

## Chapter I

# Central Asia as a Transitional Region: Destabilizing Factors since Independence (1991–2009)

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The collapse of the Soviet Union in 1991 led to the creation of 15 independent states and the formation of the Commonwealth of Independent States (CIS), a mainly unsuccessful regional organization meant to tie most of the former Soviet republics together under Russian leadership. Like the majority of the CIS countries, the Central Asian countries' post-independence era has been characterized by mounting political, economic, social, and human rights problems against a background of a declining economy, although the extent and intensity of such problems have varied from one country to another. The Central Asians' hope that the enormous social and economic difficulties of the independence era would be only a passing phenomenon, and that all these countries would soon initiate a more prosperous life, has proven to be mainly unrealistic, although each Central Asian country has developed a small stratum of prosperous people. It is clearly evident, 18 years after independence, that the overall situation in Central Asia is not improving significantly and irreversibly. Rather, it is worsening in many respects (aside from progress in overcoming ills of the period immediately following independence, such as the disappearance of the chaotic situation and the eradication of severe shortages of essential goods). Since independence, negative trends in the political, economic, social, and military/security spheres have not only affected the social and economic development of the Central Asian countries but also contributed to the creation of a fragile social and political situation. In addition to internal factors, the unintended effect of the "War on Terror" has contributed to the deterioration of this fragile situation in Central Asia, rendering the region prone to instability in various forms. Within the context of five major areas of activity (i.e., politics, economics, society, military/security, and human rights), and taking into consideration the impact of the "War on Terror," the following account delineates factors that have significantly contributed to political fragility in Central Asia since independence.

## POLITICS

The collapse of the Soviet Union was a phenomenal shock to all its forming republics. The sudden development weakened all Central Asian institutions inherited from the Soviet era. The only exception was the political system, which seemed unchallenged and stable. Unlike most other former Soviet republics, such as the Baltic ones, the Central Asian republics' independence was not the result of long and widespread mass anti-government activities demanding fundamental changes. The Central Asian political systems survived independence and remained almost intact, giving these countries' leaders the ability to run their countries with a more or less functional state apparatus. In the post-independence era, Soviet political, economic, and military elites dominated practically all aspects of life in all these countries.

Excluding Tajikistan, which experienced a civil war from 1992 to 1997, and Kyrgyzstan, which experienced the Yellow (Tulip) Revolution in March 2005, the Central Asian states have faced no significant challenges to their authority and have enjoyed internal stability. Nevertheless, to different extents, the potential for instability has existed in all the Central Asian countries. In Tajikistan, a peace treaty ended five years of civil war in June 1997. However, as of 2009, the two sides to the conflict (the Muslim-Democratic coalition and the Tajik government) have not yet fully achieved the goals set in the peace treaty. The civil war is over, but the country still suffers from political uncertainty, partly because of the destructive efforts of anti-peace treaty forces on both sides of the Tajik conflict and the alleged intervention of the Uzbek government in Tajikistan's internal affairs. Allegedly, Tashkent masterminded the abortive 1999 coup in Tajikistan, which was staged mainly by Tajikistan's Uzbeks (Hiro 1998).

Persistent economic problems are also partly responsible for the current unstable situation. The main social and economic causes of the civil war—for example, severe regional disparities, underdevelopment, and clan politics—are still present (Peimani 1998, 28–30, 32–33, 66–67). In the absence of substantial foreign assistance, Tajikistan's extensive underdevelopment and poor economy, together with a severe negative impact on the Tajiks' human security, have generated grounds for popular dissent that could potentially reignite violent civil conflict that might not necessarily be led by the 1990s opposition groups. A major—if not the major—factor preventing such a scenario so far has been a strong aversion to war among the Tajiks, whose memories of the civil war are still vivid. The rise in the late 1990s of Hizb ut-Tahrir, a fundamentalist group advocating a regional fanatic Islamic state, and the group's subsequent expansion despite its illegal status, indicate widening popular dissent.

The other Central Asian countries have avoided civil wars but nonetheless have become increasingly concerned about instability in their region and in their own countries. On the one hand, until the removal of the Taliban from the political scene in November 2001, Taliban-ruled Afghanistan was a direct threat to the security of the three neighboring Central Asian states of Turkmenistan, Uzbekistan, and Tajikistan. In general, the spillover of the Afghan civil war into these Central Asian countries has been a feasible scenario since their independence in 1991, with the likely potential of destabilizing the entire region. This threat has remained in place despite the formation

### THE EASTWARD EXPANSION OF NATO AND REGIONAL CONCERNS

The eastward expansion of NATO has been a source of concern for Iran, China, and Russia, for it has brought the military alliance to their neighboring Central Asian and Caucasian states. These states joined NATO's Partnership for Peace Program (PFP) in 1994, except for Tajikistan, which joined in 2001. This has legitimized NATO's presence in those states, although on a small scale. More important, it has laid the grounds for their future membership, so long as both sides wish to pursue it. Of course, none of these countries has become a NATO member so far. Nor does NATO favor their rapid inclusion in its ranks for a range of reasons, including the existence of various sources of armed conflict in many of the states, and concerns about the reaction of Iran, China, and, particularly, Russia. Nevertheless, against the background of a significant American military presence in Central Asia and the Caucasus, the existing PFP arrangement has been disturbing enough for Iran, China, and Russia, each of which has reasons to interpret a U.S. military presence as a clear and present challenge to its national security, and also to its claims to eminent international status. There is little, if any, doubt that this will become a factor in the deterioration of relations between these regional powers and the NATO states. NATO's announcement on September 21, 2006, that Georgia's application for Intensified Dialogue with the alliance was approved likely ensured such a scenario. Although this was no approval of its membership bid, it was a major step, effectively setting the stage for the processing of Georgia's membership application. In the aftermath of the Georgian-Russian war of 2008, NATO's condemnation of Russia—to the extent of rejection of the possibility of business-as-usual with Russia, which prompted Russia's cancellation of certain types of cooperation with NATO with no regret expressed over ending ties with NATO in the future—caused a rapid deterioration of Russia-NATO relations. NATO's announcement of continued support for Georgia and its plan for the latter's eventual NATO membership, in addition to the dispatching of NATO naval vessels to the Black Sea, set the two sides on a confrontational track. Even though Georgia is unlikely to be granted membership in NATO soon, with such division within NATO over the issue, these developments have alarmed not only Russia but also Iran and China, which are equally concerned about NATO's eastward expansion. They will certainly reflect their concern in their relationships with NATO and Georgia.

of a new political system in Afghanistan because of the continued low-intensity war against the Taliban and Al Qaeda. As expanding groups, these two pose a major challenge to the Afghan government's survival, as evidenced by the numerous bombings, small-scale attacks on Afghan and NATO forces, and assassination attempts they mounted in 2009. In February 2008, U.S. national intelligence director Michael McConnell warned about the growing Taliban and their control and expansion in part of Afghanistan despite seven years of U.S./NATO-led war against them (McConnell 2008). Additionally, the situation is ripe for another round of civil war among Afghan

groups representing different ethnic groups who could be dissatisfied with their share of power in the central government.

On the other hand, poor economic performance and increasing social and economic problems are contributing to the rise of mass political dissent in Central Asia. Known as the most stable Central Asian country, Uzbekistan has experienced political challenges with a long-term impact on its stability. Political opposition has been on the rise in Uzbekistan's Andijan Province, located in the troublesome Ferghana Valley. The growing instability in the valley has the potential to destabilize the three countries (Kyrgyzstan, Tajikistan, and Uzbekistan) that share it while creating grounds for instability in other Central Asian countries. Uzbekistan has also suffered from violent anti-government activities elsewhere. Of these, the major incidents in the pre-2001 era included a series of bombings in early 1999 in the capital, Tashkent, which demonstrated the vulnerability of the Uzbek state (Hiro 1999, 16).

The Kyrgyz government faced no major challenges for most of the post-independence era until the Yellow (Tulip) Revolution of 2005. However, certain factors sharply damaged its legitimacy, including the gradual monopolization of political and economic power by President Askar Akayev and his closed circle of family and allies, and the expanding corruption within the ruling elite, the government, and the civil service. The growing authoritarianism in what was once the most democratic Central Asian country and the increasing restrictions on the activities of political parties and on individual freedoms and rights paved the way for future eruption of popular dissatisfaction. Added to the persistence of popular dissatisfaction in the post-Akayev era—reflected in various types of anti-government activities, including sit-ins and demonstrations, between 2005 and 2008 (AI 2008) that have continued in early 2009—existing low-level instability, in the form of armed conflict waged by armed drug traffickers and the Islamic Movement of Uzbekistan (IMU) in Kyrgyzstan's part of the Ferghana Valley, poses a challenge to the Kyrgyz state.

The other two Central Asian states, Kazakhstan and Turkmenistan, have so far avoided any significant security threat to their respective states. In addition to growing authoritarianism, other factors have helped the Kazakh government prevent major security challenges. The peculiar ethnic makeup of the country has been a major contributing factor. The numeric weakness of the ethnic Kazakhs, who constituted about 40 percent of the population in 1991 and represent about 50 percent today (2009), has inclined them to rally behind their government despite its several weaknesses, including its corruption. The large Russian ethnic minority, which makes up about 40 percent of the population, has also had its own reason for not challenging the administration of President Nursultan Nazarbayev. The unusual ethnic structure of Kazakhstan has motivated the president to observe the rights of minorities to a large extent and to seek their integration into the country, in recognition of his country's need for friendly ties with Russia for economic and political reasons. It is also a clear sign of his concern about the threat of Russia's direct intervention in his country's internal affairs. As a neighbor, Russia has the opportunity and the means to intervene, for Kazakhstan's large Russian ethnic community provides a social basis and an excuse for such an action. Moreover, Kazakhstan's need for the ethnic Russians, who account for most of the educated and skilled population, has created



*Honor guards stand by the coffin of Turkmen president Safarmurad Niyazov in December 2006. (AP Photo/Andriy Mosienko)*

another incentive for President Nazarbayev to appease them. His accommodating approach has inclined the ethnic Russians, by and large, to support his government. Balancing Kazakh nationalism with the recognition of minority rights has helped the Kazakh government prevent the eruption of opposition movements. Yet, many factors will likely contribute to the emergence of opposition challenges to the Kazakh state, including Kazakhstan's limited economic growth relative to its needs (its booming oil industry notwithstanding), the growing Kazakh nationalism, and Russia's increasing interest in reestablishing itself in the former Soviet republics. As a recent example, the Georgian-Russian war of August 2008 clearly indicated Moscow's determination to preserve its national interests in these republics.

