

**Dadabayeva G.R.<sup>1</sup>, White K.<sup>2</sup>**

<sup>1</sup>Doctor, Associate Professor, e-mail: dgulnara@kimep.kz

<sup>2</sup>PhD, Associate Professor, e-mail: kwhite@kimep.kz

KIMEP University, Kazakhstan, Almaty

## **IS CENTRAL ASIAN INTEGRATION POSSIBLE WITHOUT RUSSIA?**

The devolution and disintegration of the former Soviet Union in 1991 propelled 15 new states into the global arena. Since independence, the states of Central Asia have embarked on different plans for transition to market orientation. Regional economic integration, particularly given the success of European Union (EU) and the North American Free Trade Agreement (NAFTA), is touted as a mechanism to increase bilateral trade, income level, and levels of economic development within participating states. Within Central Asia, integration, whether it takes the form of a free-trade area or a full economic union, is seen as a potential stimulus to regional trade and intra-regional economic development. This paper's aim is to investigate the likelihood of successful economic integration within the region of Central Asia and what role Russia plays in this processes. The authors argue that Moscow's regional project is still partly covering modernization project aiming to change the existed post-Soviet economies.

**Key words:** regional integration, economic development, Central Asia, free-trade, full economic union.

Дадабаева Г.Р.<sup>1</sup>, Уайт К.<sup>2</sup>

<sup>1</sup>т.ғ.д., доцент, e-mail: dgulnara@kimep.kz

<sup>2</sup>PhD, доцент, e-mail: kwhite@kimep.kz

КИМЭП университеті, Қазақстан, Алматы қ.

### **Ресейсіз Орталық Азия интеграциясы мүмкін бе?**

1991 жылы Кеңестік Одақтың ыдырауы он бес жаңа дербес мемлекеттің қалыптасуына негіз болды. Осы уақыттан бастап Орталық Азия мемлекеттері, басқа ТМД елдері мемлекеттері сияқты, нарықтық экономикада өзінің даму стратегиясын қалыптастыруға тырысты. Еуропалық Кеңестің (ЕС) және Еркін Саудадағы Америкалық Келісімнің (НАФТА) бір жетістігі ретінде аймақтық экономикалық интеграция, аймақтық сауда көлемін өсіретін жарнама ретіндегі механизмнің артуынан, халық табысының өсімінен, мемлекет аралық экономикалық қарым-қатынастың реттелу деңгейінен, аймақтық бірліктен көрініс тапты.

Орталық Азия мемлекеттері үшін интеграция, еркін сауда аймағынан тыс, экономикалық одақтың кең масштабтағы экономикалық одағы ретінде, аймақтық, аймақшілік экономикалық дамуындағы қозғаушы күш ретінде танылады. Бұл жұмысты жазудағы мақсат Орталық Азиядағы ішкі өңірлердегі экономикалық интеграцияның қарқынды дамуындағы мүмкіндіктерді, бұл үдерісте Ресей мемлекетінің қандай роль атқаратынын көрсету. Авторлар Мәскеу қаласының аймақтық жобасының модернизацияны аяқтау деңгейінде, Орталық Азия экономикасы трансформациясын аяқтауға жұмыс жасап отырғанын көрсетеді.

**Түйін сөздер:** аймақтық интеграция, экономикалық даму, Орталық Азия, экономикалық одақ.

Дадабаева Г.Р.<sup>1</sup>, Уайт К.<sup>2</sup>

<sup>1</sup>Д.и.н., доцент, e-mail: dgulnara@kimep.kz

<sup>2</sup>PhD, доцент, e-mail: kwhite@kimep.kz  
Университет КИМЭП, Казахстан, г. Алматы

