From Resource Wealth to Political Power: Kazakhstan's Authoritarian Resilience

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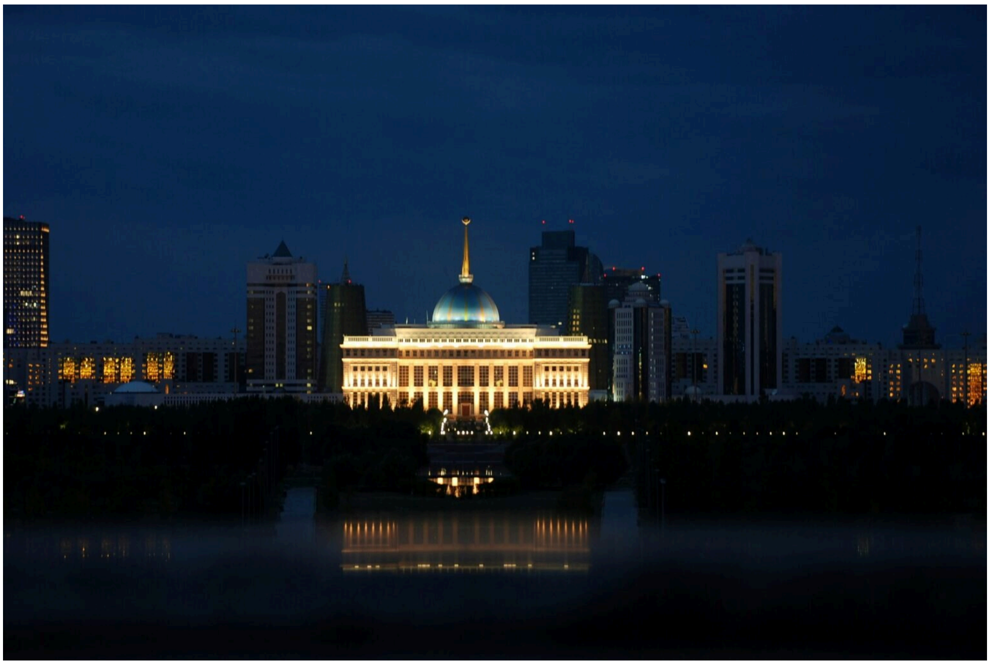
Apostolos Artsanos



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Introduction

Since gaining independence in 1991, Kazakhstan has been one of the leading examples in the Eurasian region where economic growth has been combined with the maintenance of an authoritarian regime. The country possesses considerable oil and gas resources, and the development of its petroleum sector has become central to both its economic transformation and its political economy. Since 2004, the International Monetary Fund has identified Kazakhstan's prospective oil revenues as a major policy challenge and has placed the country within the broader debate on the "resource curse," particularly regarding the effects of resource revenues on taxation, public expenditure, governance, and institutions (IMF, 2004). At the same time, recent data from Freedom House classify the country as "Not Free," explaining that a political reality has been established in which executive power remains dominant and opposition is suppressed (Freedom House, 2025).

The relationship between resource wealth and authoritarianism, however, is debated. The conventional "resource curse" argument implies that revenues from natural resources can undermine political accountability because governments become less reliant on taxation. Michael Ross, in a 2013 speech to present his book "The Oil Curse: How Petroleum Wealth Shapes the Development of Nations", argues that oil-producing governments receive exceptionally large revenues without having to collect them directly from citizens through taxation. In this way, these governments manage both to limit public backlash against any financial mismanagement by the state and to silence calls for political accountability (Ross, Myers, 2013). The IMF similarly identifies taxation, expenditure, and group-formation effects through which resource revenues can reduce pressures for political participation and strengthen patronage-based governance (IMF, 2004).

The picture is more complex, and for this reason resource wealth should not automatically be seen as a cause of the rise of authoritarianism. The "resource-curse literature" is challenged by historical data, which show that several countries in the past have used increases in resource reliance not as a "curse," but rather as a "blessing." (Haber and Menaldo, 2011). Thus, this article seeks to answer the following question: to what extent has Kazakhstan's resource wealth contributed to the persistence of authoritarian governance since independence? It argues that resource wealth has been an important reinforcing factor, but not a sufficient or independent explanation. Oil revenues have increased the resources available to the state, and the elites who have come to the fore have benefited through the development of their rentier mechanisms, patronage, and reduced fiscal dependence on society. Nevertheless, the authoritarian political system prevailing in Kazakhstan has been shaped by post-Soviet political structures, personalized presidential power, rent-seeking networks, and the concentration of economic and political authority.

Resource Wealth and Authoritarianism: The Theoretical Debate

The "resource curse" theory is based in part on the relationship between taxation and political accountability. Ross compares an oil-based state with a hypothetical non-oil economy and argues that the former can fund its government revenues through oil revenues without having to impose excessive tax burdens on its citizens. In the latter case, citizens have stronger incentives to oppose government spending because they contribute directly to state revenues.