In Turkmenistan, the high-handed policy of President Saparmurad Niyazov, also known as Turkmenbashi ("Father of Turkmen"), left no room for any type of dissent until his death in December 2006. The totalitarian political system, characterized by Niyazov's cult of personality, prevented the emergence of challenges to the Turkmen state. His successor, Gurbanguly Berdimuhammedov, who became president in a practically unchallenged election in February 2007, has pursued an equally intolerant authoritarian system of government, although he did end his predecessor's cult of personality and reversed many of his illogical policies in 2007 and 2008. For example, he abolished the renaming of days and months after President Niyazov and his mother (Stern 2008). There is no sign of mass dissent in Turkmenistan in early 2009, in part owing to the continuity of authoritarianism and President Berdimuhammedov's easing

of some of the excessive restrictions of his predecessor and undoing of his unpopular policies. Yet, the continuity of the current stability will require addressing many social and economic ills, such as Turkmenistan's social polarization.

## ECONOMICS

Independence devastated the economies of all the Central Asian countries and shook their social fabric. In particular, the paralysis of their economies not only created severe economic problems (high inflation, skyrocketing prices, shortages, etc.) but also paved the way for a weakening of their social order appropriate for the pre-independence economic system that no longer existed. The sudden collapse of the Soviet system severely damaged the already troubled economies of the newly independent countries, which were incapable of meeting the basic needs of their respective peoples. Major shortcomings (e.g., chronic shortages, low-quality products, inefficient industries and agriculture) characterized the Soviet economy. The Central Asian countries inherited this troubled economy at the time of independence. Unsurprisingly, all of them faced an enormous and increasing number of economic difficulties.

The Soviet Union's fall led to the sudden collapse of the highly centralized, state-dominated economies, which initiated a period of transition from a command economy to a type of free-enterprise economy at a time when the Central Asian countries, like other CIS countries, were unprepared for it. Unsurprisingly, the result was a sudden shock to their economies. In the absence of a viable new economic system, the dismantling of the command economy worsened all the inherited economic shortcomings. Massive closure of rural and urban state enterprises created high unemployment and a large decline in the production of industrial and agricultural goods, as shown in Table 1, while damaging the performance of the health, nutrition, education, and social welfare systems. This situation, coupled with the collapse of the Soviet distribution system, further worsened the chronic shortages of basic products, including foodstuffs, that had been a major characteristic of the Soviet economy. As a result of shortages of fuel and

spare parts, frequent power, water, and natural gas cuts disrupted the daily lives of people and harmed industrial and agricultural production, resulting in lower output, which in turn created more shortages and reduced exports. Reduced exports contributed to the deterioration of the financial situation of the Central Asian countries, which had already lost their share of Soviet assistance in cash, goods, equipment, and fuel. Moreover, the sudden drop in interrepublic trade and economic cooperation among the former Soviet republics further worsened those countries' economies.

Facing a new reality, the Central Asian countries opted to restructure their economies to replace the crumbling socialist economy with a type of free-enterprise economy through decentralization and creation of a strong private sector. In practice, all the Central Asian leaders have realized that the establishment of a new economic system in the absence of adequate domestic resources is a Herculean task. Two major factors have slowed down the transitional process in their countries: the lack of required resources (e.g., human, raw material, machinery, equipment, funds) and the fear of sudden eruption of political dissent as a result of radical, rapid, and therefore painful economic reforms. Predictably, these reforms would lead to massive unemployment, the sharp lowering of living standards, and widespread poverty, at least in the short run. Not surprisingly, the majority of former Soviet republics, including those of Central Asia, have chosen to keep major aspects of the Soviet economy while encouraging a limited degree of free enterprise that is mainly confined to the service industry and to small-scale industrial and agricultural enterprises.

The Central Asian economies have all experienced serious difficulties since 1991. Their industrial and agricultural production has sharply decreased because of factors that include the collapse of the command economy and central planning and the withdrawal of subsidies and transfers (cash, equipment, machinery, and fuel) from Moscow. They have also experienced severe financial difficulties for lack of adequate domestic resources and a breakdown in interrepublic trade, in addition to the inevitable consequences of the economic transition (e.g., price liberalization, privatization, and closure of nonviable enterprises). The economic decline is evident in the disappointing performance of all the Central Asian economies during the first decade of independence (the 1990s) as reflected in their mainly negative GDP growth for half of that period. As reflected in Tables 2 and 3, during the period 1992–1996 the economies of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan had contraction periods totaling –37.3 percent, –52.5 percent, –79.3 percent, –57.8 percent, and –18.5 percent, respectively.

Note that the World Bank suggests higher GDP rates than those presented in Table 2, especially for the years 2003 and 2004 (The World Bank Group, 2003/2004). Compared to the International Monetary Fund (IMF) statistics, the rates are a few percentage points higher in most cases, such as Kazakhstan (9.3% and 9.4%), Kyrgyzstan (7.03% and 7.8%), Tajikistan (10.2% and 10.6%), and Uzbekistan (4.2% and 7.7%). However, Turkmenistan's rates (16.92% and 17%) are several times the IMF figures, whereas the Turkmen government claims an even larger growth rate for 2004 (21%), which is believed to be highly exaggerated. Checking against other scattered statistics, such as those of the Asian Development Bank, the IMF statistics in Tables 2 and 3 seem to be at least closer to the reality than the others.

TABLE 1. Average Annual Sectoral Growth (1990–2003)

	Agriculture	Industry	Services
Kazakhstan	–4.5	–3.7	0.9
Kyrgyzstan	2.8	–6.3	–2.2
Tajikistan	–2.2	–5.3	–1.1
Turkmenistan	0.2	1.6	0.8
Uzbekistan	1.5	–1.5	2.3

Source: World Bank Group, 2005, "Table 4.1—Growth of Output," *World Development Indicators 2005*, Washington, D.C.: The World Bank Group, <http://devdata.worldbank.org/wdi2005/Section4.htm> (accessed September 3, 2008).

TABLE 2. GDP—Constant Prices, Annual Percent Change

	Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Uzbekistan
1992	-5.3	-13.9	-29.9	-5.3	-11.1
1993	-9.2	-13.0	-11.1	-10.0	-2.3
1994	-12.6	-19.8	-21.4	-17.3	-4.2
1995	-8.3	-5.8	-12.5	-7.2	-0.9
1996	0.4	7.1	-4.4	-6.7	1.6
1997	1.6	9.9	1.7	-11.3	2.5
1998	-1.9	2.1	5.3	7.0	2.1
1999	2.7	3.7	3.7	16.5	3.4
2000	9.8	5.3	8.3	18.0	3.2
2001	13.5	5.4	10.2	20.5	4.1
2002	9.5	0.0	9.1	6.0	3.2
2003	9.5	5.2	10.2	3.0	0.3
2004	8.0	4.1	8.0	3.0	2.2
2005	7.5	4.5	4.0	3.0	2.2
2006	10.7	3.1	7.0	11.0	7.3
2007	8.5*	8.2	7.8	11.6*	9.5

\*Estimated figure.

Sources: International Monetary Fund (IMF), 2004, *World Economic Outlook Database* (April), Washington, D.C.: IMF, [www.imf.org/external/pubs/ft/weo/2004/01/data/dbcseim.cfm?G=901](http://www.imf.org/external/pubs/ft/weo/2004/01/data/dbcseim.cfm?G=901) (accessed September 20, 2008); International Monetary Fund (IMF), 2008, *World Economic Outlook Database* (April), Washington, D.C.: IMF, [www.imf.org/external/pubs/ft/weo/2008/01/weodata/weoselgr.aspx](http://www.imf.org/external/pubs/ft/weo/2008/01/weodata/weoselgr.aspx) (accessed October 1, 2008).

As shown in Table 2, the economic contraction period ended, by and large, in 1997. Positive GDP growth rates, which started late in the 1990s, have continued to this day (early 2009), as evident in Tables 2 and 3. Without a doubt, this phenomenon has helped stop the devastating economic free fall of the early 1990s and has improved the economic environment of the Central Asian countries. However, this positive development falls short of addressing Central Asia's economic problems, for a variety of reasons. After years of contraction, the existing rate of GDP growth since independence up to this date (early 2009) has not been significant enough to fully restore the pre-independence economy in the case of Tajikistan (-79.3% and +74.5%) and has been barely large enough to exceed that of pre-independence in the case of Kyrgyzstan (-52.5% and +58.6%). Comparatively, the situation is much better for Uzbekistan (-18.5% and +41.6%), Kazakhstan (-37.3% and +81.7%), and Turkmenistan (-57.8% and +99.6%). The low economic growth since independence is evident in these countries' insignificant average annual growth between 1992 and

TABLE 3. GDP—Current Prices in US\$ Billions

	Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Uzbekistan
1992	2.877	0.920	0.291	0.291	3.580
1993	5.152	0.667	0.678	0.678	5.502
1994	11.649	1.110	0.829	0.829	6.521
1995	16.594	1.494	0.527	0.527	10.168
1996	20.893	1.813	1.042	1.042	13.923
1997	22.129	1.763	1.125	2.681	14.705
1998	22.070	1.628	1.319	2.862	14.948
1999	16.956	1.247	1.086	3.857	17.041
2000	18.295	1.368	0.991	4.932	13.701
2001	22.135	1.527	1.041	6.512	11.618
2002	24.410	1.612	1.207	n/a	9.670
2003	29.238	1.751	1.586	n/a	8.683
2004	34.287	1.895	1.743	n/a	8.970
2005	38.389	2.057	1.819	n/a	9.476
2006	81.003	2.837	2.811	21.846	17.027
2007	103.840*	3.748*	3.712*	26.909*	22.307*

\*Estimated figure.

