

# UNDERSTANDING CORRUPTION IN KAZAKHSTAN WITHIN A LEGAL FRAMEWORK: A SYSTEMIC SOCIAL CHALLENGE

Laila Bimendiyeva \*, Nursultan Bekkairov \*\*, Dana Kenzhegalieva \*

\* Department of Economics, Al-Farabi Kazakh National University, Almaty, Kazakhstan

\*\* Corresponding author, Department of Economics, Al-Farabi Kazakh National University, Almaty, Kazakhstan

Contact details: Department of Economics, Al-Farabi Kazakh National University, Al-Farabi Avenue, 71, Almaty, Kazakhstan



## Abstract

### How to cite this paper:

Bimendiyeva, L., Bekkairov, N., & Kenzhegalieva, D. (2025). Understanding corruption in Kazakhstan within a legal framework: A systemic social challenge. *Corporate Law & Governance Review*, 7(4), 90–98.  
<https://doi.org/10.22495/clgrv7i4p9>

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ISSN Online: 2664-1542

ISSN Print: 2707-1111

Received: 26.12.2024

Revised: 29.05.2025; 09.10.2025;  
08.12.2025

Accepted: 29.12.2025

JEL Classification: D73, H83, K42

DOI: 10.22495/clgrv7i4p9

This article addresses a pressing contemporary issue — the main areas of research on corruption. It examines the ongoing scholarly debate regarding the role of the state in combating corruption and highlights the destructive impact of corruption on a country's economic development. The study underscores the necessity of taking effective countermeasures while also acknowledging the existing gap in comprehensive research on practical methods of combating this phenomenon. This article explores corruption in Kazakhstan as more than just a problem of individual misconduct or weak institutions. It is presented as a deep-rooted social phenomenon that shapes and distorts everyday life across economic, political, and cultural spheres. In Kazakhstan, corruption not only undermines public trust but also reinforces inequality by skewing the distribution of resources and opportunities. The paper argues that addressing corruption requires more than official statements or surface-level reforms; it demands an honest recognition of its systemic nature. By framing corruption as a force that penetrates social, moral, and economic foundations, the article highlights the need for broader societal transformation. Only by reshaping these foundations can Kazakhstan create the conditions for genuine progress in building a fairer, more just society.

**Keywords:** Corruption, Social State, Shadow Economy, Counteraction to Corruption

**Authors' individual contribution:** Conceptualization — L.B., N.B., and D.K.; Methodology — L.B., N.B., and D.K.; Investigation — L.B., N.B., and D.K.; Resources — L.B., N.B., and D.K.; Data Curation — L.B., N.B., and D.K.; Writing — Original Draft — L.B., N.B., and D.K.; Writing — Review & Editing — L.B., N.B., and D.K.

**Declaration of conflicting interests:** The Authors declare that there is no conflict of interest.

## 1. INTRODUCTION

Corruption is widely acknowledged today as one of the most critical challenges facing the global economy. Existing theories and concepts attempt to reflect this reality, yet significant gaps remain in their practical application, particularly in localized contexts. In Kazakhstan, corruption has evolved into a systemic issue, deeply embedded in public life and socio-economic structures. It distorts free

competition, promotes social injustice, and contributes to a broader moral and spiritual crisis. This paper aims to examine corruption not merely as a legal or economic anomaly but as a deeply rooted social phenomenon. It seeks to situate this analysis within the broader research landscape and argues for a fundamental transformation of the socio-economic and moral foundations of the social order as a prerequisite for meaningful anti-corruption reforms.

The essence of corruption is hidden and contradictory; it reflects the deep processes taking place in society. Therefore, corruption is only an external form of modern social relations, i.e., its manifestations. Thus, in order to achieve the goal of combating corruption, which provides for “elimination of corruption in society” (Article 5), the Law of the Republic of Kazakhstan “On combating corruption” dated 18 November 2015, No. 410, it is necessary to change the whole system of social relations, i.e. a systemic approach in the research methodology (Law of the Republic of Kazakhstan, 2015).

Undoubtedly, improving the quality of socio-economic and all social development of the Republic of Kazakhstan depends to a large extent on the ability of the authorities to find and actively and systematically use the recommendations of science and the opinion of the population in solving the majority of crucial development issues for the country. World experience shows that the opinion of the population can, and sometimes prompts the authorities to make non-standard decisions that can consolidate society in achieving priorities important for social development. And this practice of constant dialogue between the authorities and the population should become the norm in the work of government bodies at all levels.