### Возможна ли интеграция Центральной Азии без России?

Распад Советского Союза в 1991 году катапультировал на глобальную арену пятнадцать новых независимых государств. С этого времени республики Центральной Азии, так же как и другие страны СНГ, пытаются выстроить свою стратегию перехода к рыночной экономике. Региональная экономическая интеграция, в частности успех Европейского Союза (ЕС) и североамериканского соглашения по свободной торговле (НАФТА), рекламируется как механизм, который может увеличить объем региональной торговли, доходы населения, а также уровень экономического взаимодействия стран, входящих в региональное объединение. Интеграция для стран Центральной Азии, вне зависимости от формы ее осуществления – зоны свободной торговли или же полномасштабного экономического союза, рассматривалась как потенциальный стимул для регионального и внутрирегионального экономического развития. Целью данной работы стало исследование возможности успешной экономической интеграции внутри региона Центральной Азии, а также определение роли России в этом процессе. Авторы статьи считают, что региональный проект Москвы до сих пор работает на завершение модернизации по трансформации экономик Центральной Азии.

**Ключевые слова:** региональная интеграция, экономическое развитие, Центральная Азия, экономический союз.

#### Introduction

The paper aim is to investigate of possibility of successful economic integration within the Central Asia region concerning the Russian Federation role in the regional integrational processes. Some attempts to form supranational bodies including CA states had with little success to achieve this goal. The failure of the Commonwealth of Independent States, for example, has not tempered regional hopes for intensified economic integration. Krapohl and Fink indicate a vital role of external actor to promote certain type of regional integration to strengthen dependence on strong regional leader as demonstrated by ASEAN case (Krapohl & Fink 2013). «Regionalization» and «regionalism» concepts were used to analyze whether Russian politics is affecting the process of strengthening CA regional integrational moves. In 2005 N. Nazarbayev proposed a foundation of the CA regional organization, justified that «further regional integration will lead to stability, regional progress, and economic, military and political independence» (Nazarbayev February 18, 2005).

Kazakhstan president initiative contains such suggestion as movement «towards a common market and single currency». The project got little support from the side of the other Central Asian republics, so, probably it explains why Kazakhstan and Kyrgyzstan started talks concerning Eurasian Economic Union. However, following the regional situation it is important to analyze what reasons and obstacles are blocking CA integration project. The

first chapter is focusing on economic and geographical examination of the region, identifying features and characteristics relevant to integration. The second part explains the attitude of Central Asian countries towards integration with Russia and partially explains the idea of region's fragmentation into two groups. The first group includes Kazakhstan and Kyrgyzstan, while the second one consists of Turkmenistan, Uzbekistan with Tajikistan mostly balancing between these two poles. This fragmentation is explained by their inclination towards different geopolitical centers such as Russia on the one side while we also should not underestimate Chinese strengthening position in the region along with Moslem states and EU interests' presence in the region. Thus, can we suppose that Russian efforts seriously affect integrational potential of Central Asian states: thus, one the main question is whether Russia needs to realize this project with CA states?

To answer these uneasy questions we need to start with *three fundamental problems* of present day integrational process of Russia with CA states. The first includes the range of issues connected with integration of Post-Soviet states. In depends on aims and results of Russian led type of integration since Soviet time. The second problem is whether the Central Asian states are in need to integrate with Russia and finally what benefits the region could get in a course of its realization.

Theoretical approaches used for analysis is embedded into concepts of «Regionalization» and «Regionalism». Thus, a «new form» of regionalism

is referring to economy- driven institute while the «old form» represents a case of Cold War born phenomenon. The «new regionalist approach» assumes the important role of politics in globalized and interdependent world. In most IR schools regional integration is seen as economy driven institute which based on state relations (Choi and Caporaso, 2000). Following this, a number of variables will be discussed as impediments to or facilitators of Central Asian integration efforts.

### **A Regional Perspective on Central Asia: Commonalities, Motilities and Perceptions**

On February 18, 2005, Kazakhstan's president Nursultan Nazarbayev, addressed the people of the republic by way of televised broadcast. These annual events offer Kazakhstan's leader the opportunity to communicate directly to the country's populace his vision, aspirations, as well as thoughts in imminent challenges facing the republic. On this evening, more than a decade ago, Nazarbayev broached the topic of integration and proposed a Union of Central Asian States. Attempting to validate the feasibility of such a regional group, he went to say: «In the region we share economic interests, cultural heritage, language, religion, environmental challenges, and face common external threats. The founding fathers of the European Union could only wish they had so much in common.»

