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The Impact of Soviet Legacies of Informal Exchange on Corruption in Contemporary Kyrgyzstan

UVM Political Science Department Senior Honors Thesis 2017

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Introduction

From late January to early August 2016 I studied Russian at a small language school in Bishkek, the capital and largest city in Kyrgyzstan. While there I backpacked throughout the country, seeing everything from major tourist destinations to lakes nestled deep within mountain ranges. During one such excursion with my parents, who came to visit in May, we were stopped by traffic police. One officer claimed there was a law requiring headlights be on while driving through the canyon we were in. I noticed that most cars without headlights passed without issue. In my broken Russian I asked what was going to happen next. After seeing our passports, the ranking officer casually mentioned that because we were foreigners we would have to go through all sorts of paperwork, and asked what we wanted to do. I tentatively responded that maybe we didn't need to do paperwork, taking what I thought was a hint. He eagerly agreed and suggested I pay him the fine in cash, a modest 300 som or \$4.50. Unfortunately, I only had a 500 som bill and was disappointed about having to overpay. After I gave him the money and turned away, he stopped me and held out 200 som in change.

This was not my only interaction with corrupt officials. For example, during my first week in Kyrgyzstan I was walking with my host father and uncle in a popular Bishkek bazaar when we were stopped by plain clothes officers. They dropped hints for a bribe, but my host father refused, knowing we had nothing to hide. To my surprise, they let us go. My host father suspects we were stopped because my host uncle is Turkish and speaks no Russian. According to my host father, Afghans, Uzbeks, and Turks face police harassment near the bazaar due to the stereotype that they engage in gun and drug trafficking. The following summer my bike was stolen and my host father recommended I not report it to the police as they would demand a bribe and then probably do nothing to find my bike. This issue of poor police accountability in

Kyrgyzstan is so common that private security businesses are becoming popular. These organizations carry out investigations for a fee, and many citizens have come to prefer them over the corrupt police force.

This thesis is inspired by my experience studying in Kyrgyzstan, where corruption has persisted following the collapse of the USSR and in the wake of two revolutions in the last 12 years. Domestic unrest and tense relations with regional powerhouse Uzbekistan, whose economy, population, and military dwarfs Kyrgyzstan's, have left the impression of serious instability to the citizenry. This fear is compounded by other issues facing Kyrgyzstan, including widespread poverty, a struggling economy, and corruption, which all threaten Central Asia's only democracy.¹ While each of these issues alone represent serious challenges to Kyrgyzstan's operation as a fully democratic, self-sufficient state, corruption supersedes the others in importance. This is because widespread corruption in Kyrgyzstan worsens all other issues facing the country.

This thesis argues that corruption has become more pervasive in Kyrgyzstan following the collapse of the USSR. The Soviet Union maintained an extensive bureaucracy and powerful communist party, both of which closely regulated private and public life, penetrating citizens' daily lives unlike any government in the West. Despite this, informal exchanges (*blat*) were tolerated to a degree, and were common throughout the Soviet states. The collapse of communism removed bureaucratic safeguards and introduced new economic, political, and social instability. The resulting political vacuum and economic transition has caused corruption to become more common and indeed necessary. Informal exchanges, or what we in the West might

¹ Central Asia consists of five states: Kyrgyzstan, Kazakhstan, Uzbekistan, Tajikistan, and Turkmenistan. All but Kyrgyzstan are classified as "not free" by Freedom House. Kyrgyzstan is considered "partly free", and is the only Central Asian state to hold genuinely contested elections.

perceive as corruption, provide what a flawed system cannot, are inspired by similar Soviet practices, and are still common in Kyrgyzstan.

My research found evidence that supports arguments made by Grzegorz Ekiert in *Capitalism and Democracy in Central and Eastern Europe: Assessing the Legacy of Communist Rule*. Ekiert compiles essays from leading specialists and implements a comparative historical approach for evaluating liberal democratic reform in post-Soviet countries following independence. Ekiert argues that former communist countries bear “Leninist legacies” that impact formal and informal institutions, and that each republic generated its own innovative social or cultural practices from Soviet life that persist today.² Ekiert also argued that the monopolization of public life in a one-party system emphasized reliance on relationships for personal gain, a trend that continues in modern Kyrgyzstan.³ He touched upon the use of informal exchange, contending that “... widespread informal networks in the “second economy” has had perhaps the most important impact on postcommunist [sic] institutional change”.⁴ Ekiert contends that the use of *blat* as opposed to formal payment to acquire goods and services is still common, and the growth of the post-Soviet *mafija* has its origins in the command economy system of the USSR, where asset stripping and economic corruption were pioneered. I found direct evidence to support Ekiert’s arguments of the influence of Soviet-era informal exchange on modern corruption in Kyrgyzstan.

In the following pages I will elaborate on the history, evolution, and status of corruption in Kyrgyzstan. First, I will define terms central to my paper. Defining corruption is difficult, because it is a word used to describe many practices both in the private and public sector. Any

² Ekiert 19-21

³ Ekiert 27

⁴ Ekiert 28

accepted definition also risks running afoul of legal, political, or cultural conflicts. For example, a public official appointing a family member to a government position might be interpreted as nepotism in the West, whereas in Kyrgyzstan it can be considered a familial obligation.

According to Transparency International, a non-governmental organization (NGO) dedicated to combating corruption, government corruption exists in two forms. “Grand corruption consists of acts committed at a high level of government that distort policies or the central functioning of the state, enabling leaders to benefit at the expense of the public good”.⁵ Also according to Transparency International, “Petty corruption refers to everyday abuse of power entrusted to low-and mid-level public officials in their interactions with ordinary citizens, who often are trying to access basic goods or services in places like hospitals, schools, police departments, and other agencies”.⁶ Private corruption can share all the characteristics of its equivalent in the public sector, except that government workers are not involved. This can take the form of bribery, nepotism, and insider trading. While the public sector is the most commonly thought of venue, corruption in the private sector creates unfair competition and impedes healthy market performance. It also constantly risks spilling over into the public sector, often in the form of bribes. Kyrgyzstan faces both of these forms of corruption. However, because of the transition from a state run to a free market economy, there are important overlaps in the business and political spheres blurring the lines between these two forms of corruption.

All countries deal with corruption to varying degrees. Even developed countries with well-defined laws uncover scandals from time to time. However, developing countries are more negatively impacted by corruption, which they suffer at higher levels than developed nations.

⁵ Transparency International - What Is Corruption?

⁶ Transparency International - What Is Corruption?

World Bank president Jim Yong Kim described corruption as “public enemy number one” in developing countries during a speech in 2013.

Every dollar that a corrupt official or a corrupt business person puts in their pocket is a dollar stolen from a pregnant woman who needs health care; or from a girl or a boy who deserves and education; or from communities that need water, roads, and schools. Every dollar is critical if we are to reach our goals to end extreme poverty by 2013 and to boost shared prosperity.

-Jim Yong Kim⁷

Chapter one is a basic overview of corruption and informal exchange in Kyrgyzstan. In it this author elaborates on basic causes of corruption, ranging from insufficient market reform, poor connections, and poverty. The economic, political, and social effects of corruption are also discussed.

Chapter two delves into the history of the economic transition in Kyrgyzstan. Following the collapse of the USSR and Kyrgyzstan’s unexpected independence, the country went through a period of political and economic restructuring, as the single party command economy was replaced with an open market democracy. This chapter evaluates the immediate results of the transition following its completion.

Chapter three is devoted to the use of informal exchange in both the Soviet period and modern Kyrgyzstan. The historical use of *blat*, network connections, and bribes to achieve goods or services is discussed, as is the relationship societal actors have with informal exchanges.

Chapter four focuses on the history, prevalence, and influence of clan politics. It evaluates the role familial and social connections play in a geographical, historical, and political context. It also illustrates how political machinations are driven by tribal elements.

The fifth and final chapter is dedicated to the history of corruption in the presidency in Kyrgyzstan. It lays out the context during which Akayev and Bakiyev came to power and

⁷ Corruption is Public Enemy Number One

focuses on the corrupt policies or acts carried out during their terms. Also discussed are the revolutions that ousted these presidents from power, and the immediate results of their unseating.

For information I rely mostly on qualitative data from secondary sources. I utilize journal articles, non-governmental organization and intergovernmental organization reports, and occasionally news articles as sources for events that are too recent to be covered in peer-reviewed publications. While living in Bishkek I was also fortunate enough to conduct an interview with Charles Buxton, an authority on civil society in Kyrgyzstan. Mr. Buxton works at INTRAC, a British NGO dedicated to working with civil societies in countries around the world to facilitate social change. Mr. Buxton has been at INTRAC since 2001 and has spent that time in Bishkek, giving him enormous experience with the socio-political dynamics of Kyrgyzstan.⁸

⁸ For more information on Mr. Buxton and his work, see *The Struggle for Civil Society in Central Asia: Crisis and Transformation*. Sterling, Va: Kumarian, 2011. Print.

Chapter 1: Corruption

Overview and Causes

For the average participant, corruption is rarely a preferred method of doing business. Most Kyrgyz citizens engage in corruption as a last resort after exhausting all other alternatives. “Government officials’ demands, ineffective laws, cultural norms, or economic needs do not automatically propel ordinary citizens into illicit exchanges with officials, as studies of corruption have implied”.⁹ Accordingly, people with wealth, family connections, or social status do not need to engage in corruption often. They have a variety of other legal options. However, poor, unconnected individuals are more likely to engage in corruption because they do not have legal opportunities to access the same resources.

The trend of using corruption as a last resort is exacerbated when markets lack necessary structures and institutions for providing credit, aid, or opportunity. “... Islamic institutions and secular charities do not provide the type and scope of assistance citizens need. Instead, people use bribes, personal connections, and promises of political support to try to obtain help from government officials...”.¹⁰ These circumstances are found in Kyrgyzstan.

When a state makes the transition from a command economy to a market economy the removal of central power through market reform generates a vacuum unless institutions are created to fill the void. When Kyrgyzstan liberalized its economy it failed to create market-enhancing institutions, which are “[r]ules, enforcement mechanisms, and organizations... [that] help transmit information, enforce property rights and contracts, and manage competition in markets”.¹¹ Institutions and laws would support this new market and allow it to function freely

⁹ McMann 1

¹⁰ McMann 7

¹¹ World Bank

and competitively. In fact, supporting market-enhancing institutions “can decrease grand corruption by reducing government officials’ responsibilities”.¹² Credit registries, judicial systems, antimonopoly markets, and encouraging readily available credit are all vital. If these are not introduced during liberalization, the gulf between those with power and those without will only widen. This was seen in Russia and other post-Soviet countries during the transition from command to free market economies in the 1990s. Former party members who had been in positions of power during the Soviet era were uniquely positioned to take control of industries when privatization occurred. Kyrgyzstan was no exception to this dynamic. In a personal interview, Charles Buxton shared some of his experience and perspectives on corruption in Kyrgyzstan.

In my opinion, a lot of the problems have to do with the nature of privatization after 1991, because it took place, like in the region as a whole, in a very chaotic way. People who [sic] closest to some form of property, or higher up in some hierarchy in managing property or business, were able to get advantages in getting access to a business. My opinion is that corruption comes out of a corrupt privatization process.¹³

Market reform involves price liberalization, which leads to higher prices in the short term and puts pressure on already strained individuals, many of whom may have lost their jobs during the transition. Previously free state provided services either cost money or are no longer available. Unless an individual has a position or connection that would make these resources accessible, he may be forced to use bribery or other illegal methods to obtain what he needs. In this way, corruption can play an important role in providing what a broken system cannot. However, corruption reduces government legitimacy, effectiveness, and increases economic inequality. It is estimated that corruption accounts for \$700,000,000 lost in Kyrgyzstan every year. This money could have built 140 km of roads, 10 hospitals, 200 schools, 118 windmills,

¹² McMann 29

¹³ Buxton, personal interview 7/20/16

and 1,000 km of water pipelines.¹⁴ In a country where 37% of the population lives below the poverty line and 12% is food insecure, living on \$637 a year or \$1.9 a day, this misallocation of resources is deeply troubling.¹⁵

While better oversight of government officials and stricter enforcement of anti-corruption laws are important, analysis shows that improving market institutions and increasing alternatives to corruption should also be pursued, and are perhaps the most important elements in any endeavor to stamp out corruption. Research has demonstrated that “citizens use bribes, personal connections, and promises of political support to try to obtain state resources when formal state assistance programs, market actors, societal groups, and family members do not have the means to meet their basic needs”.¹⁶ However, corruption further undermines a system that is already struggling to provide. Therefore, fixing a broken system so individuals do not need to resort to informal, corrupt networks is a necessary step in ending a vicious cycle.

Petty corruption at low levels of government are pervasive in Kyrgyzstan. However, corruption is not limited to the lowest rungs of power, and in fact extends to the highest offices in the country.