Sources: International Monetary Fund (IMF), 2004, *World Economic Outlook Database* (April), Washington, D.C.: IMF, [www.imf.org/external/pubs/ft/weo/2004/01/data/dbcseim.cfm?G=901](http://www.imf.org/external/pubs/ft/weo/2004/01/data/dbcseim.cfm?G=901) (accessed September 20, 2008); International Monetary Fund (IMF), 2008, *World Economic Outlook Database* (April), Washington, D.C.: IMF, [www.imf.org/external/pubs/ft/weo/2008/01/weodata/weoselgr.aspx](http://www.imf.org/external/pubs/ft/weo/2008/01/weodata/weoselgr.aspx) (accessed October 1, 2008).

2007, as apparent in Table 4, despite their positive GDP growth rates, including two-digit growth in certain years.

The depth of Central Asia's economic problems can be appreciated if certain factors are taken into consideration. First, even full restoration of pre-independence economies will not provide the Central Asians with the same level of economic

TABLE 4. GDP—Average Percent Annual Growth 1992–2007

Kazakhstan	2.775
Kyrgyzstan	0.38
Tajikistan	-0.3
Turkmenistan	2.61
Uzbekistan	1.44

Source: Based on World Bank data as presented in Table 2.

**TABLE 5.** Population of Central Asia (Millions)

	1975	2003	2015
Kazakhstan	14.1	14.0	14.9
Kyrgyzstan	3.3	5.1	5.9
Tajikistan	3.3	6.4	7.6
Turkmenistan	2.5	4.7	5.5
Uzbekistan	14.0	25.8	30.7

Source: United Nations Development Programme (UNDP), 2005, “Table 5—Demographic Trend,” *Human Development Report 2005*, New York: UNDP, 233–234, [http://hdr.undp.org/reports/global/2005/pdf/HDR05\\_HDI.pdf](http://hdr.undp.org/reports/global/2005/pdf/HDR05_HDI.pdf) (accessed September 20, 2008).

prosperity they experienced before independence. Their economies were incapable of meeting needs on their own during the Soviet era, during which they had to rely on extensive transfers in cash and kind from Moscow. In Moscow’s absence, the Central Asian economies must grow much stronger than they were before independence to compensate for that loss. Second, given the significant increase in their populations, excluding that of Kazakhstan (Table 5), additional GDP growth will be required to address the extra needs caused by larger populations, which are still growing at significant rates (Table 6).

Third, the Central Asian economies depending on fuel imports (those of Kyrgyzstan and Tajikistan) must grow still more to compensate for high oil and gas prices, which are likely to remain higher in real terms than the prices of the pre-independence era. The price of oil reached about \$150 a barrel in 2008, although it has since fallen to about \$50 a barrel (January 2009). Finally, the Central Asian countries were the least economically advanced and the least prosperous part of the Soviet Union. Like the rest of the USSR, the situation was not satisfactory in those countries despite Moscow’s

**TABLE 6.** Annual Population Growth Rate (Percent) 2003–2015

	1975–2003	2003–2015
Kazakhstan	0.2 <sup>a</sup>	–0.4 <sup>b</sup>
Kyrgyzstan	1.6 <sup>a</sup>	1.1 <sup>a</sup>
Tajikistan	2.2 <sup>a</sup>	1.5 <sup>a</sup>
Turkmenistan	2.2 <sup>a</sup>	1.3 <sup>a</sup>
Uzbekistan	2.2 <sup>a</sup>	1.4 <sup>a</sup>

Sources: <sup>a</sup>United Nations Development Programme (UNDP), 2005, “Table 5—Demographic Trend,” *Human Development Report 2005*, New York: UNDP, 233–234, [http://hdr.undp.org/reports/global/2005/pdf/HDR05\\_HDI.pdf](http://hdr.undp.org/reports/global/2005/pdf/HDR05_HDI.pdf) (accessed September 20, 2008); <sup>b</sup>United Nations Economic Commission for Europe (UNECE), 2005, “Country Profile: Kazakhstan,” *Trends in Europe and North America 2005*, Geneva: UNECE, [www.unece.org/stats/trends2005/profiles/Kazakhstan.pdf](http://www.unece.org/stats/trends2005/profiles/Kazakhstan.pdf) (accessed September 20, 2008).

transfers. Hence, after corrections for all these factors, achieving the pre-independence GDP will be as destabilizing as it was in 1991, taking into account a fact that the Soviet economy’s poor performance was the main reason for the eventual collapse of the Soviet Union.

Finally, compared to Kyrgyzstan and Tajikistan, the significant economic growth of Kazakhstan, Turkmenistan, and Uzbekistan is mainly the result of large increases in fossil energy prices—particularly oil prices—since 2000. This is especially evident in their GDP growth rates and values in 2006 and 2007, when such prices started skyrocketing. Hence, their economic performance is subject to fluctuations in oil and gas prices, making their improved economic performance unsustainable in the long run unless they diversify their single-product economies or these prices remain very high, a possible scenario in the short term but not in the long.

Against this background, and years of negative growth rates, positive growth rates since the late 1990s, though encouraging, have been too limited to change the situation radically for the better. Furthermore, the continuity of such growth in an incremental manner is uncertain, especially for Turkmenistan and Kazakhstan, whose main engine of growth is gas and oil exports, the most important factor in their improved economic performance because of significant increases in oil prices and, to a more limited extent, in gas prices. This is also partly true for Uzbekistan, with comparatively limited oil and gas exports. In conclusion, heavy dependence on single products (gas, oil, or cotton) and their exports has been a major problem of the mainly single-product Central Asian economies, which, among many other negative consequences, makes them prone to sharp fluctuations in their GDP growth rates.

## SOCIETY

The Soviet collapse and the ensuing economic paralysis provoked fundamental changes in the social institutions of Central Asia. The collapse ended the ideological legitimacy of the political apparatus and its ruling elite, and it discredited the command economy system and its social norms and institutions. The disappearance of the unifying ideology advocating equality among Soviet citizens regardless of their social background and personal attributes on the one hand and the sudden lowering of living standards on the other opened the door to the rise of long-suppressed sentiments and discriminatory social attitudes. Hence, nationalism, localism, regionalism, tribalism, clan politics, and gender discrimination reemerged in the post-Soviet era, to varying extents in different countries—constituting a recipe for violence against minorities and discrimination in all aspects of life based on one’s sex or affiliation with a region, tribe, clan, or ethnic group.

Certain social strata and low-income social groups have been the major victims of this negative trend, although almost all Central Asians have suffered in the post-independence era in one way or another. Women, children, youth, pensioners, civil servants, academics, and scientists—who together constitute the overwhelming majority of the Central Asian populations—have experienced a steady loss of social status. Many rights and privileges of these social groups, guaranteed in the pre-independence

TABLE 7. Education Enrollment Ratio, Primary Level, Girls (UNESCO)

	1990	1998	1999	2000	2001
Kazakhstan	87.2*	83.5*	84.5*	86.6	89.0
Kyrgyzstan	92.2*	90.0†	88.7	88.3	88.4
Tajikistan	75.9*	94.3*			
Turkmenistan					
Uzbekistan	77.7*				

\*UNESCO Institute for Statistics (UIS) estimate. †National estimate.

Source: United Nations, 2005, "Commonwealth of Independent States: Education Enrollment Ratio, Net, Primary Level, Girls (UNESCO)," New York: Statistics Division, Department of Economic and Social Affairs, [http://unstats.un.org/unsd/mi/mi\\_series\\_results.asp?rowID=634&fid=r15&cgID=172](http://unstats.un.org/unsd/mi/mi_series_results.asp?rowID=634&fid=r15&cgID=172) (accessed September 3, 2008).

era, no longer exist, while others are being eroded. The eroding social safety net and the declining educational system reduce their chances and hopes for an acceptable future. At the same time that health standards and available health services are decreasing, women are increasingly experiencing discrimination in the social, economic, educational, and political arenas, aimed at reducing their role outside the home.

Children and youth are also victims of rapid social and economic changes. Education is no longer free for all Central Asians. State-subsidized kindergartens are being closed, and the pattern of preference for boys in schooling is emerging among families in at least some regional countries, such as Kyrgyzstan, as evident in part in the decreasing rate for girls' completion of primary school (Table 7).

As elsewhere in the CIS, prostitution and crimes are increasing in Central Asia. With social services continuing to decline, children and youth are becoming more vulnerable. They suffer from the crumbling educational and health systems as well as from nutritional problems (discussed following). The elderly and pensioners have lost their Soviet guarantee of an adequate standard of living.

Constituting the overwhelming majority of Central Asians, low-income urban and rural social groups have had a hard time meeting their basic needs since independence. Like other Central Asians, they suffer from employment loss, decreasing income and purchasing power, and rising prices. The effect of the economic transition on the Central Asians has been devastating, for independence suddenly lowered their living standards sharply, a process that has continued to this date at a differing extent in the Central Asian countries, despite economic improvements in recent years.