This proposed union was to initially include Kazakhstan, Uzbekistan, and Kyrgyzstan with later expansion to possibly include Tajikistan and Turkmenistan among unspecified others. Some wat remarkable given the state of regional integration here today Nazarbayev's supra-national vision did not include Russia.

Revisiting President's Nazarbayev 2005 call for a Union of Central Asian States offers an illuminating entry point for investigating the myriad ways in which «Central Asia» is, has been, and can be considered as a region. This chapter will begin by considering a regional «core» of Eurasia including territory currently bounded by the former republics of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. Geography's classic regional typology will be applied to imagine this region in formal, functional, and vernacular terms. These three ways of envisioning the region of Central Asia will reveal, in turn commonalities, mobilities and perceptions used to imagine this 'heart» of Eurasia as regional constituency. Nazarbayev himself invoked each of these three regional typologies in his 2005 speech. Formal regional commonalities

were perhaps most explicit, in particular as shown in the above quote. Reference is also made elsewhere in the address to a common regional ancestry «who always envisioned us together.» Functional regional motilities were also discussed highlighted by references to the ancient Silk Road movements transecting the region, moving (and linking) East and West. Modern hydrocarbon pipelines and transport routs were described as mirroring this ancient pattern. Vernacular regional perceptions were perhaps best articulated by Nazarbayev's contention that positive results from integration represent «the only way for our region to earn respect in the world.» Commonalities, motilities, and perceptions form a tryad of regional imaginaries that guide regional political leaders like Nazarbayev, geographers, and other Central Asian observers in making sense of this remote region. The purpose of the chapter is to explore, using a formal, functional, and vernacular regional framework, various ways in which Central Asia can be imagined as a region.

#### *Physical Setting*

One means of articulating the extent of the Central Asian region would be identify its frontiers based on landforms and physical geography, ignoring for the time being the anthropogenic (and thus «artificially» transported political boundaries/ Geographer Peter Sinnott alludes to these boundaries features in the above quote. A commonly-held western boundary is the Caspian Sea – terminal, saline, and the world's largest lake. To the south-east and south, the Kopet Dag mountains from a physical boundary separating what is today Turkmenistan and Iran. Further east southeast stretch the Paropamisus Mountains in NW Afghanistan, followed by the Hindu Kush. Progressing north northeast, Tajikistan Pamir Mountains anchor a «Pamir Khot» from which the Tien Shan radiate to the north. A number of spurs of the Alatau cut across the Kazakhstn-China borderlands. Continuing north, the Altai Mountains extend into Russia and Mongolia as well as Kazakhstan and China. One additional mountain range, the Urals, extends into northwestern Kazakhstan just to the northeast of the Caspian Sea. The northern portions of Central Asia are mainly lowland steppe landscapes transitioning into the forests of Siberia.

Most of the territory bounded by the frontier described above is arid and semi-arid steppe and desert. The Karakum and Kyzylkum deserts expand across much of the region's southwest and west. Elsewher the steppe grassland transition into foothills approaching the regionally bounded mountain ranges. In a region distinguished by its

aridity, water becomes a vital, often contested resource. Any discussion of water in Central Asia must begin with the desiccating Aral Sea and its basin, including the main courses and tributaries of the Syrdarya and Amurdarya. An additional hydronic element of the Aral sea basin is the Karakum Canal, the Soviet-era irrigating canal (the largest of its kind in the world) transporting Amurdarya water deep into Turkmenistan. The Amurdarya itself originates in the glaciers of the Pamir and Hindu Kush. The river begins its descent generally westward, forming part or all of the international political boundary between Afghanistan and Tajikistan, Uzbekistan and Turkmenistan.