Grand corruption is characterized by acts committed at a high level of government that twist policies or the central functioning of the state, allowing leaders to benefit at the expense of the public.¹⁷ Unfortunately, corrupt officials can limit the effectiveness of establishing market-enhancing institutions. “Grand corruption can result in market reform with weak or absent market-enhancing institutions, as government officials avoid creating market-enhancing

¹⁴ UNDPKG

¹⁵ Collado

¹⁶ McMann 28

¹⁷ Transparency International – What Is Corruption

institutions that would limit their ability to reap personal benefits from policies such as privatization”.¹⁸

Longstanding patronage networks are deeply entrenched in Kyrgyzstan’s bureaucracy. Ineffective administration incentivizes and creates opportunities for corruption.¹⁹ In 2013 Kyrgyzstan was ranked 70th out of 183 countries for ease of doing business.²⁰ Surveyed businesspeople consider bribes paid to public officials to win contracts or use public institutions to be quite common.²¹ Grand corruption not only hinders economic growth but also bolsters illegal business practices. The largest cell phone provider in Kyrgyzstan came under investigation during the Bakiyev presidency following corruption concerns. A former manager claims that the company head paid \$400,000 to the Prosecutor General to end the investigation.²²

Patronage exists in the private sector as well. Familial and social relationships are particularly relevant in Kyrgyzstan, and this focus on interpersonal exchange has become an important factor in business. Buxton explains that:

Obviously in all these small firms, nepotism or contacts or friends are the people who gain the most, and this is one of the reasons why so many young people go off to Russia or somewhere else to work. Their families don’t have those contacts, and therefore the opportunities to get on in life here are so limited... On the one hand it’s understandable, on the other it reduces the opportunities for people from rural areas from poor families a lot.²³

The transitional period from a command economy to a liberalized one is critical. If a healthy, competitive market is to flourish, institutions must be developed. “Unfortunately, the

¹⁸ McMann 29

¹⁹ Transparency International 2

²⁰ Transparency International 2

²¹ Transparency International 2

²² Transparency International 3

²³ Buxton, personal interview 7/20/16

latest evidence shows that market-enhancing institutions continue to be weak in Kazakhstan and Kyrgyzstan, and corruption remains rampant”.²⁴

While corruption may have existed in the Soviet Union, at least there was a strong centralized state apparatus to attempt quality control and accountability (more on this in chapters 2 and 3). State ownership of industry also limited inequality. In a 2002 survey, 74% of Kyrgyz respondents thought that corruption had gotten worse since the collapse of the USSR.²⁵ A further 78% felt unprotected by law enforcement, while 50% of respondents from the law enforcement community felt that shortcomings in legislation created opportunities for corruption. 70% of respondents felt that it was impossible to solve a problem without bribery.²⁶ Without market-enhancing institutions or centralized government oversight, the bureaucracy “... gave way to a flourishing patronage which undermined the capacity and discipline within the bureaucracy”.²⁷ It is currently easier for officials in power to benefit from an insufficiently reformed system than it is to implement change. If ill-gotten gains are distributed amongst powerful groups this arrangement is unlikely to change.

Following independence there was a rush to liberalize and reduce the size of government control, rapidly downsizing the state apparatus. During the first five years following independence, 97% of trade, 80% of industry, and roughly 50% of all other sectors of the economy were privatized.²⁸ During this transition, former government employees manipulated the reduction of government to take ownership of once-public industries far below market value. This period guaranteed close ties between the burgeoning business sector and government

²⁴ McMann 18

²⁵ Baimyrzaeva 34

²⁶ Baimyrzaeva 34

²⁷ Baimyrzaeva 24

²⁸ Baimyrzaeva 24

elites.²⁹ This marriage between corrupt government officials and business titans, many of them former state workers themselves, allowed elites to maintain their power. Patronage helped reinforce old alliances, and as public property became unfairly allocated and wealth disparately distributed, the most powerful officials emerged on top. A former member described the process as such.

During the early 1990s when privatization started most officials took advantage of this opportunity to divide public property. In Kyrgyzstan thus emerged mafia, a criminal group, intent upon accumulating capital and robbing the country. Soon, the key profitable spheres in the economy - the energy sector, mining industry, alcohol industry, and tax inspections – came under the control of the president’s family and the people close to it. This mafia group rearranged the system of collection of income. In every ministry, in every large enterprise at the top were people who controlled financial flows... This criminal structure suppressed smaller businesses and prevented the emergence of a middle class... This covert network corrupted the current first family (Bakiyev), as well as most public representatives who do not even know their own duties. They came to power to serve themselves and the people who helped them come to the power, and they were reluctant to pass laws limiting the interests of the mafia. The government was decapitated. The real decisions were made beyond the walls of the “White House”³⁰.

This “mafia” of well-placed government officials and businessmen (often former public servants themselves) continue to sap the economy. Data indicates that government corruption worsened following Akayev’s departure. One NGO journalist claims that bribe rates in the low to mid-level bureaucracy rose between 200-500% in the two years following Akayev’s removal.³¹ The International Business Council, an NGO located in Bishkek, argued that the investment climate continued deteriorating up into 2010.³²

Akayev’s chief political miscalculation was that he failed to distribute ill-gotten gains among powerful political actors during his term as president. Kyrgyzstan’s history has shown that if the elite keep their theft informal and distribute wealth among influential people, their

²⁹ Baimyrzaeva 24-25

³⁰ Baimyrzaeva 25

³¹ Biryukov 27

³² Biryukov 27

arrangement can continue.³³ However, failure to redistribute ill-gotten gains has resulted in political upheaval in Kyrgyzstan, as was the case with Akayev. I revisit this issue in more detail in the section on clan politics.

To reduce opportunities for bribery, the Kyrgyz government has tried to streamline business registration. This included abolishing licenses and regulatory measures in the hope that reduced regulations will lead to fewer interactions between citizens and government officials. With fewer responsibilities, low level clerks are less able to demand bribes from hapless entrepreneurs.³⁴ However, the state's continuation of these market reforms to allow for a freer, more unregulated market is insufficient. More market-enhancing institutions are needed to enable entrepreneurs to access credit and prevent monopolistic domination.

Under current law, civil servants must disclose assets and those of close relatives, but the complex system is ineffective.³⁵ There are laws on declaring assets, but some laws on asset declaration establish contradictory requirements, particularly with public disclosure.³⁶ Although the criminal code of Kyrgyzstan does criminalize corruption, the legal framework does not comply with international standards. For example, foreign bribery and commercial bribery are not criminalized.³⁷ In 2006, the government passed a Law on Witness Protection to protect the witnesses, victims, and reporters of corruption. In 2011 the government created a website for reporting corruption. In one month there were 32 complaints, 10 of which were rejected because they were anonymous.³⁸

³³ Biryukov 10

³⁴ Transparency International 4

³⁵ Transparency International 7

³⁶ Transparency International 7

³⁷ Transparency International 7

³⁸ Transparency International 7

Efforts that have been carried out are meaningless if those in charge undermine them. Bakiyev shut down the National Agency for the Prevention of Corruption in 2010 after only 5 years of service. While the Anti-Corruption Service of the State Committee on National Security was established in 2011, the abolishment of the NAPC was a devastating loss as now there's no good institution for corruption prevention and awareness.³⁹ Moving forward, market-enhancing institutions need to be created and supported to reduce the attractiveness of corruption. History has shown that if people are unable to access the goods and services they need, they will rely on informal, illegal activity to satisfy their needs.

³⁹ Transparency International 7-8

Chapter 2: Economic Transition

Gorbachev instituted economic and political campaigns dubbed “perestroika” and “glasnost” respectively to reinvigorate the communist system between 1989-1990. Glasnost, meaning “openness”, refers to a variety of policies that were intended to open Soviet life to criticism and reflection. This included acknowledging administrative shortcomings and past mistakes.⁴⁰ It can be characterized as consisting of three themes: permitting the circulation of information, allowing discussion and criticism, and tolerating public participation in reform.⁴¹ Perestroika translates literally as “restructuring”, and was intended to reshape the economy and encourage growth to counteract stagnation. Gorbachev said in speech,

Restructuring proposes the creation of an atmosphere in society that will impel people to overcome accumulated inertia and indifference, to rid themselves, in work, and in life, of everything that does not correspond to the principles of socialism, to our world views and way of life.⁴²

However, rather than bolster the stagnating system, these reforms ushered the collapse of the USSR. The effects of these changes would be felt around the world and profoundly alter the economic and political structure of Kyrgyzstan. These issues were complicated by the fact that Kyrgyzstan was woefully unprepared for independence and did not expect to have autonomy foisted upon it.⁴³

Kyrgyzstan was one of the poorest Soviet republics. Central planning dictated that different republics specialize in producing specific items, and Kyrgyzstan was designated as the source for wool, low grade cotton, and livestock. Trade with other USSR republics accounted for

⁴⁰ Sakwa 65

⁴¹ Sakwa 66-72

⁴² Gorbachev, speech 7/31/1986

⁴³ Abazov 197

39.63% of GDP, and should be considered when studying the economic decline following independence.⁴⁴

The collapse of the USSR and the economic overhaul of other Soviet states caused the quick collapse of Kyrgyz markets. Rapid ruble inflation and the implementation of trade barriers in other former USSR states further exacerbated Kyrgyzstan's economic woes.⁴⁵

Kyrgyzstan chose to pursue an extensive economic transformation upon which to build the new independent state. These were not simply changes in policy but rather a comprehensive overhaul of the country's economic organization. This included deregulation of the labor market and public sector, large-scale privatization, price liberalization, the development of legislation for the new private sector, and the establishment of a banking and financial system.⁴⁶

Converting the economy from a state-owned system to a capitalist one has been particularly difficult for Kyrgyzstan. The unwieldy and inefficient public sector was responsible for almost 100% of the country's industry, transportation, and parts of the agricultural and service sectors.⁴⁷ The industrial sector in particular was deeply intertwined in the Soviet industrial complex and woefully unprepared to compete in the world market. The agricultural sector was the source of employment for 62% of the population and operated on large state-run collective farms. Like the industrial sector, these farms were designed to work within the USSR market, as opposed to the global one. This ensured inefficiency and unprofitability.⁴⁸

⁴⁴ Dabrowski 6-7

⁴⁵ Dabrowski 7

⁴⁶ Abazov 197

⁴⁷ Abazov 197

⁴⁸ Abazov 198

Unlike Eastern European countries, Kyrgyzstan did not have its own economy or independent financial system. This made the country totally dependent on the ruble and Russian financial systems until Kyrgyzstan introduced its own currency in 1993.⁴⁹

When it came time for Kyrgyzstan to engage in economic reform, policymakers looked at the Russian ‘shock therapy’ approach in transitioning from a command to free market economy.⁵⁰ Shock therapy refers to the strategy of implementing large scale economic reforms hastily to quicken an economic transition and inject strength into the economy. Shock therapy often involves rapid privatization, release of price and currency controls, the removal of state subsidies, and trade liberalization. Russia’s use of economic shock therapy encouraged Kyrgyzstan to pursue reforms aggressively.⁵¹

Older, more conservative members of the Communist Party and intelligentsia in Kyrgyzstan advocated conservative, gradual reform. They sought a closely regulated economy and support for domestic industries in the global market. They also protested privatization and the dissolution of collective farms, although they acknowledged the necessity of private entrepreneurship.⁵²

A more moderate transition was favored by the state administration and most Kyrgyz economists. This involved a mixed economy, with a focus on regional economic integration and participation in the Commonwealth of Independent States, an economic and security organization comprised of 9 former USSR republics.⁵³ These moderates championed a market economy, albeit with state intervention and the partial protection of the local market during

⁴⁹ Abazov 187

⁵⁰ Abazov 202

⁵¹ Abazov 202

⁵² Abazov 202

⁵³ Abazov 202

transition. Privatization was to be a ‘natural process’, with state support for the industrial sector.⁵⁴

A more radical approach was supported by young economists and experts in the President’s administration, the State Agency on Foreign Investments, and the Ministry of Industry and External Trade.⁵⁵ Their approach called for deep, market-driven reforms in the economy with full liberalization of all state enterprises. They sought maximum privatization of the public sector, the abolition of government regulation, price control, and welcomed investors from developed countries.⁵⁶ These goals align closely with the shock therapy strategy pursued by Russia.

