

DOCTORAL THESIS

Geopolitical aspects of energy cooperation between Kazakhstan and China

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**GEOPOLITICAL ASPECTS OF ENERGY COOPERATION
BETWEEN KAZAKHSTAN AND CHINA**

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Abstract

Energy cooperation between the Republic of Kazakhstan and China was established more than 20 years ago, in the early 1990s. However, few Kazakh authors have researched this subject in depth. The aims of this research are to examine new systemic approaches to better cooperation between Kazakhstan and China; and to contribute to the geopolitical literature on economic cooperation in Central Asia. The objectives of this study are: to analyze the economic reforms and changes in the energy policies of Kazakhstan and China; to examine the geopolitical factors appertaining to energy cooperation in Central Asia and beyond; and, to identify challenges, and solutions for future cooperation.

The research framework was constructed to investigate the geopolitical impacts of the cooperation on bilateral, regional and international levels. The research raises four questions: (1) what are the priorities of the Kazakhstan and Chinese governments: energy security or political influence? (2) will Kazakhstan become more dependent on China in terms of economic development? (3) will energy cooperation do harm to or facilitate the regional political and economic development of Central Asia and international players in Central Asia?

The four hypotheses are as follows: (1) the two priorities of the Kazakhstan government are economic development and geopolitical equilibrium; China aims to improve its energy security and political influence in Central Asia and to stabilize its Western region; (2) Kazakhstan will not rely on China for its economic development in the course of the bilateral energy cooperation; (3) energy cooperation between Kazakhstan and China will facilitate the regional political and economic development of Central Asia; and, (4) energy cooperation will not negatively impact on the geopolitical interests of international players in Central Asia.

Various theories are applied in the research, namely realism, neo-realism, hegemonic stability, historicism, international relations and laws, and world economy. Systematic collection and assessment of the literature, data and published documentary information regarding energy cooperation between Kazakhstan and China - as well as in Central Asia - are employed as the main research methods.

The research revealed the following: the popular myth of Kazakhstan's dependence on China is wrong; and, cooperation will actually benefit Kazakhstan, both economically and politically. The results also show that: energy cooperation promotes regional equilibrium and benefits most of the players in the region; and, although its influence on the US and the EU may prove controversial, regional stability and energy outputs outweigh any negative eventualities.

However, the divergent interests that appertain between Kazakhstan and China highlight the potential political and economic risks of energy cooperation in the future. To this end, four new approaches are suggested: (1) encouraging Kazakhstan-China Joint Ventures and the transfer of

technologies; (2) requiring Chinese companies to take more social responsibility; (3) both countries could engage in more cultural exchange; and, (4) promoting multi-vector economic cooperation with other regional and international players. These new approaches could serve as a model for countries or regions with rich natural resources to avoid the “resource curse” and to balance regional power equilibrium in energy or other economic cooperation.

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