Like the Aral Sea (and the Caspian) southeastern Kazakhstan's Lake Balkhash is a terminal (endorhic) lake with no outflow to the open ocean. In this instance, Balkhash is fed by Ili River that originates in China flowing westward into Kazakhstan. An additional transboundary river originates outside of the region is Ural. The Ural River is important here as a continental boundary. If one views the river as a dividing line between Europe and Asia, Kazakhstan has a small northwestern-most sliver of territory hinging in Europe. This in turn, legitimizes and intercontinental «land bridge» claim made Kazakhstan.

The cursory treatment of Central Asia's physical setting above focused on a bounding physical geography and transboundary water systems by design. Peter Sinnott was correct in identifying the region's isolating physiography as it has indeed helped to obscure this region. However, the bounding physical landscape is not an impervious barrier. Mountain passes (including the famous Dzungarian Gap), river valleys, and broadly expansive steppe landscapes have historically allowed trans-regional flows into, across and out of the region. Such trans-regional motilities remind us of the invasions of the Mongols and Russians, the Great Silk Road network of trade routes crossing Central Asia, as well as Tamerlan and Timurid empire, whose expansive territory was centered in modern day Uzbekistan with conquest and diffusion emanating outward.

#### *Location*

While Central Asia's physical geography, both «bounding» and internal, has imparted a tangible isolation, the region's location had also played an important isolating role. The Eurasian continent, of course, is the largest landmass on Earth. Centrally located in this vast territory, the region of Central Asia is both landlocked and distant overland to major world markets, two characteristics that certainly impact trade volume and patterns and

likely impact the imagined perceptions of the region throughout the world today. The five Central Asian states are all landlocked, with no direct access to the open oceans, no globally accessible ports, and hence no access to oceanic trade routes. Uzbekistan, in particular, is today one of the only two states globally that is double landlocked- landlocked itself and completely encircled by other landlocked states. The region is surely what Ricardo Hausmann had in mind in his prediction that «the post-Soviet republics will experience as much difficulty battling their geographical disadvantages as they will overcome the aftereffects of communism» (Hausmann 2001:46).

In general, the landlocked geographical disadvantage for global trade stems from a lack of direct ocean port access and a vector of cost-imparting factors associated with crossing, at least one additional political boundary (two in a case of Uzbekistan) to access, over land, the nearest port. An additional border crossing adds additional cost (above and beyond transport costs) in the form of time delays for document processing and monetary costs associated with import tariffs and related fees (including unofficial, unrecorded payments) associated with crossing an international border in this region and using another country's port facilities. Such a scenario places an additional cost burden on Central Asian trade, effectively making imports more expensive and exports less competitive. A sizable body of scholarly literature had demonstrated the negative impact of a landlocked location on state-level trade volume and on the measures of overall economic performance. For Central Asia, a landlocked position is just one piece of a geographical disadvantage in terms of relative location. To access the next, let us return to the world's two doubly landlocked countries – Liechtenstein and Uzbekistan. By any measure of economic performance and/or economic development these two states occupy near-opposite ends of the global spectrum. Focusing solely on location (ignoring other important historical legacy, etc.) a significant difference between the world's only doubly-landlocked states has to do with distance to major world markets.

Distance, friction of distance, and distance decay form axiomatic pillars within traditional, spatially-oriented economic geography. In instances of spatial interaction, including but not limited to trade, transportation, migration, or communications, traversing distance amounts to a cost. Transportation costs may be the most explicit and impactful «friction» associated with international and/or



interregional trade. Minimizing distance to potential markets, to raw material sources, to a particular labor market or to a cluster of similar firms is, for many industries the most important factor influencing location decisions. Distance decay, the tendency for interaction to decrease in intensity with an increase in distance operates, to perhaps, varying degrees, across nearly all spatial interaction and flows/motilities. Added to these «traditional» notions of distance-the physical separation across space-we can also envision distance with respect to economic, political, historical, or a milieu of cultural attributes. Distance decay might also apply in these instances, substituting dissimilarity for physical distance. Locations «closer» in terms of language, for instance are likely to experience more interacting relationships. A liberal democracy might also be more likely to interact with a similar political system than with a more «distant» authoritarian regime. All of which leads to a consideration of W.R. Toblers' first law of geography, that «everything is related to everything else, but near things are more related than distant things» (Tobler 1970: 236).