This study, therefore, seeks to address the existing literature gap by analysing corruption in Kazakhstan through a systemic and socio-cultural lens, rather than limiting the discussion to legal or economic perspectives. Drawing on institutional and systems theory as its conceptual framework, the research applies a qualitative analytical methodology that integrates legal review, socio-economic analysis, and comparative evaluation of international standards. The main objective is to reveal how corruption functions as a structural and moral phenomenon that shapes governance and social relations. The findings contribute to a deeper understanding of the mechanisms sustaining corruption and provide a foundation for developing more effective, context-specific anti-corruption reforms in Kazakhstan.

The structure of this paper is as follows. Section 2 reviews the theoretical foundations of corruption and the primacy of people’s power as the source of law. Section 3 presents the qualitative analytical methodology applied to examine corruption as a systemic social phenomenon in Kazakhstan. Section 4 reports the main results, highlighting the limits of depoliticised reform and the need for ethical and ideological coherence in governance. Section 5 discusses the findings within a broader socio-economic and cultural context, emphasizing the importance of national values and the creative potential of society. Finally, Section 6 concludes the study by summarizing the key insights and underscoring the role of cultural and institutional continuity in developing effective anti-corruption reforms.

## 2. LITERATURE REVIEW

The primacy of power over the state is necessary. Neither the state nor the president presents citizens with a wide range of rights, but, on the contrary, the system of law adopted and authorised by the people presents an opportunity to use both

the state and other power structures as organs of people’s power.

The implementation of this proposal is a complex, difficult, costly, and burdensome business, especially for the authorities. But other options to consolidate society based on efficiency and social justice of social development are simply impossible.

The elimination of any disease of society, including corruption, can only be successful based on scientific knowledge of the facts, i.e., nutrient environment, symptoms, and adequate means of treatment.

At present, having learnt from the mistakes of recent years, we should approach everything that we still call reforms, at first glance spectacular but in practice completely ineffective, in a very different way.

Consequently, in our opinion, the modernization of the country’s social structure is necessary to maximise the welfare of everyone, which must necessarily lead to the maximization of the welfare of all.

As we know, the foundations of the social order are divided into:

1) Political foundations, which include the main characteristics of the state and the basis for the organization of state power, the activities of public organizations and associations, as well as political parties, i.e., the establishment of the political regime of the state.

2) Economic bases regulate the order of reproduction and consumption of material goods.

3) Social bases, which consist of establishing the social character of the state, recognition of the right of everyone to freely dispose of their abilities to work, regulation of environmental relations, and relations in the sphere of health care.

4) Spiritual and moral foundations, which include the guarantee of ideological pluralism and multipartyism, as well as the secular nature of the state (2008).

Recent scholarship continues to emphasize the evolving nature of corruption and its impact on governance systems. Studies from the past few years (Mungiu-Pippidi, 2021; Horodnic et al., 2023) highlight the importance of institutional integrity, public accountability, and cultural factors in shaping effective anti-corruption strategies. Comparative analyses further reveal that the success of reforms depends not only on legal frameworks but also on civic engagement and moral values embedded in national contexts. These recent contributions reinforce the relevance of examining corruption in Kazakhstan through an integrated socio-legal and cultural perspective, as undertaken in this study.

## 3. RESEARCH METHODOLOGY

This study employs a qualitative analytical approach to explore corruption as a systemic social phenomenon in Kazakhstan. To ensure methodological rigor, multiple sources of evidence were examined. Primary data include national legislation — most notably the Law of the Republic of Kazakhstan “On combating corruption” — as well as official reports published by law enforcement and anti-corruption agencies. In addition, international legal instruments and policy frameworks, such as key

United Nations conventions and resolutions, were consulted to provide a comparative perspective.

To ground the analysis in empirical indicators, the study incorporates corruption-related data, including bribery detection rates, conviction statistics, and findings from public perception surveys. A comparative analysis of national and international definitions of corruption was conducted to expose conceptual divergences and their implications for policy implementation. Furthermore, socio-economic and cultural dimensions were considered through a systematic review of peer-reviewed scholarship and government policy documents.

This triangulated methodological framework allows for a contextually grounded and legally informed examination of corruption in Kazakhstan. By combining legal analysis with empirical evidence and socio-cultural insights, the study aims to move beyond

abstract discussion and provide a more nuanced foundation for actionable anti-corruption reforms.

It is not by chance that the president of the Republic of Kazakhstan, K.-J. Tokayev, in his address “Constructive public dialogue — the basis of stability and prosperity of Kazakhstan”, noted that successful economic reforms are no longer possible without modernisation of the socio-political life of the country. This formula of the political system is the basis for the stability of the state (Tokayev, 2019).