President Akayev’s administration came to power in 1990 with calls for radical economic change and sharp criticism of the preceding administration’s conservatism. Despite limiting factors in the post-Soviet environment, Akayev’s administration turned towards radical reform. Some of these reforms mimicked the radical economic liberalization used by Russia during the economic transition. Other focuses included internal and external liberalization as well as decentralization, deregulation, and privatization. Macroeconomic stabilization and introducing a new national currency were also critical goals in the economic transition.⁵⁷

One of the government’s first moves was to decentralize the economy and allow local enterprises to sell directly in the market. Included in this process was price liberalization, which Kyrgyzstan pursued by releasing controls on almost 90% of prices at once.⁵⁸ Most subsidies were abolished in early 1992 except for those directed towards bread, meat, coal, and public

⁵⁴ Abazov 202-203

⁵⁵ Abazov 203

⁵⁶ Abazov 203

⁵⁷ Abazov 204

⁵⁸ Abazov 205

transport. However, in 1993 the declining standard of living along with a decline in production forced the government to reinstall some selective state intervention to support the economy. This was reversed in 1994 following pressure from international organizations assisting the economic transition.⁵⁹ Imports and exports were also liberalized, with almost all state controls eliminated except on exporting antiquities or importing alcohol and tobacco.⁶⁰

Runaway inflation became a pressing issue for the Kyrgyz government during transition. Political upheaval in Russia, combined with mismanagement of the Russian central bank and Kyrgyz dependency on the ruble were primary sources of macroeconomic destabilization.⁶¹ By September 1992 inflation was roughly 20% per month, and rose to 46% per month in early 1993. Unpredictable prices and rapid movement of finance and credit made economic reforms difficult to pursue. Lacking institutions to influence monetary and financial policies, Kyrgyzstan turned to international organizations like the IMF, World Bank, and European Bank for Reconstruction and Development.⁶² Thus, despite the initial goal to remain within the Commonwealth of Independent States and retain the ruble, Kyrgyzstan became the first formerly Soviet Central Asian state to introduce a national currency, the Som in mid-1993.⁶³

The introduction of the Som devastated the domestic economy and hurt trade relations with Russia, Kazakhstan, and Uzbekistan, who often demanded payments in US dollars, of which Kyrgyzstan had few. As a result, Kyrgyz GDP fell 16% in 1993 and a further 26.2% in 1994. This drop was also facilitated by economic crises in Russia and other CIS states, who were

⁵⁹ Abazov 205

⁶⁰ Abazov 205-206

⁶¹ Abazov 206

⁶² Abazov 206

⁶³ Abazov 206

the largest consumers of Kyrgyzstan's exports. Many manufacturers were forced to shut down, lay off workers, or produce at half capacity.⁶⁴

Eventually shock therapy achieved its intended goals, namely macroeconomic stabilization and recovery between 1996-1997. Credit from the IMF, along with assistance from Japan, Switzerland, the Netherlands and others, helped stabilize the Som in 1995. Inflation stabilized at around 29% in 1996, and economic growth reached 9% in 1997. The budget was more than halved by 1997-1998, and Kyrgyzstan was attracting foreign direct investment, particularly in gold mining.⁶⁵

Akayev's administration pursued privatization in a series of four stages. From 1991 to 1993 privatization included the sale and transfer of small retail and consumer services to their workers and managers. From 1993 to 1996 there was the voucher-based privatization of medium to large enterprises. The open auctioning of medium and large state enterprises, or shares of them, took place between 1996-1998. Finally, the basic industry sectors including energy, telecommunication, and mining took place between 1998-1999.⁶⁶

During the first stage of privatization roughly 98.7% of service sector enterprises and 81.5% of retail and catering enterprises were privatized. 28.2% of these went to their own workers, 21.2% to individuals, and 26.5% were sold to the highest bidder.⁶⁷ 41.3% of the agro-economy, 41.2% of industry, and 21.5% of transportation were transferred to private hands, most were later turned into joint-stock companies.⁶⁸ Kyrgyzstan attempted a Voucher Privatization Program in 1992 by giving vouchers to all adults in hopes of giving equal opportunity to acquire

⁶⁴ Abazov 207

⁶⁵ Abazov 207

⁶⁶ Abazov 207-209

⁶⁷ Abazov 209

⁶⁸ Abazov 209

enterprise shares. However, these vouchers failed to distribute shares among the population at large and business ownership became increasingly concentrated.⁶⁹ Deregulation created a population of private entrepreneurs wielding significant economic power, leading to public disillusionment. A considerable proportion of state property was simply taken over by managers and employers using connections, further discrediting privatization in the public mind.⁷⁰

Noting lessons from the first stage of privatization, the Kyrgyz government pursued the next stage of privatization by replacing vouchers with coupons based on a points system. These were distributed evenly, and a portion of each public enterprise's shares was set aside for coupons (roughly 25%), and another portion for cash (30%). More than 1400 enterprises were privatized, although liberalization failed to stop output decline in the industrial and agricultural sectors.⁷¹ Another issue with this stage of privatization was the widespread lobbying by powerful individuals in local governments and institutions to protect their own interests during privatization. This was accompanied by increasingly common corruption among state officials who, through direct pressure, removed profitable industries from privatization or gained shares unfairly.⁷² This corruption was often linked to tribal and family ties, and public discontent surrounding these abuses during the transition led to Prime Minister Tursunbek Chyngyshev's resignation in mid-1993. Despite many accusations of nepotism and corruption, investigations were never completed.⁷³

The third stage of privatization involved restructuring large enterprises, which were transformed into joint-stock companies, with a portion of shares allocated for bidding at cash

⁶⁹ Abazov 209

⁷⁰ Abazov 209-210

⁷¹ Abazov 210

⁷² Abazov 210

⁷³ Abazov 210

auctions. The State Property Fund published the 100 enterprises to be privatized in August 1996, although this number was later reduced. In 1997, some shares of monopolies were offered in coupon auctions. This stage occurred during a period of macroeconomic stabilization, and thus these newly privatized enterprises enjoyed a smoother transfer than companies in previous stages of economic transition. However, numerous accusations of corruption and mismanagement forced president Akayev to suspend privatization in mid-1997, and the chairman of the State Property Fund was dismissed following a special investigation.⁷⁴

The fourth and final stage of privatization involved the deregulation and privatization of the monopolist energy, mining, and other sectors. This was done on a case-by-case basis while the government attempted to attract foreign investors and expertise.⁷⁵

Kyrgyzstan was moderately successful in restructuring the economy during the painful privatization process between 1991-1998. Inefficient public sector enterprises were deregulated and rebuilt as private or joint stock enterprises, and the state managed to maintain relative social stability during economic upheaval.⁷⁶ By 1995 the Som was fully convertible, and important regulations within the financial and banking sectors oversaw their transformation into relatively sound industries. However, there were serious drawbacks to the reforms. Kyrgyzstan did not sufficiently control corruption and nepotism, frequently allowing the transfer of state property to connected owners. Also, freshly privatized businesses were often left without access to expertise, capital or credit resources, or other important market-enhancing institutions.⁷⁷ Despite moderate

⁷⁴ Abazov 211

⁷⁵ Abazov 211

⁷⁶ Abazov 212

⁷⁷ Abazov 212-213

success, the radical shock therapy of Kyrgyzstan's economic reforms brought about a severe economic crisis, and a decline in all sectors of the economy.⁷⁸

⁷⁸ Abazov 213

Chapter 3: Informal Exchanges from the Soviet Period to Today

Blat refers to the informal use of favors and influence in the Soviet Union to procure services, goods, or appointments while ignoring bureaucratic procedures.⁷⁹ It is very difficult to translate into English because there is no one word that can fully encapsulate the nature of “*blat*”. However, it is an extremely important term to discuss when considering corruption in Kyrgyzstan because *blat* was a formative concept during the Soviet Union and continues to influence modern patronage networks. *Blat* originally comes from Polish, where it meant “someone who provides an umbrella, a cover”.⁸⁰ It later became a blanket word for any minor criminal activity, such as shoplifting.⁸¹ To acquire something “*po blatu*” was to gain something through illicit channels. It can be defined as “the use of personal influence to obtain certain favors”.⁸²

Originally, *blat* was not considered a “polite” word and was spoken only in a specific context. To acquire something through informal channels was considered “un-Soviet”, so most referred to *blat* only euphemistically. It was also difficult to use *blat* specifically in conversation because it came to mean so many things beyond simple nepotism or black market dealings. To engage in *blat* became an accepted part of life. In fact, working through informal channels to acquire goods, services, or positions became so common that the word “to buy” (*купить*-kupit) became gradually replaced with “to acquire” (*достать*-dostat).⁸³ One did not *blat* their new radio, but rather acquired it through *blat*. This shift was reflected in political cartoons, memoirs, journals, letters, films, novels, and poetry. *Blat* was a useful, almost romanticized act where the

⁷⁹ Ledeneva 1

⁸⁰ Ledeneva 12

⁸¹ Ledeneva 11-12

⁸² Kramer 217

⁸³ Ledeneva 13

use of mutual favors and trust could provide what might otherwise have been unobtainable.⁸⁴

However, the official state policy concerning *blat* was that it was typical of a careerist mentality and antithetical to the communist ideology. That said, it was almost impossible to find anyone in the USSR who never engaged in *blat*, even if they looked down on the act. One observer of *blat* remarked, “There is *blat* everywhere. There is leather *blat*, shoe *blat*, etc. People with different kinds of *blat* get together. Everybody who has some power over goods has a supplementary income based upon *blat*”.⁸⁵ Shortages, poorly made goods, and the necessities of life required people to maintain contacts and occasionally draw upon them in times of need.⁸⁶

Meat was a common item to acquire through *blat* because it was frequently scarce and subject to unfair distribution by butchers. Butchers would regularly distribute cuts with fat or bone to less connected customers and charge the same rate they would to friends who received good cuts, and even allowed certain customers to skip the line. “They did not even care to hide it, shortage made them kings, rude, and shameless”.⁸⁷ Individuals who were fortunate enough to cultivate relationships with their butcher were less condemning of the practice.

In Soviet times the main role of *blat* was to obtain foodstuffs. It was the basis of life. If you had an acquaintance working in shop, you were able to buy products in short supply... Perhaps it was not right that he did it or that I used to send 10 kg meat parcels to [my mother], but this was how people survived.⁸⁸

Healthcare was similarly acquired through *blat*, connections with doctors being highly sought after to ensure quality service and access to medicine.⁸⁹ Even with a prescription medicine could be difficult to obtain and contacts became a prerequisite to healthcare. “One

⁸⁴ Ledeneva 15

⁸⁵ Kramer 217

⁸⁶ Ledeneva 27

⁸⁷ Ledeneva 28

⁸⁸ Ledeneva 28

⁸⁹ Ledeneva 29-30

doesn't want to run the risk of seeing the first person one comes across in a hospital or even in a hairdressing salon. One goes to those recommended by friends. If one respects oneself, one has to have one's own dentist, gynecologist, hairdresser, masseuse, tailor".⁹⁰ Buxton reported that this dynamic continues today in Kyrgyzstan.

Another common area for contributing money is in hospital, paying for medicine, which you think shouldn't be necessary to do or paying a bit of money as thanks to the doctor to make sure they take good care of whoever you're coming to see, and people are pretty willing to do it. They're not ideologically in favor of doing it but they're willing to do it" (Buxton, personal interview).⁹¹

This trend of begrudgingly engaging in illicit exchanges to acquire goods or services has been consistent from the Soviet era to modern Kyrgyzstan.

Blat was not limited to acquiring basic-necessities and was used to access luxury goods as well, particularly under Brezhnev. Color TVs, tape recorders, and washing machines were in high demand when they came out. "I had to obtain a washing machine when they appeared in the 1980s. One had to have a contact in a shop or warehouse to obtain it".⁹² Officially these products could only be bought with tickets that were distributed to selected employees within work units every year. If an employee was well connected they could skip to the top of the waiting list. During the 1970s items like jeans became status symbols, and their limited availability encouraged individuals to expand their connections.⁹³

A car in particular was viewed as a symbol of importance and high social standing. Thus, any product or service associated with cars like spare parts, tires, and garages were rare and required engaging in *blat*.⁹⁴ However, the waiting time to get a car varied from two to 10 years in

⁹⁰ Ledeneva 30

⁹¹ Buxton

⁹² Ledeneva 29

⁹³ Ledeneva 29

⁹⁴ Ledeneva 29

some cities. As a result, consumers turned to bribing officials amounts sometimes exceeding the car's price to hasten delivery. However, even after acquiring the car, access to fuel was problematic. In Moscow in 1971, there were more than 250,000 cars but only 12 gas stations. This led to the rampant theft of state-owned gasoline on the black market. One newspaper reported that between 1972-1973, more than a third of Soviet motorists were driving on stolen state-owned gasoline, and a Western source estimated that this theft accounted for 150 million gallons or 60 million rubles worth of fuel.⁹⁵

The underground economy was so widespread that one estimate places nearly 20 million Soviet citizens engaged in the industry either full or part-time in the early 1980s.⁹⁶ The fastest growing area of the underground economy was within the service sector, which provided services not easily accessible through formal means, and two Soviet sociologists estimated that 83% of the Soviet population used the black market to access food and services.⁹⁷

It was not uncommon for corrupt officials to take part in the underground economy, appropriating so-called public goods for secret manufacturing and then selling them on the black market. The Armenian Choral Society established an underground manufacturing complex with embezzled materials and produced more than nine million rubles worth of goods.⁹⁸ In Georgia, embezzlers stole over a million rubles worth of state property, developing secret manufacturing plants and selling scarce items ranging from raincoats to slippers. It was reported that this group enjoyed protection from officials at the highest levels of the Georgian Communist party.⁹⁹

⁹⁵ Kramer 215

⁹⁶ Clark 260

⁹⁷ Clark 261

⁹⁸ Kramer 215

⁹⁹ Kramer 215

In education *blat* was used to influence grades or even entrance to university. “At the stage of graduate exams or high school entrance examination those parents who did not have acquaintances to influence grades directly were involved in a search for a package of written examination papers”.¹⁰⁰ Contacts in Moscow were valuable at this time because they were more likely to know examination topics earlier than the rest of the USSR. For boys, these examinations carried significant weight because successful entrance into high school or university exempted them from military service. If a son was not exempted from military service families could use connections to keep the son close to home or out of combat.¹⁰¹ Admission officers at a Moscow university in 1970 reported that they accepted an unqualified student because “his father will fix us up with plots of land on the Black Sea Coast”.¹⁰² This dynamic resulted in the sons and daughters of unconnected parents being underrepresented in universities, while important officials were able to guarantee their children’s admission through informal exchanges.¹⁰³

An element of this exists today for higher education in Kyrgyzstan. When Bakiyev took power in 2005 he acknowledged the connection between corruption in education and the civil service.