Distance does not appear to impact movements, flows, interactions, and relatedness. In the context of the region at hand, Central Asia is a distant region. In physical distance terms the region is far from, for instance, the major markets in the global economy.

### Central Asia as Formal Region

Formal regions, exhibiting a relative homogeneity in any number of nearly infinite cultural or natural environmental features, are perhaps the most widely recognized among the regional types. Any of the world's states, for instance, would represent formal regions, bounded by internationally recognized boundaries and exhibiting homogeneity in a common set of laws, a common currency, and a common unifying political symbols like national flags and anthems. North American Rocky Mountains if a formal region defined by its unifying orographic feature, which stretches across both US state and international boundaries. The spatial distribution any of the world's thousands languages would also be considered a formal region based on a unifying cultural attribute. Some language regions (English, Spanish, French) span continents, while others (Basque, Tatar, Dungan) are more localized. As a final example here, the European Union (EU) can also be thought of as a formal region with relatively continuous level of economic development, democratization, political stability, etc.) The prospect of upsetting this homogenous

balance seems to be one reason for Turkey's continued non-membership in the EU.

Central Asia, that is the former Soviet republics of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan can also be considered a formal region formulated along historical, linguistic, and locational links.

### Soviet Union as regional integration project

In the context of the above said can we start to analyze the Soviet Union construction as integrational project? And what role was played by Soviet Russia to realize this project on the territory of Russian Turkestan and former Khiva and Bukhara khanates? Soviet as well as foreign researches portrait its foundation as a history of state though unique one where can be seen features of empire, postcolonial societies, realization of nationalistic projects, etc.

### Region and «Old Regionalism»

To start the discussion we might suggest definition of the region. For instance, «a region is a group of countries which 1) created a legal framework of cooperation, 2) covers an extensive economic relationship 3) has the intention that it will be of indefinite duration, and 4) has the possibility foreseen that the region will evolve or change (Page 2001: 5). Page points that regions emerge voluntary are facing such challenges as damage to other states interests as well as international community concerns. The puzzle is explained by fact that region consists of states under common rules to provide mutual benefits may affect the interests of the other countries. However this group of states needs legitimization by international community. International community has to realize possible damage and should agree to accept it (Page 2001).

*Probably the whole history of the Soviet Union is defined by fundamental disagreement of western powers and newborn Soviet state over possible and real damages produced by socialist system.*

Regionalism, namely «old regionalism» is rooted in European concerns associated with development. Development consequently was seen as economic growth, achieving through modernization with accent on industrialization. Industrial modernization led to higher productivity and thus to growth of welfare. This approach is certainly applicable for industrialized First world countries while other states with limited abilities of commodity export were blocked to accumulate foreign exchange (source of economic growth) (Doidge 2007).

Inability of developing countries to follow western model has produced other approaches such as dependency school focuses on inequality

based on unjust exchange of raw materials and finished goods. Soviet Union in 1920-30s due to political and economic reasons was unable to copy precisely western model of modernization and later USSR with socialist camp were referred to belong to Second World or semi-periphery of the global community.

In this paper deliberately was not touched the next integration project of the Soviet Union – Council for Mutual Economic Aid (COMECON) founded in 1949. However it is worth making special mention on some new approaches used by Soviet Union concerning their relations with Central and Eastern European members of COMECON. 1950-60s had witnessed certain tendencies which provided a fertile ground to promote further industrial modernization program on the territory of Soviet Union's satellite states (Bogomolov, 1980). But this time USSR was trying to integrate with Second and partly First World countries like Eastern Germany, Czechoslovakia, Hungary, Poland and others. If the world faced new South-South regionalism moves in 1960s (Doidge, 2007: 5-6) the case of COMECON might be considered as Second World – Second and First Worlds integration.

