

IRSTI  
03.20

## Meruert Tulebayeva<sup>1</sup>, Kaster Kopeyev<sup>2\*</sup>

*1 Associate professor, Department of Political science,  
L.N. Gumilyov Eurasian National University  
Astana, Kazakhstan.  
e-mail: tulebayeva\_mk@enu.kz  
<https://orcid.org/0000-0001-8449-333X>*

*<sup>2</sup>2nd year master`s student of the department of Political Science,  
L.N. Gumilyov Eurasian National University,  
Astana, Kazakhstan.  
e-mail: qkmarinadec@gmail.com  
<https://orcid.org/0009-0006-6523-8353>*

### MODERN STATE OF LOCAL SELF-GOVERNMENT IN THE REPUBLIC OF KAZAKHSTAN

**Abstract.** The article presents a comprehensive analysis of local self-government (LSG) reforms in Kazakhstan from 2018 to 2023, framed as a transition to the «Hearing State» concept. The authors examine three key areas of modernization: fiscal decentralization (introduction of the Level 4 budget), direct elections of rural Akims, and the transition to a majoritarian electoral system for maslikhats. Based on an analysis of electoral statistics, fiscal data, and the sociological portrait of deputies of the VIII convocation, an “institutional trap” is identified: despite procedural democratization, local bodies remain factually dependent on the executive vertical through mechanisms of the «budgetary leash» and «dual subordination». Particular attention is paid to the emergence of surrogate governance mechanisms, such as the «memorandum economy», «digital populism», and the use of traditional institutions (Asar, Zhylu) to compensate for the deficit of state resources. The conclusion posits the hybrid nature of the current LSG model and the need for deeper structural reforms to achieve genuine autonomy.

**Keywords:** *Local self-government, Hearing State, election of Akims, maslikhats, Level 4 budget, fiscal decentralization, institutional trap, civic participation, memorandum economy.*

## МЕРУЕРТ ТУЛЕБАЕВА, ҚАСТЕР КӨПЕЕВ

### ҚАЗАҚСТАН РЕСПУБЛИКАСЫНДАҒЫ ЖЕРГІЛІКТІ ӨЗІН-ӨЗІ БАСҚАРУДЫҢ ҚАЗІРГІ ЖАҒДАЙЫ

**Аңдатпа.** Мақалада «Халық үніне құлақ асатын мемлекет» тұжырымдамасына көшу ретінде белгіленген, 2018-2023 жылдар аралығындағы Қазақстандағы жергілікті өзін-өзі басқару (ЖӨБ) реформаларына кешенді талдау ұсынылған. Авторлар жаңғыртудың үш негізгі бағытын қарастырады: фискалдық орталықсыздандыру (4-деңгейлі бюджетті енгізу), ауыл әкімдерін тікелей сайлау және мәслихаттарды сайлаудың мажоритарлық жүйесіне көшу. Электоралдық статистиканы, фискалдық деректерді және VIII шақырылым депутаттарының әлеуметтік портретін талдау негізінде «институционалдық тұзақ» анықталды: рәсімдік демократияландыруға қарамастан, «бюджеттік ине» және «қос бағыныштылық» механизмдері арқылы жергілікті органдардың атқарушы билікке іс жүзіндегі тәуелділігі сақталуда. Мемлекеттік ресурстардың тапшылығын өтеу үшін «меморандум экономикасы», «цифрлық популизм» және дәстүрлі институттарды (асар, жылу) пайдалану сияқты суррогат басқару механизмдерінің пайда болуына ерекше назар аударылады. ЖӨБ-тің қазіргі моделінің гибриді сипаты және шынайы автономияға қол жеткізу үшін құрылымдық реформаларды тереңдету қажеттілігі туралы қорытынды жасалады.

**Түйін сөздер:** Жергілікті өзін-өзі басқару, халық үніне құлақ асатын мемлекет, әкімдерді сайлау, мәслихаттар, 4-деңгейлі бюджет, фискалдық орталықсыздандыру, институционалдық тұзақ, азаматтық қатысу, меморандум экономикасы.

## Меруерт Тулебаева, Кастер Копеев

### СОВРЕМЕННОЕ СОСТОЯНИЕ МЕСТНОГО САМОУПРАВЛЕНИЯ В РЕСПУБЛИКЕ КАЗАХСТАН

**Аннотация.** В статье представлен комплексный анализ реформ местного самоуправления (МСУ) в Казахстане в период с 2018 по 2023 годы, позиционируемых как переход к концепции «Слышащего государства». Авторы рассматривают три ключевых направления модернизации: фискальную децентрализацию (внедрение бюджета 4-го уровня), прямые выборы сельских акимов и переход к мажоритарной системе выборов в маслихаты. На основе анализа электоральной статистики, фискальных данных и социологического портрета депутатов VIII созыва выявляется «институциональная ловушка»: несмотря на процедурную

демократизацию, сохраняется фактическая зависимость местных органов от исполнительной вертикали через механизмы «бюджетной иглы» и «двойного подчинения». Особое внимание уделяется возникновению суррогатных механизмов управления, таких как «экономика меморандумов», «цифровой популизм» и использование традиционных институтов (асар, жылу) для компенсации дефицита государственных ресурсов. Делается вывод о гибридном характере текущей модели МСУ и необходимости углубления структурных реформ для достижения реальной автономии.

**Ключевые слова:** Местное самоуправление, слышащее государство, выборы акимов, маслихаты, бюджет 4-го уровня, фискальная децентрализация, институциональная ловушка, гражданское участие, экономика меморандумов.

## INTRODUCTION

Local self-government is widely recognized in political theory not merely as an administrative subdivision of the state, but as the foundational locus of democracy - the specific level where the abstract social contract transforms into tangible public goods. The principle of subsidiarity, which dictates that administrative tasks should be handled by the most local competent authority, is often cited as a prerequisite for state legitimacy in the modern era. As Alexis de Tocqueville famously argued, while municipal institutions constitute the strength of free nations, «a nation may establish a system of free government, but without the spirit of municipal institutions it cannot have the spirit of liberty» (de Tocqueville A. 1835). In this view, the existence of autonomous local bodies is not just a matter of managerial efficiency, but a critical component of the state's «constitutive» legitimacy. Without functioning feedback loops at the local level, the state risks becoming an «empty shell», possessing sovereignty de jure but lacking the organic connection to its citizenry required for effective governance de facto.