The big problem for society is not just corruption, but the situation when corruption activities are put on “flow”, have an ambiguous character, and have become one of the main dangers threatening not only the economy of the Republic of Kazakhstan, but also the national interest, independence, and morality of our state. Although some work in this direction is carried out, which is confirmed by statistical materials, it is haphazard.

**Table 1.** Share of population living below the subsistence minimum (Q2), 2011–2020

Years	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
%	5,9	4,1	3,2	2,9	2,7	2,6	2,7	4,7	4,3	5,7

*Note: Q2 (Quarter 2) was selected because official statistics on poverty and subsistence minimum levels in Kazakhstan are most consistently reported and comparable during the second quarter of each year. This period avoids seasonal fluctuations in income and employment that occur in agriculture-dependent regions, thereby offering a more stable measure of living standards.*

Developed by the author based on statistical materials of the Republic of Kazakhstan.

At the same time, the aggregate fortune of Kazakhstan’s top 50 totalled \$25.08 billion or 14.2% of the country’s gross domestic product (GDP), while in Kazakhstan, more than one million people live below the poverty line, and incomes below the subsistence minimum are 5.7% of the population (33077 tenge).

This study is based on a theoretical and analytical approach rather than empirical fieldwork. It draws on existing national and international legal frameworks, scholarly literature, and official documents to explore corruption as a systemic social phenomenon. Key sources include the Law of the Republic of Kazakhstan “On combating corruption”, international definitions such as those provided by the United Nations, and research publications examining corruption indicators and anti-corruption strategies. The analysis also takes into account the socio-economic and cultural context of Kazakhstan, recognizing that corruption manifests differently across societies. While no empirical data, such as surveys or interviews, were collected, the study offers a conceptual and policy-oriented perspective grounded in legal analysis and socio-political reflection.

While this study is grounded in Kazakhstan’s legal and institutional frameworks, it also situates the analysis within a broader international scholarly context. Research on corruption consistently highlights its systemic and multidimensional nature, transcending national boundaries. For example, Rose-Ackerman and Palifka (2016) emphasize that effective anti-corruption reforms require both institutional redesign and cultural transformation, while Kaufmann (2005) underscores the role of governance quality and transparency in reducing corruption.

The name of corruption indicators varies depending on the type of activity, the type of countering actor, the stage, and the stages of

investigation. It can be assumed that the improvement of these indicators is related to the improvement of law enforcement agencies’ performance in detecting bribery rather than all corruption.

It is recognized at the highest legislative level that corruption has become a systemic problem in the Republic of Kazakhstan, the solution to which requires the same systemic approach.

The Law of the Republic of Kazakhstan “On combating corruption” defines corruption as not provided for by law, acceptance personally or through intermediaries of property benefits and advantages by persons performing public functions, as well as persons equal to them with the use of their official powers and related opportunities, or other use or their powers to obtain property benefits, as well as bribery of these persons by unlawful provision or by natural and legal persons of the said benefits and advantages (Committee on Statistics of the Republic of Kazakhstan, 2020).

The international legal definition of corruption used in the United Nations documents is as follows: corruption is the abuse of state power for private gain for the benefit of third parties and groups. The different interpretation of the concept of corruption in country traditions makes it necessary to take into account the cultural and economic specifics of the development of society as a whole when studying and researching the evolution of the phenomenon of corruption.

However, what all countries have in common in this issue is that in a modern democratic state, there is a clear dependence of the state and corruption on the quality and modernization of political and state institutions.

Under these conditions, there is only one scenario for Kazakhstan: a scientifically sound modernization of the social structure, based on a systematic approach and a realistic way to solve the problems facing society. Since the solution of corruption problems affects not only politics and, economy, but also the consciousness and morality of

the masses. Therefore, its overcoming by traditional, already known methods becomes impossible.

While this study employs a qualitative analytical approach, alternative methodologies could also be suitable for exploring corruption as a systemic social phenomenon. A quantitative design, for example, could be used to statistically analyse relationships between corruption indices, governance indicators, and socio-economic outcomes across regions or time periods. Similarly, a mixed-methods approach could integrate survey-based public perception data with in-depth qualitative interviews to provide both breadth and depth of understanding. Comparative case study analysis involving other post-Soviet or developing countries could further enrich contextual insights. However, the chosen qualitative approach was deemed most appropriate for this research, as it allows for a nuanced interpretation of legal frameworks, cultural dimensions, and policy implications within Kazakhstan's specific socio-political context.

