View from the Ground

Kazakhstan's New Capital

Its Importance and Implications

Dena Sholk

Astana: A Capital in the Steppe. When I arrived in Astana at 7:30 AM, still half-asleep, on a rainy August morning, I was relieved to have survived the train ride. Three weeks earlier, I had visited Turkestan, a city in southern Kazakhstan that is home to the mausoleum of Sufi scholar Ahmed Yasawi. The Almaty-Turkestan train lasted some twenty-two hours. I shared a four-person sleeping compartment with my travel companion Roberto and two Kazakh men, a retired eighty-nine-year-old school principal from Turkestan and a forty-year-old Kazakh from Shymkent, another southern city. When the Shymkent gentleman entered the cabin, he was wearing a pistol on his belt to "scare people." Fortunately, he removed the belt at night.

My travel companions to Astana were in their midtwenties and carried smart phones and MP3 players rather than pistols. I traveled to Astana on the new, high-speed Spanish Talgo train—a direct overnight ride that departs Almaty at 7:30 PM and arrives in Astana and 7:30 the next morning. On the older Soviet trains, the Almaty-Astana journey—I,334 km, roughly the distance from Washington, D.C. to St. Louis—took nearly twenty hours. The new train catered to businessmen and young professionals; instead Dena Sholk is a junior in the Edmund A. Walsh School of Foreign Service studying International Politics and Security. During the 2011 summer, Dena traveled to Kazakhstan and studied Russian on the American Councils' Eurasian Regional Language Program as a Fulbright-Hays Scholar. of large families, there were men and women in business suits reading newspapers. Each cabin contained wireless Internet, albeit non-functioning.

Walking from the Astana train station towards the city center, I entered the familiar "Soviet" Kazakhstan on the right bank of the Ishim River, which runs through the city. I navigated narrow sidewalks overcrowded with pedestrians, making my way past concrete apartment blocks adorned with Eurasian arabesque motifs and corner kiosks selling everything from tomatoes to cigarettes. For the eight weeks before making my way to Astana, I had been living with a Kazakh host family in a three-room, Khrushchevera apartment in Almaty, the former capital and largest city of 1.5 million inhabitants. Almaty is a "typical" Soviet town with an urban grid layout, trolley buses traversing the city, and plenty of small parks. On every street corner, one can buy flowers, raspberries, cigarettes, or newspapers from a babushka, the Russian term for an elderly woman. The city, located at the foothills of the snow-topped Tian Shan Mountains has an Asian ethos. The city embodies Kazakhstan's multiethnic identity with significant Dungan, Uighur, Kyrgyz, and Uzbek populations and hole-in-the-wall restaurants offering their respective ethnic cuisines. The eight weeks I spent in this Soviet-era Kazakh environment made the contrast with Astana's newer left bank even starker. As I crossed the bridge over the Ishim River, I felt as if I were in a time machine experiencing Kazakhstan's journey from Soviet Republic to independent state.

In 1994, after three years of inde-

pendence, President Nursultan Nazarbayev announced plans to relocate Kazakhstan's capital from Almaty to Aqmola, a small, administrative town of 280,000 inhabitants in the middle of the Kipchak steppe.1 Aqmola was renamed Astana, the Kazakh word for "capital" and, since 1997, has blossomed into a beacon of the new Kazakhstan: a Kazakhstan eager to shed its Soviet legacy, embrace a national identity based on its nomadic history, and lead the global political economy.² The creation of Kazakhstan's new capital would not have been possible without the leadership and commitment of President Nursultan Nazarbayev, whose legacy-for better or for worse-is tied up with Astana.

Building a Capital. President Nazarbayev has invested an enormous amount of political and economic capital into developing Astana. Astana's buildings are over-the-top, even by the standards of authoritarian regimes. Astana's symbol, the Bayterek monument, is a ninety-seven meter-tall glass and steel tower crowned by a giant golden sphere. The Norman Foster design embodies a folktale about a magic bird, Samruk, who laid its eggs on the branches of a mythical tree of life. At the top of Bayterek stands a pedestal with a gilded imprint of President Nazarbayev's right hand. The legend goes that if you make a wish while placing your hand on that of the 'President for Life,' your wish will come true. As a summer student in Kazakhstan, I of course made a wish.

Another Foster creation, the Palace for Peace and Accord, is a sixty-two meter steel and glass pyramid that will serve as the geographic center of the city according to the Astana 2030 plan. The pyramid will represent Kazakhstan's multi-vector foreign policy, its location at the 'crossroads of civilizations,' and its domestic heterogeneity.³ At the top of the \$50 million pyramid are 120 yellow stained-glass doves, each one symbolizing a different ethnic group in Kazakhstan. The Palace hosted the Congress of World Religions in 2006 and will do so again in 2012.