This regionalism which had development and economic growth as its ultimate goal and relied on limited competition for its industry due to protectionism weakened by 1970s. Developing countries regional integration «was a failure, both in terms of implementation, and in terms of the stated objectives of accelerating the pace of industrialization by raising intra-regional trade». (De Melo, 1992:3).

#### **«New Regionalism» for Post-Soviet Space**

Next wave of regionalism coincided with the collapse of bipolar world and USSR disintegration in 1991. European Union integration project received new impetus with the emergence and growth of neoliberalism that questioned such vital for development issues as state led economy and import substitution strategy. The advent of neoliberalism was marked by liberalization of international trade, free, self – regulated market, currency devaluation and shrinking of the state role in economic system (Torsen, 2009:4). Subsequent to new economic trend strengthening in global arena the «old regionalism» focused on industrial modernization approach faded away. Opposite «new regionalism» in part of development approach has changed the concept of development towards reducing poverty thus suggesting as principal solution of economic inequality problems full integration into global market (Doidge, 2007).

Hettne and Soderbaum see «new regionalism» as a world phenomenon represents «a comprehensive, multifaceted and multidimensional process, implying a change of a particular region from relative heterogeneity to increased homogeneity with regard to ...culture, security, economic policies and political regimes» (Hettne and Soderbaum, 1998:7). This process as authors argue are impossible without forming of formal institutions based on particular program or strategy. However, this regionalism as a complex phenomenon reflects changes at different levels: global, regional internal but initiated from below not dictated by outsider. Regionalism now is more oriented outward than inward while often is supplemented nationalism and state and government power in the globalized world.

#### ***Again to the problem of «region»***

In context of the above said we are coming back to the idea of region which should be organized voluntary to create effective regional organization. It seemed that neoliberalism victory and European Union successes in 1990s stopped any hope for the revival of integration project like Soviet Union. CIS agreements slightly resembles ones existed union but aimed to keep the post-Soviet space as free trade zone beneficial for all members, other initiatives as Eurasian Economic Space, Shanghai Organization were mainly focused on problems of trade and economic collaboration. De – industrialization realized in all post-Soviet republics and strong belief in free market principles was unable to solve the prime goal of the development – reducing poverty. Inequality between former Soviet states has become more visible than before the outbreak of the Union in 1991.

To analyze Russian initiatives to come back to integration project with post-Soviet republics at new and higher level the case of forming region of Central Asia and relations of each republic with Russia seems to provide some arguments for better understanding of the regional tendencies.

Outbreak of the world financial crisis in 2008 affected significantly regional development. The consequences of the crisis forced political elite to seek new strategies of development and focused mostly on priority area for the republics – social stability that can be reached by effective poverty reduction means. Economic decline led to the growth of unemployment and social tensions and case of Kyrgyz revolution 2010 can perfectly illustrate this statement. And from this moment we can see how leadership of Central Asia started to implement some changes into their political and economic strategies particularly orientation on Russia led projects.

Next set of the issues is connected with foreign direct investments into economies of Central Asia countries. Kazakhstan is one of the most attractive countries for the foreign investors. However, the strong needs for the economy diversification made Kazakhstan particularly sensitive to the investment issues. It is worth to note that one of leading partner of Central Asian states China is steadily increasing its investment activity for the last three years. In September 2012 the Chinese investments in Kazakhstan were estimated as \$ 18, 2 billion while after the visit of the Chinese leader Xi Jinping they reached \$ 30 billion («Investitsii s kitaiskim aktzentom», 12.09.2013). Opposite Russian investment activity can hardly be compared with other international actors. In 2010 Russian companies invested into Kazakhstan economy \$ 5 billion as local experts estimated (Gribanova, 2012) while Russian sources indicated \$ 2,5 billion («Investitsii s kitaiskim aktzentom»). The problems with foreign direct investments are more complex than we used to think. For instance, if Kazakhstan attracts more investments into its economy it won't be exactly long term profitable project. Post – crisis strategy in sphere of attracting FDI is based on the idea of collaborating with TNC from Global 2000 listed top biggest and «clean» companies in the world.

