Migration Processes in Kazakhstan in the Context of the Formation of the Silk Road Economic Belt

Aslanbek K. Amrin¹, Saule A. Kaliyeva², and Farida G. Alzhanova²

Abstract

This article deals with the development of migration processes and problems of cooperation between Kazakhstan and China in labor migration in the context of the formation of the Silk Road Economic Belt. The methodology used in this research includes a literature review and statistical research, which allowed for a study of the dynamics of international migration within and between the states studied. The research focuses extensively on data provided by governmental institutions and international organizations in order to establish a coherent and relevant theoretical framework. The factors concerning and features of population migration and labor migration in Kazakhstan are considered. Negative trends associated with deterioration in the quality and structure of external migration in Kazakhstan, which determine the need to regulate migration flows and attract qualified personnel, are highlighted. The creation of a platform for the exchange of views on the current state and prospects of cooperation in labor migration on the basis of the Kazakhstan-China Business Council and the SCO Business Council is identified as a priority for collaboration between Kazakhstan and China in the field of labor migration. A justification is also made for a mechanism for allocating the obligations of Kazakhstan and China as quotas and obtaining permits to attract foreign labor.

Key words

Kazakhstan; China labor migration processes; Silk Road Economic Belt

Introduction

The development strategy of the Silk Road Economic Belt, building on the ancient Silk Road and significantly expanding it, is one of the most significant initiatives that form the new paradigm of economic and geostrategic development in the countries of the Asia-Pacific region and Europe. This strategy has enormous potential for developing mutually beneficial cooperation between the states of Central, South Asia, Middle-Eastern, Western, and Northern Europe. The “One Belt, One Road” initiative is evaluated as a model of globalization (Aoyama, 2016; Khan, Sandano, Pratt & Farid, 2018; Sárvári & Szeidovitz, 2016). It is a project designed with several aims in mind: to eliminate the monopoly of the West over cargo delivery sea routes (Cheng, Song & Huang, 2018); as a regional project (Fallon, 2015; Summers, 2016; Wang, 2016; Zuokui, 2015); and as a project designed to address China’s internal problems. These problems are related to the leveling of the economic development of Eastern and Western China to provide access to new markets for the Chinese economy.

The economic belt of the Silk Road is a broad plan for the economic development of a huge number of Eurasian states. Important international corridors of the Silk Road Economic Belt

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include Central Asia, Kazakhstan, and Western Asia. This large group of countries rich in natural resources is of great interest to China.

For countries of the region, including Kazakhstan, participation in belt development, on the one hand, offers opportunities that are created with the formation of a large trans-regional market along with the potential for Chinese investment, the implementation of large infrastructure and industrial projects, and a network of transport corridors in the Eurasian sub-regions (Kassenova, 2009; Mitrovic, 2018; Zhang, 2015).

On the other hand, the implementation of the One Belt project gives rise to a number of challenges in different areas for both China and other countries of the region. These challenges are connected with the establishment and harmonization of China’s relations with the countries of the EAEU and individual countries of Central Asia, cultural differences, differences in the economic development of the region’s countries, and differences in the interests of China and Central Asian countries. For the region’s countries, the challenges are connected with the need to pair the directions and interests of the development of the EAEU as well as with national plans, such as the infrastructure development plan Nurly Zhol (in Kazakhstan). It should be borne in mind that the countries of the Silk Road Economic Belt are at different levels of development; each country has its own history, culture, and religion. However, in order to foster peace and cooperation, human contact, cultural exchange, and dialogue are essential (Li & Wang, 2011; Mostafa & Mahmood, 2018; Wang, Yang, Xia & Zhao, 2016; Zhiltsov, 2016). Even so, a whole group of challenges is connected with the protection of the environment and the preservation of ecosystems, with ensuring security in the region, and with the fight against cross-border crime.

Increasing population mobility is becoming one of the most visible challenges. The implementation of the “One Belt, One Road” initiative affects the interests of countries in the field of human resources and employment. Migration processes within the Central Asian region and between the countries of the region and China have been actively developing in recent years. Investments in infrastructure projects of the Silk Road are new opportunities for the development of territories and new jobs. At the same time, countries united by the economic zone become those receiving regular migrants from China. In addition, in recent years there has been a change in migration flows in China. China is becoming a destination country for international migrants (Center for China and Globalization, 2018).

Therefore, it is logical that a large block of issues in the development of the Silk Road will be associated with the regulation of migration processes and the harmonization of countries’ interests in the field of employment.

Chinese migration is considered to be a critical factor in influencing the socio-economic and demographic development of Kazakhstan in the long term. Therefore, along with the quantitative aspects of migration, the qualitative characteristics are also relevant (Burkhanov & Chen, 2016; Kozhirova & Ospanova, 2014; Sadovskaya, 2008). The interest in the problem of migration between China and Kazakhstan is indisputable given the enormous demographic and economic potential of the country, and the degree of influence and the presence of Chinese capital in Kazakhstan.

The problems of China’s strategic partnership with the countries of Central Asia and Kazakhstan are examined in the works of Kazakhstani and other researchers. With the implementation of the “One Belt, One Road” initiative, interest in the subject of China’s partnership with the countries of the region has increased.