In the context of the Republic of Kazakhstan, the evolution of local self-government (LSG) has been historically characterized by a tension between the imperative of centralized control - necessary for maintaining stability in a vast, unitary state - and the growing demand for modernization and civic participation. Since gaining independence, the architecture of power has been rigorously vertical, with local executives serving primarily as agents of the center rather than representatives of the local community. However, the discourse shifted significantly with the proclamation of the «Hearing State» concept by President Kassym-Jomart Tokayev, which positioned political modernization and the democratization of local governance as central pillars of the «New Kazakhstan».

This paper presents a comprehensive analysis of the legislative and electoral reforms undertaken between 2018 and 2023, which were politically framed as a decisive departure from the centralized model. These reforms included three critical structural changes:

- fiscal decentralization - the introduction of the «Level 4 Budget» (2018–2020), theoretically empowering rural districts to manage their own tax revenues;

- electoral accountability - the introduction of direct elections for rural Akims (2021), aimed at transforming the executive from an appointee into an elected representative;

- representative reform - the transition to a fully majoritarian electoral system (single-member districts) for district and city maslikhats (2023), designed to dismantle party monopolies and encourage independent civic activism.

Despite the declared intent to foster competition and autonomy, a detailed examination of the implementation reveals a persistent «institutional trap». Theory suggests that institutions are resilient; simply changing the rules of selection (elections) does not automatically alter the rules of behavior (patronage). This study argues that while the procedures of local governance have been democratized, the substance of power relations remains structurally subordinate to the executive vertical.

Through a multi-dimensional analysis involving electoral statistics, fiscal data from 2021–2024, and the sociological profiling of the VIII convocation deputies, this paper demonstrates a complex divergence between legislative intent and administrative reality. We posit that the current system operates under a «dual logic»: formally, it adheres to democratic protocols, but functionally, it relies on mechanisms of control such as the «budgetary leash» and the «dual subordination» of elected executives. Furthermore, the paper explores how the functional paralysis of these formal institutions has necessitated the rise of surrogate governance mechanisms - specifically, the «memorandum economy», «digital populism», and the state-led revival of traditional practices like «Asar» - which compensate for the system's inability to deliver public goods autonomously. Thus, the central inquiry of this work is to determine whether the recent reforms represent a genuine devolution of power or a sophisticated updating of authoritarian legitimacy.

## RESEARCH METHODS

The study employs an institutional and legal analysis of local self-government reforms in Kazakhstan, combined with quantitative analysis of electoral and fiscal data (2021–2024), sociological profiling of local deputies, and comparative regional analysis. The research is supplemented

by case studies and discourse analysis of official reform narratives, allowing for the identification of structural discrepancies between formal democratic procedures and actual administrative practices.

## ON LOCAL REPRESENTATIVES

The electoral reforms of March 19, 2023, which introduced a fully majoritarian system (100% single-member districts) for district (rayon) and city maslikhats (local representative bodies), were politically framed as a mechanism to democratize local governance and increase civic engagement. However, a detailed analysis of the election results and the subsequent sociological composition of the representative bodies reveals a persistent «institutional trap». While the method of election changed, the profile of the elected representatives remained largely consistent with the previous patronage-based model, creating a system where the representative branch remains structurally subordinate to the executive.

Despite the introduction of self-nomination mechanisms intended to foster political competition, the statistical outcome of the 2023 elections demonstrates the overwhelming dominance of the ruling party. Out of 2,746 mandates distributed in district and city maslikhats of regional significance, party-affiliated candidates secured 2,428 seats (88.4%). Specifically, the Amanat party secured 1,963 seats, effectively controlling 71.5% of the entire local representative corps (Joldybalina, A. S., Sanhaeva J. M., Urpekova A. G., Sailau K. S., Otegali, D. B., and Ikylas, K. E. 2024).

The role of independent candidates (self-nominees) proved to be marginal on a national scale, securing only 318 seats (11.6%). However, regional analysis reveals a significant disparity suggesting a center-periphery divide in political control. In the northern and central regions, characterized by strong administrative vertical integration, the dominance of Amanat was near-total: in the Kostanay region, party candidates took 97% of seats, with similar figures in the Ulytau (96.5%) and North Kazakhstan (95%) regions. Conversely, regions with higher civic activism or distinct elite dynamics, such as the Almaty region (29.5% self-nominees) and the Abai region (25.8%), showed higher independent representation. Nevertheless, even in these «active» regions, the ruling party retained a qualified majority (Joldybalina, A. S., Sanhaeva J. M., Urpekova A. G., Sailau K. S., Otegali, D. B., and Ikylas, K. E. 2024).

**Table 1.** Distribution of mandates in maslikhats following the 2023 elections

Category of Deputies	Number of Seats	Percentage (%)
Total Mandates	2,746	100%
Party-Affiliated Candidates	2,428	88.4%

Category of Deputies	Number of Seats	Percentage (%)
Including Amanat Party	1,963	71.5%
Independent Candidates (Self-nominees)	318	11.6%

*Source: Compiled by the authors based on data from Joldybalina et al. (2024)*

The central impediment to the autonomy of maslikhats is not merely the party affiliation of the deputies, but their professional dependence on the state budget. The sociological portrait of the VIII convocation deputy (average age 45) is heavily skewed towards employees of the state-funded sector (public sector). Analysis confirms that a significant proportion of district-level deputies are directors of secondary schools, head doctors of polyclinics, and heads of state municipal enterprises (GKP/KGP) (KISI. 2024).

This creates a fundamental conflict of interest, which we define as the «budgetary leash» effect:

- de jure, the deputy is elected to oversee the local executive branch (the Akimat), approve the budget, and monitor the performance of local officials;
- de facto, in their primary professional capacity, the deputy is a subordinate of the Akimat. A school director is appointed by and answers to the District Department of Education; a head doctor answers to the Department of Health. Both departments are structural subdivisions of the Akimat.