Chinese companies now are investing into raw materials extraction industries while western countries provide to Kazakhstan access to high technologies. China is now investing into oil, metallurgy, food industries while Russia is trying to cooperate more in automobile, military industry and space programs. In addition, it is worth to note that some data provided by Asian Development Bank show that Chinese FDI decreased diversification opportunities for Kazakhstan (Asian Development Bank, 2012). If we compare the Chinese and Russian investments character we can notice strategic benefits

Kazakhstan got from Russian investments though Chinese shouldn't be underestimated. In that case Russia still is using development approach in the framework of «old regionalism» – industrialization.

### **Eurasian Economic Union: instead of conclusion**

The driving reason to start foundation of the Eurasian Economic Union in 2015 by Belarus, Kazakhstan and Russia was the need to deepen and strengthen cooperation of post-Soviet states in areas vitally important for all participants. In 2016 Armenia and Kyrgyzstan also joined the Union to pursue the following objectives: 1) to create proper conditions for sustainable economic development of the Member States in order to improve the living standards of their population; 2) to seek the creation of a common market for goods, services, capital and labor within the Union; 3) to ensure comprehensive modernization, cooperation and competitiveness of national economies within the global economy. (Treaty on the Eurasian Economic Union 2014[1], art. 4, § 1-3). Analyzing these objectives we see confusion of ideas related at the same time to «regionalism» and «regionalization» approaches.

Opposite to some authors (Olcott, 2014; Cohen 2011) problems in the course of Kazakhstan-Russian relations could be caused by deepening of «regionalization» tendencies in both directions: participation in Chinese led strong economic cooperation around Xingjian and Russian led EEU project. Focusing more in Asian direction along with worsening European attitude and cooperation with Russia can affect negatively Kazakhstan economic and political situation. Thus, Kazakhstan would possibly increase its interest towards cooperation with European Union but these moves do not mean that Russian direction would become less important or less visible.

### **References**

- An Olga. (2015). Investitsii s kitaiskim aktzentom», 12.09.2013. Kursiv.kz, 19 January.
- Bogomolov, O. (1980). Socialist countries in the international division of labor [Strany sotzializma v mezhdunarodnom razdelenii truda]. Moskva: Nauka. 362 p.
- Choi Y. and Caporaso, J. (2000). Comparative Regional Integration, in W. Carlsnaes, Risse, and Simmons, B. (eds) Handbook in International relations, London: Sage.
- De Melo Jaime. (1992). The New Regionalism in Trade Policy. Washington, D.C. : World Bank ; London : Center for Economic Policy Research.

- Doidge Mathew. (2007). From Developmental Regionalism To Developmental Interregionalism/ NCRE Working Paper No.07/01, July.
- Hausmann A. (2001). *The Geometrid Moths of Europe*. Apollo Books, Stenstrup: Denmark.
- Hettne, Bjorn and Soderbaum, Frederic. (1998). The New Regionalism Approach/ *Politeia*, Vol 17, No 3, pp. 6-21.
- Krapohl Sebastian and Fink, Simon. (2013). Different Paths of Regional Integration: Trade Networks and Regional Institutions-Building in Europe, Southeast Asia and Southern Africa // *Journal of Common Market Studies*, vol.51 #3, pp. 472-488.
- Olcott Martha Brill. (2014). *Kazakhstan: Unfulfilled Promises*. Brooking Institute Press.
- Page Sheila. 2001. *Regionalism and Regional Integration in Africa. A Debate of Currant Aspects and Issues*. Nordiska Afrikainstitutet, Uppsala.
- Tobler W.A. (1970). *Economic Geography*. Proceedings, International Geographical Union, vol. 46, pp. 234-240.
- Torsen Dag E. (2009). *What is Neo-Liberalism?* Working Paper: University of Oslo. October 10, 2009.