The study of labor migration is currently experiencing difficulties. Firstly, the total migration flow always includes the goals of labor activity in the host country; therefore, its structure
somehow influences the quality of labor resources and human capital in the country as a whole. Secondly, the problems of measuring labor migration are due to the lack of a unified methodology for its assessment, which hinders the complete comparability of national statistics on labor migrants.

It should be noted that there are significant shortcomings in the field of fully-fledged statistical observation of labor migration in Kazakhstan. Migrants working outside the quota without intermediaries are usually not taken into account as labor migrants, and this distorts the real picture of migration (Danzer, Dietz & Gatskova, 2013; Shokamanov, 2008).

Labor migration takes on various forms that are difficult to account for. Due to economic-geographical and ethno-cultural prerequisites, migration, including migration between China and the countries of Central Asia, has acquired specific features. Sadovskaya explores the factors and stages of development of Chinese migration in Central Asia. Migration types, such as commercial shuttle migration in the informal sector, which attracts licensed foreign labor, as well as unregulated migration are highlighted. Sadovskaya examines channels for the spread of Chinese influence through the creation of “Chinese” markets in large cities, problems of consolidation and structuring among Chinese migrants, and adaptation of migrants and ethnic repatriates (Sadovskaya, 2008; 2013b; 2013a).

One of the reasons for anti-Chinese sentiment in the region according to Koch (2013), including fears concerning Chinese migration, is that the majority of the population view Chinese expansion and migration as a “threat” due to the increasing presence of China, the secrecy of information about ongoing and upcoming projects, and real-scale Chinese migration. Moreover, rumors that the Chinese government pays its citizens to emigrate are widely circulated among the public (Koch, 2013). Regarding the migration processes between Kazakhstan, China, and other countries of the Eurasian region, the gravity model can be productive (Arpaia et al., 2018; Cohen et al., 2008).

The main goal of this work is to present the latest trends in the development of migration processes between the two countries of Kazakhstan and China, as well as to illustrate the main modes of cooperation in the field of labor migration regarding the formation of a new economic space between countries as part of the creation of the Silk Road. The phenomenon of international labor migration is controversial and has positive and negative consequences. One positive effect of the influx of migrants is that they can be a solution to economic and demographic problems in that they can improve the balance of the labor market and can compensate for shortages of labor resources. Negative aspects include the inflow of unskilled labor and the decline in the quality of the country’s labor potential.

**Methodology**

This study of labor migration, which covers various areas of work related to economic factors, consists of two parts. The first part is a review of the literature over the last 10-15 years which aims at determining the main factors affecting labor migration between the two countries. The major method of the literature review is a direct comparison of data provided by international organizations, academia, and government in a cross-sectional time-frame. The literature review in this article aims to establish a theoretical framework, providing an insight into the dynamic structure of labor migration in the region. The theoretical framework was constructed based on data gathered by international organizations and government institutions and shows numerical changes in labor migration statistics as well as changes of academic theories in the literature on this topic based on existing academic research. In other
words, the statistics illustrate the changes over the last 15 years, while existing theories assist in systematizing the statistical data. The literature used in this article primarily focuses on regional migration and the Silk Road Economic Belt, while the bibliography is constructed to split the number of references equally between Western academia and articles of local researchers. Moreover, a large portion of the literature comprises governmental reports on migration as the government is believed to be able to provide the fullest and most precise information on this matter. The second part presents documentary and statistical research based on the fundamental methodologies of international organizations, such as the United Nations, the Organization for Economic Cooperation and Development, the International Labor Organization (ILO), the World Bank, and the International Organization on Migration (IOM) (IOM’s Global Migration Data Analysis Centre, 2018). The methodological approaches of these organizations are based on building a system of indicators for measuring migration processes, identifying major problems, and assessing global and regional trends in the field of migration. The use of relevant statistics allows quantitative analysis to be used for forecasting and establishing dependencies between the major factors of regional migration policies.

Factors and Features of the Development of Migration Processes in Kazakhstan

Firstly, it is necessary to discuss existing definitions of migration. According to the IOM methodology, population migration is a complex socio-economic phenomenon that characterizes not only individual freedom and movement of people but is also a factor in the formation of labor resources in a country. According to the IOM methodology, international migration is the movement of persons leaving the country of origin or country of habitual residence for permanent or temporary residence in another country. At the international level, there is no universally accepted definition. The term “migrant” applies to individuals and family members moving to another country or region to improve material or social conditions for themselves or their families (Perruchoud & Redpath-Cross, 2011).

Migration flows and the ethnic composition of the Kazakhstan population have been shaped by many factors: socio-economic, political, ethnic, environmental, etc. Political factors have become one of the most powerful determinants of the dynamics and ethnic composition of the Kazakhstan population. Starting from the period of the accession of Kazakhstan to Russia, the Stolypin reforms to resettle the population from the European part of Russia occurred in the early 20th century, and the revolution of 1917 laid the trends for the influx and growth of European people. The industrialization of the 1920-30s, and the evacuation of the population from the European part of the USSR during the Great Patriotic War in the 1940s along with industrialization and land development in the 1950s-60s further strengthened this trend. The positive influence of these processes was an increase in the inflow of qualified specialists of various levels. All this determined the polyethnic structure of the population and the peculiarities of the cultural and technological development of Kazakhstan. These processes determined a high level of the stock of international migrants in general and in comparison with China in particular (Table 1) (United Nations, 2017).
Table 1: International migrant stock, people.