Consequently, a deputy cannot realistically exercise their oversight functions—such as criticizing the budget or initiating a vote of no confidence against the Akim (the head of a Akimat) - without risking their primary employment. This structural flaw explains the historical passivity of these bodies: since 2001, the theoretical right of a maslikhat to express a vote of no confidence in an Akim has never been successfully implemented in practice. Furthermore, budget approvals are routinely passed unanimously, as noted in reports by independent observers and critics like Marat Shibutov, who argue that reports by deputies are often formalistic and lack substantive critique (Prilepskaya, A. 2024).

This situation engenders a striking legal paradox at the intersection of anti-corruption regulation and the actual composition of representative bodies. While the Law «On Combating Corruption» explicitly defines a conflict of interest as a situation where personal interest (including job security or financial gain) influences the objective performance of official duties, the current legal framework contains a critical blind spot regarding public sector employees.

In practice, school directors and head doctors, while serving as deputies,

routinely vote to approve the budget of the very departments (Education or Health) that employ them. Despite the obvious administrative dependence on the Akimat - which acts as their de facto employer - these actions are not legally classified as violations due to a «normative silence» or legal gap. The legislation does not explicitly forbid the combination of a municipal managerial position with a deputy mandate.

This «loophole» legitimizes a structure where the controller is contractually subordinate to the controlled, forming loyal alliances rather than checks and balances. The absence of a direct prohibition on such dual roles effectively institutionalizes the dependency, nullifying the principle of separation of powers at the local level (Akimat goroda Almaty. 2023).

The electoral process also highlighted administrative barriers designed to filter out genuine opposition. The registration stage saw a high attrition rate for self-nominees (12.3% rejection rate), often on technical grounds, such as discrepancies in tax declarations (e.g., the removal of candidate Ilyas Yusupzhanov in Almaty) (Romashkina, S. 2023). Furthermore, the phenomenon of «hidden partisanship» was observed, where formally self-nominated candidates, upon election, immediately aligned with the Amanat party. Experts, including political scientist Dosym Satpayev (Bor, A., Braujer, B., Guld-Djevis N., Kasenova, N., Lillis, D., Mallinson, K., Niksi, Dzh., and Satpaev, D. 2019), have long argued that in this configuration, political opposition and civil society representation remain largely decorative, existing only within boundaries manageable by the executive. The dependence is further cemented by organizational factors: maslikhat secretaries (now Chairmen) in key regions are often members of Amanat, and maslikhat offices are frequently physically located within Akimat buildings, blurring the lines between the «controller» and the «controlled».

The 2023 reforms succeeded in updating the legitimacy of local bodies through direct elections but failed to disrupt the patron-client networks that govern them. As long as the local representative body is staffed by individuals financially and administratively dependent on the local executive, the maslikhat will remain a «notary» institution-ratifying decisions made by the Akim rather than debating them. The «Budgetary Leash» ensures that the vertical of power remains unbroken, rendering the democratization of the electoral system effectively decorative.

### **On local budget**

The introduction of the «Level 4 Budget» (the independent budget of rural districts) - initiated in 2018 for administrative centers and expanded in 2020 to all rural districts - was normatively constructed as the cornerstone of fiscal decentralization in Kazakhstan. The legislative intent was to transform the Rural Akim from a purely administrative appointee into a financial manager

capable of addressing local needs through retained taxes.

However, an examination of fiscal data from 2021–2024 demonstrates that this decentralization has been largely declarative. The transfer of responsibilities has not been matched by a commensurate transfer of resources, creating a «fiscal trap» where local self-government bodies possess the mandate to solve problems but lack the autonomous means to do so. The fundamental weakness of the Level 4 budget lies in its revenue architecture (Akorda. 2025).

While the absolute volume of receipts has grown fourfold since 2018 (exceeding 130 billion tenge), the fiscal autonomy of rural districts remains critically low. According to official assessments, the level of self-sufficiency of rural budgets was merely 9.1% in 2020, rising to 21.2% in 2023. This means that for the vast majority of rural districts, own revenues (taxes collected locally) cover only a fraction of expenditures. An analysis of budgets in the Turkestan region (2018–2020) revealed that transfers (subventions) accounted for 88% of total income. This financial structure renders the political autonomy of the Akim nominal. Since the bulk of funding is derived from district transfers, the Rural Akim remains de facto accountable to the district Akim (who controls the flow of subventions) rather than to the local community. The budget process thus becomes a lobbying exercise within the administrative vertical rather than a democratic allocation of local resources (Esenalieva, A. 2024).

A critical systemic flaw undermining local fiscal capacity is the misalignment between the location of economic activity and the point of tax collection, a phenomenon we define as «Tax Migration».

Under the current tax code, large enterprises pay taxes based on their legal registration, which is typically in major cities (Astana, Almaty) or district centers, rather than where their production facilities operate. This imbalance is particularly acute in resource-rich regions. For instance, in the Turkestan region, major uranium mining enterprises utilize local labor and infrastructure (roads, ecology), yet pay taxes at their headquarters' registration. Approximately 97% of tax revenues from the uranium industry are channeled directly to the Republican budget. Similarly, direct taxes from the oil and gas sector in Western Kazakhstan bypass local budgets entirely, flowing into the National Fund. Consequently, rural districts are alienated from the economic value generated on their territory. The local budget receives only minor levies (land tax, property tax from individuals), while the «fiscal cream», such as corporate income tax (CIT), and value added tax (VAT) is centralized (Republic of Kazakhstan. 2025). This creates a perverse incentive structure where an Akim has little fiscal motivation to attract large industrial investors, as the environmental and infrastructural burden falls on

the village, while the financial benefit goes to the center.

The expenditure side of the Level 4 budget reveals that local self-government is confined to a «survival mode». An analysis of budget execution reports highlights a structural imbalance where funds are consumed by operational maintenance rather than development.