## HUMAN RIGHTS

The human rights situation has been deteriorating in all Central Asian countries since independence. At that time, facing challenges or concerned that new challenges might arise, Turkmenistan, Uzbekistan, and Tajikistan opted for outright dictatorial rule,

although in different forms and to varying extents, as permitted by the realities of their respective societies. Having no threatening or potentially threatening opposition, Kazakhstan and Kyrgyzstan settled for less dictatorial, although not democratic, political systems. Extensive human rights abuses—ranging from intolerance of any form of political opposition (Turkmenistan) to subjection of legal opposition groups and individuals to various restrictions and maltreatment and of illegal ones to brutal suppression (Uzbekistan and Tajikistan)—have been the case in the first group of states.

In the absence of any major threatening political opposition, the second group of states also subjected legal opposition to various maltreatment and restrictions, though to a lesser extent, leaving more room for peaceful dissent. However, this policy began to change when dissatisfaction with the status quo among nationals increased the possibility of that sentiment developing into mass movements as the opposition groups increased their activities. Hence, since the late 1990s, Kazakhstan and Kyrgyzstan have also increased their human rights abuses, showing an eroding tolerance of dissent even though they are still more democratic or, more accurately, less abusive than Tajikistan, Turkmenistan, and Uzbekistan. Major human rights organizations, including Human Rights Watch (HRW 1993–2008), have documented various human rights abuses (e.g., banning opposition activities, closing opposition facilities, harassing opposition members and supporters through arrests, torture, kidnapping, killing, and unfair trials) by the Central Asian governments since 1991, as well as election fraud.

## MILITARY/SECURITY

The Central Asian countries have encountered certain military and security challenges since independence. The threat of internal destabilizing forces has been a main source of concern for Tajikistan and Uzbekistan. Tajikistan experienced a bloody civil war, which, apart from heavy human losses, severely retarded its economic growth with a worsening impact on the human security of its population. Because many issues are yet to be addressed—including the share of the political system of former opposition groups now part of the political process, as well as addressing the severe economic and social deprivation of their strongholds, such as the Badakhshan region—the seeds of a second round of civil war are well in place, a serious threat to Tajikistan's stability and economic and social progress.

In its share of the Ferghana Valley, Uzbekistan has experienced a limited, localized, armed insurgency led by the Islamic Movement of Uzbekistan (IMU), a fundamentalist/extremist group. The valley is a fertile ground for the growth of other extremist groups as well, mainly Hizb ut-Tahrir. Operating also in Tajikistan, which shares the valley with Uzbekistan and Kyrgyzstan, Hizb ut-Tahrir does not advocate armed struggle but does share the IMU program for the overthrow of the Uzbek regime, while supporting the idea of creating a fanatic religious superstate in Central Asia. The two groups have been severely suppressed and for the time being are unable to pose a serious challenge to the Tajik and the Uzbek governments. However, the expanding dissatisfaction in both Tajikistan and Uzbekistan is preparing grounds for their continuity and expansion in some form as well as the rise of other extremist groups. To a much lesser extent, the

two groups have also been active in Kyrgyzstan's part of the Ferghana Valley, a source of concern for the Kyrgyz regime. Reports in 2008 and 2009 indicate activities of the IMU in Central Asia as well as its presence as an ally of the Taliban in Pakistan's Waziristan, bordering Afghanistan (e.g., Sidikov 2008).

Turkmenistan and Kazakhstan have not experienced armed opposition or its potential since independence. However, they, like the other regional states, have been concerned about the growing activities of well-armed international drug traffickers based in Afghanistan, who are interested in Central Asia both as a large market for Afghan-produced narcotics and as a transit route to Europe for them via other CIS countries. Over and above the increasing hazard to the health of Central Asians posed by drugs (to be discussed later), drug trafficking is a growing threat to their security.

There are also external sources of threats, including territorial and border disputes between and among the Central Asians. The main disputes are disagreements over each country's share of the Ferghana Valley between Uzbekistan and Tajikistan and between Uzbekistan and Kyrgyzstan, an issue still unsettled in 2009. To this must be added the threat of separatism in Tajikistan, whose ethnic Uzbeks, who dominate the city of Khojand and its adjacent region, have threatened since independence to secede from Tajikistan to join Uzbekistan. Tajikistan has an inactive claim to Uzbekistan's cities of Samarkand and Bukhara. Uzbekistan and Kazakhstan have had territorial disputes leading to small-scale military confrontations along their borders, most of which have been addressed. Because of Soviet-inherited border disputes, China was a source of concern for Kazakhstan, Kyrgyzstan, and Tajikistan, which share a long border with



Prime Ministers of Russia, China, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan meet in Almaty at a summit of the Shanghai Cooperation Organization (SCO) on October 30, 2008. (Alexy Druzhinin/AFP/Getty Images)

that country. However, since 1991, various border agreements have settled most of them. Today, neither sides sees any benefit in endangering the peace and security of their region or their growing trade and cooperation in political and security matters. This cooperation is reflected in the formation of the Shanghai Cooperation Organization (SCO), in which all Central Asian countries except Turkmenistan are members, along with China and Russia. The SCO also reflects diminishing concern about Russia's effort to regain influence in Central Asia among the regional countries, including those hosting Russian bases (Tajikistan and Kyrgyzstan). On the contrary, they are becoming more concerned about the extensive U.S. military and political presence in their region, as reflected in Uzbekistan's closure of the U.S. air base in Karshi-Khanabad (November 2005) and Kyrgyz president Kurmanbek Bakiev's clear expression of his intent in February 2007 to demand that the U.S. government close the Ganca airbase located at Manas Airport in Bishkek (Neweurasia 2008), which was presented as a clear demand to Washington in February 2009.

### “THE WAR ON TERROR”: ITS IMPACT ON CENTRAL ASIA (2001 ONWARD)

As an unintended effect, the “War on Terror” has contributed to the deteriorating situation in Central Asia. In particular, it has contributed to the consolidation of authoritarianism and the worsening human rights situation. As mentioned earlier, the Central Asian countries were all on the road to authoritarianism in the late 1990s, although at varying speeds and in different forms. The inauguration of the “War on Terror” accelerated this trend, providing the Central Asian governments with an opportunity to consolidate their authoritarian states to ensure the long-term survival of their rule and to prevent the formation of serious popular political movements challenging their authority. This has been reflected in their growing intolerance of any type of political dissent, indicated by an increase in human rights abuses.

The sudden expansion of the U.S. military in Central Asia and the U.S. government's need for these countries' assistance in its “War on Terror” inclined that government and its allies to avoid criticism of human rights abuses in those countries so as to ensure their cooperation. This policy was regarded as a green light for the Central Asian leaders to commit human rights abuses without fear of major international reaction. Fighting terrorism has provided them with an internationally acceptable pretext for suppressing their political opponents as terrorists. As reported by major human rights organizations such as Amnesty International (AI 2002–2008), there has been an evident increase in human rights abuses in the Central Asian countries.

Hence the “War on Terror” has contributed to the worsening of human rights abuses and the consolidation of authoritarianism in the Central Asian countries, all of which sided with the United States when it began its “War on Terror” in late 2001. Yet, about eight years after the initiation of that program, certain developments have affected the pace of events in the region. Chief among them has been an evident shift among the Central Asians, especially those considered Washington's close allies, toward closer relations with Russia. The outbreak of “color revolutions” in Georgia and Ukraine



alarmed the Central Asian elites. Rightly or wrongly, they considered those political events a U.S.-backed plan capitalizing on widespread dissatisfaction among the Georgians and the Ukrainians to replace the southern CIS elite with a new elite fully loyal to Washington, a looming threat to their authority (Blank 2005). These color revolutions led to a tightening of security measures and to the intensification of suppression of opposition groups and individuals, and to a spreading suspicion of U.S. NGOs, which were considered a means for contributing to a situation ripe for color revolutions. As a result, all the Central Asian governments have made licensing of NGOs more difficult and have refused to renew some licenses, forcing certain NGOs viewed as major contributors to those revolutions to shut down their operations in Central Asia. A well-known example in this regard is the Soros Foundation, which in April 2004 was forced to cease operation in Uzbekistan (UN Office for the Coordination of Humanitarian Affairs 2005). In 2005, Tajik president Imomali Rahmonov (now known as Imomali Rahmon) accused the Soros Foundation of acting to destroy Tajikistan's unity, while Kazakh officials opened a criminal investigation for the foundation's alleged tax evasion, seen as a prelude to end its operation (*ibid.*). Closing and restriction of U.S. NGOs have continued to this date (January 2009).

The outbreak in March 2005 of another color revolution, this time in Central Asia (Kyrgyzstan), was especially alarming, for it heralded the expansion to Central Asia of the perceived U.S. plan while revealing the fragility of the seemingly stable Central Asian regimes. This has resulted in further tightening of the Central Asian countries, on the one hand. On the other, it has created a stronger sense of suspicion towards the United States, resulting in a clear tendency on the part of the Central Asians to strengthen their ties with Russia while seeking to limit their relations with the United States. In 2003 and 2004, respectively, Kyrgyzstan and Tajikistan allowed Russian bases in their countries despite their good relations with the U.S. government. Another recent example is Tashkent's interest in expanding relations with Moscow, evidenced in a variety of events, including Uzbekistan's joining the SCO in June 2001 and rejoining the Collective Security Treaty Organization (CSTO) in June 2006 (Fumagalli 2008) and Uzbek president Islam Karimov's visit with then Russian president Vladimir Putin after the Andijan incident. A major development occurred on November 14, 2005, when Russia and Uzbekistan concluded an alliance agreement against terrorist threats that reportedly also commits them to help each other preserve their national security (VOA 2005b).

