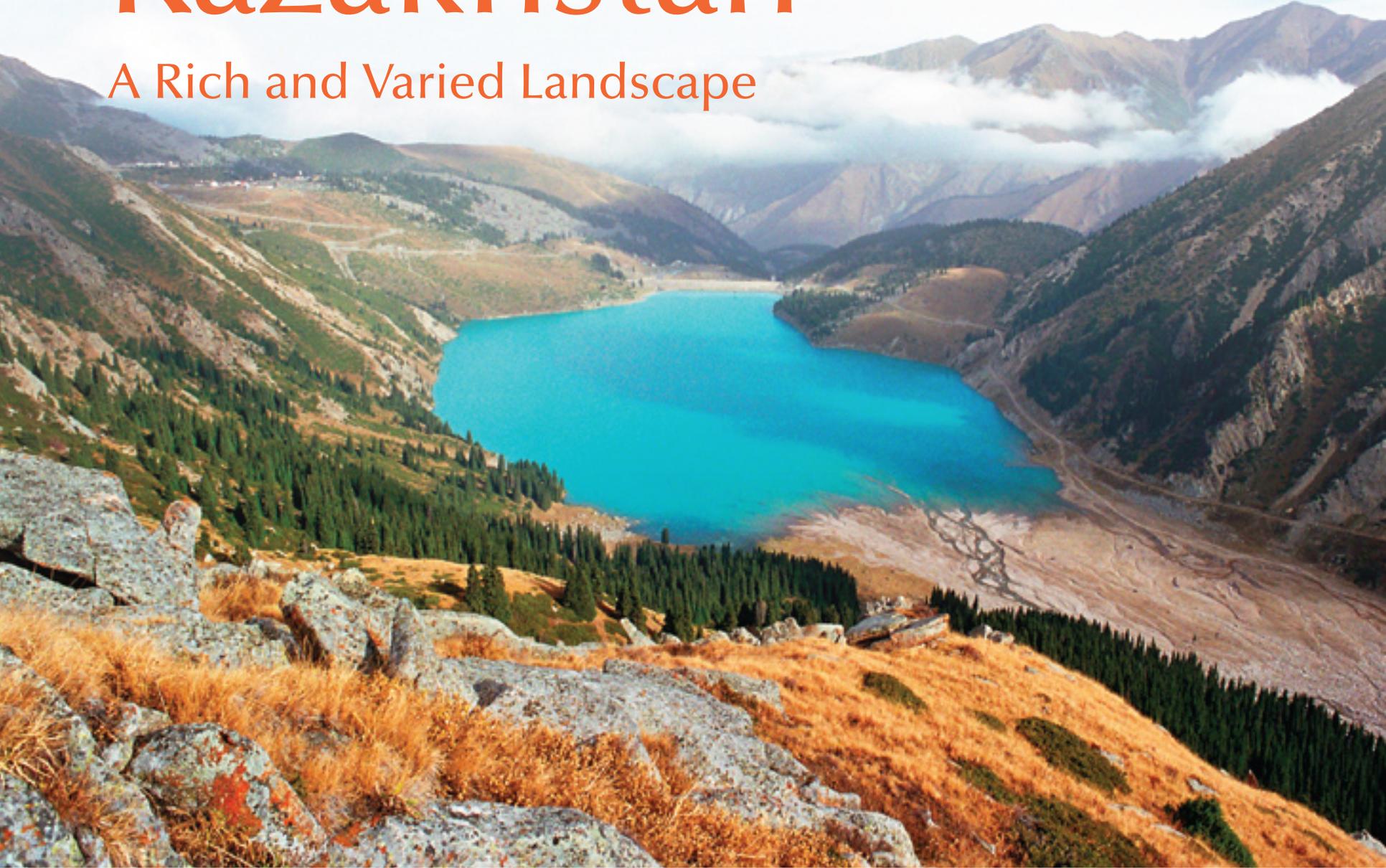


Kazakhstan

A Rich and Varied Landscape



■ **Upper:** Big Alma-Ata Lake, or Almaty Lake, in the Bolshaya Almatinka Gorge, attracts tourists with its fresh alpine air, ever-changing color of the lake's water, and splendid mountain vistas. **Lower:** Rural life in Kazakhstan is captured in this portrait of a Kazakh farmer's wife.