In the North Kazakhstan region (2018–2019), the dominant expenditure category is Budget Program 001 («Services for ensuring the activities of the Akim»), which covers salaries, utilities, and administrative upkeep. Administrative costs consumed over 54% of total budget receipts. Even when funded through different sub-programs (011 via republican transfers or 015 via local funds), the priority remains the maintenance of the state apparatus. Funding for infrastructure development—such as street lighting (Program 008), sanitation (009), and road repairs (Program 013) - is residual (Djusenbinov A. 2019). In the first three years of the reform, many rural districts failed to form a «development budget» entirely due to insufficient funds. For example, in the Otenay rural district (2024), while infrastructure spending nominally reached 54%, a significant portion of the total budget (44.2%) was still absorbed by the maintenance of the apparatus. This confirms that the Level 4 budget functions primarily as an accounting mechanism for state salaries rather than an instrument for local development (Republic of Kazakhstan. 2024).

The persistence of this trap is rooted in the centralized nature of Kazakhstan's fiscal system. CIT and VAT account for nearly 75% of state revenues and are deliberately kept at the republican level to ensure macroeconomic stability and facilitate the redistribution of wealth to subsidized regions (17 out of 20 regions are recipients of subventions).

While President Kassym-Jomart Tokayev has mandated a transition to the principle of «pay taxes where you work», the implementation remains cautious. The proposed reforms involve transferring a share of CIT from small and medium-sized enterprises (SMEs) and property tax from legal entities to the local level, but often through the district budget rather than directly to the village. The expansion of the revenue base to include the tax on extraction of common useful minerals (sand, gravel) and potential water usage fees is a positive step, expected to quadruple own revenues to 263 billion tenge. However, without a share of the major industrial taxes generated on their territory, rural districts will likely remain in a state of chronic financial dependence.

### **On local executives**

But the problem is not only the lack of independence of the Akims,

caused by financial dependence on the center, but also who is the head of local executives. The introduction of direct elections for rural Akims in 2021 was politically framed as a shift towards decentralization, the underlying administrative architecture of the Kazakhstani state remains rigorously vertical. A detailed legal and functional analysis reveals that the elected rural Akim operates within a rigid system of «dual subordination», where vertical obligations to the district Akim (appointed from above) legally and practically outweigh horizontal accountability to the electorate.

The central contradiction of the reform lies in the legal classification of the elected official. Despite deriving legitimacy from a direct popular vote, the rural Akim retains the status of an administrative civil servant of Corps «B» (Category E-R-1) (Djusenbinov, A. 2019). This classification subjects the elected official to the standard hierarchy of the civil service, subordinating them to the disciplinary and ethical control of the superior executive body rather than the community.

The procedure for the termination of powers serves as the primary lever of control. According to Article 36 of the Law «On local state administration and self-government», the dismissal of an elected Akim follows a hybrid procedure that favors the executive vertical. While the territorial election commission (TEC) formally registers grounds for termination (such as a vote of no confidence or disciplinary violations), the final act of dismissal is executed by the district Akim (Republic of Kazakhstan. 2021). Furthermore, the district Akim acts as the de facto employer, possessing the sole authority to initiate disciplinary proceedings and impose penalties for failure to meet regional targets. This legal structure creates a «branch manager» dilemma: the Akim is elected by local «shareholders» (residents) but is contractually bound to the «regional headquarters» (district Akimat). In practice, the fear of administrative reprimand or dismissal for failing to execute regional directives forces the rural Akim to prioritize upward accountability over local responsiveness (Republic of Kazakhstan. 2022).

A functioning system of local self-government requires a representative body to check executive power. The original reform concept envisioned the creation of a Kenesa - a directly elected local council with binding decision-making powers. However, the draft law establishing Kenesas was withdrawn from Parliament in 2024 (Karim, R. and Bekbaev, E. Z. 2025). Expert discourse suggests this withdrawal was driven by the central government's apprehension regarding «dual power» scenarios and potential conflicts between independent local councils and the established Akimat vertical.

In the absence of a Kenesa, the representative function is relegated to the gathering of the local community (Skhod) and the assembly of the local community (Sobraniye). Institutional analysis reveals these bodies to be

largely decorative due to three structural limitations:

- the right of assembly is not absolute. A gathering initiated by residents (even with the required 10% signature threshold) legally requires the endorsement of the district Akim to be valid;

- decisions made by the Assembly are predominantly recommendatory. Crucially, the execution of these decisions often requires the approval of the Rural Akim, creating a circular logic where the «controller» depends on the «controlled»;

- the selection of delegates to the Assembly is frequently managed by the Akim's apparatus, resulting in a loyalist composition that ratifies rather than debates budget allocations.

Consequently, the community lacks an institutionalized mechanism to demand accountability between election cycles, rendering the «feedback loop» broken (Burlakov, L. N. 2015).

The autonomy of the rural Akim is further eroded by systemic bureaucratic overload. A functional analysis of current legislation indicates that rural Akims are charged with 67 distinct functions dispersed across 5 codes and 21 laws. Critical assessments estimate that approximately two-thirds of these functions are «unfunded mandates» - responsibilities assigned by the center without corresponding financial or human resources.

This operational burden forces the Akim's apparatus into a cycle of «routine reporting» to higher authorities. The performance of an head of local executives is evaluated based on key performance indicators (KPIs) standardized at the regional level, such as tax collection rates, digitalization metrics, or participation in state programs. These KPIs rarely align with specific local grievances, such as the repair of a specific road or water pump.

The «Program for the development of the local community», which should theoretically guide the Akim's work, is not integrated into the national system of state planning. As a result, an Akim can be rated «highly effective» by the district Akimat for meeting abstract regional targets while failing to address the immediate infrastructure needs of the village. This disconnect ensures that the “vertical of power” has not been dismantled - it has merely been legitimized through the electoral process.

### **On local entrepreneurship**

The structural incapacity of the «Level 4 Budget» to fund development (as demonstrated in overview of local budget system) has not led to the collapse of rural infrastructure. Instead, it has catalyzed the emergence of a parallel, informal system of resource redistribution. In this system, the formal deficiency of state funds is compensated by the resources of private

business through a mechanism we define as the «memorandum economy». While officially framed as corporate social responsibility (CSR), empirical evidence suggests these practices function as a form of «shadow taxation» and «administrative rent», creating complex patron-client networks that supersede formal governance institutions.