<table>
<thead>
<tr>
<th>Country</th>
<th>2000</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>People</td>
<td>%</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>2,871,300</td>
<td>19.2</td>
</tr>
<tr>
<td>China</td>
<td>508,034</td>
<td>0.0</td>
</tr>
</tbody>
</table>

From the second half of the 1980s and the beginning of the 1990s, a new wave of large-scale migration from Kazakhstan began, caused by geopolitical changes, restructuring policies, the removal of the Iron Curtain, the collapse of the USSR, the acquisition of state independence (Sadovskaya, 2008). During this period, the mass migration of ethnic Germans and Russians and other European ethnic groups began. It was facilitated by the program for the development of the Eastern lands in Germany and the involvement of ethnic Germans. In many respects during this period, migration was of a forced nature and was due to a sharp decline in the standard of living in Kazakhstan. Kazakhstan has lost a significant part of its qualified engineering and technical personnel due to a massive “brain drain” in the 1990s-2000s, the economic cost of which is estimated at $120-125 billion.

To overcome the negative trends in the field of migration in Kazakhstan, a policy of ethnic migration has been adopted (Natsuko, 2013). According to the Ministry of Labor and Social Protection, from 1991 to 2017, more than 1 million ethnic Kazakhs returned to their historic homeland and received repatriate status (oralman). Fifty-six percent of them were people of working age. The main countries of origin of these repatriates were China, Uzbekistan, and Mongolia, and most of them settled in the southern regions of Kazakhstan, such as Almaty, South Kazakhstan, and Zhambyl.

**Economic modernization**

The uneven and heterogeneous nature of Kazakhstan’s economic modernization, a factor determining the direction of internal migration, should be noted. Firstly, in a country like Kazakhstan with its large territory and low population density, most of the socio-economic processes are uneven both in space and in time.

Secondly, as a result of Kazakhstan’s involvement in the process of globalization, two “capitals” have been accelerated in growth as the centers of attraction for financial flows, human capital, the service economy, and world energy production.

Today, there are isolated centers of secondary modernization (Astana and Almaty) on the conventional modernization map, which implies the further development of existing institutions. Also, the Central Eastern zone (Karaganda, Pavlodar and East Kazakhstan regions) is one of primary modernization, i.e. initial and/or early phases of development.

Western Kazakhstan is a zone of accelerated completion of primary modernization (Atyrau, Aktobe, Mangistau, and West Kazakhstan regions). The Southern zone (South Kazakhstan, Zhambyl, Almaty and Kyrgyzorda regions) and Northern Kazakhstan (Akmola, Kostanay and North Kazakhstan regions) are areas of the continuation of primary modernization. The dynamics of modernization determine the characteristics of internal migration in the country. Because of this, from 2000 to 2017, only Almaty and Astana had a positive migration balance, while they accounted for about 30% of internal migration (Satybaldin et al., 2016). It should be noted that modernization is also important in the development of migration processes and labor migration from rural areas to expanding cities within China.
Urbanization

The acceleration of urbanization is becoming the main feature of Asian countries’ development, and Kazakhstan is not an exception (United Nations, 2014). Regions that can provide jobs in the service sector, usually large cities and urban agglomerations, will drive employment levels.

Over the past 25 years, the level of urbanization in China has increased twofold, and by 2050 it is projected to increase a further 80%. In Kazakhstan, the dynamics of urbanization remain low, and an acceleration of urbanization is projected after 2020. Also, the share of the urban population by 2050 is expected to be lower than the world average at 64.6% (Figure 1).

Figure 1: Urban population (% of total)


This situation is caused by a peculiarity in the formation of Kazakhstan’s cities, namely the presence of a significant number of single-industry towns (27%) and small cities (69% of the total number of cities). Due to the limited market and production potential, single-industry towns and small cities act as an intermediate link in migration between rural areas and large cities. The arrival of rural residents from adjacent villages, low-skilled migrants, and the departure of the most qualified of the labor force to larger cities further exacerbates tensions in the labor market of these cities. In addition, most of the migrant population of single-industry towns and small cities are young people of working age, which leads to a decrease in the share of the economically active population. The following major cities of Kazakhstan have positive net migration: Shymkent (+5,175 people); Atyrau (+3,555 people), Aktobe (+1,369 people), Kostanay (+1,934 people); Petropavlovsk (+609 people); Taldykorgan (+562 people). The following cities have negative net migration: Taraz (-1,705 people); Pavlodar (-737 people); Kokshetau (-36 people); Aktau (-479 people); Kyzylorda (-203 people).