#### 4. RESULTS

This study proposes the following actionable steps:

1. Institutional reforms:
    - Establish an independent anti-corruption commission with strong parliamentary oversight, modelled on successful examples from Hong Kong and Singapore.
    - Strengthen judicial independence by introducing transparent merit-based appointment systems and external monitoring of judges' financial disclosures.
  2. Policy and legislative measures:
    - Amend the Law of the Republic of Kazakhstan "On combating corruption" to include clear enforcement mechanisms, mandatory public reporting, and sanctions for non-compliance by state bodies.
    - Mandate open data publication on government procurement, budget allocations, and public spending, drawing on best practices from Estonia's e-governance system.
  3. Socio-economic interventions:
    - Introduce targeted social support programs to reduce economic vulnerability, especially in rural regions where informal payments are more prevalent.
    - Link public service salaries to performance and integrity metrics to reduce incentives for bribery.
  4. Civic and educational initiatives:
    - Incorporate anti-corruption modules into school and university curricula to strengthen civic responsibility and legal awareness.
    - Launch nationwide campaigns that promote ethical behaviour, integrity in business, and respect for public resources — making the "national idea" tangible through shared values and practical engagement.
  5. International cooperation:
    - Enhance Kazakhstan's alignment with the United Nations Convention against Corruption (UNCAC) by adopting international monitoring standards.
    - Engage in regional cooperation with Central Asian neighbours to share best practices and conduct cross-border investigations of illicit financial flows.
- The study suggests that the widespread promotion of de-ideologisation and depoliticisation

in economic reform discourse is problematic, especially in a society grappling with systemic corruption. Ideology, understood as the collective awareness of societal goals and values, and politics, as the practical realization of these goals, are essential to shaping meaningful public policy. Suppressing these dimensions undermines both public accountability and the coherence of reform initiatives. These interpretations align with the earlier findings on the ineffectiveness of technocratic strategies that lack ethical and societal grounding. As demonstrated in the analysis of Kazakhstan's anti-corruption efforts, the absence of a clearly articulated value system has hindered reform implementation and public trust.

Although human practice is subjective and conscious, this by no means eliminates ideology, i.e., subordination to universal and generally binding norms that protect against antisocial behaviour. It is clear that the more these norms meet the public interest, the more reliably they cement society, bring people together, and weaken the threat of social conflicts.

As is known, the modern world crisis is a whole complex of crises covering all aspects of life of both industrialised countries and developing countries. It is obvious that the survival of mankind will be achieved only based on the ideas of world stability and world order, legal regulation of international problems, and scientific management of global social development.

As society is de-ideologised and ideals are grounded, amoralism and the spiritlessness of individuals and whole strata of society are growing. The value of education and knowledge is devalued. On the crest of informatisation, there is only a foam of general declarative information, which ousts even ordinary worldly wisdom. The misfortune of modern societies is their increasing adoption of Western cultures and lifestyles, which leads to the total dehumanisation of societies and impoverishment of the spiritual world of the individual.

Thus, at present, world politics does not operate with the concepts of good and evil; there is no place for pity and compassion. In the world arena, the will is dictated by the strong and the strongest. It does not eliminate the reasons for the sharp stratification of society into rich and poor, nor does it create conditions for the disclosure of the spiritual potential of the individual.

Therefore, the statement of the first president of the Republic of Kazakhstan, N. A. Nazarbayev, in his address to the people of Kazakhstan, "Social modernisation of Kazakhstan: Twenty steps to the society of universal labour" is indicative in this respect "Today the illusory concept of consumer society, which has been widely spread since the 60s of the last century, has become obvious. Today, the whole world has become convinced with particular acuteness that this ideology of consumption turned out to be destructive. It has generated mass social dependency in the developed world, and is one of the main causes of the global crisis" (Nazarbayev, 2012).

These findings are consistent with and extend the conclusions of earlier research on post-Soviet economic transformation and corruption. Previous studies (Mungiu-Pippidi, 2022; Horodnic et al., 2023) have shown that rapid liberalisation and

privatisation without adequate institutional safeguards tend to deepen social inequality, weaken moral norms, and expand the informal economy. The results of this study align with these findings, demonstrating that Kazakhstan's experience reflects broader regional trends while also revealing specific socio-cultural dimensions — such as the erosion of traditional values and moral consciousness — that intensify systemic corruption. Thus, the research confirms the need for reforms that combine economic efficiency with ethical and cultural renewal.

## 5. DISCUSSION

Consequently, scientific understanding, and most importantly, to change it for the benefit of mankind and the future of world civilisation requires already today a high level of mutual understanding, agreement, readiness, and coordination of cooperation of the whole society.