To be honest, everyone knows that even many public offices are bought and sold. It has reached the point that even in high schools [sic] students are not judged according to their knowledge, but depending on how much they are willing to pay. At the institutes, corruption is what they are learning. Even in law schools-it is all about money. And these are future judges, prosecutors!”¹⁰⁴

¹⁰⁰ Ledeneva 32

¹⁰¹ Ledeneva 33

¹⁰² Kramer 216

¹⁰³ Kramer 216

¹⁰⁴ Engvall 49

Four years later Bakiyev admitted that nothing had changed and that students could in fact pass an academic year without attending lectures, and that diplomas had become little more than formal documents rather than indicators of actual expertise. According to some research, the sale of admission, grades, and diplomas is so widespread that only 5-10% of graduates could be considered qualified in their fields.¹⁰⁵ Students usually buy their position in school then work other jobs to continue paying the necessary bribes. The result is a system that teaches future civil servants and leaders how to use a corrupt, rent-seeking system that prioritizes informal exchange over expertise. One professor echoed this theme.

You can compare it to automobile inspections. It costs 200 soms (\$5) to get your car cleared informally. You do not even have to bring the car to the inspection and show it. You park the car 200 meters away, then you go there and pay and the issue is settled. It is easy and quick. People like it this way. They want every deal to be like this. In education, students are ready to pay; they know what it costs, and they do not have to show if they have any knowledge about the subject or not.¹⁰⁶

A 2012 survey demonstrated that more than fifty percent of students considered their universities to be highly corrupt, and roughly fifty percent said they were willing to give bribes themselves for higher grades or admission.¹⁰⁷ This issue is addressed in one of Kyrgyzstan's many anti-corruption commercials, in which a young woman includes money in her final exam booklet to ensure a passing grade. The commercial then progresses to her as a doctor, unable to perform emergency surgery and watching as her patient dies on the operating table.¹⁰⁸

A number of folksy Russian sayings became commonplace because of *blat*'s influence. “*Blat* is higher than Stalin” and “You’ve got to have ZIS”, ZIS being the name of a popular

¹⁰⁵ Engvall 49

¹⁰⁶ Engvall 50

¹⁰⁷ Martini

¹⁰⁸ Коррупция- Наша общая беда (Corruption- Our Common Misfortune)

Soviet car and also the initials for “acquaintances and connections”.¹⁰⁹ My personal favorite is “I’ll buy everything”, said gold. “I’ll gain everything”, responded *blat*.¹¹⁰

It is important to remember that during Soviet rule *blat* was not perceived as simply a black-market response to a system that failed to provide necessary goods. Instead, *blat* was a network of favors that were used in lieu of currency in a command economy that did not value capital the same way the West did. Individuals engaging in *blat* did not partake by sharing only their personal resources but also distributed those of the state, with the implication that the favor would be returned in the future. This is reflected in the everyday saying, “one has what one guards”.¹¹¹

Most corruption in the Soviet Union can be divided into two categories: (1) using informal exchanges for private gains; (2) using these exchanges for bureaucratic gain. The first involves using corruption for personal advancement, the second entails pursuing the betterment of an organization or its employees through corrupt practices.¹¹²

Bribery, embezzlement, and speculation were the most common forms corruption for private gain in the Soviet Union. One newspaper article from 1974 mentioned that “instances of embezzlement and irresponsible attitudes toward material goods are still quite common”, while the USSR Supreme Court noted that bribery “Represented a major social danger and required decisive measures to eradicate it”.¹¹³ In 1970, one Soviet criminologist determined that economic crimes like bribery and embezzlement accounted for nearly one quarter of all crime. In other parts of the USSR this number could be as high as almost 40% of reported offenses.¹¹⁴

¹⁰⁹ Ledeneva 27

¹¹⁰ Ledeneva 73

¹¹¹ Ledeneva 36

¹¹² Kramer 214

¹¹³ Kramer 214

¹¹⁴ Kramer 214

Embezzlement for the purpose of housing construction was particularly common, partially due to the housing shortage in Soviet cities. One member of the Politburo was charged with using 60,000 rubles of government funds to help build a weekend dacha outside of Moscow. This sum is roughly equivalent to 40 years' salary for the average Soviet citizen.¹¹⁵ In Georgia, it was reported that Georgian officials engaged in "active competition" as to who could build the most extravagant home. The popular newspaper *Pravda* reported that this embezzlement was done with the "direct connivance of the Central Committee of the Communist Party of Georgia and the republic Council of Ministers".¹¹⁶ Some officials in Tbilisi erected private dachas on collective gardening land claiming they were building garden sheds, and the Minister of Trade consolidated five separate previously occupied apartments into one unit for himself.¹¹⁷

While officials often used their positions to acquire housing, they also used the shortage to acquire bribes in return for allocating desirable apartments. Despite apartments being legally guaranteed, bribes were often issued to ensure access. In one seven-year period, officials from a housing construction cooperative took more than 600,000 rubles (\$800,000) in bribes. The cooperative was originally intended to only build several housing units but eventually changed its goal to instead construct 16 high-rise apartment buildings.¹¹⁸

Corruption with the goal of increasing an enterprise's power or to benefit employees manifested itself primarily through illegal influence and *blat*.¹¹⁹ Due to shortages and unreliable supply sources, production units relied upon *blat* to minimize uncertainty. For example, at one

¹¹⁵ Kramer 214-215

¹¹⁶ Kramer 215

¹¹⁷ Kramer 215

¹¹⁸ Kramer 215

¹¹⁹ Kramer 216

point state farms provided the head of the Secretariat of the USSR Ministry of Agriculture with a house, free food, and a television in return for necessary equipment. As one *Pravda* article lamented, “the principle ‘I give to you and you give to me’ (and all at the state’s expense) operated without a hitch”.¹²⁰

Industries even had designated workers who engaged in *blat* on behalf of the industry. One of these agents was called as a *tolkatch* (plural- *tolkatchi*). It was this individuals job to travel the country in search of supplies or to untangle bureaucratic red tape. Some practitioners became so well versed in *blat* that they came to represent several firms at once. They played a critical role in the failure or success of their firms, illustrated by one manager’s interaction with his *tolkatch*. “Keep your eyes open, don’t be caught napping, act according to the situation. If you have to offer someone a bottle don’t be shy. We will cover all expenses. But I warn you: don’t come back empty-handed”.¹²¹

Corruption among officials within the state bureaucracy was extremely common during the Soviet period. “Hence in a heavily administered economy marked by a sizeable monetary overhang and severe chronic scarcity, the corruption of officialdom was almost inevitable”.¹²² The criminal code of the Russian Soviet Federated Socialist Republic (RSFSR) served as the basis upon which each Soviet republic designed its own criminal code, and defined officials thusly.

By officials... are meant persons who are permanently or temporarily effectuating the functions of representatives of authority, and also who are permanently or temporarily occupying offices in state or social organizations connected with the fulfilment of organizational-executive or administrative-economic duties, or who are fulfilling such duties in the said institutions, organizations, and enterprises in accordance with a special authorization.¹²³

¹²⁰ Kramer 217

¹²¹ Kramer 217

¹²² Clark 261

¹²³ Clark 261

Thus, any person who wields an inkling of state power was regarded as an official, a standard shared with this thesis.

The criminal code of the RSFSR covered ‘official crimes’ and laid out abuse of office, neglect of office, receiving, giving, or acting as an intermediary in a bribery scheme, and forgery of official documents as relevant infractions.¹²⁴ However, Soviet and post-Soviet officials have demonstrated enthusiastic application of these illegal practices to provide necessary services. Ironically, bribes or *blat* were used and continue to be used to procure important permits, licenses, and passports that the recipient is legally entitled to. However, the use of informal exchanges grew out of a need to lubricate an unwieldy bureaucracy.¹²⁵ During the period of steady decline under Bezhnev between 1964-1982, officials could engage in informal exchanges with almost total immunity. When officials did face legal consequences for their actions the pattern of punishments meted out by the state demonstrated a tolerance towards some economic crime.¹²⁶ This was because the government tolerated the development of informal arrangements to provide what an ailing system couldn’t. Informal exchanges’ ability to maintain and stabilize society was deemed more important than following the letter of the law. This was reflected in the distribution of punishments over the years to officials convicted of abusing power in office. If it appeared that the official pursued illegal exchanges for selfish gain, they would be punished as fully as the law allowed. If an official’s behavior was deemed conducive to economic growth and stability by providing necessary goods and services, it was tolerated.¹²⁷

¹²⁴ Clark 262

¹²⁵ Clark 262

¹²⁶ Clark 264

¹²⁷ Clark 277

Informal economic exchanges were a common feature of police forces during the Soviet Union. However, since independence these exchanges have become more common for Kyrgyzstan's law enforcement.¹²⁸ The precarious economic position of many Kyrgyz police officers encourages the use of bribery and other informal exchanges, and the inability of the state to identify or discourage this activity further facilitates the act. In fact, the activity has become widespread and well organized.

The provision of police services in Kyrgyzstan has become increasingly marketized as state control over the economy and political arena has weakened. Actors with money, most notably organized crime groups and elements from within the police, control large aspects of informal activity. For example, junior officers provide their superiors with a proportion of the money they acquire via bribery in a systematized pyramid of informal exchange.¹²⁹

The current use of informal exchange in the police has its roots in the practices of Soviet police in Kyrgyzstan. Flexibility and selective law enforcement are justified by the difficulty in implementing impractical laws and regulations, and low-level state actors can circumvent normal frameworks to provide basic services.¹³⁰ The major difference between the environment of the Soviet period and modern Kyrgyzstan is that contemporary police work in a less stable political milieu and a period of pronounced economic scarcity. To complicate matters further, political elites and police leaders have had their involvement in corruption scandals revealed publicly, often using state resources for personal gain.¹³¹ While corruption is usually attributed to low salaries and its historical social role, this conveys only part of the truth. The active participation

¹²⁸ O'Shea 270

¹²⁹ O'Shea 270

¹³⁰ O'Shea 270

¹³¹ O'Shea 271

by government elite and police officials is usually ignored, despite senior personnel involving themselves with the drug trade.¹³²

The issue of corruption in Kyrgyzstan's police force begins in the police academy. Despite being considered a respected institution of higher education, some police officers complain that the 5-year program does not adequately prepare students for the requirements of law enforcement.¹³³ One police chief said of the academy that, "after five years training, graduates from the police academy have little knowledge of practical policing methods and have to be trained by colleagues".¹³⁴ A former professor described the environment at the academy as such.

It is not uncommon for students to pay \$3,000 before entering the Police Academy in order to be police officers and they want to be repaid after graduation. If confident that he will receive his money back, a new police officer can give a bribe of \$5,000 in order to secure a lucrative position. Even in one year, before attestation, the officer can "recapture" this money with a substantial interest rate given his investments in corrupt networks. The police education is a major reproducer of corruption by ensuring that people with already corrupt and spoiled reputations will be recruited to office.¹³⁵

This trend has continued since independence. One member of the Organization for Security and Cooperation in Europe (OSCE) Police Reform Program described the Akayev-era Police Academy head as "the most corrupt policeman in the country".¹³⁶ His successor, an associate of then President Bakiyev's brother, was similarly described by one of his former colleagues.