The primary instrument of this informal governance is the «memorandum of mutual cooperation» signed between the Akimat and local enterprises. Unlike standard public-private partnerships (PPP) regulated by law, these memorandums often lack clear juridical force but carry immense administrative weight. Data analysis reveals a pattern of «voluntary-compulsory charity», where businesses are pressured to finance projects determined solely by the Akimat—ranging from repairing schools and building playgrounds to clearing snow from roads. For large corporations operating in mono-towns or resource-rich districts (e.g., Kazakhmys in East Kazakhstan, ERG in Kostanay/Aktobe), these expenditures are institutionalized as a «social license to operate» (Zambinova, Z. B. 2022)

However, for SMEs, this practice resembles an informal levy. The «social load» becomes a prerequisite for avoiding administrative harassment («brain drain» or endless inspections). The Akimat, lacking its own budget for development, effectively outsources its statutory obligations to the private sector, transforming the Akim from a public manager into a «fundraiser-in-chief» who leverages administrative power to extract resources.

In the grain-growing belts of Northern and Central Kazakhstan (Kostanay, North Kazakhstan, Akmola regions), the «memorandum economy» has produced a unique political figure: the «agro-baron» (paternalistic director of a large agricultural holding). A case in point is the «Rodina» agrofirma (Akmola region), led by Ivan Sauer. Here's how the difference in resources between the official local government and private holdings is expressed:

- official rural budget (2024) - ~58.5 million KZT;
- agrofirma's social investment - ~1 billion KZT annually.

**Table 2.** Resource asymmetry between local government and private business  
(Case study: Rural district «Rodina», 2024)

Entity	Type of Funding	Annual Volume (approx. KZT)	Primary Function
Rural Akimat (Official)	Local Budget (Level 4)	58.5 million	Maintenance of apparatus, salaries

Entity	Type of Funding	Annual Volume (approx. KZT)	Primary Function
«Rodina» Agrofirma (Private)	Social Investments (CSR)	1,000 million	Infrastructure development, schools, utilities

Source: Compiled by the authors based on open fiscal data and Shishkin (2025)

The private entity fully funds the village's social infrastructure, including a school with free meals, a hockey court (38 million KZT), a zoo, and a medical point. This resource asymmetry leads to institutional substitution. The Director of the LLP (limited liability partnership) becomes the de facto sovereign of the territory, providing public goods (facilities, education, utilities) that the state cannot. The elected Akim, in this configuration, is reduced to a junior partner or a nominal figurehead. While this «paternalistic model» ensures a high quality of life in specific enclaves (like Rodina or Zenchenko's villages), it creates a feudal-like dependency where the well-being of the community hinges not on rights or laws, but on the goodwill and economic health of a single private actor (Shishkin, D. 2025).

The interaction between Akimats and business is rarely purely altruistic; it operates on a transactional logic of «quid pro quo» (something for something). The signing of a memorandum is often the informal «price» for accessing critical state resources, particularly land and subsidies. Corruption risk analysis indicates that the discretionary powers of Akimats in land commissions and subsidy distribution create a market for informal deals. For example, in the Aktobe region, cases were recorded where the granting of land rights for subsoil use was implicitly conditional on the entrepreneur's commitment to invest (e.g., 5 million KZT) in social projects dictated by the Akimat (Departament Agentstva Respubliki Kazahstan po protivodejstviju korrupcii po Aktjubinskoj oblasti. 2023).

Given the information asymmetry in the distribution of agricultural subsidies, «loyal» farmers who actively support the Akim's social initiatives (e.g., cleaning roads, sponsoring events) often receive preferential treatment or «insider information» regarding funding availability. Thus, the «memorandum economy» creates a vicious cycle. To survive, the local government extorts infrastructure spending from business. To prosper, business complies, but demands immunity and privileges in return. This informal contract stabilizes the region socially but erodes the rule of law, replacing transparent taxation and budgeting with opaque, backroom bargaining.

### On digital image of local executives

In the absence of fiscal autonomy and effective representative bodies,

the legitimacy gap in local governance is increasingly filled by a phenomenon we define as «digital populism». Social networks-specifically Instagram, TikTok, and WhatsApp - have evolved from mere communication tools into surrogate political institutions. They function as a «digital reception room» that supersedes formal legal procedures, creating an illusion of direct democracy while undermining systemic institutional development.

The primary driver of this shift is the functional failure of formal feedback mechanisms. Despite the state's investment in digital platforms like eOtinish (e-Appeals) and eGov, citizens perceive these channels as bureaucratic dead ends characterized by «formal replies» (otpiska) and circular referrals (Suleimanova N. 2025).

Sociological data (2023) indicates a profound crisis of trust in maslikhats, with trust levels hovering around 37.7%, and a significant portion of the urban population expressing neutrality or skepticism. In this vacuum, social media has become the only effective mechanism for problem-solving. As noted by parliamentarians (e.g., Senate deputy Yulia Kuchinskaya), citizens are forced to «raise a wave of negativity» in social networks to bypass the «deafness» of local officials. This has led to institutional substitution.

The logic is pragmatic: a viral video of a pothole generates a faster administrative response than a formal written petition. The Akim is forced to bypass his own bureaucracy to «extinguish the fire» raised in the comments, validating the public's belief that «institutions don't work, but the Akim's Instagram does».

The demand for immediate responsiveness has birthed a new political archetype: the «TikTok Akim». This figure utilizes short-form video content not just for information, but for performative governance, often blurring the line between administrative duty and personal branding. Here are three illustrative examples:

- the «Worker» archetype (Talgar) - Arystanbek Abilkhairuly, the Akim of Talgar, effectively turned TikTok into a primary working tool. His content strategy - filming first-person perspective videos of inspecting mud-filled streets, reading comments aloud, and scolding contractors on camera-generated hundreds of thousands of views, far exceeding the population of his district. This «live» feedback loop creates a perception of hyper-efficiency and closeness to the people (Kapitanova, I. 2025);

- the «Human face» archetype (Ekibastuz) - Akim Ayan Beisekin demonstrated the ability to engage with viral humor. When an AI-generated video mocking him appeared on Instagram, instead of punitive measures, he visited the local business featured in the meme. This strategy of «humanizing» the bureaucracy serves to defuse social tension in a city plagued by infrastructure crises (thermal plant failures) (Sharip, T. 2025);

- the «Direct line» archetype (Kostanay) - Akim Marat Zhundubayev published his personal WhatsApp number for citizen complaints, effectively creating a parallel chancellery. While popular, this practice deinstitutionalizes the administration, making the solution of problems dependent on the Akim's personal attention span rather than systemic processes (Top-News. 2023).