The outbreak of a reportedly mass and at least partly armed anti-government incident in Andijan, Uzbekistan, in May 2005 alarmed not only the Uzbek government but those of other Central Asian countries. Reported by the Uzbek authorities as an armed insurgency by extremists and the eruption of dissent or a mixture of both by others, the Uzbek government's suppression of those involved prompted criticism for use of excessive force not only by human rights organizations but also by the U.S. government and the European Union (*ibid.*). The latter demanded a foreign-led inquiry, which was rejected by the Uzbek government as Tashkent viewed such activity as intervention in Uzbekistan's internal affairs. The Uzbek government has hinted at U.S. involvement in the May incident, an allegation which Washington rejected in 2005. Nevertheless, the Uzbek authorities, rightly or wrongly, blamed the United States and requested the closure of the U.S. air base in Uzbekistan before 2006. The U.S. military completed

## U.S. BASES IN CENTRAL ASIA AND THE CAUCASUS

The U.S. bases in Central Asia and the Caucasus are becoming a source of conflict between the regional powers (Iran, China, and Russia) and the United States. The former have been concerned since late 2001 about the expanding military presence of the United States in these regions neighboring their countries in the form of military bases and overflight and emergency landing rights. The regional powers have evaluated the American pattern of deployment as inconsistent with the stated objective of supporting the U.S. military operation in Afghanistan as part of Washington's "War on Terror" for many reasons, including the type and number of facilities as well as their increasing capabilities. In one form or another, Iran, China, and Russia have raised their voices to demand a clear timetable for the withdrawal of the American military from Central Asia and the Caucasus, especially since 2005. The closure of the American base in Uzbekistan in November 2005 in response to the demand of the Uzbek government had their implicit and explicit backing. Yet, because of the regional powers' increasing disagreements and conflict of interests with Washington, the closure did not allay their fear of the short- and long-term negative implications of the remaining U.S. forces for their national security, despite having been officially granted exclusive military bases (in the case of Kyrgyzstan) or access to their hosting countries' bases (in the case of Georgia). The August 2008 Georgian-Russian war seems to have involved efforts to address this fear, since the Russians hinted their military operations against the Georgian military facilities, among many other purposes, sought to eliminate their availability to the U.S. military in any future war against Russia and Iran. Accordingly, on September 19, 2008, the Russian envoy to NATO, Dmitri Rogozin, claimed that the United States, with the Georgian government's consent, had a plan to use Georgian military airports in an attack on Iran before such a war. In fact, according to Rogozin, Washington had launched "active military preparations on Georgia's territory" for an air strike on Iran. Some Russian newspapers also claimed that the destruction by the Russian air force of those airports during the Georgian-Russian war of August 2008 disrupted that plan. Although these regional powers (Iran, China, and Russia) have varying types of relations with Washington and their hostility toward the American government takes different forms, there is no question that they are headed toward conflict with the United States—the form of which will be determined by the specifics of their relations with Washington.

the closure of the Karshi-Khanabad air base on November 21, 2005 (VOA 2005a). The September 2005 visit of U.S. Secretary of State Condoleezza Rice to Kazakhstan and her public raising of the issue of democratization in that country made the Kazakhs also dissatisfied with the United States, whose oil companies are the major developers of the Kazakh oil industry. In short, the Central Asians' ties with the Americans have been deteriorating since 2003.

Although as of this date (early 2009) the Central Asians, especially those geared to the oil and gas industry (Kazakhstan and Turkmenistan), have retained some

political ties and economic relations with Washington, they have all been suspicious of American objectives in their region, and this suspicion has prompted their growing ties with the regional powers—Iran, China, and Russia. The Russians have been expanding their influence and presence in the region, as partly reflected in the growing influence of the SCO, in which Iran has observer status but aims at full membership. In its July 2005 meeting, the SCO demanded a clear timetable for the withdrawal of all U.S. forces from Central Asia (Blank 2005). This demand was backed by all the members, including Kyrgyzstan, which has a U.S. Air Force base in its territory, and Kazakhstan and Tajikistan, which have granted overflight and emergency landing rights to the U.S. military. Kazakhstan also hosts a group of U.S. Air Force personnel in Almaty.

## CONCLUSION

From the ruins of the Soviet Union, the emergence of the five independent Central Asian states brought about for their people the possibility of building a future better than their unsatisfactory past. However, the Soviet Union's collapse also put those countries on the path of instability in various forms, with predictably devastating impact, weakening if not undermining the basic conditions for achieving that prospect. Luckily enough, major conflicts and political upheavals have so far affected mainly two countries of Central Asia. Yet, this reality should not be a reason for joy in the region, for all its countries are prone to conflict and instability, as reflected in the 2005 incident in Uzbekistan. Today, the Central Asian countries are susceptible to conflicts because of their distorted transition, whose end is anyone's guess.

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## Chapter 2

# Social Implications of Central Asia's Failed Transition

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The fall of the Soviet Union severely damaged all the pillars of the former Soviet republics—political, economic, military, and social. The gigantic development imposed on all of the newly independent states a process of transition for which none of them was prepared. So far, compared to other ex-Communist countries, the CIS (Commonwealth of Independent States) countries, except for most of the Baltic States (Latvia, Lithuania, and Estonia), have failed to complete their transition from the highly centralized Soviet political and economic system to democratic political systems based on viable free-enterprise economies with corresponding social systems. Among these countries, the record of the Central Asians seems to be the least impressive, because of certain internal and external factors.

In general, economic failures have provided grounds for and justified undemocratic regimes. In turn, such failures have contributed to poor economic performance, which has had a severe social impact with long-term negative implications for the Central Asians over and above its effect on the stability of the Central Asian states. Hence, economic failure has directly affected the human security of the Central Asians by prolonging the underdevelopment of their countries, and thus by failing to provide adequate incomes and services for the majority of the Central Asians, particularly the most vulnerable social groups.

The resulting large and growing dissatisfied population of each Central Asian country has created a suitable ground for large-scale social unrest, giving rise to popular opposition movements that could undermine the authority of their respective political elites. The poor economic performance of the Central Asian countries has not only slowed down—perhaps even prevented—their economic development, but it has also contributed to the expansion and perpetuation of many social ills, including low income levels and outright poverty. These, in turn, function as a barrier to economic development and prosperity. By creating a large and growing dissatisfied population, poor economic performance has provided grounds for conflicts (including violent ones), and thus instability. This, in turn, functions as a barrier to economic development.

and its corresponding material rewards for the Central Asians, which ensures the prolongation of the unsatisfactory status quo, characterized by major social and economic difficulties, and thus prone to conflict and instability. The analysis of the internal and external factors preventing a smooth transition in Central Asia and the resulting social and economic problems, which affect the regional states' social and political stability by undermining human security, should substantiate this assessment.

## INTERNAL FACTORS

Despite the similarities between the Central Asian states, differences in size, population, degree of industrialization, and richness in mineral resources, to name a few, have a negative or positive impact on all aspects of life in those societies. Notwithstanding the impact of these differences, certain common internal factors have affected the process of transition since independence in 1991 the most important of which are inadequate resources, economic deficiencies, and political constraints.

### *Inadequate Resources*

The Central Asian countries were, by and large, the least economically advanced and the least prosperous part of the Soviet Union. As a result of the internal division of the Soviet Union, these countries were developed mainly as single-product economies, producing cotton, oil, and gas for the rest of the country and for export. These economies were not meant to produce for local needs, a reality that creates many problems for them today. Because of their single-product economies, the Central Asian countries were heavily dependent on Moscow's transfers for their daily operation. In the post-independence era, the loss of such transfers has consequently forced them to rely on their own inadequate resources. Inadequacy of resources has been not only a barrier to the addressing of many immediate post-independence problems (e.g., severe shortages of goods in the early 1990s), but also a major impediment to a fast and successful transition. Thanks to high oil prices since 2000—and especially in the years since 2006, when oil prices soared drastically in 2008 to a record price of about \$150 per barrel—and much smaller increases in natural gas prices, the three oil- and gas-exporting Central Asian states of Kazakhstan, Turkmenistan, and Uzbekistan have experienced significant increases in their annual revenues. Nevertheless, lack of sufficient financial resources has been a major problem for all the Central Asians, affecting the amelioration of their short-term problems as well as the implementation of badly needed long-term development projects. Most of the Central Asian countries have considerable economic potential provided they fully develop their mineral, energy, industrial, and agricultural resources. Although Kyrgyzstan and Tajikistan lack major mineral and energy reserves and a strong industrial basis, they could rely principally on their agricultural potential and tourism (Kyrgyzstan) to increase their prosperity.

In the absence of adequate sources of revenue and foreign currency geared to exports of their major products (cotton, precious metals and stones, and fossil fuels),

the Central Asian countries require large foreign investments in various forms. Yet, the major Western and non-Western (e.g., China) investors have been interested chiefly in large investments in oil and gas projects, which benefit principally the energy sectors of Kazakhstan and Turkmenistan, the two main regional energy producers. Uzbekistan has received a very small share of such foreign investment, owing to its much smaller oil and gas resources. Other foreign investments have largely focused on small-scale service and industrial projects.

The absence of adequate foreign financial resources, coupled with the lack of domestic resources, has been the single major external factor in Central Asia's slow transition. The Central Asians have tried to increase revenues by exporting their major products. However, their current levels of production and export do not generate enough revenues to finance development projects, although high oil and gas prices have pushed up the revenues of Kazakhstan, Turkmenistan, and Uzbekistan, leaving them with much larger revenues than they could have expected. Even though they are good news in the short term, such revenues as those generated by Kyrgyzstan's gold exports are not sustainable in the long term, in light of the decrease in oil and gas prices that occurred in 2008, in which oil prices reached \$150 a barrel in July only to fall to \$100 a barrel by October (Johnson 2008). In early 2009, such prices fluctuated around \$50 a barrel.

In terms of mineral resources, all the Central Asian countries have some deposits. However, they are not self-sufficient in major metals and nonmetal minerals, either because they lack them or because their resources are limited or are not fully developed. Mining of precious stones (Tajikistan) and precious metals (Uzbekistan and Kyrgyzstan) for export is relatively well developed as a source of income through exports.