Ross also identifies the lack of transparency surrounding resource revenues as politically important. Oil revenues can be more difficult for citizens to monitor than conventional tax revenues, especially where national oil companies are involved. This lack of transparency can reinforce the “anti-democratic” effects of oil wealth because citizens cannot easily determine how much revenue the state receives or how it is distributed (Ross, Myers, 2013).

Moreover, the 2004 IMF study presents a similar framework in its analysis of Kazakhstan. It identifies three mechanisms linked to the ‘’resource curse”′. The first is that the taxation effect occurs when governments that derive a large share of their revenues from resource extraction maintain low taxation on the non-oil economy, thereby reducing public demand for accountability. The second is that the “expenditure effect” means that large public expenditure programs succeed in maintaining patronage networks and keeping society politically apathetic. Finally, based on the third mechanism, the “group-formation effect” suggests that governments can use resource revenues to prevent the development of independent social groups capable of demanding political rights (IMF, 2004).

These mechanisms support the theoretical explanation that resource wealth may reinforce authoritarian governance. However, Haber and Menaldo add important considerations. They argue that the negative relationship between natural resources and democracy identified in much of the existing literature may reflect methodological problems, particularly unobserved country-specific characteristics. Their historical analysis finds no general relationship between increases in resource dependence and authoritarianism (Haber & Menaldo, 2011). Thus, resource wealth is identified as a mechanism that may sustain authoritarian regimes, but it is not an automatic cause of their emergence. This suggests that the political effects of resource wealth cannot be understood independently from the political structures within which resource revenues are managed and distributed. As Franke and Gawrich show in their analysis, which examines the interaction between resource revenues and the neopatrimonial and rent-seeking structures through which political power is organized, resource wealth does not independently lead to authoritarianism. Instead, it provides ruling elites with greater opportunities for rent-seeking and gives governments greater financial capacity to maintain political stability and social support. In this way, resource revenues acquire considerable political value because they are used within existing patterns of personalized power, clientelism, and rent-seeking.

Kazakhstan as a Post-Soviet Rentier State

Kazakhstan is an important case study of the “resource-course.” Similar to Azerbaijan, both are characterized as post-Soviet rentier states in which authoritarian political structures are combined with substantial oil and gas revenues. This political structure consists of a combination of personalized presidentialism, informal networks, rent-seeking, and resource windfalls. Political power is closely linked to economic power, while oil and gas revenues provide resources that contribute to regime stability.

This parameter formed the basis of the analysis by Franke and Gawrich. It is particularly relevant because it does not treat resource wealth in isolation. They identify three interconnected characteristics of what they call autocratic stability: neopatrimonial rentierism, rent-seeking-oriented power circles, and strategic provisioning of society.

Neopatrimonial rentierism refers to the combination of rentierism with neopatrimonial political structures. In Kazakhstan, resource revenues are therefore embedded in personalized and informal political relationships rather than being managed solely through formal institutions. This characteristic is largely grounded in the significance of old Soviet networks, business networks, and networks connected to the presidential family, which make it possible to concentrate economic and political power in the hands of the ruling elites.

Rent-seeking-oriented power circles illustrate the relationship between access resource rents and the political and economic networks that constitute the ruling elite. Franke and Gawrich argue that rent-seeking opportunities are a significant incentive for political elites in rentier states. In Kazakhstan, clientelist networks, combined with old Soviet connections, business networks, and family networks, allow certain groups linked to political power to reap benefits from their access to economic and political power.

The third characteristic, strategic alimentation of society, concerns the use of resource revenues to maintain social support and legitimacy. Rentier governments manage to achieve a degree of independence from society because they do not rely heavily on taxation. Nevertheless, it is important to maintain a certain degree of support in order to ensure political stability. Hence, resource revenues provide the financial means for social policies and other benefits, thereby ensuring support for or tolerance of the current political regime.

Thus, these three interconnected characteristics prove that Kazakhstan is not simply a country that happens to possess oil, but a country in which control over resource revenues is embedded in personalized and informal relationships.

Franke and Gawrich further argue that Kazakhstan and Azerbaijan combine strong presidents, neopatrimonial power relations and high resource income. Strong presidentialism means that political and economic power is concentrated around the president and his close circle. This is reinforced by neopatrimonial power relations, in which formal state institutions coexist with informal and personalized networks. At the same time, high resource revenues create significant opportunities for rent-seeking among the ruling elites. To put it another way, the president's inner circle can grant access to valuable economic resources to others as well.

Franke and Gawrich also identify non-transparent resource management and extensive rent-seeking among ruling elites. Their argument is therefore consistent with the idea that oil wealth reinforces authoritarianism through the political structures that control its distribution rather than through economic wealth alone (Franke & al.,2011).

This perspective also provides a good explanation of how resource wealth contributes to the persistence of authoritarianism without necessarily creating authoritarianism in the first place. The key point is that resource wealth strengthens the material capacity of a political system that had already inherited and maintained a highly concentrated structure of political power. Meanwhile, the concentration of presidential power and informal elite networks provided mechanisms through which resource revenues could be politically utilized. Resource wealth subsequently increased the material capacity of this political system.