The obsession with social media metrics has integrated algorithmic monitoring into the core of state evaluation. Systems like iMAS (Information Monitoring and Analysis System) are used by Akimats to track sentiment, threats, and criticism in real-time across all platforms. However, this technological capability often leads to distorted incentives. The primary KPI for many local administrations becomes the «green zone» in the sentiment report to the Presidential Administration. This incentivizes «sanitary cleaning» of the information space-blocking critics or flooding comments with positive bots-rather than addressing the root causes of discontent. Problems are solved based on their «virality potential» rather than their objective urgency. A localized issue with a high potential for «hype» (e.g., a fallen flag) gets immediate funding, while invisible systemic issues (e.g., sewage grid deterioration) remain underfunded because they are less «Instagrammable».

This reliance on digital platforms creates a dangerous feedback loop. The «Hearing State» concept, intended to democratize governance, has inadvertently incentivized reactive, fire-fighting governance.

An Akim who successfully solves a problem raised in a viral TikTok is praised for efficiency. However, the very fact that a problem required a viral video to be solved is evidence of institutional failure. When the «digital signal» becomes the primary trigger for administrative action, the principle of equality before the law is eroded. Thus, social networks in Kazakhstan act as a «prosthetic» for paralyzed local institutions-allowing the system to limp forward, but preventing the rehabilitation of the formal mechanisms (budgeting, parliamentary oversight) required for genuine self-government.

### **On traditional methods of local self-government**

When formal institutions fail to provide public goods or manage critical emergencies, local governance in Kazakhstan reverts to pre-modern, traditional institutions. Specifically, the ancient customs of «Asar» (collective mutual aid) and «Zhylu» (compassionate material aid) are actively integrated into the state administration system. However, this revival is not merely a cultural renaissance; it functions as a mechanism for the state to outsource its social and emergency obligations to the community while retaining political control.

Historically, Asar was a horizontal survival strategy in the steppe. In contemporary rural governance, it has been transformed into a vertical

instrument for cost-saving. Faced with chronic underfunding, Akimats increasingly rely on «Asar» to maintain infrastructure that, by law, should be funded by the state. The most institutionalized example is the «Asarlatyp uy salu» project in the Zhambyl region. Here, the Akimat formalized the tradition into a quasi-state housing program. The local administration provides land (an administrative resource) but shifts the financial and labor burden of construction onto villagers, entrepreneurs, and relatives. In 2022 alone, 121 houses were planned to be built using this method. The Regional Akim publicly criticizes district Akims for failing to meet «Asar construction targets». This paradoxically turns voluntary mutual aid into a mandatory KPI for local officials (Skripnik, G. 2022).

From an economic perspective, this allows the state to resolve the housing crisis for vulnerable families without expenditure from the republican budget. Critics argue this represents the exploitation of free labor and a deviation from the state's constitutional obligations, as citizens are effectively taxed twice: once formally, and again through «voluntary» labor for public infrastructure.

The reliance on traditional institutions becomes most visible during systemic shocks. The catastrophic floods of Spring 2024, described by President Tokayev as the worst disaster in 80 years, revealed that the state emergency apparatus lacks the capacity to cope without mass civic mobilization based on tradition. Here, the concept of «Zhylu» (compassion, material aid for disaster victims) complements Asar. While Asar mobilizes labor, Zhylu mobilizes resources. During the crisis, the distinction between state functions and civic duty blurred. Over 50,000 volunteers were mobilized not just for auxiliary tasks, but for core emergency operations. Volunteers were integrated into Department of emergency situations (DES) workflows - building dams, evacuating citizens, and managing logistics in evacuation centers (e.g., in Uralsk) (Amreeva, E., Sholudko, T. 2024).

While the state bureaucracy struggled with procurement speeds, charitable foundations operating on Zhylu principles (e.g., «Asar ume») raised over 200 million KZT in six days, supplying critical equipment (boats, suits) faster than government channels. The reconstruction phase further illustrated the state's reliance on non-budgetary sources. A significant portion of housing reconstruction (e.g., for 386 families in the West Kazakhstan region) was delegated to charitable funds like «Qazaqstan Halqyna» and large corporate sponsors. This confirms the pattern observed in the «memorandum economy»: the state acts as a coordinator, but the financial burden is shifted to society and business, legitimizing this offloading through the cultural language of Zhylu (24kz. 2024).

Parallel to the economic use of traditions, the state instrumentalizes authority figures to manage social tension. The revival of Councils of

Aksakals (Elders) and Councils of Biys (Judges) serves a dual purpose: judicial mediation and political legitimization.

The Council of Biys is officially promoted by the Supreme Court to reduce the caseload of the formal judicial system. By resolving minor civil disputes at the village level, these councils act as a cost-effective extension of the legal system (Bakirova A. 2019).

Crucially, Akims use Councils of Aksakals to legitimize potentially unpopular decisions regarding the allocation of scarce resources. In the «Asarlatyp uy salu» project, it is the Council of Aksakals - not the Akim - that decides which family receives the free house. This creates a «responsibility buffer»: if villagers are unhappy with the decision, the grievance is directed at the traditional authority, shielding the executive power from criticism.

The integration of traditional institutions into modern governance resembles an irrigation system. Asar, Zhylu, and the authority of Elders are natural, organic sources of social capital (the «water»). However, the modern Kazakhstani state directs this flow into rigid, state-constructed canals (Akimat programs, KPIs, emergency protocols). While this symbiosis allows the village to survive disasters and housing shortages despite institutional dysfunction, it fundamentally alters the nature of the tradition. Asar ceases to be a spontaneous act of horizontal solidarity and becomes a critical resource for the vertical of power, compensating for the systemic inefficiencies of the formal state apparatus.