Social factors

The main factor influencing internal migration is the search for a stable and well-paid job. From 1997-2009 as part of the migration outflow, 61.5% of migrants were persons of working age and 16% were people younger than working age. The most mobile of the population were 18-30 and 31-45 year olds.
From 2010-2017, the share of migrants of working age averaged 77%. The greatest outflow of the working-age population was mainly in the Southern and Northern regions: Akmola, South Kazakhstan, Zhambyl, North Kazakhstan, and East Kazakhstan. The main regions of population inflow were Astana (10.5%), Almaty (30.8%), Almaty region (12.6%), and Akmola region (6.4%).

Active migration processes occur between adjacent economic areas. Therefore, in Western Kazakhstan, almost 50% of internal migration occurs between regions in the West, in Southern Kazakhstan (15%), and in Northern and Central Kazakhstan (4%).

From 2015-2017, out of the total number of migrants who moved to Astana, 42% were migrants from neighboring regions, and 70% of those who moved to Almaty were residents of Zhambyl, South Kazakhstan, and Almaty. Modern intra-republican population movements occur mainly within the administrative centers of Kazakhstan regions. Moreover, a decrease in interregional migration leads to a decrease in the impact of internal migration on the socio-economic development of the country, as a result of which the growth of regional labor markets occurs.

Kazakhstan is characterized by a high degree of migration processes activity. The increase in the intensity of internal migration flows in Kazakhstan from 1.9% in 2000 to 5.2% in 2017 should be noted. Also, concerning internal migration in Kazakhstan, an about 80% fall on intraregional, and 17-20% on interregional migration has been recorded.

From 2003 to 2013, there was a period of rapid economic and welfare growth. During this period, there was a positive external migration balance (Figure 2).

**Figure 2: Balance of external migration of the Republic of Kazakhstan**

Since 2013, the situation has changed, and the intensity of external migration has increased. From 2013-2017, it increased from 1.43 to 2.09 per 1,000 people. At the same time, the negative balance of external migration increased by almost 10 times from (-) 2,234 people in 2013 to (-) 22,426 people in 2017 (Agency of Kazakhstan of Statistics, 2017).
Structure and quality of migration

The deterioration in the structure and quality of migration in Kazakhstan should be noted. There is a negative balance of migration in the category of migrants in the age category 15 years and older with higher education. From 2000 to 2017, 171,434 people with higher education left the country, and 82,957 people arrived, so the accumulated balance was 88,477 people, which represents a huge loss for a country like Kazakhstan (Figure 3).

Figure 3: External migration with higher education

Specialists with higher education are leaving Kazakhstan, and those who arrive are mostly migrants with low qualifications and levels of education who come from outside CIS countries. The positive balance of migration of the population with general and basic secondary education is formed at the expense of other countries (Table 2).

Table 2: Migration of population over 15 years old by level of education

<table>
<thead>
<tr>
<th>Level of education</th>
<th>CIS countries</th>
<th>Other countries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Balance</td>
<td>Arrived</td>
</tr>
<tr>
<td>Higher</td>
<td>-8,048</td>
<td>2,125</td>
</tr>
<tr>
<td>Secondary special education</td>
<td>-5,675</td>
<td>2,580</td>
</tr>
<tr>
<td>General secondary education</td>
<td>-1,552</td>
<td>3,213</td>
</tr>
<tr>
<td>Main secondary education</td>
<td>-179</td>
<td>2,010</td>
</tr>
</tbody>
</table>

It is obvious that to overcome such negative tendencies, measures to regulate migration processes are not sufficient. If qualification requirements for migrant workers can be established, these measures are unsuitable for regulating migration for permanent residence. Therefore, the structure of migration flows will strongly depend on the standard of living, political stability, and economic development of Kazakhstan.
Labor Migration in Kazakhstan: Main Problems

The phenomenon of international labor migration has a dual influence on the socio-economic development of countries. As a rule, the search for the best opportunities for work is one of the main motives in international migration. Labor migration is about two-thirds of the total international migration flow, and the number of labor migrants in the world has reached 164 million (International Labour Organization, 2018; International Organization for Migration, 2018). According to the Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan, 85% of external migrants arrive in Kazakhstan for permanent residence, and labor migration makes up a relatively low proportion of those (Sadovskaya, 2016).

Solutions to economic and demographic problems, improving the balance of the labor market, and compensating for the shortage of labor resources can all be positive effects from the influx of migrants. Negative aspects include the inflow of unskilled labor and the decline in the quality of the labor potential of countries. Modern technological developments, the growing role of knowledge, and the quality of human capital have a strong impact on the labor market of migrants. However, policies to attract labor migrants have become more selective, focusing more and more on qualified specialists and on restricting the inflow of low-skilled personnel to reduce illegal migration.

Since the beginning of the 2000s, Kazakhstan has become a center for receiving labor immigrants from Central Asia. The emigration flow from Kazakhstan, along with transit migration through the country, continues. Improving the standard of living in Kazakhstan has led to a massive influx of labor migrants. The main purposes of attracting foreign labor (FL) are the following: filling the shortage of qualified specialists; the creation of additional jobs in foreign and/or joint ventures; the training and retraining of local workers; and the professional development of local specialists to eventually replace these foreign workers.