The need to develop a national idea arises from the following circumstances: The neoliberal ideology of reforms oriented towards the multiplication of financial capital should be replaced by the ideology of activation of social factors of economic growth. The core of the problem is that in the modern economy, the creative factor should be rapidly put forward before the financial ones. Counting on a certain period of adaptation in the open sea of the world market, on the accumulation of financial resources for a subsequent breakthrough means succumbing to various experiments. At present, no less rigid social system is emerging, which turns people's consciousness against the ideals of freedom and equality, against the natural human feeling for mutual solidarity and help, and spiritual enrichment in the process of human communication. There is a closing of consciousness on one's own and personal. A person is shielded from society by his family, his business, and his well-being. The situation is such that in order to revive and take a worthy place in the world community, we must rely not only on the production potential of the country, but above all, pay special attention to the spiritual potential of the people.

Until recently, the socio-economic evolution of mankind as a whole moved by gravity, as a natural-historical process, in the mode of drift rather than movement along a chosen course. Now the continuation of this course of events has become deadly for mankind, precisely because of the enormous power of created technical means and organisational structures. No matter how diligent, careful, skilful, enterprising, intelligent, and moral people are, without national unity, without national division of labour, and without national cooperation of productive forces, a nation will never be able to secure a lasting possession of its intellectual, social, and material wealth. Consequently, it is impossible to overcome corruption without reliance on advanced ideologies of people's unity. Therefore, we must conclude that the national idea for Kazakhstan is not a declarative set of speculative slogans, but a realistic strategy for overcoming the identity crisis as soon as possible.

Intuitively, people feel that the national idea should be directly related to the conditions of life. This idea should be based on spirituality, people's power, and social justice. These principles will give it a creative character, allow it to become attractive

for the whole society, first of all, and mainly for its young generation. Without young people, fundamental social transformations cannot take place. In the present and in the future, they must defend the honour and dignity of the motherland, which means ensuring its national and state independence and autonomy and, consequently, its decisive impact on the entire world development. There is a public realisation of national goals that rise above the economy, above individual material concerns. They are put forward and spilled out in the flow of life itself. Ideology is necessary for man as an orientation in the process of rapid socio-historical changes. It not only highlights for him the questions "where and why?" but also helps him to expand his "circle of solidarity" and take an active place in social life. Freedom of ideologies and associations based on ideology, rather than de-ideologisation of society, is one of the highest values of democracy.

Instead of striving for wealth as such and its symbolic expression, there is a need to strive for a high quality of life. And the latter cannot be achieved individually without exceeding the quality of life of others. Here, the principle should work: "The best way to help yourself is to help the weak". We are talking about the rules of the game, in which, as in sports competitions, the scoring is based on the last one. In other words, the quality of life of society should be determined by the variety of life benefits that can be guaranteed to each of its members. Yes, we must admit that it will not be easy to solve a set of social problems of long-term development, and not immediately. However, to follow the right electoral direction is already a great victory.

The reassessment of moral values went in a direction that had not been encouraged in the moral experience of mankind before. The meaning of life was reduced to the accumulation of wealth by any means. Entrepreneurship turned into a process of making money. Enterprises began to be evaluated not from the position of their ability to create consumer goods, but by their ability to bring profit. Production itself turned from a goal into a means. In the context of the correlation between good and evil, the sacred beginning was replaced by morality fuelled by the power of money. Thus, what is needed is an impulse to stir up the energy of the nation, to induce it to creative labour, to bring about a decisive change in the course of events.

Since the spiritual life of society is social consciousness and, in turn, it is a reflection of socio-economic life, i.e., the problems of consciousness, in all likelihood, should be considered in relationship with the stage of development of society as a whole.

The old thesis "being determines consciousness" is surely wrong in essence: nowadays, the spiritual world of man and his being are inseparable from each other. Today, it is impossible to assert the primary or secondary nature of being. New cognition, new criteria of values, emotional impulses born by the spiritual world can qualitatively change people's actions, and, consequently, their being, their fate being considered together. Consequently, social consciousness creates and reveals the common and public, which is the fundamental pillar of society and the state. And in fact, if a man little by little loses the feeling and consciousness of his state community and belonging to other citizens, such a state will sooner or later lose the motives of

progressive movement forward. The re-creation and revival, and subsequent development of the ideas of community and public must now constitute the meaning of modernisation of society as a whole.

Thus, the overcoming of crises in spiritual life, coming to a dead end in social evolution, does not do without reliance on advanced ideologies of people's unity, i.e., "Our way" should be embodied in a national idea capable of uniting people.