Nazarbayev, Political Consolidation and Resource Wealth

Nursultan Nazarbayev's political dominance from 1991 to 2019 in Kazakhstan's political life provides an important evidence of the relationship between resource wealth and authoritarian governance. Martha Brill Olcott portrays Nazarbayev as a Soviet-era leader whose presidency continued after independence and argues that the development of democratic institutions in Kazakhstan had largely come to a halt by the early 2000s. She also identifies the emergence of substantial opportunities for corruption and the enrichment of the elite associated with Kazakhstan's resource wealth.

However, it is worth noting that in her analysis, Olcott does not attribute political centralization solely to resource wealth. She argues that Kazakhstan's independence created "vast new temptations" in a country that already possessed significant natural wealth. She relates the management of natural resources to corruption, problematic tenders, and the potential for government control over economic concessions. Resource wealth consequently operated within a political environment in which political power and access to economic resources were increasingly concentrated. Rather than creating this concentration by itself, resource wealth provided additional opportunities for those already controlling the political system to benefit from and consolidate their position.

At the same time, international circumstances favored the development of such a regime. Kazakhstan's oil and gas resources increased the country's strategic importance to Western governments. The importance of maintaining access to Caspian oil made stable relations with the Kazakh leadership particularly valuable, reducing the incentives for Western governments to exert strong pressure for political reforms (Olcott, 2002).

Consequently, resource wealth contributed to the persistence of authoritarianism through both domestic and international mechanisms. Domestically, it increased the economic resources available to the ruling elites. Internationally, despite the spirit of democratization that swept across the West after the end of the Cold War, Kazakhstan's energy importance gave the regime an additional strategic advantage by making political stability and continued access to its resources important to Western governments.

Contemporary Authoritarian Resilience

Observing the political situation in Kazakhstan following Nazarbayev's departure from power in 2019, it is evident that the political outcomes resulting from resource wealth cannot be reduced to personal rule. Anceschi and Silvan's analysis of Kazakhstan between 2019 and 2023 identifies a continuation of these practices from the Nazarbayev era in the preservation of the established political elite. Their research finds that authoritarian continuity persisted through leadership transitions by perpetuating established relationships between the ruler and the elite (Anceschi and Silvan, 2025).

This finding is fully consistent with the view that resource wealth has become embedded in broader political structures. Oil revenues may strengthen the state and ruling elites, but the persistence of authoritarianism is not an automatic process; rather, it depends on the ability of institutions and networks to use economic resources to sustain their power.

Other recent studies also demonstrate that Kazakhstan's domestic political order remains authoritarian. The country received a score of 23 out of 100 in Freedom House's 2025 assessment and is classified as "Not Free." It reports that presidential and parliamentary elections are not free and fair, that genuine opposition figures have been marginalized or imprisoned, and that the political system is dominated by a small group of elites. At the same time, it reports that government policies are primarily the outcome of executive power, with the parliament failing to serve as an adequate body for holding the executive accountable (Freedom House, 2025).

Conclusion

The case of Kazakhstan since 1991 illustrates that while resource wealth may contribute to the maintenance of authoritarian governance, it does not demonstrate a simple or deterministic "resource-curse." Energy revenues enable the state to avoid relying on taxation to fill its treasury, thereby reducing the demands for accountability that arise from such policy. The mechanisms identified by the IMF, together with Ross's emphasis on taxation and transparency, provide plausible mechanisms through which resource wealth can reinforce authoritarian rule

At the same time, perspectives such as those of Haber and Menaldo caution against treating natural resources as an independent cause of authoritarianism. The historical analysis and tables they use in their study show that there is no general relationship between increases in resource reliance and authoritarianism. Kazakhstan itself supports this more conditional interpretation.

While referring to different interpretations regarding the role of energy resource wealth in the establishment and maintenance of an authoritarian regime, the conclusion drawn in this article is that Kazakhstan's resource wealth has acted as a reinforcing mechanism rather than a sufficient cause of its authoritarian governance. Oil wealth strengthened the material position of the state and the ruling elites, facilitated rentier and patronage mechanisms, and increased Kazakhstan's international strategic importance. However, these policies would not have flourished if there had not also been strong, personalized presidential power, neopatrimonial structures, and informal elite networks capable of ensuring the regime's continuity, even if its leader were to change. After all, the concept of "post-Soviet rentierism" presented earlier captures this interaction particularly well; resource revenues become politically significant when they operate within a system characterized by rent-seeking, personalized power, and weak institutional constraints.

In this way, Kazakhstan ultimately serves as an example not of a simple "resource-course", but of the interdependent interaction between resources and political structures. Natural resources did not create Kazakhstan's authoritarian system on their own. Rather, they strengthened the economic and political capacity of a system that had already become highly concentrated around the presidency and its associated networks. The resilience of the authoritarian regime cannot be explained solely by the existence of oil wealth, but by its ability to harness that wealth as a tool for political consolidation. In this light, the case of Kazakhstan suggests that the political impact of natural resources may depend less on how much wealth a country possesses than on who controls it, how it is distributed, and which political structures can translate the economic wealth into political power.

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