A few paces away from the Pyramid along Millennium Avenue, the imaginary line that runs down Astana's center, stands the \$50 million Presidential Residence, the Ak Orda, which is flanked by the Supreme Court and State Auditorium. The three buildings share a Versailles-like courtyard with the Mazhilis, the lower house of Parliament, and Senate buildings. A set of gold towers connects this complex to a row of government departments. With the Ak Orda at the center of the legislative and judicial bodies, Astana's layout is a perfect geographic metaphor for the country's politics.

One of my favorite structures in Astana is the Khan Shatyr: a 150 meter-tall, \$300 million glass tent.⁴ Also designed by Norman Foster, the Khan Shatyr is a modern American-style shopping mall, with some additional luxuries such as the ultra-elite Sky Beach Club on the top floor, where Astana's wealthy can swim, soak up the sun, and forget that they are in the middle of the Siberian steppe. I could smell the pool's salty, ocean water from the first floor.

Everything, from the manicured lawns to the yellow and blue street signs, was new and seemingly perfect. Still, it was not until the morning of my second

and last day in Astana that I toured the Astana 2030 city model, a small mockup of the actual city, on the top floor of the Palace of Independence. My tour guide was a gentle-mannered Kazakh in his mid-twenties who attended university in South Korea and aspired to enter the Ministry of Foreign Affairs. In perfect English, he explained the city plan in remarkable detail. According to the master plan for Astana's development, designed by Japanese designer Kisho Kurokawa and personally selected by President Nazarbayev, the city plan will be fully executed, with all of Astana's 710.2 square kilometers developed, by 2030.5 Astana's population will balloon from 800,000 in 2011 to 1.5 million by 2030 due to the increase in employment opportunities.⁶ As of my visit in August 2011, approximately 20-30 percent of the plan was completed. By 2015, half of the city plan will be constructed. While some \$12 billion, 30 percent of which came from the Government of Kazakhstan, had already been invested into developing Astana by 2010, hundreds of millions more will be expended in the future.⁷

So far, President Nazarbayev has managed to balance competing political interests to ensure a stable investment environment. Abu Dhabi Plaza, financed by the Gulf emirate that bears its name and designed by Foster, will include a retail podium, an integrated plaza, residential apartments, an international grade office accommodation, and a hotel quarter.⁸ When complete in 2014, Abu Dhabi Plaza will be Astana's tallest building at 828 meters high, including 88 floors and a price tag of \$1 billion.⁹ The largest mosque in Central Asia, the Nur-Astana Mosque and Madrasa, was a gift to Astana given by the government of Qatar. Not to be outdone, Israeli entrepreneur David Ben-Nani is investing \$6 billion to construct a 'Central Park' complex that will include 10,000 apartment units, parks, schools, two soccer fields, and three hotels.¹⁰

Strolling down Millennium Avenue, I realized how bizarrely perfect Astana felt. There were no poor *babushkas* selling berries in buckets on the corner, *samsa* vendors cooking up their delicacies, or kiosks stuffed with cigarettes and newspapers. I passed a handful of Dungan restaurants in the right bank, but noticed that Astana is inhabited mostly der whether Astana is physically capable of handling an inflow of people and the subsequent demand on resources. How can so much money go into one city in the world's ninth largest country over the span of several decades? Given Nazarbayev's intimate involvement in developing Astana, what will happen in the post-Nazarbayev era? Is the development of Astana politically sustainable under different leadership, or will the capital—and the country—disintegrate in the absence of strong political leadership?

I fear Astana is growing at an unsustainable rate. There is too much, too soon.

I realized how bizarrely perfect Astana felt. There were no poor *babushkas* selling berries in buckets on the corners...or kiosks stuffed with cigarettes and newspapers.

by ambitious, professional Kazakhs; Astana's demography does not reflect the country's advertised 120 nationalities. The underground passageways in Astana were stone, cold, generic, and devoid of character. Meanwhile, in Almaty, underground passageways thrived as parallel cities where one could visit a tailor, purchase books, use an Internet café, or purchase ice cream. Of course, Astana is a new city with a short history, but its micromanaged development prevents the creative forces of Astana's inhabitants from organically driving the city's development in terms of cultural monuments. Aside from being irked by the city's sterile appearance, I could not help but won-

Astana's Development Challenges. On a micro level, Astana's expansion faces significant political and economic challenges. While the government has provided incentives such as subsidized housing to government employees, this will not last forever. When the government is no longer able to finance subsidies, market mechanisms will place upward pressure on real estate prices. The cost of living in Astana is already high relative to other cities. In 2011, the number of real estate transactions in Kazakhstan increased by 10-15 percent." According to the Managing Director of Kazkommertsbank, much of the growth is caused by an increase in demand for

housing in Almaty and Astana.¹² Despite the 30 percent increase in public sector wages in July 2011, my friends in Almaty and Astana who worked for the government complained of insufficient salaries.¹³ While the Astana 2030 plan includes an area of low-cost housing units for civil servants, the geographic segregation of government employees hinders the growth of effective institutions. Instead, the government should increase wages to motivate public servants to advance professionally through meritocracy.