In modern conditions, when the national idea is not enshrined in legislation, the practical significance of various programme documents, including the anti-corruption programme for 2015–2025, is sharply reduced, and the confusion at the conceptual level between doctrine, policy, concept, strategy, and programme makes it difficult to define and develop solutions even for trained managers (Nur-Otan Party, 2014).

First of all, here it is necessary to rely on the president's thoughts and proposals on the adoption and implementation of the New Economic Policy "*Nurly-Jol*" and on the doctrine of the national idea "*Mangilik El*". Consequently, the theoretical and methodological basis of the concept of the national idea is the proposal of the president of the Republic of Kazakhstan, N. A. Nazarbayev, stated in his speeches and addresses to the people of Kazakhstan and the native Kazakh moral ideals of duty, justice, truth, sincerity, patriotism, national pride, and honesty. And, most importantly, the absence of the basis of social development of his ideology and the low level of public consciousness, and the economy is only a superstructure over these invisible, intangible bases.

Modernisation of values in the economy. Naturally, nowadays every citizen is interested in studying and comprehending the crucial reforms made during the years of independence, which have taken over all aspects of life. The country has changed its face, sometimes beyond recognition. Instead of the expected results, the goal of which should have been a growth of well-being and his spiritual and moral development, the sale of national property began and continues.

And as an inevitable result of that:

1) The process of initial capital accumulation, called privatisation and liberalisation, began. It should be noted here that in liberalisation, we did not observe the principle of evolutionary character. The central idea of liberalism (both economic and political) is not only the idea of equality before the law, but also the proclamation of equal opportunities for all, the creation of conditions for their realisation, the care of society for the weak and vulnerable, children, and the sick.

2) There was a collapse in the stratification of the population into the super-rich and the super-poor. Although in the early 1990s the goal was to make all Kazakhstanis owners. The ownership of the means of production turned out to be concentrated in the hands of an insignificant layer of owners.

3) Kazakhstan's top 50 wealthiest individuals held a combined wealth of \$25.08 billion, equivalent to 14.2% of the country's GDP, while over one million people live below the poverty line, and 5.7% of the population earn less than the subsistence minimum (Committee on Statistics of the Republic of Kazakhstan, 2020).

4) The removal of workers from ownership of the means of production inevitably led to a deep alienation of labour, which gave rise to

contradictions between the economic interests of owners and workers, reduced intensity and motivation of labour, innovative passivity, opportunistic behaviour, etc.

5) The collapse of moral values and traditions traditional to Kazakhstani society, the imposition of cultural standards alien to our mentality, and the decline of the education system.

6) A failed attempt to reform the financial system, which stimulated the development of the shadow economy, usury, and corruption.

7) The weakening of state control over resource flows, which was intended to foster a competitive environment, but gave rise to pervasive corruption.

8) Inefficient socio-economic and state institutions, characterised by their low efficiency and duration of functioning in time, have been formed.

9) Legalisation of illegally "earned" assets.

In general, the need to reassess the current situation may have different grounds. First of all, it arises under the influence of major changes in society and the economy. Such changes for 30 years of independence have covered a large-scale character and with serious consequences. Therefore, 2021 is a landmark year for Kazakhstan — the year of assessment of the passed way of reforming the country, the year of comprehension of development prospects in the 21st century.

It would seem that everything is clear: Western neoliberal economic theory has suffered a crushing fiasco, which should entail the rejection of such a concept. However, neither in Western countries nor in our country, the matter has not gone beyond rhetoric, and on the contrary, the policy pursued according to the recipe of the "Washington consensus" has not only been preserved, but is gaining new momentum (Nazarbayev, 2014).

Consequently, scientific comprehension of the past path, and most importantly, to change it for the benefit of the people, requires already today a high level of mutual understanding, consent, readiness, and coordination of cooperation of the whole society, but also a constructive search for ways out of crises. The solution of problems affects not only politics and science, but also the consciousness, morality of the masses, and the sphere of religion.

In modern conditions, in order to overcome the economic crisis, it is necessary to determine what theoretical prerequisites are necessary for this, and what theories should be based on. Then the social and labour guidelines will be sufficiently justified for their effective use.

Scientific theory in general is oriented in such a way that it does not actually take into account the plurality of cultures that have determined the diversity of economic life, traditions, and peculiarities of development of other countries and peoples. It is the heritage of mankind. The experience of reforms in our country has clearly confirmed it experimentally.

The history of mankind testifies to the fact that no mode of production arises before the material and spiritual conditions (prerequisites) corresponding to it appear.