Every day, increasing numbers of people are turning their attention to Kazakhstan. Its enormous hydrocarbon and mineral resources and capacity for ever-increasing grain production are attracting business suitors from across the globe. And economic potential is only one of the things that make this vast country so notable. Measuring more than 2.7 million square kilometers, Kazakhstan is as large as Western Europe, more than twice the size of the other four nations of Central Asia combined, and the ninth largest country in the world. Moreover, its rich landscape embodies everything from rocky-snowcapped mountains to dense pine forests, seemingly endless steppe, and a giant inland sea.

At its furthest east-to-west extent, Kazakhstan is almost 3,000 kilometers wide; at its furthest north-to-south, 1,500 kilometers. The Tien Shan mountains flank the country's southern border with the People's Republic of China and the Kyrgyz Republic. Its eastern border with the People's Republic of China rides a series of mountain ranges, including the Altay, birthplace of the Turkic people. The vast Kyzylkum Desert straddles its southwestern border with Uzbekistan. To the north, Kazakhstan's

flat and mostly treeless steppe meets the Western Siberian Plain of Russia. To the west is Kazakhstan's 1,894-kilometer Caspian Sea coastline.

More than 47,000 square kilometers of Kazakhstan's total area are occupied by water. The country boasts of seven rivers measuring over 1,000 kilometers in length. Primary among them are the Syr Darya, Central Asia's largest river, flowing north from Uzbekistan across Kazakhstan to the Aral Sea; and the Ural, flowing south from the Russian Federation to form Kazakhstan's giant Ural River Delta before emptying into the Caspian Sea. Other prominent rivers are the Chui, Emba, Illi, Irtysh, and Ishim. Largest bodies of water are the Aral Sea, and lakes Alakol, Balkhash, Tengiz, and Zaisan.

A Society Making Gains

Kazakhstan's population was about 15.5 million in 2007, and claims have been made that it is home to more than 100 different nationalities. Though this figure is unconfirmed, the population is relatively heterogeneous, with 53% Kazakh, 30% Russian, more than 11% Ukrainian,



Uzbek, German, Tatar, and Uygur; other groups, such as Azerbaijanis and Belarusians, are also present. People are mostly centered in the country's northeast and southeast, with Kazakhs predominantly concentrated in the south, and Russians in urban areas close to the Russian Federation in the north. Kazakhstan's population density of about six people per square kilometer is one of the lowest in the world. It is a bilingual country, with the Kazakh language recognized as the official state language, and Russian as the official language of interethnic communication.

Kazakhstan's people have much to be proud of. The country has met several United Nations Millennium Development Goals and made excellent progress on others, including access to education and the promotion of women's rights. Kazakhstan's estimated gross national income per person of US\$5,010 in 2007 is more than twice as much as any other country in the region. Of concern, however, is that a wealth gap between rural and urban populations exists. Work is also needed to improve health care, quality of education, and environmental sustainability.