Unlike the other Central Asian countries, Kyrgyzstan and Tajikistan lack adequate energy resources, resulting in their heavy reliance on fuel imports. The oil and gas resources of Kazakhstan and Turkmenistan, respectively, are for the most part yet to be fully developed. Nevertheless, they are significant enough to turn these countries into major exporters for a few decades, depending on their level of exports. Uzbekistan is mainly self-sufficient in oil and gas, but its export capability is currently too limited to make it a large regional supplier.

All the Central Asian countries have industries, but only those of Uzbekistan and Kazakhstan, including heavy industries, are significant enough to grant them an industrial basis. However, most of the regional industries inherited from the Soviet era require repair and modernization. The new factories are largely in the light industrial sector—primarily consumer goods.

As evident in Table 8, agriculture was and still is Central Asia's Achilles heel because of the Soviet era's overemphasis on cotton production. This Soviet policy deprived all the regional republics except Kazakhstan of a viable agriculture capable of producing enough food for the Central Asians. Despite their successful efforts to improve their agriculture, all of the Central Asian countries have yet to become fully agriculturally self-sufficient.

Finally, a limited skilled and managerial workforce has been another major problem. Slavs accounted for the majority of well-educated Central Asians, including managers

TABLE 8. Average Annual Sectoral Growth (1990–2003)

	Agriculture	Industry	Services
Kazakhstan	-4.5	-3.7	0.9
Kyrgyzstan	2.8	-6.3	-2.2
Tajikistan	-2.2	-5.3	-1.1
Turkmenistan	0.2	1.6	0.8
Uzbekistan	1.5	-1.5	2.3

Source: World Bank Group, 2005, "Table 4.1—Growth of Output," *World Development Indicators 2005*, Washington, D.C.: The World Bank Group, <http://devdata.worldbank.org/wdi2005/Section4.htm> (accessed September 1, 2008).

and bureaucrats, thanks to preferential Soviet policy. Many of them left after independence, except those living in Kazakhstan, leaving a huge vacuum that has affected the management and operation of the Central Asian countries and their economies and development projects. Efforts to train locals to fill the gap have been only somewhat successful throughout the region.

### *Economic Deficiencies*

The Central Asian economies have all been improving having experienced positive GDP growth rates, but such growth will unlikely be sustainable unless certain issues are addressed that make these economies extremely vulnerable. They are mainly single-product economies. Although they produce and export other products, the role of this production and export is insignificant in terms of employment creation, revenue/foreign currency generation, and economic expansion/advancement. Their main products and exports are gold, cotton, and fossil fuels, one of which is pivotal for each country. Yet, these items are susceptible to high price volatility. Luckily, significant increases in oil, gas, and gold prices since 2000 have boosted their economies. The year 2004 was a record year for gold, but not a typical one, in its sharp price increases (ADB 2005, 186). However, a decreasing demand for gold and cotton and the expected decrease in oil prices in real terms, possibly in the short term and most probably in the medium term, will reduce export-generated income and decrease GDP growth. The sharp decrease in oil prices from about \$150 a barrel in mid-2008 to about \$40 a barrel in late 2008 serves as an example substantiating this prediction.

Without exception, Central Asian agriculture lags behind other sectors in terms of restructuring, investment, productivity, and growth. Compared to other sectors, agriculture has experienced slow privatization, and the majority of its large enterprises are still in state hands. Being mainly state-managed, agricultural productivity is low, although its degree varies among the Central Asian countries.

The unsatisfactory status of agriculture in the richest and most economically advanced regional countries sheds light on the depth of problem. In Kazakhstan, for instance, the agricultural sector grew by 0.1 percent in 2004, whereas the service sector



Uzbek students pick parched cotton, Uzbekistan's "white gold," near the Uzbek town of Termez, along the Afghanistan border. (AP Photo/Efrem Lukatsky)

grew by 10.8 percent and the industrial sector by 10.1 percent (ADB 2005, 170). In 2007, agriculture lagged behind construction, services, and energy, the sectors having become the the engine of growth since 2005 (ADB 2008d). Although reliable statistics on Turkmenistan's economic activities are scarce, it is known that its agriculture was stagnating in 2004 because of a lack of major reform (ADB 2005, 183). This situation has since continued. In 2008, although official statistics are unavailable, cotton was the dominant agricultural crop and a major export product, and wheat fell short of official production targets in 2007 (ADB 2008b). In early 2009, there is no indication of a major change for the better by the year's end.

Uzbekistan's agriculture also needs major reforms, even though its cotton production showed recovery in 2004 (ADB 2005, 184). Uzbekistan has since taken some measures to reform the agriculture, including encouraging privatization, with a degree of success. As evident in 2007, "greater productivity from privatization of agricultural cooperatives . . . favorable world prices for cotton . . . [and] rising grain harvests" secured a 6.1 percent growth rate for agriculture (ADB 2008f).

Central Asian agriculture is mainly dominated by cotton production. It ranks the largest in share of investment, income generated, and labor force. In Tajikistan, for instance, three-fourths of all farmers are engaged in cotton production (ADB 2005, 177). Because of the pivotal role of agriculture for the Tajik economy as its engine of growth, fluctuations in this sector's performance significantly affect Tajikistan's economic growth. As a result, although Tajikistan registered a significant GDP growth

(7.8 percent) in 2007, and the expansion of the noncotton sectors of its agriculture lifted the pivotal sector's growth to 6.5 percent from 5.4 percent in 2006, Tajikistan's inability to achieve a two-digit annual growth rate period (as it did during 2000–2004) is attributed to the “sluggish pace of reforms in agriculture” (ADB 2008g). Compared to the other Central Asian countries, Kyrgyzstan has performed better in privatizing agriculture. Yet, its agriculture suffers from weak productivity, evident in its very low growth rate (1.5 percent) in 2007, leaving services, construction, and manufacturing the main sectors behind the nation's economic growth of 8.2 percent. Services, for instance, grew by 12.4 percent in that year (ADB 2008h).

Finally, all the Central Asian economies register uneven economic growth. On the one hand, this implies a significant gap between rural and urban areas in economic performance, with major implications for expanding poverty in the countryside. On the other hand, it indicates sharp differences in growth rates among the industrial, agricultural, and service sectors, which are particularly noticeable when agriculture is compared with other sectors.

For example, in January 2009, the available statistics on the performance of the Central Asian countries in 2007 reflect their potential while indicating their weaknesses (e.g., heavy reliance on certain exports such as cotton and fossil fuels). This calls into question the sustainability of their long-term growth. Based on the Central Asian countries' recent economic record and their constraints and opportunities, forecasts about their near future performance will also be offered. As will be discussed in more detail later, all performed relatively well. However, despite this, and despite their more-or-less good performance in the previous years, both heavy reliance on exporting one or a few products hampered by high price volatility (true for all of them) and growing external debt (true for some of them, as evident in Table 9) indicate the persistence of major barriers to sound economic performance.

**TABLE 9.** External Debt in US\$ Billions

	1997 <sup>a</sup>	2003 <sup>b</sup>	2007 <sup>c</sup>
Kazakhstan	4.278	22.835	93.9*
Kyrgyzstan	0.9282	2.021	2.25†
Tajikistan	0.9011	1.166	1.49†
Turkmenistan	1.7712	n/a	n/a
Uzbekistan	2.7605	5.006	4.35†

\*Actual figure. †Calculated by the author from the source's given data.

Sources: <sup>a</sup>United Nations Development Programme (UNDP), 1999, “Aid and Debt by Recipient Country,” *Human Development Report 1999*, New York: UNDP, 195–6, <http://download.at.kde.org/soc/undp/Backmatter2.pdf> (accessed September 17, 2008); <sup>b</sup>World Bank Group, 2005, “External Debt,” *World Development Indicators 2005*, Washington, D.C.: The World Bank Group, <http://devdata.worldbank.org/wdi2005/Section4.htm> (accessed September 17, 2008); <sup>c</sup>Asian Development Bank (ADB), 2008, “Kazakhstan,” “Kyrgyzstan,” “Tajikistan,” “Turkmenistan,” “Uzbekistan,” *Asian Development Outlook 2008*, Manila: Asian Development Bank.

Kazakhstan experienced significant economic growth in 2007. Unlike the period 2000–2004, when the oil industry was the main engine of growth thanks to continued foreign investment, its estimated GDP growth of 8.5 percent (ADB 2008d) was due only partly to its energy sector. In fact, its two non-oil sectors (construction and services), the principal economic stimuli since 2005, constituted the main contributors to that development (ibid.). However, the construction boom's role as the main single factor for this phenomenon was the result of heavy private borrowing from the Kazakh banks, which in turn had to borrow heavily from foreign banks. This pushed Kazakhstan's external debt to \$90.9 billion in 2007 (ibid.). Because, reportedly, about 70 percent of Kazakh bank loans were directly or indirectly connected to the construction sector, a credit boom and rising real estate prices created the risk of a housing market bubble bursting (as happened in Japan during the 1990s and in the United States in 2008). Heavy intervention by the National Bank of Kazakhstan through injections of liquidity removed that possibility in 2007. However, the economic crisis revealed the unsustainability of the non-oil sectors as the engine of economic growth and showed that in reality, the oil industry was the main engine of growth and financial security, generating phenomenally large revenues for the Kazakh government to use to bail out the Kazakh banks. In late 2008, the forecast for Kazakhstan's GDP growth for the entire year was 5.0 percent, with a modest increase to 6.3 percent expected in 2009 (ibid.). These are much lower rates than in recent years and are below earlier expectations, the result of uncertainty about the Kazakh non-oil sector and oil prices' fluctuations between about \$150 and \$40 a barrel in 2008.