[When he took over] the Academy was already sinking in the swamp of corruption. [He] quickly organized his team, which developed a powerful corruption network. To be exact, he completely broke down the Academy with corruption. In rough estimates, during his term in the Academy, there circulated in the shadows no less than one million dollars in cash".¹³⁷

¹³² O'Shea 273

¹³³ Engvall 52

¹³⁴ Engvall 52

¹³⁵ Engvall 52

¹³⁶ Engvall 53

¹³⁷ Engvall 53

Despite hopes that the situation had improved following Bakiyev's removal and the dismissal of the former Academy head, the new rector and his deputy were arrested in March 2013, charged with extorting cash from an academy employee.¹³⁸

While officers are generally recruited from Academy graduates, some officials suggest that this selection is largely influenced by informal payments.¹³⁹ In 2004, an official from the Ministry of Internal Affairs commented that, "If you want to become the deputy head of a district police department in the capital, it is enough to pay \$10,000. And the post of deputy head of Bishkek's internal affairs department costs \$20,000."¹⁴⁰ One officer complained to the International Crisis Group that the rank of captain costs \$10,000, but lacking the necessary funds he settled for lieutenant, paying \$3,000.¹⁴¹

The strict legal code and militarized police system focus on hierarchy, and extensive bureaucratic red tape encourages law enforcement and the public to circumnavigate the rules. This opportunity for informal exchange allows the economic elite to use money and connections to avoid prosecution and influence law enforcement. In 2007, a member of the Special Department for Combating Organized Crime described law enforcement under both Akayev and Bakiyev as highly ordered.

A substantial amount of the revenues from this [redistribution of posts] goes... to the one at the top of the pyramid. The system is quite clear. The president takes bribes from ministers, who collect their revenues from heads of the different special departments. They collect from their personnel, who in turn extort businessmen and ordinary citizens. It is all about making a profit. If a position as a minister is bought for \$100,000, the buyer wants to make sure that the returns from the post are at least double.¹⁴²

¹³⁸ Engvall 53

¹³⁹ Engvall 53

¹⁴⁰ Engvall 54

¹⁴¹ Engvall 54

¹⁴² Engvall 54

In 2011, a parliamentary investigation found that officers had to pay upwards of \$2,000 for an ordinary position in the Ministry of Internal Affairs, and that high-ranking positions required a bribe of \$30,000-\$40,000.¹⁴³ One foreign official who worked in OSCE's Police Reform Program claimed that "There are police officers that have not had a single day of police education for twenty years. There are officials with, for example, an education in agriculture, who work as police officers. This exists on all levels. The system is built around paying for a job and then 'climbing'" .¹⁴⁴

As a result of economic turmoil, the number of Kyrgyz police has shrunk from 26,000 in the early 1990s to 5,000-8,000 today. Part of the explanation for dwindling numbers is the decline in quality of life associated with working as a police officer. While officers were not well paid during the Soviet era, they benefited from additional perks including housing and access to healthcare. Today, officers live precariously, with the lowest ranks earning 10,000 som (\$215) and the highest 15,000 som (\$320) a month.¹⁴⁵ One former officer stated that,

I have dependents now (a spouse, two daughters, of two and three years) and the least amount we need is about \$400 per month, including accommodation, rent. It is hard to imagine how married policemen manage to run their lives.¹⁴⁶

Another officer commented that "We earn 10,000 som a month. But each day costs us 500 som (gas, food etc.)". This officer then underscored the impact low pay has on officers' behavior with the Russian proverb, "If you feed a dog well, it guards well. If you don't, it wanders"¹⁴⁷.

¹⁴³ Engvall 54

¹⁴⁴ Engvall 54-55

¹⁴⁵ O'Shea 272

¹⁴⁶ O'Shea 273

¹⁴⁷ O'Shea 273

During the Soviet system individuals would resort to using contacts and favors, also known as *blat*, to acquire goods in short supply.¹⁴⁸ During this period the police had a complex position where they kept the peace and enforced law, but they themselves recognized the shortcomings of the system and willingly used informal exchanges to cut corners.¹⁴⁹ Their position could be used to perform duties the bureaucracy couldn't, or to advance one's own interests. This tradition is particularly prevalent among traffic police in Kyrgyzstan today. Their equivalents in Soviet times were known to pull over motorists and elicit bribes, and traffic police in modern Kyrgyzstan engage in the same corrupt activity, pulling over cars that are not street legal, of which there are many in Kyrgyzstan.¹⁵⁰ However, instead of writing the appropriate fine, police often use their position and the vehicle's illegality to leverage a bribe. The bribes are usually small, between 50-250 som (\$1-5), and are the preferential alternative to paying larger fines or facing prosecution.¹⁵¹ Bribes are also likely cheaper than the cost of fixing a vehicle.

Charles Buxton commented on pervasive power abuse by traffic police:

One of the areas which annoys me a lot is when you're driving a car and you get stopped, and get fined and the way it works is you stop for some quite minor infringement, and asked to pay a fine, in recent years you can pay with a little machine which you put your card in, but sometimes the machine doesn't work so they ask for the money in cash but it turns out they can't give you a receipt. Or there's a system that you should give up your driving license which you then collect from a post office sometime later and pay at the post office. I always find that a bit difficult because I don't really want to give up my driving license, just in case I can't get it back at the post office. These are things that you wouldn't say are direct asking for a bribe but you end up parting with cash without having received a receipt for it. (Buxton, personal interview).

Kyrgyzstan today maintains a needlessly stringent set of laws that require individuals to carry passport identification or risk being detained for up to 15 days, a practice leftover from the

¹⁴⁸ O'Shea 274

¹⁴⁹ O'Shea 275

¹⁵⁰ O'Shea 275

¹⁵¹ O'Shea 275

Soviet period. Often these regulations are difficult, if not impossible to observe. The threat of serious penalties opens the opportunity for police to extort bribes from hapless citizens.¹⁵²

Acquiring the necessary documents can be very difficult, especially with a large and inefficient bureaucracy. This creates more opportunity for informal exchanges to acquire resources.

For example, I have a problem because I want to get a license... Once you've got to the place you've got to be, there are queues everywhere at each window. Once there, there are those who gather, ask how can I help? They'll do it for 1000 som in a day. Officially, it could take a week, a month.¹⁵³

While bribes may be irritating to pay, they require less paperwork and hassle than formal fines, even if they are similar prices. For this reason, many people prefer to avoid bureaucratic red tape.¹⁵⁴

Extensive and closely monitored surveillance mechanisms prevented corruption in the Soviet Union from reaching levels comparable with modern Kyrgyzstan. A former police colonel who worked in Kyrgyzstan during the Soviet Union remarked that,

There was [corruption] but the level of corruption was so low. First of all, it was very controlled. It was a system of control. A real system. Even if you are out of service. For example, you spend 24 hours in service, and 72 out. Even during the 72, you need to be evaluated. To be checked. By your supervisor.¹⁵⁵

Echoing this, a Kyrgyz deputy minister of internal affairs said:

Now we have more democracy. During the Soviet Union, what democracy there was, was no democracy. But the law worked firmly, of course. Corrupted officials, those who took bribes or were cruel, if you took a bribe, were corrupt, then the consequences were very, very, dire. There was much less corruption then when the law was strict [said while banging his fist down].¹⁵⁶

¹⁵² O'Shea 275

¹⁵³ O'Shea 275-276

¹⁵⁴ O'Shea 276

¹⁵⁵ O'Shea 276

¹⁵⁶ O'Shea 276

While anecdotal evidence should be treated with a degree of skepticism, these remarks match the general attitude shared by many Kyrgyz who lived during the Soviet Union through independence. In this author's experience, citizens who witnessed the collapse of the USSR and the rocky road to independence reflect fondly on the stability and reliability of the Soviet era. This is mirrored in Kyrgyzstan's education system, where state-issued textbooks oscillate between depicting the Soviet Union as a repressive colonial empire or as a state building modernizer.¹⁵⁷ One study interviewed history teachers in Kyrgyzstan and found three types of opposing discourses revolving around framing the USSR; the first frames it as a moral vs immoral system, second as a colonizer vs modernizer, and the third debates whether the USSR was inefficient or a great empire.¹⁵⁸ Most interviewed teachers had difficulty viewing the Soviet system as a colonizer of Kyrgyzstan and reject overly critical stances of the USSR.¹⁵⁹ Some made statements like, "the Soviet Union civilized us from being 'primitive' and gave us education", and "if not for the Soviet Union we would have been colonized by colonial empires".¹⁶⁰ Some even believed that schools should not criticize the Soviet Union, because as one teacher said, "We should not diminish the lives of our parents, grandparents, sisters, and ourselves, and therefore why should we teach the bad side of socialism". Others sought to demonstrate the positive aspects of Soviet life by criticizing the present. "Life has not become better after the breakup of the Soviet Union", and "There is no discipline or order" were statements made by two history teachers.¹⁶¹

¹⁵⁷ Umetbaeva 77

¹⁵⁸ Umetbaeva 82

¹⁵⁹ Umetbaeva 85

¹⁶⁰ Umetbaeva 87

¹⁶¹ Umetbaeva 87

Chapter 4: Clans

Clan networks are common throughout Central Asia, though most notably in Kazakhstan, Uzbekistan and Kyrgyzstan. However, the result of blood relations interfering in politics has different effects in different environments.

A clan can be defined as “an informal social institution in which actual or notional kinship based on blood or marriage forms the central bond among members”.¹⁶² These clans form large networks of trust that have their roots in Kyrgyz nomadic life before the arrival of the Russians. The smallest family structure is called an “aul”, which consists of the nuclear family, all siblings, and marital relatives. Several auls in turn comprise a “clan”.¹⁶³ Large groupings of clans become a tribe, and several tribes make up the three tribal wings in Kyrgyzstan, the Sol, Ong, and Ichkilik.¹⁶⁴ The Ong, also known as the right wing, consists of the Bugu, Sarybagysh, Solto, Chon Baysh, and Cherek clans, all located in northern Kyrgyzstan. The Bugu clan has historically been the most dominant clan within the Ong, providing the earliest Soviet administrators.¹⁶⁵ However, the Bugu administrators were replaced with members of the Sarybagysh clan following Stalin’s purges.¹⁶⁶ The Sol, or left wing, is much smaller, consisting only of the Adygine, and is found mostly in southern Kyrgyzstan.¹⁶⁷ Lastly, the Ichkilik clan is considered neither right nor left, is concentrated in southern Kyrgyzstan, and is a mix of Kyrgyz and non-Kyrgyz ethnicities.¹⁶⁸ Akayev was a member of the Sarybagysh clan based in the north, and during his term most members of the opposition came from the Ichkilik clan in the south.¹⁶⁹

¹⁶² Collins (2002) 142

¹⁶³ Collins (2006) 72

¹⁶⁴ Crosston 65

¹⁶⁵ Collins (2006) 72

¹⁶⁶ Crosston 65

¹⁶⁷ Crosston 65

¹⁶⁸ Crosston 65

¹⁶⁹ Crosston 65-66

With clan sizes ranging from 2,000-20,000 members, kinship can become a useful tool for improving one's status in life. However, these modern clan sizes are dwarfed by their predecessors, the tribal confederations dating back to nomadic times.¹⁷⁰ Today clans are neither purely familial nor political, but are rationally organized, regionally based resource distribution networks with ancient roots.¹⁷¹

Clan networks are relied upon for achieving goals in Kyrgyzstan because they offer benefits not shared with other informal channels. Political or economic favor networks, and the use of bribery to achieve ends, are not as reliable or enduring as networks based on familial or social ties. This is the primary shortcoming of *blat*, a problem that is easily resolved by using relationships based on perceived blood ties. Clan networks build trust within a social sphere through local, marital, or familial relations. This trust can be carried into the business or governmental arenas.¹⁷² Therefore, the use of clan networks in Kyrgyzstan is unlikely to decrease in the future. While *blat* is useful in providing services not easily acquired through formal channels, clan networks provide the same benefits while also being more robust than relationships predicated solely on use and leverage. Therefore, environments that lack formal, transaction cost-lowering institutions will come to depend heavily on clans to facilitate business and to capture state resources. When one clan rises above the rest it can be referred to as clan hegemony.¹⁷³

Repeated interactions and existing trust allow individuals to build upon existing clan relationships. These relationships are particularly useful when one member of a clan rises to a high political, social, or economic position, perhaps as a regional governor, a *kolkhoz* (collective

¹⁷⁰ Collins (2002) 142

¹⁷¹ Biryukov 42

¹⁷² Collins (1999) 109

¹⁷³ Collins (2002) 143

farm) chairman, or village elder. The expectation is that whatever position a clan member occupies, individuals are bound to seek the prosperity of their fellow clan members. In fact, “clan networks have become increasingly active in the villages, and have largely usurped both the interest-aggregation role of parties and the role of the state in distributing resources, jobs, and social benefits”.¹⁷⁴ This can be accomplished by giving social, political, or economic opportunities in return for loyalty.¹⁷⁵ Election-monitors’ reports from 1994-2000 claim that local elders usually decided how everyone voted within their family networks.¹⁷⁶

Ethnic distinctions were only loosely defined in pre-Soviet Central Asia. Instead, individuals identified with tribes and clans by name, dialect, or regional affiliation.¹⁷⁷ The idea of belonging to an ethnic group came from the Soviet nation-building project, whereby the five Central Asian states were created and a sense of ethno-national identity was established.¹⁷⁸ Most clans are dominated by a particular ethnic group, although it is not the defining aspect of clan membership. This Soviet obsession with developing ethno-nationality, while also drawing the Central Asian map to include ethnic enclaves, helped later enflame inter-ethnic tensions, particularly in the Fergana Valley in southern Kyrgyzstan.