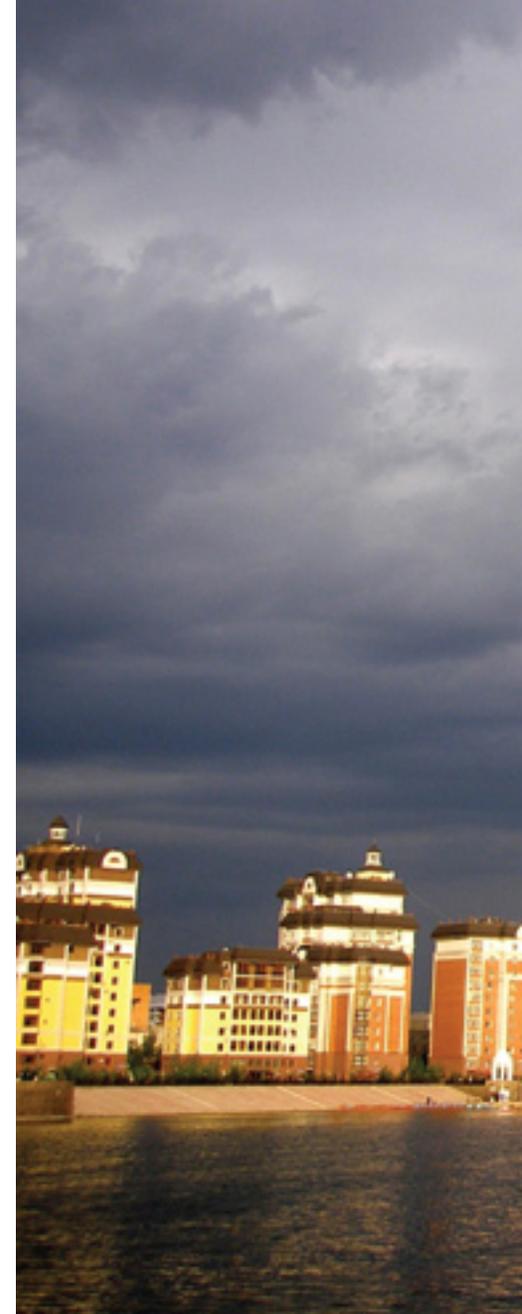
Endowed With Natural Resources

Kazakhstan is resource rich, and thanks to its early and vigorous adoption of liberal market and trade reform, its oil, gas, and mineral sectors have been an investment magnet since shortly after independence. The country's enormous mineral deposits make it a world leader in reserves of coal, chromite, lead, and zinc, and its uranium deposits are estimated to be the second largest in the world. Natural gas reserves are substantial as well. Primarily located in the Caspian Sea region, they are found in associated oil and gas fields, such as the giant Karachaganak and Tengiz fields.

Petroleum, however, has gained the most attention. Since the early 2000s, more than half of the country's industrial output has consisted of oil, with a large number of other industries dependent on it. In 2008, Kazakhstan ranked among the world's top 20 oil producers. Most oil deposits are located in the Caspian Sea region, with the Kashagan field estimated to contain the



■ Apples are Almaty's namesake, derived from the Kazakh word for "apple."



■ **Top left:** Part of the vast wheat growing area in northern Kazakhstan. **Top right:** A view of Astana across the Ishim River. **Middle:** A hydraulic excavator scooping coal into the trains in one of the largest open pit mines of the world, operated by Bogatyr Access Komyr in Ekibastuz of Kazakhstan, ready for transporting them. **Bottom:** A variety of dried fruits and nuts at Almaty's Green Bazaar.

world's fifth largest oil reserves. Between 2000 and 2007, the country enjoyed healthy gross domestic product (GDP) growth of 8.5% or more. Not surprisingly, oil production and hydrocarbon investment drove Kazakhstan's rapid growth for years. Mining and quarrying, led by oil as well as coal and gas, continue to grow. Since 2005, however, the main growth engine has been the rapidly developing non-oil economy, particularly construction and services, which employs most people and accounts for more than half of GDP. This is good news because it suggests oil wealth has filtered through the economy. That 56% of the population live in urban areas, the highest percentage in the region, reflects Kazakhstan's increasing migration from farm regions to the cities by people in search of jobs in construction and services.

Dynamic Agriculture Sector

While accounting for only about a tenth of GDP, Kazakhstan's agriculture sector remains important, both economically and culturally, employing more than 30% of workers, and most rural poor. Over 75% of the country's land is agricultural: 22.3 million hectares of arable land and 185 million hectares of pasture—the fifth largest pastureland in the world. Like other countries in the region, Kazakhstan's agricultural roots are pastoral nomadic. Sheep breeding dominates;

however, cattle, pigs, horses, and camels are abundant, resulting in a highly developed market in dairy, leather, meat, and wool products.