In the case of Kyrgyzstan, services, construction, and manufacturing were the engine of growth in 2007, securing a GDP growth of 8.2 percent (ADB 2008h). The service sector (mainly trade and tourism and its subsectors, especially communications) expanded by 12.4 percent, accounting for about two-thirds of GDP growth (ibid.). Responsible for about one-quarter of GDP growth, the industry sector (excluding gold) and construction grew by 12.5 percent and 20.2 percent, respectively, while the agriculture sector expanded at 1.5 percent (ibid.). Predictably, in the absence of official statistics in early 2009, Kyrgyzstan's economic growth for 2008 should be significantly less than 8 percent, to be repeated in 2009 for various reasons, including the country's political instability only four years after the Yellow (Tulip) Revolution of 2005, its expected weaker exports, and slower capital and remittance inflows and investment activity, because many of its trading partners are experiencing an economic decline.

Tajikistan experienced an economic growth rate of 7.8 percent in 2007 (ADB 2008g)—much lower than its average two-digit GDP growth rates of 2000–2004—as the result of electricity shortages, the high energy costs of its imported oil and gas, and the weak performance of an agriculture heavily focused on cotton. Light manufacturing and services advanced Tajikistan's economy in that year, based mainly on cotton and aluminum exports, both of which failed to grow significantly: that is, by only 4 percent and 1.5 percent, respectively. Rapid expansion in other sectors helped the Tajik economy grow significantly. Accordingly, the industrial sector nearly doubled its growth rate to 9.9 percent, the noncotton sectors of agriculture grew 6.5 percent,

from 5.4 percent in 2006, and the service sectors—trade, construction, and finance—experienced 8.0 percent growth. In light of high oil and gas prices throughout 2008 and an expected continuation of this in 2009 (although with oil prices much lower on average than those of 2008), and the unlikely significant increase in cotton production and exports, Tajikistan is unlikely to have significantly better economic performance in 2008 than in 2007 and will unlikely experience such performance in 2009 unless it significantly increases its cotton production and exports, and fuel prices plummet drastically. Tajikistan's economy is expected to have expanded about 8 percent in 2008, according to data available in early 2009 (*ibid.*).

Turkmenistan's GDP growth in 2007 is estimated at about 10 percent (ADB 2008e), around 11 percent (IMF 2008), or nearly 20 percent (according to the Turkmen government), although in late 2008 the Asian Development Bank challenged the last figure as highly exaggerated (ADB 2008g). In 2007, Turkmenistan's main economic stimulus was the energy (gas and oil) sector, having experienced an estimated growth rate of 6.8 percent and an increase in gas exports that benefited from higher export prices even as the non-hydrocarbon sectors repeated their 2006 growth rate of 11.0 percent (*ibid.*). Cotton, the dominant agricultural crop and a major export product, failed to meet the Turkmen government's targeted production level, but construction remained a major economic activity owing to government spending on public sector projects. Because the value of Turkmenistan's exports exceeded that of its imports, as in most years since 2000, that country registered a large surplus of \$3.9 billion. Unlike the other main regional energy exporter (Kazakhstan), Turkmenistan does not suffer from a high foreign debt burden. Lacking any reliable economic statistics regarding 2008, in early 2009 there are grounds to suggest that it probably experienced a two-digit growth rate in 2008 and will likely have the same performance in 2009, in light of its growing oil and gas industry and the fact that its gas exports, in particular, are now also targeting the Chinese market.

Uzbekistan's economy grew by 9.5 percent in 2007 (ADB 2008c). It could actually perform in a more sustainable manner than other regional countries, because it is comparatively more diversified. The energy industry led Uzbekistan's economic growth in 2007 (10.1% growth rate), for which a significant hike in oil and gas prices was responsible. Benefiting from higher gas production, Uzbekistan boosted its gas export volumes by about 8 percent and secured a 40 percent increase in the export price. Industry and services were the major contributors to economic growth, expanding by 12.1 percent and 26.6 percent, respectively. Output of the auto industry climbed by 27 percent as a result of exports to Russia and other CIS countries. Uzbekistan's agriculture grew by 6.1 percent owing to the high world prices for cotton, rising grain harvests, and greater productivity springing from the privatization of agricultural cooperatives (*ibid.*). The Uzbek economy will likely grow significantly in 2009, in the range of 7 to 8 percent, for oil, gas, and cotton prices are expected to be high or at least higher than those in 2007, and the industrial sector, including the auto industry, will probably continue to grow. In the absence of supporting statistics in early 2009, Uzbekistan's economic performance in 2008 is estimated to be in the same range; many of the mentioned positive factors for 2009 were also true in 2008.

### Political Constraints

Politics are a major internal factor slowing the Central Asian transition. The Soviet Union's fall changed the circumstances on which the totalitarian Soviet system was based. The new reality resulted in a less controlled and, only in this sense, a more democratic political system in the Central Asian countries. Their ruling elites, all of whom are ex-Soviet leaders turned nationalists, have a vested interest in preserving many aspects of the Soviet system, including a strong central government controlling all major aspects of life. Independence initiated a process of transition, but the Central Asian authoritarian regimes have been inappropriate vehicles for political, economic, and social reform, which require an ending of the transitional period and the building of fully functional and economically, politically, and socially viable countries. In addition to the other mentioned factors, those regimes have been a major cause of the failed transition, prolonging many transitional problems affecting human security, such as a prevailing income insecurity.

The Central Asian elites have two related reasons for opting for authoritarianism. Such a political system is well within their political thinking and experience as Soviet-trained elites. It is also needed to preserve the status quo and their power, because the breakdown of the Soviet system opened the way for the rise of dissent. In view of the growing dissatisfaction among the Central Asians caused by the political, economic, and social agonies of this seemingly never-ending transition, the realistic possibility of mass political movements challenging the elites' authority can only be prevented, delayed, or dealt with through suppression by strong authoritarian regimes. It is not a secret that although all the Central Asian leaders except the late Turkmen president Saparmurad Niyazov and his successor, Gurbanguly Berdimuhammedov, advocate democracy and the rule of law, they do not practice what they preach. Such practice would release forces of dissent, which practically no one could contain when the elites were unable to meet people's economic demands: a scenario proven by the Gorbachev political reforms, which facilitated the Soviet Union's fall. Hence, authoritarianism is both a reason for failed transition and a reaction to it. If it works properly, this type of regime ensures the continuity of the elites' rule in the post-Soviet era, when their authority could be challenged by dissatisfied people and their political leaders.

### EXTERNAL FACTORS

External factors, of which two are major, have also contributed to the failed transition. As discussed earlier, the major Western economies (governments, the private sector, and such Western-dominated international institutions as the World Bank and the International Monetary Fund) have been reluctant to help the Central Asians financially, apart from major investments in their energy sectors, even as they have poured money into the former Communist states of Eastern Europe. Lack of adequate financial means has been a main—if not *the* main—factor responsible for the failed transition. For example, in 1997 the amount of assistance provided to Kazakhstan (\$131 million), Kyrgyzstan (\$240 million), Tajikistan (\$101 million), Turkmenistan

(\$11 million), and Uzbekistan (\$130 million) was significantly lower than that provided to Poland (\$641 million), which was in a far better economic situation (UNDP 1999, 193–194). In 2003, the last year for which data exists, the same pattern prevailed. Hence, even as Poland received \$1,191.5 million, the Central Asian countries received much less, despite their continued economic problems: Kazakhstan received \$268.4 million, Kyrgyzstan \$197.7 million, Tajikistan \$144.1 million, Turkmenistan \$27.2 million, and Uzbekistan \$194.4 million (UNDP 2005, 281). In pursuit of their national interest, the Western countries in general and the U.S.-led coalition of countries in particular have indirectly damaged the transition by backing the Central Asian countries on their side, because of the preventive role played by authoritarianism in the transition process as mentioned before.

