offer present-day Uzbekistan as a counter model for Kazakhstan: the government of Uzbekistan destroyed the country's secular, democratic opposition, creating the IMU. The U.S. must devote greater attention to the peril of political repression in Kazakhstan. Otherwise, this repression will undermine long-term, U.S. plans to end global Islamic terrorism.