## **CONCLUSION**

The empirical analysis of the post-reform landscape of local self-government in Kazakhstan suggests a complex evolutionary process. While the state has significantly updated the legitimacy of local governance through the introduction of direct elections and majoritarian districts, the transition toward fully effective local authority remains ongoing. The structural challenges identified in this study indicate that the current governance model is in a transitional phase, where the imperatives of political stability and administrative continuity interact with the logic of decentralization.

The analysis of the «Level 4 Budget» points to constraints on fiscal autonomy. With rural districts covering a limited portion (9–21%) of their expenditures through own revenues, local governments remain significantly reliant on central transfers. The current tax architecture, where substantial economic value generated locally is consolidated at the central level, suggests that the Rural Akim often functions within a framework of vertical accountability. For local accountability to be fully effective, a greater alignment between local responsibilities and financial resources is necessary.

The sociological profile of the 2023 maslikhats indicates that the majoritarian system has yet to fully diversify the political landscape. The strong presence of the leading party and the prevalence of deputies employed in the public sector (such as school directors and medical professionals) create a situation where representatives are often structurally linked to the executive branch. This dynamic suggests that the “check and balance” function of the maslikhats faces institutional constraints, as the professional duties of deputies may overlap with their oversight responsibilities.

A notable feature of the current system is the reliance on alternative mechanisms to address local needs. The prevalence of the «memorandum economy», where businesses voluntarily contribute to social infrastructure, and the active use of digital platforms («digital populism») for problem-solving, indicate that formal bureaucratic procedures are occasionally bypassed to ensure responsiveness. Furthermore, the integration of traditional practices like «Asar» during emergencies highlights the state’s pragmatic use of social capital to supplement formal administrative capacities.

In conclusion, the reforms of 2018–2023 represent a significant step forward, creating a hybrid system that combines elements of decentralized democracy - such as elections and local budgets—with the established logic of a unitary state. The vertical of power is adapting to new realities, becoming more responsive while retaining its core structure. For the «Hearing State» concept to reach its full potential, future reforms should focus on deepening structural changes. This entails progressively enhancing

the financial independence of local levels, potentially by reviewing tax distribution, and further strengthening the institutional autonomy of local deputies. Such measures would help transform local self-government from a developing institution into a robust pillar of the state architecture, ensuring that the modernization of procedures leads to a substantive increase in local capacity.

## REFERENCES:

### Books

Amreeva, E., and T. Sholudko. 2024. *Obzor o volonterskoj dejatelnosti v Respublike Kazakhstan* [Overview of volunteer activity in the Republic of Kazakhstan]. Astana: Natsionalnaya volonterskaya set.

Bor, A., B. Braujer, N. Guld-Djevis, N. Kasenova, D. Lillis, K. Mallinson, Dzh. Niksi, and D. Satpaev. 2019. *Kazahstan: ispytanie «tranzitom vlasti»* [Kazakhstan: testing the “power transit”]. London: Korolevskiy institut mezhdunarodnyh otnoshenii.

Djusenbinov, A. 2019. *Chetvertyj uroven budzheta – instrument povysheniya effektivnosti raboty akimov selskih okrugov* [The fourth level of the budget - a tool for increasing the efficiency of rural district akims]. Nur-Sultan: Academia gosudarstvennogo upravlenia.

Joldybalina, A. S., J. M. Sanhaeva, A. G. Urpekova, K. S. Sailau, D. B. Otegali, and K. E. Ikylas. 2024. *Vybory deputatov maslikhata - 2023: osobennosti i tendencii* [Election of deputies of the maslikhat - 2023: features and trends]. Astana: KISI.

Tocqueville, Alexis de. 2012. *Democracy in America*. English Edition. Vol. 1. Indianapolis: Liberty Fund.

### Journal Articles

Bakirova, A. M. 2019. “Rol instituta biev kak organa po uregulirovaniju i razresheniju konfliktov pravovogo haraktera” [The role of the institution of biys as a body for the settlement and resolution of legal conflicts]. *Uchenye zapiski Krymskogo federalnogo universiteta imeni V. I. Vernadskogo. Juridicheskie nauki*, no. 4: 409–426.

Burlakov, L. N. 2015. “Bjudzhet i sobstvennost – osnova reformirovanija mestnogo samoupravlenija” [Budget and property - the basis of local government reform]. *Gosudarstvennoe upravlenie i gosudarstvennaya sluzhba*, no. 4: 20–27.

Karim, R., and E. Z. Bekbaev. 2025. “Reforma mestnogo samoupravlenija v Kazahstane: uroki jestonskoj modeli i poisk finansovoj nezavisimosti”

[Local government reform in Kazakhstan: lessons of the Estonian model and the search for financial independence]. Vestnik Instituta zakonodatelstva i pravovoi informacii RK, no. 3: 12–22.

Zambinova, Z. B. 2022. “Mehanizm vzaimodejstvija gosudarstva s korporativnym sektorom v ramkah korporativnoj socialnoj otvetstvennosti” [Mechanism of interaction between the state and the corporate sector within the framework of corporate social responsibility]. Vestnik Kazahskogo universiteta jekonomiki, finansov i mezhdunarodnoj trgovli, no. 4: 151–158.

#### Legal Acts

Republic of Kazakhstan. 2021. Zakon Respubliki Kazahstan ot 24 maja 2021 goda № 42-VII ZRK [Law of the Republic of Kazakhstan dated May 24, 2021 No. 42-VII ZRK]. Nur-Sultan.

Republic of Kazakhstan. 2022. Ukaz Prezidenta Respubliki Kazahstan ot 22 fevralja 2022 goda № 814 [Decree of the President of the Republic of Kazakhstan dated February 22, 2022 No. 814]. Astana.

Republic of Kazakhstan. 2024. O budzhetah selskih okrugov goroda Taldykorgan na 2024-2026 gody [On the budgets of rural districts of the city of Taldykorgan for 2024-2026]. Taldykorgan.

Republic of Kazakhstan. 2025. Budzhetnii kodeks Respubliki Kazahstan [Budget Code of the Republic of Kazakhstan]. Astana.