The world is one, but at the same time, it is different. For example, and not by chance, the pioneers of political economy proceeded from the idea of the universal character of human history

and considered Western Europe as a model of civilised development. Constructive elements of economic theory are taken from the experience of European capitalism.

Therefore, one of the objects of scientific theory is national economic systems, regularities of their formation, successful functioning, and further development. We, naturally, first of all, should be interested in the social system of the Republic of Kazakhstan.

Article 1 of the Constitution of the Republic of Kazakhstan proclaims the country a social state, the policy of which is aimed at creating conditions ensuring a decent life and free development of a person (Nazarbayev, 2014). However, its essence is not specified, so the society is deprived of development guidelines, does not receive an answer to the most important questions: what form of democracy will be implemented in our country, what socio-economic formation the country will come to as a result of the ongoing reforms, and what will it give to the people? The lack of a clear and understandable perspective and confidence in the future cannot help but affect the mood of citizens and the business climate in our country.

The social state today is represented by a variety of historically existing and modern variants. And we are faced with almost complete absence of serious ideological work on the part of the state on the social economy.

We have reduced everything to the statement of a rather abstract goal of building a “market economy”. But what market economy?

The state is called upon to give its citizens a clear enough idea of what is happening to the country, what awaits it in the future, to help them find themselves, adapt to the new life, and adopt a different system of values, to be actively involved in creative processes.

The mechanism of market relations is effective in many areas of economic life, but there are areas where it is powerless. Moreover, literal adherence to the market logic in these areas can lead to a critical situation and put the system on the brink of survival.

These spheres are by no means mysterious. They are well known to both practitioners and scientists. Market mechanisms cannot properly orient in the search for the most effective solutions in situations:

1. Monopoly or oligopoly;
2. Low level of management culture;
3. Lack of clear objectives of economic activity (Williamson, 1990).

The fact is that the market is an evolutionary form of economic organisations. It is one of the most important achievements of civilisation. But its formation is not an act like the discovery of America by Christopher Columbus or Yuri Gagarin's space flight in orbit around the Earth, but a centuries-long process of natural selection of effective forms of human interaction in the economic sphere of life.

The main reason for the current crisis lies not in the reforms per se, but in the adopted methods of reforming. The negative essence of these ways of reforming turned out to be multidimensional. It is the lack of social and ethical content of reforms. The reforms were implemented at the expense of

impoverishing the majority of the population and enriching the minority.

Any programme, no matter how attractive it may look, without being scientifically substantiated, turns out in the end to be just another utopia or social myth. The primacy of power over the state is necessary. Neither the state nor the president provides citizens with a wide range of rights; on the contrary, a system of law adopted and sanctioned by the people provides an opportunity to use both the state and other power structures as organs of people's power. A person is not only an object, but, first of all, a subject of law. Individual rights are the supreme value of modern society. The means that condemn a person to disenfranchisement, degradation, humiliation, destruction, etc., are undeniably reactionary.

Therefore, it is important to create conditions for the manifestation of individuality, which is the greatest wealth of society. Unfortunately, in the process of implementing the “old course” of reforms, the individuality of mainly corrupt and criminogenic personalities was formed. Democratic reforms should be carried out by democratic methods.

Working out practical recommendations, we promote the approval of personal safety, identify the motivations and reasons for its activity, determine the path, following which it is possible to reveal the objective factors of safe development of personality, to learn the laws and to form the most favourable conditions for the manifestation of all the tasks inherent in any personality, i.e. socially-active, holistic and thinking being, possessing independent behaviour both in relation to society and to himself-personality.

Awareness of the need to modernise society does not mean that the authorities are actually ready to carry out reforms. The main thing is not words and slogans, but actions that actually express the nature and goals of reforms. For reforms to be carried out in the interests of the majority of the population, rather than for the benefit of certain groups, classes, and elites, a truly democratic government, based on the majority, is needed. Without developed mechanisms of state and public control over the authorities, a modern market economy cannot function effectively. The importance of such control mechanisms becomes evident when comparing the operation of market relations, for example, in Latin American countries and those of the developed West. For the former, bribery of state officials, blackmail, use of violence, and, in some cases, coups *d'état* are common. For the latter, the defining line is a sharp restriction on the opportunities for government officials and legislators to use power for their own selfish purposes (although some relapses of power egoism are also evident there). This restriction is conditioned by institutions of state and public control over entrepreneurial activity, preventing unfair competition and protecting consumer rights. In these countries, the system of control over power at all its levels, from the president of the country to the administration of a separate settlement, is no less developed. The development of the system of such institutions is the basis of high ethics of economic relations in the public environment, acting as a guarantor of respect for property.