The main tasks of regulating the immigration of the labor force in Kazakhstan are as follows: preventing the worsening of unemployment by protecting the national labor market from the seasonal or spontaneous influx of migrant workers; the use of migrant labor only in areas unsecured by domestic labor resources; and the attraction of highly qualified foreign specialists.

In order to protect the Kazakhstan labor market, quotas are approved annually for attracting foreign labor with the establishment of local content requirements in personnel. In this way, the quota size for foreign labor is set taking into account the proportion of the population that is economically active (0.7%) and the state of demand in the labor market of Kazakhstan. Managers and specialists should make up 70% of the total number of attracted foreign workers and, among specialists and skilled workers, at least 90% of Kazakhstani citizens have to be employed.

Accordingly, changes have been made in migration legislation to improve the investment climate and the tourist image of Kazakhstan. They relate to Kazakhstan’s personnel in small business, in enterprises implementing priority projects at territories of Free Economic Zones (FEZ), and when creating new industries in Kazakhstan in representative offices of foreign legal entities to which these requirements do not apply.

Among the main problems for Kazakhstan concerning labor migration are the high risks of increased migration and an excess of low-skilled labor; the growth of outflow of qualified
personnel and youth; overcrowding in major cities; reduction of the working-age population in the border regions; and the development of illegal labor migration due to the complex mechanism for obtaining permits to attract foreign labor. As a result, from 2011-2012, 2,300 foreigners indicated their labor activity as the purpose of their stay in Kazakhstan, and 808,000 people indicated a private trip (Labor Social Protection and Migration Committee, 2015).

With labor migration, especially illegal, conditions are created for the spread of precarious employment, the social vulnerability of migrants, and an increase in the risk of human trafficking. It should be noted that for Kazakhstan and China, the problem of vulnerable, unstable employment is a serious social problem with the share of vulnerable employment remaining high (Table 3).

Table 3: Vulnerable employment (% of total employment) (modeled ILO estimate)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td></td>
<td>53</td>
<td>49</td>
<td>45</td>
<td>44</td>
<td>43</td>
<td>43</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td></td>
<td>40</td>
<td>31</td>
<td>26</td>
<td>26</td>
<td>26</td>
<td>26</td>
</tr>
</tbody>
</table>

Source: World Development Indicators. Last Updated: 24.02.2020

With the creation of the EAEU, an agreement was reached between countries on the legal status of migrant workers and their families. That provides for the removal of restrictions on the access of citizens to labor markets of the EAEU, the abolition of quotas, the abolition of mandatory work permits for migrant workers, and a more liberal procedure for migration registration.

As a result of these measures, in 2014, 72,000 illegal migrant workers were withdrawn from the “shadow sector” of the economy; in 2015, more than 140,000; in 2016, more than 300,000; and in 2017, more than 320,000. These workers paid taxes of 3,427 million Tenge (10.3 million US dollars) to the state.

From 2013-2017, 156,000 people emigrated from Kazakhstan. Of these, 37% were young people aged 15-34, and 89.9% of them immigrated to the CIS countries, mostly Russia. This can be explained by peculiarities of ethnic migration, changes in attitudes towards labor migration within the EAEU, and different national migration policies (Shokamanov, 2008). In EAEU countries, migration is largely designed to solve employment problems. More than 50% of migration flows are formed between EAEU countries. Within the EAEU, Kazakhstan and Russia are the largest donors of labor, accounting for 89% of migration flows to the EAEU. At the same time, Russia, along with the United States and Canada, is a recipient of labor migrants. More than 70% of labor migrants in Russia are residents of the countries of the EAEU and the CIS (Kaliyeva et al., 2018).

According to data from Kazakhstan’s Ministry of Labor and Social Protection in 2016, the main donor countries for labor migrants entering Kazakhstan were China with 11,713 people (52.7%), Turkey with 3,302 people (11.2%), Uzbekistan with 3,012 people (10.3%), the United Kingdom with 1,490 people (5%), and India with 1,274 people (4.3%) (Ministry of labor and social protection of population of the Republic of Kazakhstan, 2016). In 2017, the changes were insignificant, as the migration situation was as follows: China with 12,400 people (43%), Turkey with 3,271 people (11.3%), Uzbekistan with 2,256 people (7.8%), the United Kingdom with 1,243 people (4.3%), India with 1,226 people (4.2%) (Ministry of labor and social protection of population of the Republic of Kazakhstan, 2017). The current situation along with the socio-economic situation is caused by problems in the management and accounting of labor migration. Therefore, the system for attracting labor migrants does not correspond
well with migration flows in general. There are no mechanisms for assessing the demand for skilled labor that take into account the movement of labor migrants, the diversion of talent, and illegal labor migration.