#### Internet Resources and Media

24.kz. 2024. “Fond Asar Ume sobral ₸200 mln dlja postradavshih ot pavodkov” [Asar Ume Foundation collected ₸200 million for flood victims].

24.kz. <https://24.kz/ru/news/social/646621-fond-asar-ume-sobral-200-mln-dlya-postradavshikh-ot-pavodkov>. (Accessed November 26, 2025)

Akimat goroda Almaty. 2023. “Informacija o registracii partijnyh spiskov kandidatov v deputaty Maslihata goroda Almaty, vybory 19 marta 2023 goda” [Information on the registration of party lists of candidates for deputies of the Maslikhat of Almaty, elections on March 19, 2023]. Gov.kz.<https://www.gov.kz/memleket/entities/almaty/press/article/details/114905?lang=ru>. (Accessed November 26, 2025)

Akorda. 2025. “Vystuplenie Glavy gosudarstva na dialog-platforme sel’skih akimov” [Speech by the Head of State at the dialogue platform of rural akims]. Akorda.kz. <https://www.akorda.kz/ru/vystuplenie-glavy-gosudarstva-na-dialog-platforme-selskih-akimov-28101540>. (Accessed November 26, 2025)

Departament Agentstva Respubliki Kazahstan po protivodejstviju korrupcii po Aktjubinskoj oblasti. 2023. “V Aktobe za poluchenie zemel’nogo uchastka ot predprinimatelja trebovali 5 mln. tenge dlja realizacii social’nyh proektov” [In Aktobe, 5 million tenge was demanded from an entrepreneur for a land

plot to implement social projects]. Gov.kz. <https://www.gov.kz/memleket/entities/anticorruptionaktobe/press/news/details/552996?lang=ru>. (Accessed November 26, 2025)

Esenalieva, A. 2024. “Zavisimost ot transfertov: chto meshaet Turkestanskoj oblasti obespechivat sebja” [Dependence on transfers: what prevents the Turkestan region from providing for itself]. Kazinform. <https://www.inform.kz/ru/zavisimost-ot-transfertov-chtomashaet-turkestanskoy-oblasti-obespechivat-sebja-13f89e>. (Accessed November 26, 2025)

Kapitanova, I. 2025. “TikTok-akim Talgara udivljaet stranu” [TikTok-akim of Talgar surprises the country]. Zakon.kz. <https://www.zakon.kz/obshestvo/6473450-TikTokakim-talgara-udivlyaet-stranu.html>. (Accessed November 26, 2025)

KISI. 2024. “Prezentacija novoj kollektivnoj monografii “Vybory deputatov maslihatov - 2023: osobennosti i tendencii” [Presentation of the new collective monograph “Elections of deputies of maslikhats - 2023: features and trends”]. KISI. <https://kisi.kz/ru/prezentachiya-novoj-kollektivnoj-monografii-vybory-deputatov-maslihatov-2023-osobennosti-i-tendenchii/>. (Accessed November 26, 2025)

Prilepskaya, A. 2024. “Mejdu imperiei i Sovetami. Politolog Marat Shibutov o modeli mestnogo samoupravleniya v Kazakhstane” [Between the Empire and the Soviets. Political scientist Marat Shibutov on the model of local self-government in Kazakhstan]. Orda.kz. <https://orda.kz/mezhdu-imperiej-i-sovetami-politolog-marat-shibutov-o-modeli-mestnogo-samoupravlenija-v-kazahstane-394184/>. (Accessed November 26, 2025)

Romashkina, S. 2023. “Vybory v maslihat kak budto by vazhnee” [Elections to the maslikhat seem to be more important]. Vlast.kz. <https://vlast.kz/politika/54208-vybory-v-maslihat-kak-budto-by-vazhnee.html>. (Accessed November 26, 2025)

Sharip, T. 2025. “Akim Jekibastuza uvidel v Instagram shutku pro sebja i prishel v magazin” [Akim of Ekibastuz saw a joke about himself on Instagram and came to the store]. Tengrinews. <https://tengrinews.kz/curious/akim-ekibastuza-uvidel-instagram-shutku-sebja-prishel-584959/>. (Accessed November 26, 2025)

Shishkin, D. 2025. “Biznes-imperija Ivana Saujera” [Ivan Sauer’s Business Empire]. Centr jurnalistkih rassledovanii. <https://www.czhr.kz/post/%D0%B1%D0%B8%D0%B7%D0%BD%D0%B5%D1%81-%D0%B8%D0%BC%D0%BF%D0%B5%D1%80%D0%B8%D1%8F-%D0%B8%D0%B2%D0%B0%D0%BD%D0%B0->

%D1%81%D0%B0%D1%83%D1%8D%D1%80%D0%B0. (Accessed November 26, 2025)

Skripnik, G. 2022. “Metodom asara planiruetsja postroit’ bolee 120 domov v Zhambyl’skoj oblasti” [Using the Asar method, more than 120 houses are planned to be built in the Zhambyl region]. Kazinform. [https://www.inform.kz/ru/metodom-asara-planiruetsya-postroit-bolee-120-domov-v-zhambyl’skoy-oblasti\\_a4011267](https://www.inform.kz/ru/metodom-asara-planiruetsya-postroit-bolee-120-domov-v-zhambyl’skoy-oblasti_a4011267). (Accessed November 26, 2025)

Suleimanova, N. 2025. “V Kazahstane chinovniki otfutbolivajut obrashhenija grazhdan - deputat” [In Kazakhstan, officials kick around citizens’ appeals - deputy]. Liter.kz. <https://liter.kz/v-kazahstane-chinovniki-otfutbolivaiut-obrashcheniia-grazhdan-deputat-1741167469/>. (Accessed November 26, 2025)

Top-News. 2023. “Kak bystro akim Kostanaja otvechaet na obrashhenija grazhdan v WhatsApp” [How quickly the Akim of Kostanay responds to citizens’ appeals on WhatsApp]. Top-News.kz. <https://top-news.kz/kak-bystro-akim-kostanaja-otvechaet-na-obrashhenija-grazhdan-v-whatsapp/>. (Accessed November 26, 2025)