It is well known that failures in the course of reforms are a breeding ground for the formation of corruption offences. In fact, reforms in Kazakhstan are hindered by the nature of the institutions of power — democratic in words and totalitarian in essence.

The entire reform programme was based on only two factors: price liberalisation and privatisation. These are necessary but clearly insufficient conditions for the socio-economic transformation from a centrally controlled economy to what is called a modern economy.

Now we must talk about something else. It is necessary to look back at the way passed and finally understand what led to the disaster, why unique opportunities were not used to ensure economic prosperity and strengthen social stability, what fundamental principles of economic functioning were violated, and how to restore them. First, it is necessary to compare the myths underlying the current course of Kazakhstan's reforms with what is actually happening in practice.

Criminalisation, which has covered all aspects of the economic life of the state and deeply affected the system of socio-economic relations, has a powerful deformation and dysfunctional impact on the development of the economy: it disrupts natural and reproductive processes, the proportions between accumulation and consumption, deforms distribution relations, thromboses the effect of important laws of the modern market (equivalence of exchange, equal starting opportunities for the development of business and capital, etc.), undermines the principles of free competition, and undermines the principles of economic development. All these are the realities of our modern, complicated, and contradictory life. The entire education system plays a great role in fostering culture and morality (Forbes Kazakhstan, 2020).

It is striking that despite this, in our universities, neither the shadow economy nor the processes of criminal deformation of economic relations, alas, there is no place and time for study within the framework of the course of economic theory. The majority of textbooks and manuals (in terms of content representing, in fact, a transformed, specifically adapted course of economics) devote, at best, a few lines to the shadow economy. The problem of criminalisation of the economy, which has become one of the main factors threatening the national security of Kazakhstan, is not mentioned at all.

A comprehensive study of this new for the domestic economic theory of factors implies, first of all, the need to analyse the totality of conditions, causes and consequences of criminalisation of the economy and economic relations of the transitional post-socialist economic system, its mutual connection and conditionality with the development of the shadow sector of the economy, the study of regularities of origin, emergence.

To date, both in the world and in the domestic practice of analysing economic crime, among specialists, there is no single universally accepted view of this dangerous anti-social phenomenon. There is no universal definition of the concept of

“economic crime”. Criminologists, sociologists, and economists continue to discuss this issue. Different countries have their own special law enforcement practice in relation to this type of crime, and specific norms of criminal legislation are formed (Williamson, 1990).

When studying the causes of criminalisation of economic relations, it is necessary to mention such factors as impoverishment and lumpenisation of broad layers of the population, destruction of social norms, destruction of traditional moral imperatives, loss of spiritual ideals and guidelines. It is also necessary to name the conscious weakening of the fight against economic crime, arising from the inherently flawed attitude about the necessity and usefulness of using shadow capital as a basis for market reforms.

Some people believe that we are going through a period of initial capital accumulation, where thieves' deeds prevail, as in the history of America. But we do not need any initial accumulation; the initial capital was already created — there were plants, factories, and large agricultural enterprises. It was necessary to “take” and improve. In general, the lack of a solid theoretical basis for anti-corruption policies, especially for developing countries, can lead to a systemic crisis in society.

## 6. CONCLUSION

In conclusion, this study demonstrates that corruption in Kazakhstan is not only a legal or administrative problem but a deeply rooted social and cultural phenomenon. The analysis of national and international legal definitions, alongside historical and ideological reflections, suggests that effective anti-corruption efforts must be grounded in the country's own cultural values and historical experience. Economic development cannot be separated from historical consciousness; policies that ignore this risk undermine their own legitimacy and effectiveness. Therefore, any strategy for combating corruption and fostering economic resilience must prioritize institutional continuity, cultural relevance, and public trust. Disregarding these elements in favour of abstract or imported models may result not in progress, but in systemic stagnation or regression.

Despite its qualitative and analytical nature, this study provides an essential conceptual basis for understanding corruption as a systemic social and cultural phenomenon in Kazakhstan. However, the research is limited by its reliance on secondary data and conceptual analysis, which may not fully capture the diversity of public perceptions or recent institutional dynamics. Future research should therefore integrate empirical approaches — such as surveys, interviews, and comparative regional analyses — to test the theoretical insights presented here. The significance of this study lies in its contribution to framing anti-corruption policy within the broader socio-cultural and historical context of Kazakhstan, offering a foundation for scholars and policymakers to develop more contextually grounded and sustainable strategies for institutional reform and civic trust-building.



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