In Almaty, my host sister informed me that her mother was considering relocating the family to Astana to find work. My host mother was a Kazakh language professor who had been recently laid off from her summer job as a Russian-Kazakh translator for a local company. Given the increased use of the Kazakh language in government and business, my host mother would likely do well in Astana. But for many other Kazakhs, whose skill sets are not directly transferrable to the city's employment opportunities, migrating to Astana will inflict stress and financial hardship on families detached from the support of their kinship networks.

While Astana's buildings appear majestic, they are filled with structural flaws due to rushed construction. A Kazakh friend who had interned in Astana told me how the elevator in his apartment in the famed Northern Lights Towers had fallen twenty-three floors. Caused by failed delay sensors, the elevator accident was under investigation by the Astana Department of Emergencies. The fall occurred on July 2I, yet the elevator remained out of operation by the time my friend left in mid-August. Prior to the accident, my friend had gotten used to waiting five to ten minutes every morning for the elevator to arrive at his floor. Apparently, the elevator was just one of several construction problems in the Northern Lights Towers, which were full of water leaks.

Astana in the Context Of Kazakhstan. At the time of independence, Kazakhstan's economic geography was such that major population and industrial centers were in the Russified North and West, agricultural activity was based in the South, and small railroad and former gulag towns could be found in the center of the country. Constructing a megacity in the middle of the steppe-an irrational move from an economic perspective given Astana's isolation from most major industrial, transportation, and communication networks-resulted in the inefficient concentration of significant resources. The city's growth has also accelerated the rural-urban divide created under the Soviet Union. Astana and Almaty are to Kazakhstan what Moscow and St. Petersburg are to Russia as mega-urban centers. Kazakhstan's economic geography, as a consequence of the infrastructure inherited from the Soviet Union, parallels the Russian economy, where Moscow constitutes over half of the country's GDP. Almaty currently produces 20 percent of Kazakhstan's GDP.¹⁵ In the future, Astana will constitute an even larger proportion of the nation's production. In 2010 alone, Astana attracted 14 percent of the country's foreign investments.¹⁶ Over time, Astana and Almaty will crowd out investment opportuni-

KAZAKHSTAN'S NEW CAPITAL

ties in the peripheral regions, while causing a brain drain in the countryside and an overwhelming amalgamation of resources in these two cities.

The millions wrapped up in Astana's glossy skyscrapers benefit the privileged few, while peripheral regions suffer from under-investment. I visited Sufi Ahmad Yasawi's Mausoleum in Turkestan, a small town in southern Kazakhstan not far from the border with Uzbekistan, where there was no Internet access and where most roads, buildings, and facilities have not been systems. Astana's grandeur does not compensate for the Soviet shoddiness of Kazakhstan's smaller towns.

Astana After Nazarbayev. Despite Astana's incredible growth, its future is jeopardized by the question of political leadership succession. Already an impressive city, Astana will expand at an even more accelerated rate over the next eighteen years, requiring the continuation of the status-quo political and economic environment.

The rule of seventy-one-year-old

The millions wrapped up in Astana's glossy skyscrapers benefit the privileged few, while peripheral regions suffer from under-investment.

touched since before 1990. Even in Almaty, my apartment lacked air conditioning, and on some days the gas did not work. In restrooms throughout the city, toilet paper was never flushed but was disposed of in trashcans because the plumbing system could not handle the paper. The city's buses and trolleys ran on the same schedule and ticketing system from the Soviet period. It took me forty-five minutes to walk to school everyday, while the bus took one hour. The money channeled into Astana would be better allocated to combating corruption by increasing wages for police officers and government employees, upgrading the national infrastructure, modernizing supply chains for agricultural producers in the country's southern regions, and investing in the national education and public health

President Nazarbayev will soon end. To guarantee long-term stability, the President must determine a suitable successor. Since independence, Kazakhstan has not experienced a transition of executive power, and it remains extremely unclear how power will be transferred. Nazarbayev's personal net worth, while not exactly known, is in excess of \$1 billion. Meanwhile, his son-in-law and former head of the \$80 billion Samruk-Kazyna Sovereign Welfare Fund, Timur Kulibayev, is estimated to be worth \$1.3 billion according to Forbes.¹⁷ Moreover, President Nazarbayev's position at the nexus of international political and economic forces in developing Astana renders the office of the presidency extremely important and highly coveted. Astana raises the succession stakes, turning a

million-dollar question into a billiondollar gamble.

