

The political economy of capitalism in Kazakhstan: Embedding the neoliberal socio-economic agenda

This study examines the nature of the emergence and development of neoliberal capitalism in Kazakhstan since 1991. The transformation of the post-socialist space in this one of the former Soviet republics followed an already tested scenario. As in many other countries that have experienced a consolidated assault of 'neoliberal thought collective' (Mirowski, 2014) at the ideational level, and the ideological implementation of the recipes of the Washington Consensus (Williamson, 1990) at the practical level, Kazakhstan has become a space for the expansion of global capital. From the international political economy perspective, global development architecture (GDA) premised on the 'market episteme' where market-oriented restructuring and commercial interests are at the centre of policy solutions has been adopted and implemented regardless of their negative impact on social progress. The case of Kazakhstan is exemplary in demonstrating how the institutionalization of neoliberal socio-economic agenda works for the interests of transnational capital maintained by the GDA and the global financial order (GFO). The research provides new insights into the evolution of contemporary capitalism and how it is adapting its upward capital accumulation goal in emerging economies of the Eurasian region. This is demonstrated by examining case examples on over-emphasis on economic growth in governmental policies, microcredit and obsession with competitiveness, all employed in Kazakhstan to further embed it into the global neoliberal order. Embedding and institutionalising the neoliberal socio-economic agenda into the social fabric and public policy institutions of the country works for the interests of transnational capital maintained by the GDA of the post-Washington Consensus period and the global financial order (GFO) of the post Bretton Woods era (Soederberg, 2004; Akizhanov, 2019). On the ontological level global capital accumulation through the GFO and GDA, helps to construct and facilitate the current political economy regime in the country based on the premise of neoliberal ideology having nothing to do with truly national agenda of sustainable development and egalitarian ideals. On the epistemological level, it deprives of the ability to look beyond neoliberal orthodoxy of governance advocated by the newly developed Kazakh comprador class and technocrats indoctrinated into the mainstream (neoclassical) economics.

This is manifested in the continuing focus, as prescribed by the GDA agenda, on the importance of economic growth as the only way for development rather than a

commitment to the politics of redistribution. In Kazakhstan this growth obsession has never been challenged or questioned and is maintained within the mainstream (neoclassical) economics postulates. Another proclaimed goal of the neoliberal project is poverty reduction rather than income and wealth inequality. The latter presents a growing challenge for the overall development of Kazakhstan and is always considered as a problem of poverty reduction as prescribed by the neoliberal development agenda. This has been seen in the case of microcredit as one of the new sustainable development tools. Promoted in Kazakhstan by the international development agencies such as the World Bank and Asian Development Bank it is, in fact, a mechanism of enhancing the supply side of the economy and financialisation (Federici, 2014). Another notable example of the neoliberal development agenda is based on the economic competitiveness and sustainability that that competitiveness allegedly brings. In Kazakhstan, international competitiveness ranking idea is upheaved to the level of the state ideology regardless of how it actually affects sustainability.

This paper seeks to highlight distributional patterns in the era of neoliberal capitalism and appeal for a new research agenda for the Eurasian region. The study aims to contribute to a deeper understanding of neoliberal developments in post-socialist countries like Kazakhstan.