Seven decades of Soviet rule modified the structure of clans in Kyrgyzstan. Clan identity evolved as traditional nomads transitioned to sedentary collective-farm workers in small, regional groupings. Viewing clan identity as a threat to Soviet authority, the government illustrated clans as “premodern”, an outdated tradition and suppressed feelings of tribal belonging.¹⁷⁹

¹⁷⁴ Collins (2002) 147

¹⁷⁵ Collins (2002) 142

¹⁷⁶ Collins (2002) 147

¹⁷⁷ Collins (1999) 104

¹⁷⁸ Collins (1999) 104

¹⁷⁹ Collins (2002) 142

During Soviet rule the Kochkor clan in the Naryn region of Kyrgyzstan exerted significant power over the republic with influential politician Turdakun Usubaliev at its head. Naryn also received a disproportionate level of development, particularly with hydroelectric power.¹⁸⁰ Brezhnev liked Usubaliev because of his thorough pursuit of Russification throughout Kyrgyzstan, enforcing the use of the Russian language in government and education. However, Usubaliev also attempted to move native Kyrgyz, particularly from his Kochkor clan, into positions of power in a large patronage network. He did this by bringing relatives with him to Bishkek, then named Frunze, to fill powerful government positions.¹⁸¹ One parliamentary deputy claimed that Usubaliev was “the father and mother of tribalism and localism”.¹⁸² For this Usubaliev drew criticism from fellow Kyrgyz for his clan favoritism, and although he gave some power to the Sarybagysh clan based out of the Talas and Chui oblasts, Usubaliev promoted members within his own clan above all others.¹⁸³ Although it is unclear how much Moscow understood the nature of clan politics, important party posts like first secretary, chairman of the Republic’s Supreme Soviet, and the chairman of the central committee were usually from different clans. Despite this balancing, the idea of appointing family and friends from one’s hometown, deemed part of “*zemlyachestvo*” (fraternity) was the principle factor in appointments.¹⁸⁴

Regardless of efforts to undermine clan relationships, the Soviet system merely modified clan dynamics and identities rather than destroy them. By physically moving Kyrgyz nomads into closer proximity on collective farms, clans could develop closer, more personal

¹⁸⁰ Collins (1999) 168

¹⁸¹ Collins (1999) 168

¹⁸² Collins (2006) 106

¹⁸³ Collins (2006) 106-107

¹⁸⁴ Collins (1999) 167

relationships. Soviet efforts to promote local ethnic groups into the government apparatus gave clans a voice in the echelons of government, which allowed them to appoint kin to different positions.¹⁸⁵ Poor distribution of goods and services also reinforced the importance of clan relationships, as sparse resources were divided up among the clansmen of those in power. This uneven sharing and domination by one clan, either the Bugu or Sarybagysh clans from the north, created tension. Minimal interference in Central Asia by the Soviets allowed clan networking to thrive under Khrushchev and Brezhnev. This pattern of using clan connections to distribute scarce resources has remained a consistent theme in Kyrgyz politics following independence.

This tolerance of clan patronage in Kyrgyzstan changed dramatically following Brezhnev's death. Between 1984 and 1988 there were extensive purges of the most powerful clans in Kyrgyzstan, and Gorbachev installed mostly ethnic Russians from Moscow into powerful positions in the bureaucracy. Despite 45 years of service, Usubaliev himself was forced to resign in 1985 for allegedly failing to fulfill his duties, although the subtext for his dismissal was embezzlement of state assets.¹⁸⁶ When the dust settled, there were more than 30,000 leaders imprisoned across Central Asia.¹⁸⁷ However, Gorbachev's victory was temporary as clans in Kyrgyzstan soon reasserted themselves. Usubaliev's successor, Absamat Masaliev, replaced the presence of the Kochkor and Sarybagysh clan networks with the Adygine and Ichkilik clans based in southern Kyrgyzstan. The southern clans were finally given a chance to dominate the political scene following 25 years of control by the north. This shift was heavily resented by northern elites. Politicians are well known for their hypocrisy and this was no exception as many figures, including future president Askar Akayev, ironically accused Masaliev of tribalism.¹⁸⁸

¹⁸⁵ Collins (2002) 144

¹⁸⁶ Collins (2006) 116

¹⁸⁷ Collins (2002) 144

¹⁸⁸ Collins (1999) 177

True to historical balancing trends, clan elites brokered informal pacts to reclaim power. Seeing an opportunity in ethnic unrests in 1990, the elites used riots to undermine Gorbachev's Russian appointees and nominate their own candidates. The longstanding tradition of appointing local figures to high positions within the Soviet bureaucracy had been ignored by Gorbachev, leading to bitter resentment. However, another source for the conflict was tension caused by local Kyrgyz officials under Masaliev's patronage, who gave lucrative positions to their clan members. This was worsened when officials redistributed collective farm land from traditionally farming ethnic Uzbeks to nomadic Kyrgyz herdsman. "It was the collective identity and cohesive clan structure of both the Kyrgyz clan and the Uzbek village that enabled both groups quickly to mobilize".¹⁸⁹ The resulting violence left roughly 300 dead in Osh and the nearby Uzbek village of Uzgen.¹⁹⁰ However, others alleged that the conflict had its root in the disruption of the power between clan networks. Valery Tishkov wrote that clan elites and local mafia members had every reason to instigate unrest.

The conflict may have been related to the activities of an economic 'mafia' and the situation in the high-ranking power structures of the republic. As a result of political changes brought about by perestroika, a balance was violated in Kirgizia with respect to the distribution of high-ranking and prestigious positions between the leading regional clans. This was a balance that had been in effect for decades and to some extent reflected former tribal distinctions as well as culturally specific groupings within the Kyrgyz. The former first secretary of the Kyrgyz Communist Party, Jumgalbek Amanbaev, underscored this in conversation with me: 'In the past we had tried to keep track of how our three major groups divided positions between themselves. The new leaders started to forget about that.'¹⁹¹ ¹⁹²

Discontent over the new Russian appointees combined with general unhappiness with Masaliev and power distribution contributed to destabilization. Clan opposition was not simply from

¹⁸⁹ Collins (1999) 180-181

¹⁹⁰ Collins (2006) 118-119

¹⁹¹ Tishkov 137

¹⁹² Collins (2006) 121

northern clans, but also in the south from non-Kyrgyz Osh citizens who had lost their land, weakening Masaliev from both sides.¹⁹³

Clan elites used the unrest to undermine the newly appointed, unpopular leaders. This allowed them to push their own candidates for promotion. The Kyrgyz Supreme Soviet met and clan elites discussed various candidates. However, none of these candidates could win a majority vote, each clan fearing the concession of power to another. This is the environment in which President Akayev and his Sarybagysh clan rose to power.^{194 195}

One of Akayev's most attractive qualities was that he appeared clan-less. Before the election, the Kyrgyz Supreme Soviet discussed several candidates from various clans in the eastern, northern, and southern portions of the country. However, no candidate received a majority share of the vote and one participant said that "clan tensions ran very high", and "the republic was close to a breakdown", as no candidate could bridge the regional and clan divides.¹⁹⁶ Meanwhile, in 1989 Akayev was an academic, not a professional politician, and had spent twenty years in the Leningrad Polytechnic Institute, far from political squabbles in Kyrgyzstan. He was also not a member of the Communist Party.¹⁹⁷ Known as a reformer and in favor of Gorbachev's perestroika and glasnost movements, Akayev was a moderate who looked upon independence unfavorably, and it was hoped his steady temperament could reduce clan tensions.¹⁹⁸ Renowned author and Supreme Soviet member Chingiz Aitmatov called a meeting of clan elders from around the country to decide upon a candidate. This tradition of assembling

¹⁹³ Collins (1999) 184

¹⁹⁴ Collins (2002) 144

¹⁹⁵ Biryukov 17

¹⁹⁶ Collins (2006) 126

¹⁹⁷ Collins (2006) 125

¹⁹⁸ Collins (1999) 190

elders to decide contentious issues remains a common practice in rural Kyrgyzstan to this day.¹⁹⁹ This group decided on Askar Akayev, who was in Moscow when informed of his recommended candidacy, and was officially elected by the Supreme Soviet as president in August 1990.²⁰⁰ His victory was a narrow one with Masaliev mustering strong support among representatives from the south. The voting blocs remained divided along northern-southern clan lines.²⁰¹

Akayev's next victory in the 1991 presidential elections following independence resulted in a smooth transition of power, and his democratic mandate appeared legitimate despite running unopposed and receiving 95% of the popular vote.²⁰² However, as part of the quid pro quo nature of democracy he was expected to distribute appointments and resources to those who helped him rise to power. He did this while paying close attention to those from his own Sarybagysh clan from his native Kemin village.²⁰³ However, Akayev did promote members of other northern clans, particularly from the Sol and Ong tribal wings.²⁰⁴

Several of these selections came in handy for Akayev as the years passed. Akayev appointed Cholpon Baekova, a Sarybagysh clan-member to head the Constitutional Court. Although she was a major democratic reformer with soundly impartial rulings, Akayev depended on her loyalty for leverage and judicial support. Her appointment payed off in 1995 and 1998 when her judgements helped support Akayev's bids for reelection.²⁰⁵ In 1995 the court ruled in favor of Akayev banning his opponents from running because they allegedly forged voter signatures. Although this may have been true, Baekova did not bother to conduct an exhaustive

¹⁹⁹ Collins (2006) 126

²⁰⁰ Collins (2006) 127

²⁰¹ Collins (2006) 128

²⁰² Biryukov 18

²⁰³ Biryukov 17

²⁰⁴ Collins (2006) 130

²⁰⁵ Collins (2002) 146

investigation.²⁰⁶ In the leadup to the 2000 election, Akayev's Sarybagysh and Solto clan relatives began to argue that the two-term limit did not apply. Akayev had been elected as president the first time before the constitution was adopted in 1993, which established the presidential term limit. Baekova ruled that he could legally run again, despite a clause within the constitution that declared all elections held before 1993 to be legally recognized.²⁰⁷

Industries became further divided among clans under Akayev's rule. While his clansmen ran the national bank and security forces, the ministries conducting gold mining and privatization were controlled by members of Mrs. Akayev's clan.²⁰⁸ However, Akayev was careful and allowed rival clans to control hydroelectric power plants and oil refineries, wary of upsetting the balance. That said, this strategy was not sustainable for Akayev. Clan cronyism with his and his wife's clans cost him popular support, and he came to depend on stifling the press and civil society. In 2001, government lawsuits were directed at four of Kyrgyzstan's independent newspapers, who then faced shutting down or having control turned over to one of Akayev's relatives.²⁰⁹

More than his cronyism Akayev's failure to share power with rival clans, particularly in the south, led to his downfall.²¹⁰ By preventing rival clan members from running for president in 2000 Akayev angered opposing clans. Their consternation did not stem from the lack of democracy but from being denied their share of power.²¹¹

While President Akayev did cut deals with clans for support in exchange for government jobs, regional subsidies, and federal investment, there were some contentious issues that could

²⁰⁶ Collins (2006) 230

²⁰⁷ Collins (2006) 230-231

²⁰⁸ Collins (2002) 146

²⁰⁹ Collins (2002) 148

²¹⁰ Kyrgyzstan: Country Report

²¹¹ Collins (2002) 149

not be easily overcome.²¹² There were some policy variants between clans that could not be solved by simply distributing power. The industrialized northern clans favored liberal economic policies that would promote trade, while the primarily agrarian southern tribes sought protectionist policies and subsidies that would support agriculture in the south.²¹³ No amount of cronyism or power sharing could overcome this economic sectoral divide.