**Migration between Kazakhstan and China**

In the early 90s, the state of external migration in the Republic of Kazakhstan was shaped by the forced emigration and labor migration of the citizens of Kazakhstan from the country. A massive brain drain in the 1990s and 2000s caused economic damage estimated at $120-125 billion. In the mid-2000s, Kazakhstan changed its status, becoming a center for receiving labor immigrants from Central Asia. This emigration flow from the Republic remains, along with transit migration through Kazakhstan. Improving the standard of living in Kazakhstan has led to a massive influx of labor migrants into the country. Labor migration to Kazakhstan is mainly temporary, unregulated, seasonal, and returnable (Peyrouse, 2016). Labor migration to Kazakhstan is formed from official and unregulated labor migration and also helps alleviate the shortage in labor resources. The main migration of workers to Kazakhstan occurs in two forms: official recruitment of foreign labor and spontaneous labor immigration, mainly from the countries of Central Asia and Russia.

Skilled workers and highly qualified specialists are most in demand in Kazakhstan. The main goal of attracting foreign labor is to fill the shortage of qualified specialists in the field of innovative technologies, to create additional jobs in foreign and/or joint ventures, to train and retrain local workers, and to improve the skills of local specialists to replace foreign workers. One of the most important partners in this field for Kazakhstan is China.

Several factors have contributed to the growth of labor migration between Kazakhstan and China.

**Political factors**


**Economic factors**

China is the second-largest trading partner and one of the main investors in Kazakhstan (Keqiang, 2016). In 2017, trade turnover amounted to $10.4 billion, while the gross inflow of direct investment from China exceeded $1 billion. In Kazakhstan, there were 2,447 enterprises in which Chinese capital was invested. These were in the oil and gas sector, in construction, in infrastructure and communications, in agriculture, and in the manufacturing industry.

Economic cooperation in the development and transportation of energy resources, in trade and transport, and in ensuring the need for labor in large infrastructure projects plays a major role in promoting the entire spectrum of Kazakhstan-China relations in the field of labor migration.
The cities of Almaty and Nur-Sultan are among the most attractive cities for Chinese entrepreneurs and employees. Higher wages and a higher standard of living, developed transport, social, recreational infrastructure, communication capabilities, as well as the level of service, are the main factors that attract migrants. In turn, the Silk Road Economic Belt is a comprehensive economic development plan for many states, which includes numerous projects for the development of infrastructure, industry, trade, and services (logistics centers and terminals). The Silk Road Economic Belt initiative and the creation of the first financial institutions under this project, such as the Silk Road Fund, the Asian Infrastructure Investment Bank, active investment activities, the construction of plants for the production of cement, glass, concrete, etc., participation in construction projects, an increase in the share of Chinese companies in the oil industry, and trade and service development in Kazakhstan are promising, but there are also certain risks and threats involved.

**Geographical factors**

The entire Kazakh-Chinese border, which is 1,533 km long (the longest border between Kazakhstan and any other country after Russia (7,600 km) and Uzbekistan (2,203 km)), forms the basis for the mutual attraction of these countries and determines the features of migration flows, especially in the border regions (Table 1).

<table>
<thead>
<tr>
<th>Country</th>
<th>Population, million people</th>
<th>Labor migrants, persons</th>
<th>Distance to the capital of Kazakhstan, km</th>
<th>GDP, billion dollars</th>
<th>The length of the common border, km</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>1,386.4</td>
<td>11,713</td>
<td>3,662</td>
<td>12,237.7</td>
<td>1,533</td>
</tr>
<tr>
<td>Russia</td>
<td>144.5</td>
<td>11,209</td>
<td>2,280</td>
<td>15,775</td>
<td>7,600</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>324</td>
<td>3,012</td>
<td>1,104</td>
<td>48.7</td>
<td>2,203</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>6.2</td>
<td>14,733</td>
<td>948</td>
<td>7.6</td>
<td>980</td>
</tr>
</tbody>
</table>

Considering the economic and gravitational potential, the length of the common borders, and the distance between the main regions of gravity of labor migration, Kazakhstan is mostly influenced by its two largest trade and economic partners, Russia and China.

**Ethnic factors**

One of the largest foreign Kazakh diasporas (about 1.3 million people) lives in China. The largest group of migrants in Kazakhstan are ethnic Kazakhs, about 40% of whom come from China. According to the Chinese edition of “Huanqiu Shibao”, in 2014-2015 alone, 400,000 ethnic Chinese lived in Kazakhstan (Labor Social Protection and Migration Committee, 2015).

If the potential of ethnic migration is obvious and predictable, then labor migration between countries is not sufficiently taken into account.