For President Nazarbayev, Astana is a symbolic manifestation of Kazakhstan's glory, power, unitary system, and multi-vector foreign policy. President Nazarbayev promulgates the new capital as a modern emblem of the Kazakh nation-state in order to augment perceptions about the legitimacy of his regime.

Will Astana's symbolic "soft power" outlast Nazarbayev? Many parties share a coincidence of interest in maintaining the macroeconomic stability necessary for continued investment and construction. If the incentive of the material gains of the presidency becomes greater than the shared interests in upholding stability, however, then elites will fight for power and destabilize the political system. Many of the Kazakh professionals I encountered confessed fearing for the security of their country and investments once Nazarbayev passes from the scene. The fear is that instability in Astana will spread throughout Kazakhstan, prompting foreign investors to lose confidence in the business climate and withdraw investments, thwarting Astana's development, and eliminating thousands of jobs. Because Astana is regarded as a center of employment, its development in a post-Nazarbayev era will impact the entire state.

Conclusion. Astana crystallizes Kazakhstani nationalism as well as the innovation, commitment, and leadership of President Nazarbayev. His failure to select a successor, however, threatens the country's stability and the growth of the capital. Moreover, Astana's rapid development has come at a cost. There has been poor quality construction, under-investment in the peripheral regions, and the creation of high expectations that may go unfulfilled in a post-Nazarbayev era. It is not a matter of if, but when, the Nazarbayev presidency ends. When that day comes, I fear Astana will be a symbol of autocratic extravagance rather than an emblem of a unified, developing state.

KAZAKHSTAN'S NEW CAPITAL

<u>NOTES</u>

I Tim Cashion, "The Building of a City Astana: From Modest Soviet Town to Glittering Capital," *Edge*, Internet, http://edgekazakhstan.com/a_building.htm (date accessed: 10 January 2012).

2 Aqmola is Kazakh for "white mausoleum," while Astana is Kazakh for "capital."

3 Anonymous tour guide, conversation with author, Astana, Kazakhstan, 5 August 2011.

4 "Discover Astana!" *Expo 2017 Astana*, Internet, http://www.expo2017astana.com/en/node/105 (date accessed: 22 December 2011).

5 Anonymous tour guide, conversation with author, Astana, Kazakhstan, 5 August 2011.

6 Anonymous tour guide, conversation with author, Astana, Kazakhstan, 5 August 2011.

7 Embassy of Kazakhstan, "Kazakhstan Country Profile 2011," Internet, http://www.kazakhembus. com/uploads/images/Country%20Profile%202011. pdf (date accessed: 28 December 2011).

8 "Aldar Properties & Al Maabar Launch Abu Dhabi Plaza in Astana, Kazakhstan," *AME Info*, I November 2007, Internet, http://www.ameinfo.com/136656. html (date accessed: 22 December 2011).

9 "Agreement Signed to Construct Abu Dhabi Plaza in Astana," *Tengrinews*, 29 March 2011, Internet, http://en.tengrinews.kz/kazakhstan_news/467/ (date accessed: 28 December 2011).

10 Gad Lior, "Israeli Invests \$6B in Kazakhstan: David Ben Nani building luxurious residential quarter for 30,000 residents in Astana," Yedioth Internet, 13 August 2011, Internet, http://www.ynetnews.com/ articles/0,7340,L-4098065,00.html (date accessed: 22 December 2011).

II "Kazakhstan's Property Market to Grow in 2012," *New Europe*, 8 January 2012, Internet, http:// www.kazakhembus.com/index.php?mact=News,cntn t0I,detail,0&cntnt0Iarticleid=831&cntnt0Iorigid=9 0&cntnt0Icategory_id=6&cntnt0Ireturnid=90 (date accessed: 9. January 2012).

12 Ibid.

13 International Monetary Fund, "Statement by the IMF Mission to the Republic of Kazakhstan," 28 October 2011, Internet, http://www.imf.org/external/ np/ms/2011/102811.htm (date accessed: 10 January 2012).

14 "Three People Injured in Astana Elevator Fall," *Tengrinews*, 21 July 2011, Internet, http://en.tengrinews. kz/disasters/3309/ (date accessed: 28 December 2011).

15 "Every 8th person in Kazakhstan lives in Almaty," *Tengrinews*, 28 November 2011, Internet, http:// en.tengrinews.kz/people/5666/ (date accessed: 28 December 2011).

16 "Astana – City with Dynamic Tendency of Growth," Astana Official Website, 1 July 2010, Internet, http://www.astana.kz/en/node/7321 (date accessed: 22 December 2011).

17 "Timur Kulibayev," *Forbes*, March 2011, Internet, http://www.forbes.com/profile/timur-kulibaev/ (date accessed: 10 August 2011).