Informal pact-based clan systems are unsustainable in politics because they are inherently short-sighted. By being primarily concerned with dismantling or distributing state resources and positions to reward loyalty, these systems create an unhealthy business environment and discourage investment.²¹⁴ Substantial bureaucratic corruption led to decreasing foreign investment in Kyrgyzstan under Akayev, and foreign aid began to fall as democratic reforms were either abandoned or reversed to maintain patronage networks. US aid to Kyrgyzstan fell from \$680 million USD in 1996 to \$268 million in 2005.²¹⁵ With resources dwindling, the ruling clan was forced to narrow its resource distribution to fewer supporters. Loyal supporters found themselves ousted, and despite lucrative military contracts with the US and Russian Federation, the rising demands of other clans could not be satisfied.²¹⁶ Akayev's failure to distribute the increasingly scarce wealth among other clans, southern and northern alike, contributed to renewed political tensions.²¹⁷ Meanwhile, Akayev's own Sarybagysh clan appeared unhurt by the power shifts. A report from the special commission set up after the 2005 revolution claimed that Akayev's clan controlled 95% of state and private enterprises in the country.²¹⁸

²¹² Kyrgyzstan: Country Report

²¹³ Kyrgyzstan: Country Report

²¹⁴ Biryukov 23

²¹⁵ Biryukov 24

²¹⁶ Biryukov 24

²¹⁷ Biryukov 24

²¹⁸ Biryukov 26

When the protests that would officially unseat Akayev began in 2005 they were driven by elites mobilizing local support. These were primarily parliamentary candidates who had lost in elections, working with their constituents to protest their loss. At first these supporters were primarily family, friends, employees, and neighbors. However, they grew to include entire villages and locals that came out to support “their” candidate. These protests started as isolated, rural events that later coalesced into a national movement. This perfectly demonstrates the power of local patronage politics where politicians draw upon regional support that is predicated on the familial or social connections that run deep in Kyrgyzstan.²¹⁹

Ten years after Akayev’s downfall clan networks remain critical to business and political life in Kyrgyzstan, despite their long-term destabilizing effects. Clan membership provides informal ties and networks that reduce the significant transaction costs of conducting business in an environment without fully developed liberal institutions. So important is clan identity that one opposition leader tried to form a political party based around his Sayak tribe, even paraphrasing an old Marxist slogan, “Sayaks of all countries in the world-unite! ”.²²⁰

²¹⁹ Radnitz 133-134, 137-138

²²⁰ Biryukov 6

Chapter 5: Presidency

Nepotism is the practice of using one's position of power or influence to favor relatives or friends, particularly by giving them jobs. In Kyrgyzstan, family, clan, and ethnic connections run deep and contribute to rampant nepotism within the public and private sector. This brand of corruption is found notably at the presidential level.

Following his election to the presidency in 1991, Askar Akayev issued presidential decrees almost every other year starting in 1994 to centralize power in the executive branch. This power included the right to nominate the head of the state bank, government ministries, and even the prime minister. Akayev also granted himself power over the courts and media and extended his term by five years in 2000, despite ten years as president. Demonstrators protesting this extension were arrested, although promises of democratization were issued from the administration.²²¹ Instead, Akayev embarked on a campaign to legitimize his rule, even claiming to be the direct descendant of a Khan.²²²

Pressure on Akayev to push for democratic reforms and step down from the presidency intensified. While Akayev refused to resign, his family and friends attempted to broaden their influence in the legislature. Political parties "Alga Kyrgyzstan", formed by Akayev's daughter Bermet, and "Adilet", formed by Akayev's former PM, participated in the 2005 parliamentary elections. Roughly twenty distant relatives were preparing to run for parliamentary elections.²²³ Numerous other political parties were formed in response, all generally pushing for political reform, Akayev's resignation, and for presidential elections to be held early. They were

²²¹ Shukuralieva 33

²²² Akayev 3

²²³ Biryukov 25

unsuccessful, as Akayev used electoral manipulation to control the parliamentary race.²²⁴ “The system encouraged local authority figures—businesspeople and informal leaders, some with links to criminal groups—to run in their neighborhoods, ensuring that kinship and clan links would be key elements”.²²⁵ The hope was that local businesspeople would undermine opposition figures in their districts, preventing parties from campaigning solely on policy. By reducing the seats in parliament by almost 30% Akayev further reduced legislative power and forced tighter competition between representatives. The OSCE criticized the election for the "deregistration of candidates, interfering with independent media, vote buying, and a low level of confidence in electoral and judicial institutions on the part of candidates and voters".²²⁶

Protests triggered by allegations of election rigging drove demonstrators to occupy several government buildings around the country, including in the capital. In a rapid decline that surprised even the opposition, the government quickly collapsed.²²⁷ Akayev fled to Kazakhstan then to Russia, and the roles of prime minister and president were designated to opposition leader Kurmanbek Bakiyev. Following the revolution, a survey conducted by the International Republican Institute determined that Akayev’s three primary failures were perceived as government corruption (27%), his relatives’ influence in politics (27%), and selling state property for personal gain (21%).²²⁸

The 2005 revolution in Kyrgyzstan is referred to as one of the “Color Revolutions” that also took place in Georgia and Ukraine. However, while they’re characterized as a wave of similarly-minded uprisings, the unrest in Kyrgyzstan was unique. The drivers of the revolution

²²⁴ Shukuralieva 34-35

²²⁵ Kyrgyzstan: After the Revolution

²²⁶ Statement of Preliminary Findings and Conclusions

²²⁷ Kyrgyzstan: After the Revolution

²²⁸ International Republican Institute

were informal networks with business interests and patronage ties. Unlike what happened in Ukraine there was no student movement, civil society calling for change, or significant urban population participation. This was not a revolt by average citizens but an uprising staged by elites to assert power over the state.²²⁹ Mobilization only started after parliamentary candidates lost, and people joined in protesting alongside their candidates in hopes of receiving support once they were in office. It was a revolution by sidelined elites attempting to recapture their share of state resources.

After Bakiyev assumed the presidency he recognized the shaky legitimacy of the 2005 parliamentary elections, allowing winners to keep their seats. This was done in return for parliament recognizing Bakiyev as a legitimate president and decreased tension between Akayev supporters and protestors.²³⁰ Bakiyev used the same logic in naming Felix Kulov as prime minister instead of pursuing a presidential election against him. Bakiyev drew most of his support from the south, while Kulov was popular in the north, and agreeing to share power rather than pursue contested elections helped reduce regional tensions.²³¹

The parliament emerging from the 2005 election was not a venue to discuss national policy problems and instead was utilized to protect the interests of its members. Local elites and businessmen, many with corruption charges leveled against them, maintained their offices following the election. Not only did members of parliament enjoy positions of power but they also enjoyed immunity while in office. Within five months of the election, three members of parliament with rumored ties to organized crime were assassinated, and the success of organizing

²²⁹ Biryukov 25

²³⁰ Radnitz 142

²³¹ Radnitz 140

local constituents to protest the election was replicated with parliament members using supporters to protect business interests.²³²

Despite his predecessor's abuses, Bakiyev is considered by this author to be the most corrupt of Kyrgyzstan's four presidents. He used his position to consolidate power and resources and promote family members into key government positions. Before being ousted in the violent 2010 protests, Bakiyev allegedly transferred more than \$35,000,000 to accounts in banks under his control.²³³ Although he moved into power as the result of anti-corruption and pro-democracy protests, he worsened the state of executive accountability. Like many developing democracies before and since, Bakiyev's government excused postponing real systemic change in exchange for stability.²³⁴

Bakiyev was not popularly elected, and thus his legitimacy was shaky. As the opposition leader at the time of the coup he could claim popular support, but this soon ran out. His focus shifted towards symbolic legitimization in lieu of pursuing democratic reforms that otherwise would have reflected popular consensus but curtailed his power. These symbolic aims were rarely in line with ideological state goals, serving only Bakiyev and his family.

The forces that drove the Tulip Revolution-independent business interests, informal networks, and patronage ties-developed under Akayev's 15-year rule, and remained strong after his exit... this helps to explain why Kyrgyzstan has had a putative "revolution" that in fact has been notable more for continuity than for change, with old patterns reproducing themselves and hindering efforts at real reform on major issues such as corruption and equitable distribution of resources. Sadly, instead of breathing a new and more democratic spirit into the polity, the March events appear, at least in the short term, mostly to have worsened Kyrgyzstan's political instability, with rising numbers of assassinations and unruly crowd actions.²³⁵

²³² Radnitz 140-141

²³³ Transparency

²³⁴ Shukuralieva 35

²³⁵ Radnitz 132-133

Bakiyev symbolically legitimized his position by using his power to control the narrative following his ascension to the presidency. He used this opportunity to shape the coup's image, illustrating the events as a glorious and democratic revolution. Streets were renamed, monuments erected, and money poured into cultural events designed to praise the Bakiyev family and their role in the revolution.²³⁶ By glorifying his family Bakiyev could justify appointing them to high-level positions. Several books were written detailing the president's role in the revolution, including "Duty for the Homeland: On the Path of Development—President Kurmanbek Bakiyev". These books were hagiographical, treating the president as a saint-like figure. They offered a new form of nationalism with its roots in clan politics, presenting Bakiyev's Teyit clan in southern Kyrgyzstan at the head. Bakiyev himself was portrayed as a descendant of Khans and heroes.²³⁷ While the image Bakiyev was cultivating may have been clear, his message concerning government power was full of contradictions, walking a fine line between democratic and authoritarian. He wanted to give the illusion of a democratic victory, but also the necessity of continuing authoritarian policies, centralized power, and the absence of institutions that could limit him.²³⁸

Bakiyev had a large family even by Kyrgyz standards. His six brothers were all deeply embedded within Kyrgyz government and civil service, holding positions ranging from ambassador to Germany, advisor and foreign minister, and governor of the Jalal-Abad Province.²³⁹ Bakiyev's brother Janysh was appointed head of the National Service of Government Protection, the former National Guard, whose purpose was to protect top officials

²³⁶ Shukuralieva 39

²³⁷ Shukuralieva 40

²³⁸ Shukuralieva 38

²³⁹ Shukuralieva 37-38

and was under presidential control.²⁴⁰ Janysh allegedly used his position to profit from drug trafficking, and it's also suspected that president Bakiyev abolished the counter narcotics agency in order to help his brother.²⁴¹

Bakiyev's sons also worked in public service, serving within the State Agency for National Security and the Central Agency for Development, Investments and Innovations. This gave Bakiyev indirect influence over the internal intelligence service and the flow of money from abroad. President Bakiyev even went as far as to appoint his son Maxim as his presidential successor and head of the Central Agency on Development Investments and Innovations.²⁴² CADII had responsibilities shared with already existent government agencies, going counter to Bakiyev's promise to reduce the role of government. With a dubious accountability structure outside the government's oversight, CADII was independent and well-funded. Its budget was managed by a private consulting company whose head was issued an arrest warrant for committing fraud in Italy.²⁴³ Maxim is also alleged to have used public resources like the tax and prosecutor's office to take over thriving businesses.²⁴⁴ In another family conspiracy, an audio recording was anonymously posted on YouTube of men discussing how to arm groups and orchestrate chaos in southern Kyrgyzstan during the revolution that ousted Bakiyev from power. These men were allegedly Bakiyev's son Maxim and brother Janybek.²⁴⁵ The ethnic violence following the 2010 revolution, located almost entirely in southern Kyrgyzstan, would take the lives of between 400-1000 people and displace more than 300,000.²⁴⁶ It wouldn't be the first-

²⁴⁰ Baimyrzaeva 37-38

²⁴¹ Baimyrzaeva 39-40

²⁴² Shukuralieva 35-36

²⁴³ Baimyrzaeva 36-37

²⁴⁴ Baimyrzaeva 39

²⁴⁵ Kyrgyz Violence

²⁴⁶ Putz (Apr. 2015)

time violence was allegedly carried out at the Bakiyev family's request. Bakiyev supposedly used police to carry out assassinations of cartel leaders he felt threatened his regime. The murders were ostensibly carried out in exchange for Bakiyev ignoring the officers' personal role in drug trade.²⁴⁷

Bakiyev expanded the power of the executive, carrying out functions once relegated to the prime minister and line ministries. He also introduced policies with the expectation that the legislature approve them without exception. This reduced the integrity of checks and balances and centralized power even more extensively than had been the case under Akayev.²⁴⁸ This held back reform that was supposed to reduce political patronage used by senior officials for power and influence.²⁴⁹ When Bakiyev's changes were criticized for violating the constitution, he simply introduced constitutional amendments to legalize his actions retroactively.²⁵⁰

Bakiyev's reforms were reflected in the World Bank's Worldwide Governance Indicators for 2008, with Kyrgyzstan ranking among the worst for corruption control in former Soviet Republics. Transparency International's Corruption Perception Index dropped Kyrgyzstan from 118th in 2003 to 162nd in 2009.²⁵¹ While it's true Kyrgyzstan slipped to 130th during the last years of Akayev's regime, the most precipitous drop came during Bakiyev's presidency.

This perception of corruption under Bakiyev was not limited to foreign NGOs but was shared by the Kyrgyz as well. The International Republican Institute conducted surveys from 2005-2009 which illustrated a drop in perceived quality of governance. The IRI surveys found that in 2009, the three most important issues for Kyrgyzstan were underemployment (54% of

²⁴⁷ Ramani

²⁴⁸ Baimyrzaeva 38

²⁴⁹ World Bank 23

²⁵⁰ Baimyrzaeva 38

²⁵¹ Baimyrzaeva 29

respondents referenced this problem), economic development (29% referenced) and corruption (20% referenced). Like Akayev, corruption was cited as one of the three biggest missteps in Bakiyev's presidency. This study also showed that in 2006, 61% of respondents considered corruption to be high and 30% thought it was average. By 2009, 68% thought corruption was high while 26% thought it was average.²⁵²

In the spring of 2010, amid growing public resentment over rising energy prices and Bakiyev's corruption, protests broke out in Bishkek. When soldiers opened fire, killing more than 40 protestors, the demonstrations turned into an all-out revolution calling for Bakiyev's resignation.²⁵³ Soon after he fled and currently lives in exile with his family in Belarus.