Migration flows from China to Kazakhstan are carried out in the following forms: official (by quota) recruitment of Chinese labor and unregulated migration; business migration for business purposes; trade (shuttle) - has a bilateral character; migration to a permanent place of residence - represented mainly by the repatriation of ethnic Kazakhs from China; educational migration (has a bilateral character); transit migration; illegal migration; forced migration.
Kazakh-Chinese migration flows have several features. Among them are the following: lack of accurate and comparable statistical records of all categories of Chinese citizens arriving and staying in the country - making it highly difficult to provide a detailed analysis of all types of migratory flows between the states (data from various departments have significant discrepancies); a large proportion of small trade migrants, shuttle traders, and individual entrepreneurs; cross-border intersections between Kazakhstan and the border with Xinjiang Uygur Autonomous Region (XUAR) or regionalization of trade and economic relations and migration exchange; foreign students - 11,200 people currently study in China, including about 4,000 in Beijing, 1,250 in Urumqi, 800 in Shanghai, 700 in Xian, 500 in Guangzhou, 400 in Wuhan, 150 in Nanjing/Lanzhou/Harbin, 100 in Qingdao, 150 in Kuldja, 100 in Shihezi, 25 in Xiamen (from 2003-2013, Chinese universities graduated about 2,000 citizens of Kazakhstan while the number for 2003 was 8, and for 2013) and according to the Ministry of Education and Science of the Republic of Kazakhstan, 120 students are sent to China annually under grants (as part of the SCO, Chinese universities annually allocate 10 grants for Kazakhstan); lack of control over the dynamics of the development of labor migration from Kazakhstan to China in the Chinese labor market (Kazakhstanis work in XUAR, in the south-east of China and in Beijing, mainly in the sphere of trade and services as translators, guides, and managers in the CIS and Central Asia markets, and also in representative offices and branches of Kazakhstan and the CIS countries); high growth rates of both legal and illegal labor migration; polyethnic composition of migrants from China (Han, Kazakhs, Uigurs, Dungans and others); an increase in representative offices and branches of Chinese public organizations and networks as well as trading companies in Kazakhstan.

Directions and Priorities of Cooperation of Kazakhstan and China in the Field of Labor Migration

Kazakhstan plays a crucial role in the Silk Road Economic Belt since a large section of it passes through the country. It has opened up new opportunities in the form of incorporation into the international trading system and the diversification of transport routes. The economic benefit for Kazakhstan in the implementation of the Silk Road Economic Belt and Nurly Zhol projects is not only in potential transit revenues. Improving transport links will lead to the development of service and production infrastructure and will create jobs for the local population. The last factor in the conditions of uneven settlement in the territory of Kazakhstan is of particular importance. Moreover, from the Kazakhstan side, the issue of hiring foreign workers is regulated by the Labor Code, the Law of the Republic of Kazakhstan “On Employment”, the Law of the Republic of Kazakhstan “On the Legal Status of Foreigners”, the Law of the Republic of Kazakhstan “On Migration”, and the rules for establishing a quota for attracting foreign labor in the Republic of Kazakhstan, which form the terms and conditions for issuing permits to foreign workers for employment and for employers attracting foreign labor.

To control and regulate labor migration, it is advisable to take the following measures:

1) Amend the legislative acts of the Republic of Kazakhstan on migration and employment issues concerning the introduction of the concept of an “investment priority project” to define quotas and conditions and to issue permits to employers to attract foreign labor.

2) Improve the mechanism for managing human resources, stimulating the development of entrepreneurship and investment in the development of human capital.
3) Develop a mechanism to prevent the growth of illegal migration, the growth of unemployment in domestic labor resources, and the infringement of the rights of local labor as a result of changes in training requirements within the World Trade Organization (WTO).

4) Create a center for analysis and forecasting of Kazakhstani-Chinese labor migration (develop forecast scenarios for the flow of labor migrants).

5) Develop mechanisms for attracting Kazakhstan’s labor migrants to China.

6) Improve statistical accounting of Kazakhstani citizens working in China.

7) Introduce special examinations for migrant workers to exclude the entry of unqualified specialists.

8) Propose measures for cooperation between Kazakhstan and China in the field of labor migration.

9) Improve the accounting and forecasting of internal migration flows taking into account demographic factors and regional labor needs.

10) Improve methods for assessing the economic consequences of the use of foreign labor resources in the countries of labor migrants’ entry, including the development of the labor market, the quality of human capital, the quality of economic growth, the financial sector, and foreign economic activity.

11) Increase the role of local government.

12) Build housing and communal infrastructure.

13) Create an appropriate infrastructure (health care, social welfare, and education services).

14) Enforce minimum labor standards and introduce programs to support informal workers (mostly low-skilled workers).

15) Simplify the registration procedure for internal migrants.

16) Provide a social package (reimbursement of transportation costs, service housing, and microcredits).

17) Develop proposals for the resettlement of citizens from environmentally adverse regions.

18) Coordinate internal migration flows in order to overcome asymmetry in the labor market.

19) Create regional databases of vacancies.

20) Develop mechanisms for securing labor resources, including the creation of new industries and jobs.

21) Raise public awareness of employment opportunities.

22) Foster interaction between state employment centers and private employment agencies.

23) Form partnerships with private sector employers to support training programs for immigrants from rural areas and their legal counseling and social protection.

24) Manage internal migration in the context of urbanization processes.

25) Regulate internal migration from rural regions with mono-cities, small cities, and large agglomerations according to their development plans.

26) Modernize infrastructure in cities and develop new suburban settlements to disperse the urban influx of migrants.
27) Increase government spending on social security and improve the infrastructure of small towns and villages.

28) Create jobs in rural areas (food processing and agricultural processing).

29) Develop educational infrastructure for rural youth.