Kazakhstan's quality agricultural lands support a wide variety of crops. Wheat, two-thirds of which grows in Kazakhstan's rainfed north, is the number one crop. But though the soil is relatively rich, lack of water resources makes irrigated water from the Syr Darya essential for other crops. Major irrigated crops include cereals, fruits, fodder, potatoes, sugar beet, and especially wheat and rice. Cotton is grown along large stretches of the Syr Darya, but primarily near the Aral Sea; rice is grown mostly in the tail of the river in Kyzyl Orda. Yields for each of these products could increase with improved water management. Better water management would also help arrest the environmental damage poor irrigation practices have caused.

The Need for Environmental Protection

Kazakhstan's major ecological systems include desert, forest, mountain steppe, and bodies of water. Its diverse altitudinal zones enable a great variety of flora and fauna to thrive. More than 6,000 species of plants have been counted. And the country has more than 170 species of mammals and 480 species of birds. Many plants and animals, however, are endangered due



to destruction of habitat. People's health and livelihoods have also been affected by a polluted environment. Much of Kazakhstan's water supply is polluted from industrial and agricultural runoff. Desertification has destroyed a significant area of agricultural land. Industrial centers are affected by air pollution. Expanding oil operations have severely polluted the Caspian Sea. Soviet-era weapons tests have left Semepalatinsk in the northeast contaminated by radiation. And water diversion for irrigation has dried out much of the Aral Sea.

While the challenges are many, the government has embarked on numerous projects to arrest the damage and protect the environment. To preserve biodiversity, the National Biodiversity Strategy and Action Plan calls for adding 13 new protected reserves by 2030 to double the area currently protected. The country has rehabilitated structures along the Syr Darya and constructed a dam across the Aral Sea. This has resulted in significantly increased water levels in the portion of the sea near Kazakhstan.

Other projects are also in the works. More is needed, however, if the country is to better address its problems of sanitation, air and water quality, irrigation practices, and land degradation. Kazakhstan has the basic resources required for great nationhood. Achieving it requires taking the path of sustainable development.

Astana

Rising bravely from the northern steppe, along the banks of the Ishim River, is Kazakhstan's new capital, Astana. The city was just a dream in the mid-1990s when Kazakhstan's President Nursultan Nazarbayev proposed moving the capital from the country's financial and cultural center, Almaty, to the "little known" town of Akmola. The intention was to anchor a new capital in the center of the vast nation, and it has paid off. Since its 1997 inauguration as capital, Astana (as Akmola was renamed) has been asserting itself as a modern, vibrant capital that is host to numerous foreign missions.

The city, whose population stood at roughly 600,000 in 2006, features architecture that combines modern design with oriental flavor. Symbol for the city is the Baiterek Tower, 105 meters tall. Its observation deck offers panoramic views of city and surroundings. Astana was awarded the United Nations Educational, Scientific and Cultural Organization (UNESCO) title of World City in 1999, and is site for international conferences and exhibitions. It is also home to ballet and drama theaters, traditional folk festivals, and museums. Still growing, many business buildings and entertainment areas are yet to be completed. The complex of government departments is situated in a new modern center by the Ishim River.

Almaty

Located in the country's southeast, Almaty is not only Kazakhstan's cultural, business, and financial center but also Central Asia's most cosmopolitan city. Resting in the foothills of the stunning Zailiysky Alatau mountain range, the city is a picturesque mix of rolling hills, verdant treelined streets, and architecturally bold buildings. Almaty is a city in ascent that holds allure for everyone—from international business people looking to take advantage of Kazakhstan's relatively open market economy, to tourists who wish to shop, ski on the Shimbulak's flank or skate on the high-altitude Medeo skating rink, or enjoy exotic nearby wilderness. For a busy city of more than a million, Almaty is remarkably clean. Its many museums, parks, sports stadiums, and cafes offer something for those who like the day; its restaurants, casinos, and nightclubs offer a vibrant nightlife as well.



■ **Top:** The "Baiterek" in Astana. There is a viewing area inside the ball, which gives panoramic vistas of the city. **Middle:** Buildings in Astana's "new city" located south of the Ishim River, south of the old city, built to hold government and embassy offices and their housing. **Bottom:** Hot air ballooning is popular on Independence Day in Almaty.