After Roza Otunbayeva served a short stint as interim president following Bakiyev's resignation Almazbek Atambayev came in as President in 2010. At that point Atambayev had twice served as prime minister and worked in government under both Akayev and Bakiyev. He was the first member of an opposition party to serve as prime minister in Central Asia and had participated as a leader in the revolution calling for Akayev's resignation.²⁵⁴ While serving as prime minister under Bakiyev he was forced to resign, supposedly because he was perceived as an obstacle to the president's attempts to rig parliamentary elections.²⁵⁵ Atambayev later withdrew from the 2009 presidential election on election day in protest of widespread fraud that undermined legitimacy. He told a news conference that "Due to mass voter fraud we demand that this election be stopped and a new election held instead".²⁵⁶ Following the election he was reelected Prime Minister by a coalition government between the Social Democratic Party of

²⁵² Baimyrzaeva 39

²⁵³ Putz (Apr. 2015)

²⁵⁴ Peuch

²⁵⁵ Sershen

²⁵⁶ Kyrgyz Candidate in Poll Pullout

Kyrgyzstan (which he helped found), and the Ata-Zhurt party. Following Bakiyev's escape he was elected president in a landslide with 63% of the vote, with his two rivals only earning around 15% each.²⁵⁷

Five years after Atambayev's ascension to the presidency he commanded a 78% approval rating. However, he had failed to make significant headway on his goal of reducing corruption. 94% of respondents believed that corruption was a very big or big issue, and 74% believed the government was not doing enough to combat it. To make matters worse, the institutions best positioned to combat corruption (the courts, Prosecutor General's Office, and the police) were all named as the most corrupt.²⁵⁸ In 2000, 83% of respondents reported that they distrusted the courts, and the judiciary has continually failed to change this perception.

After he took power in 2011 Atambayev declared corruption to be an issue of national security and promised to root it out. His war on corruption seemed to affect every political party, except his SDPK.²⁵⁹ This suspicion came to a head in 2014 when SDPK member and former Bishkek mayor Isa Omurkulov was acquitted of corruption charges in a trial many viewed as illustrating the immunity of presidential allies.²⁶⁰ Atambayev's seemingly relentless war on corruption has been marred by continuing fears that the president is manipulating corruption charges to punish opponents and protect his allies.²⁶¹ Regardless, the years following Atambayev's ascension to the presidency saw an unprecedented number of corruption charges brought against public officials, despite conviction rates remaining low.

²⁵⁷ BBC News

²⁵⁸ IRI's Center for Insights Poll

²⁵⁹ Bertelsmann 10

²⁶⁰ Bertelsmann 10

²⁶¹ Bertelsmann 4

Following the adoption of the 2010 constitution Kyrgyzstan's parliament has enjoyed significant governing power. Despite this, informal politics and individual business interests continue to dominate parliamentary politics while political parties remain too weak to enforce doctrine or discipline.²⁶² Personal interests as opposed to political ideology guide the actions of politicians in parliament and in government while appointments are more influenced by affiliation or the quality of one's contacts. The same issue that plagues higher education can also be found in government, with recent graduates and political actors alike lacking the technical skills or professionalism to perform effectively.²⁶³

Atambayev's failure to provide adequate leadership, basic public services, and guarantee transparent law enforcement has fueled religious radicalization, lawlessness, and ethnic tensions. Several political opposition leaders were arrested in March 2016 for allegedly planning to overthrow the government.²⁶⁴ Despite his popularity and promises made back in 2011, Atambayev has not combatted endemic corruption. Instead, he has simply redistributed the ill-gotten wealth. If anything, under Atambayev's rule the parliament has lost credibility, as a spot on a party list reportedly costs more than \$500,000.²⁶⁵ Perhaps Atambayev learned from Akayev and Bakiyev and is careful to redistribute power equitably among elites in Kyrgyzstan. However, he has already served longer than Bakiyev and his regime commands more legitimacy, better approval ratings, and is perceived as an improvement over his predecessor. Atambayev is also better than his predecessors at maintaining a steady focus on specific objectives, namely his war on corruption, even if he is less capable of carrying out policy goals.²⁶⁶

²⁶² Bertelsmann 8

²⁶³ Bertelsmann 8

²⁶⁴ Tynan

²⁶⁵ Tynan

²⁶⁶ Bertelsmann 26

Of the country's religious radicals, roughly 70% are estimated to be Uzbek, the largest ethnic minority that faced persecution during the 2010 violence following the revolution.²⁶⁷ This violence took place almost entirely in the south where most of the Uzbek population lives and was centered around the ancient city of Osh. Ethnic tensions and border disputes with nearby Uzbekistan have made southern Kyrgyzstan more unstable than anywhere else in the country. Radicalization is driven by ethnic tensions, and families of extremists are afraid to seek support for fear of being subject to police extortion. There is also suspicion as to whether suspected terrorists are summarily shot regardless of the presence of sufficient evidence.²⁶⁸

Underneath its calm exterior Kyrgyzstan is witnessing growing unrest, and scheduled protests threaten to exacerbate domestic tensions. History has shown that Kyrgyz politics are capricious, and the 2017 presidential elections will test the country's stability. The north-south divide will continue to be an issue.²⁶⁹

Despite improvements, poor transparency and power abuse still reside in the executive branch of Kyrgyz government. In July 2015 police arrested Daniyar Narymbaev, the head of Atambayev's staff on fraud charges. This followed the realization that former Bishkek mayor Nariman Tyuleev's relatives were trying to bribe Narymbaev \$100,000 in return for leniency in Tyuleev's corruption investigation.²⁷⁰ Rather than an earnest action to disrupt corruption in Kyrgyzstan, Narymbaev's arrest was meant to symbolically fight corruption without seeking real systemic change. Atambayev has not demonstrated a war on corruption, but rather a war on corruption's perception. In fact, it has been argued that Atambayev personally ordered

²⁶⁷ Tynan

²⁶⁸ Tynan

²⁶⁹ Tynan

²⁷⁰ Ramani

Narymbaev's arrest to make a show of his strong anti-corruption stance.²⁷¹ Rita Karasatova, Director of the Institute for Public Analysis, believes that his arrest was only ordered when the extent of Narymbaev's illegal activity became too extensive to be ignored.²⁷²

A few months after Narymbaev's arrest an investigation was opened against Defense Minister Abibilla Kudaiberdiev, alleging that he had used public funds for himself. It is estimated that Kudaiberdiev and his coconspirators embezzled 12 million soms (\$175,000).²⁷³ This is another example of using a high-profile investigation to portray Atambayev as combatting corruption.

Inability to reduce corruption can also be attributed to the anti-corruption campaign's focus on targeting corrupt officials who simply aren't networked.²⁷⁴ This is worsened by the politicization of the law enforcement system from police to the courts, who are afraid to prosecute high ranking officials without presidential approval. These corrupt networks run from the office of the president down to border patrol who, according to the GAN Business Anti-Corruption Portal, are bribed by two-thirds of border-crossing businesses to avoid inspection or punishment for smuggling. This is particularly worrisome when considering the porous movement of drugs and weapons across Kyrgyzstan's borders.²⁷⁵ In 2011, four Kyrgyz police officers were arrested carrying more heroin than was previously thought to pass through Kyrgyzstan in a year.²⁷⁶ In 2013, a Kyrgyz drug lord implicated in the murders of a parliamentary deputy and prison official was released to Chechnya halfway through his prison

²⁷¹ Ramani

²⁷² Ramani

²⁷³ Putz (Oct. 2015)

²⁷⁴ Ramani

²⁷⁵ Ramani

²⁷⁶ Ramani

sentence.²⁷⁷ It was reported that Aziz Batukaev was suffering from leukemia and his release was recommended so he could seek treatment. He was allowed to return to his native Chechnya on a chartered plane, and a photo later surfaced of a healthy-looking Batukaev enjoying a cigarette next to a table covered with alcohol and food in his prison cell before his release. Batukaev was suspected to have been close to former President Bakiyev during his term. As a dark, serendipitous side note, Batukaev was briefly neighbors with Boston bomber Tamerlan Tsarnaev in Tokmok, Kyrgyzstan.²⁷⁸

In October 2016 the Prosecutor General's Office announced that government agencies had failed in their attempts to root out corruption. At least 26 officials face disciplinary action because of the PGO's inspection, although this is unlikely to result in real change. In the last year there have been 1,547 inspections, resulting in 702 criminal cases and at least 1,143 people have faced disciplinary action.²⁷⁹

²⁷⁷ Sinedlar

²⁷⁸ Sinedlar

²⁷⁹ Kostenko

Conclusion

In conclusion, corruption continues to be a significant problem facing Kyrgyzstan. This issue has persisted from the collapse of the USSR through the economic transition and both revolutions into the present. More importantly the types and patterns of corruption in contemporary Kyrgyzstan have their roots in the informal exchanges typical of the Soviet Union.

Corruption and informal exchanges are the result of an inefficient systems' inability to provide basic goods and the lack of effective oversight. The Soviet system lacked the capability to provide citizens with important goods and services, and as a result people came to rely on informal exchanges to distribute scarce resources. This took the form of *blat* and was so widespread that it's difficult to find citizens who refrained from engaging in it. Everything from food, automobiles, to medical treatment became accessible through informal exchanges and quid pro quo relationships because it was more efficient than the state's command economy. However, during the Soviet period there was general oversight that ostensibly sought to deter informal exchanges and punish those who engaged in them with selfish goals. Regardless, members of the bureaucracy at every level engaged in corrupt acts at one point or another.

Following independence, economic shock therapy brought about rapid market liberalization but placed lucrative businesses in the hands of former Soviet officials or politically connected individuals, rather than equitably distributing state resources among the population. Also, market reform failed to develop important market-enhancing institutions like credit registries, antimonopoly policies, and effective judicial systems. This has resulted in market inefficiencies and unequal distribution of economic opportunity and power, which continue to drive the use of informal exchanges. Unfortunately, due to the inability of legal structures to

guarantee goods and services, rural or unconnected individuals are less likely to gain access to the resources they need

Police corruption in Kyrgyzstan has worsened since independence. The lack of a powerful surveillance system to oversee and prevent bribery and extortion has led to a power vacuum that affects police at all levels. The everyday practice of police corruption is often predicated on the self-justifying logic of being woefully underpaid. While this may be true, police continue to use their position to extract informal exchanges from citizens eager to avoid bureaucratic red tape. This is partially driven by a system with nigh unenforceable rules and complex regulations. The result is the use of informal exchanges to do what the system cannot, namely provide efficient service.

Informal exchanges took on an interesting dynamic in Kyrgyzstan when *blat* was merged with the concept of clan or tribal identity. The idea of “zemlyachestvo”, or fraternity, required members of clans who occupied important positions in the Soviet bureaucracy to distribute resources or appointments along familial lines. Clan and tribal identity was embedded in Kyrgyz culture long before the Soviets came, but the Soviet Union’s role in restructuring Kyrgyz society significantly altered the role clans play in political life. As a result of Soviet rule and the use of political appointments, clan and tribal membership has become key in gaining access to goods and services for one’s community. Although the Soviet Union is gone, the use of familial and social ties to gain power or access state resources continues to typify Kyrgyz political life. These ties have shaped elections, legislation, revolutions, political appointments, and power distribution for the last ninety years and will presumably continue to do so.

The presidency in Kyrgyzstan has been a major source of corruption since its creation. Although Bakiyev is usually considered the most corrupt president, Akayev and Atambayev are

in no way exempt from scandal. The use of presidential power to centralize authority, reward patronage, and strip the state of its resources have been longstanding traditions associated with the office. However, Atambayev appears to be reversing this trend, at least in the eyes of public opinion. The 2017 presidential election is growing close and although Atambayev has reached the end of his term his approval rating remains high. When Akayev and Bakiyev faced constitutional limits they sought to either amend the constitution or find other loopholes. If Atambayev peacefully steps down from power he will be the first elected president to do so since Kyrgyzstan's independence.

This author believes the increase in corruption following Soviet collapse is the result of scarce resources, an inefficient bureaucracy, backroom political bargaining, and state as well as economic instability. The use of informal exchanges, clan relationships, or legal authority to obtain goods stems from a lack of opportunity to achieve resources through formal means. These problems are likely to continue for Kyrgyzstan if more efficient alternatives remain elusive. While the Soviet Union may have had frequent shortages, there was more stability, government oversight, and predictability. In this author's experience, older Kyrgyz citizens speak fondly of the stability of the Soviet period. While pay was low and political choice was nonexistent, there was more predictability and security. Following the economic transition to an open market system, Kyrgyzstan failed to develop robust market-enhancing institutions to support the new economy, while at the same time unfairly distributed economic power among politically connected individuals. This struggling economy has contributed to the government's inability to provide important resources. This promotes the use of informal exchanges. While traditional clan patronage cannot be eliminated with a more robust economy or better government oversight and transparency, less scarce resources will remove the opportunity and impetus for tribalism.

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