**Potential Changes to Influence Policies and the Public Mood Regarding Labor Migration between Kazakhstan and China**

Several confounding factors connected to anti-Chinese sentiments can potentially influence the process of labor migration between Kazakhstan and China. Firstly, the issue of Chinese Reeducation Camps has gained wider coverage in both the Kazakhstan and international press. As reported, thousands of Uyghurs, Kazakhs, Dungans, and other Muslim minorities in XUAR, China have been detained in these so-called education centers, created for the re-education and de-extremization of the local population. However, the system of education centers is reported to be a ‘curtain’ for a network of prison-labor camps aimed at the injection of Han values and the detainment of Muslim minorities (Smith, 2018). The media have reported that minorities are being detained with no official charges in the camps for reported crimes varying from travelling abroad to the installation of Western apps on their phones whilst being forced to Study Chinese law and work on low-skilled production lines (Smith, 2018; Zenz, 2019a). Zenz suggests that there could be more than 1,200 such camps across China. Moreover, this issue gained wider coverage in 2019 as large international enterprises started to cancel their contracts with Chinese firms. For instance, Badger, an American supplier of campus clothing, cancelled its contracts with Hetian Taida, a XUAR-based firm specializing in the production of clothing materials, and which allegedly used forced labor from education camps (Zenz, 2019a; 2019b).

This issue might potentially lead to several outcomes for China-Kazakhstani labor migration and, migration flow, in general. Firstly, the fear of discrimination of the Muslim minority, among which are approximately 1.3 million ethnic Kazakhs, may lead either to an inflow of undocumented migration to Kazakhstan from the bordering Chinese regions or to a large number of applications to the Oralman program. Secondly, the emigration of Kazakh citizens to China might significantly decrease as news reports on the labor camps appear more often on the media, especially on internet-based networks and forums. Regardless of the extent to which such messages are true and transparently report the real situation existing in the region, the general public tend to believe information released by the media. Hence, the aforementioned decrease is projected because of a) fear of being targeted by such policies; and b) the general elevation of anti-Chinese sentiment. On the other hand, the official position of the government of the Republic of Kazakhstan remains unchanged, as the foreign policy of the country aims at the establishment of productive and effective relationships between the states. Thus, the country’s foreign policy is believed to counter-balance the fear created by the media and, thereby, encourage emigration.

The elevation of anti-Chinese sentiment can be observed as a second factor that has the potential to significantly change the landscape of the Kazakhstan-China labor migration process. In 2019, reported information concerning the construction of 55 Chinese factories prompted a large backlash from the public, and several anti-Chinese protests occurred in Nur-Sultan and Almaty. Protesters emphasized that the potential construction of Chinese factories would lead to preferential treatment for Chinese migrants as well as deepen economic
dependence on Chinese investments. Thus, the increased level of anti-Chinese sentiments might change the dynamics of China-Kazakhstan labor migration flows, and so should be monitored.

**Conclusion**

A comprehensive analysis of the development of the labor market and employment of the Kazakhstan population, the determination of labor needs in the context of enterprises, industries and regions, taking into account professional and qualification structures, and the development of a professional training program and retraining of specialists is relevant and necessary when developing priority areas of cooperation between Kazakhstan and China in the field of labor migration within the Silk Road Economic Belt.

Attracting labor from China, the development of Chinese business, the cross-border movement of citizens, as well as the construction of large infrastructure facilities in Kazakhstan and in the regions will soon form the main trends in labor migration of the two countries.

In the course of this study, priority areas were identified for cooperation between Kazakhstan and China in the field of labor migration and in the use of labor resources, such as creating a platform for exchanging views on the current state and development prospects based on the Kazakhstan-China Business Council and the SCO Business Council. A mechanism has been proposed for allocating the obligations of Kazakhstan and China on quotas and obtaining permits for foreign labor, including ensuring the importation of the necessary amount of labor for the implementation of priority projects. All this must be agreed by the two countries and will cause significant changes to the settlement of the spontaneous flow of migration between them through joint Kazakhstan-China activities to identify modes of illegal migration from China to Kazakhstan and Kazakhstan to China. In turn, this will ensure the effective implementation of the Agreement between the Government of the Republic of Kazakhstan and the Government of the People’s Republic of China on the temporary employment of citizens of Kazakhstan in China and citizens of China in Kazakhstan as well as the development of a short-term and long-term migration policy for Kazakhstan and China, taking into account the prospects for the further economic and social development of Kazakhstan, demographic processes, and the rights of local and foreign labor resources on the territory of Kazakhstan, which will allow solutions to many economic and social problems in the regions as well as reduce discontent among the local population regarding migrants from China. The development of measures to improve the competitiveness of the labor resources of the regions of Kazakhstan, taking into account the specifics of the qualification of foreign labor from China, will make it possible to reach a new level of economic relations between the two countries, as well as the countries of Middle and Central Asia. Moreover, the development of mechanisms for the international exchange of statistical data on migration flows, including ethnic composition, age, qualifications, specialization, etc., as well as cooperation with Kazakhstani and Chinese scientists and experts on labor migration issues, along with the holding of joint events for the exchange of experience concerning migration issues, will allow for the development of an effective system for resolving the current situation regarding migration policy between the two countries. However, it is worth noting that the issue of whether the Chinese government will be interested in the implementation of the aforementioned recommendations is not studied in this paper and could be a subject of future research.
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