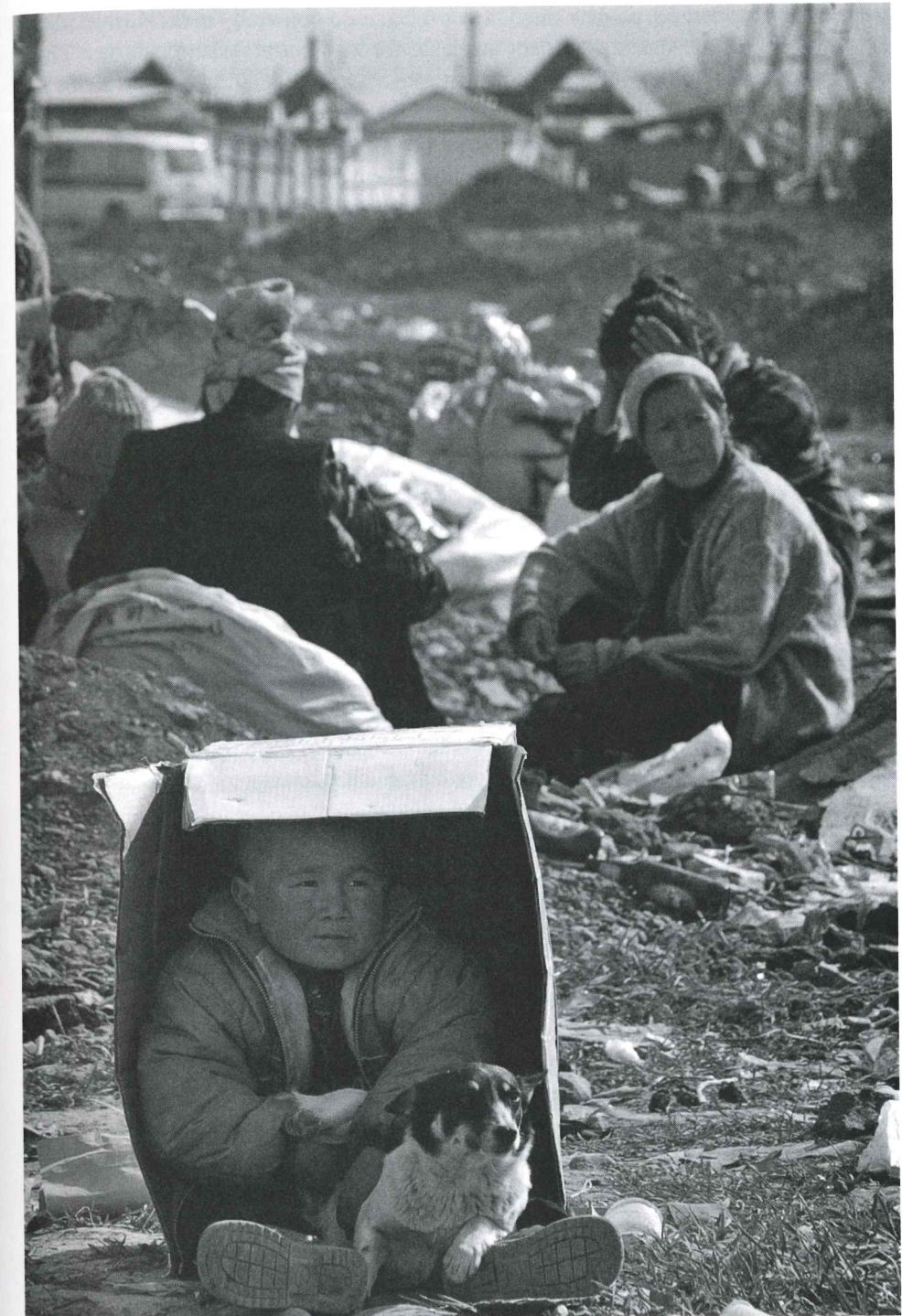
### MAJOR EXPANDING SOCIAL AND ECONOMIC PROBLEMS AFFECTING HUMAN SECURITY

The failed transition in Central Asia has manifested itself in such various areas such as the social and the economic. Consequently, all the regional countries face many social and economic problems, although the extent varies from country to country. Thanks to the persistence of various factors, including those mentioned earlier, not only are such problems not disappearing, they have instead been deepening and expanding. In fact, 18 years after independence, they are now the main characteristics of the Central Asian transitional societies. These problems, which include poverty, unemployment, malnutrition, educational deficiencies, and drug abuse, will likely become permanent features should the current situation continue.

#### *Poverty and Unemployment*

Poverty has been a byproduct of the failed transition in Central Asia since independence. Unemployment, caused by the heavy loss of jobs as the result of the closure or subsequent low-level operation of state enterprises, has been a major contributor to poverty. Decreases in the income of the employed, significant increases in the prices of goods and services, and termination or scaling down of free or subsidized services have been other major contributors.

Many contradictory reports exist for unemployment rates. According to the United Nations Economic Commission for Europe (UNECE), the unemployment rates were very low in 2003, the latest year for which UNECE statistics are available: Kazakhstan had an unemployment rate of 1.8 percent, Kyrgyzstan 3 percent, Tajikistan 2.4 percent, Turkmenistan 3.6 percent, and Uzbekistan (in 2000, the only year for which the UNECE has statistics) 0.6 percent (UNECE 2005). However, ILO suggests much higher aggregate rates. Accordingly, the unemployment rate decreased in 2004 from “8.5 percent to 8.3 percent in Central and Eastern Europe and the CIS countries” (ILO 2005). The Asian Development Bank (ADB) also reports higher rates than UNECE does for some of the Central Asian countries in 2003 and 2004: Kazakhstan reported an 8.7 percent unemployment rate in 2003 (ADB 2004a, 2004b) and 8.4 percent in 2004 (ADB 2005).



*A boy sits inside a cardboard box at a town dump in Bishkek, Kyrgyzstan in March 2005. Government corruption has fueled poverty in Kyrgyzstan, one of the poorest former Soviet republics, where unemployment is high. (Viktor Drachev/AFP/Getty Images)*



Uzbekistan reported 3.1 percent officially or 6 percent unofficially in 2004 (*ibid.*, 184). For 2006 and 2007, statistics are not available for all Central Asian countries. Those available indicate significant unemployment rates: Kazakhstan 7.2 percent (2006) and 6.6 percent (2007) (ADB 2008a), Kyrgyzstan 8.3 percent (2006) (ADB 2008b), and Tajikistan 2.3 percent (2006) and 2.6 percent (2007) (ADB 2008c).

However, although the improved economic environment has certainly reduced unemployment from the two-digit rates of the early 1990s, a decline in unemployment rates does not necessarily mean prosperity or even a reduction in poverty. For example, many employed Central Asians from less prosperous countries pay a high social price for their employment, for they must leave their families behind in search of employment in more prosperous regional countries (e.g., Kazakhstan). As reported by the ADB in 2004, based on a recent study by the International Organization for Migration, it is estimated that about 1 million Tajiks, who account for about 15 percent of the Tajik population, live in households where the “main source of income is derived from a family member working abroad” (ADB 2004). Despite lack of statistics, this percentage is almost certainly even higher today (early 2009), as the booming Russian construction industry that offers better-paid jobs than those available in most of Central Asia is attracting many Central Asians, including those who have some type of employment in their home countries.

It should also be stressed that unemployment rates based on government statistics may well be unreliable. According to the ADB, because the Turkmen government, for instance, officially guarantees employment to every citizen, official unemployment rates do not exist. There are only statistics on registered job seekers, the official number of which was 57,000 (2.6 percent of the labor force) in 2003; the number of unemployed seems to be much higher but is kept unpublished, owing to “substantial hidden unemployment and underreporting” (*ibid.*).

Reports on the rapid expansion of prostitution confirm that the unemployment rate should be high in Turkmenistan. According to Tajigul Begmedova, head of the Turkmen Helsinki Foundation (THF), “There is an unprecedented situation in Turkmenistan when [some] husbands, fathers and brothers push their wives, daughters and sisters into illegal ways, including prostitution, because they don’t have a job and means to get by” (IRINnews.org, September 5, 2005).

Regardless of its cause, poverty in Central Asia has been a major problem affecting human security since 1991, reflecting the deep impact of transition on human security. The Central Asian governments are partly responsible for this phenomenon, apart from the economic constraints that limit their available resources to deal with poverty. However, to be fair, they have all sought to address it within their limits. Hence, compared to the 1990s, they have all made a significant progress in reducing at least the officially reported poverty because of their countries’ better economic performance that has created employment and income, improved living standards (which fell sharply upon independence), and higher spending on social welfare and poverty reduction programs, assisted by international donors to some extent. In 1997, for example, 51 percent of Kyrgyz were poor (UN 2005f), but this percentage dropped to 39 percent in 2004 (ADB 2005, 174). Similarly, in 1996, 34.6 percent of Kazakhs were poor (*ibid.*), compared to 15 percent in 2004 (ADB 2005, 170). In 1999, the poor constituted

**TABLE 10.** Prevalence of Poverty among the Central Asian Peoples (Percentage of Population)

	Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Uzbekistan
2003 <sup>a</sup>	19.8	41.0	64.0	n/a	26.2
2004 <sup>a</sup>	15.0	39.0	n/a	n/a	n/a
2000–2004 <sup>b</sup>	56.7	72.5	84.7	79.4	16.9

*Sources:* <sup>a</sup>Asian Development Bank (ADB), 2005, “Kazakhstan,” “Kyrgyzstan,” “Tajikistan,” “Turkmenistan,” “Uzbekistan,” Asian Development Outlook 2005, Manila: Asian Development Bank, 170, 171, 174, 182–184, [www.adb.org/Documents/Books/ADO/2005/ado2005-part2-ca.pdf](http://www.adb.org/Documents/Books/ADO/2005/ado2005-part2-ca.pdf) (accessed September 10, 2008); <sup>b</sup>United Nations Development Programme (UNDP), 2008, *Human Development Report 2007/2008*, New York: UNDP, 242, 270–271, [http://hdr.undp.org/en/media/HDR\\_20072008\\_EN\\_Complete.pdf](http://hdr.undp.org/en/media/HDR_20072008_EN_Complete.pdf) (accessed October 4, 2008).

82 percent of Tajikistan’s population, but only 64 percent in 2003 (*ibid.*, 177). Statistics are unavailable for 2008 and for 2004–2007. However, as shown in Table 10, the most recent available statistics for the period 2000–2004 indicate a phenomenal expansion of poverty in all the Central Asian countries except Uzbekistan, for which, although the nation still has a serious poverty problem, statistics indicate an improvement.

For Turkmenistan, there are no official statistics on poverty, but it, too, should have a high percentage of poor, if only because its income inequality seems to be the worst in Central Asia, as suggested by Turkmenistan’s National Institute of State Statistics in 2004 (ADB 2005, 182). Economic difficulties aside, a few major public service restructuring projects, resulting in major job losses for civil servants, have been a reason for poverty in a country where the state still dominates the economy in the absence of a strong private sector (*ibid.*). According to a 2005 report, the poverty rate could be as high as 44 percent, the reported percentage of Turkmen with a daily income of less than \$2 (UNOCHA 2005b).

In all Central Asian countries, there is a particularly large gap between rural and urban areas in terms of poverty. In Kyrgyzstan, for example, three-fourths of the poor population lives in the rural areas (ADB 2005, 174). Hence, improving living standards in rural areas is a major challenge in Central Asia, including Kazakhstan (*ibid.*, 170), the most prosperous regional country, having a booming energy industry.

Poverty is a blatant aspect of growing income inequality in Central Asia that is creating highly polarized countries, a recipe for social and political conflict and instability. The Central Asian countries are internally divided into two groups of the extremely rich and the poor or low-income, without the strong and growing middle class that is a necessity for social stability.

### Malnutrition

Malnutrition is another byproduct of the failed transition in Central Asia. On the one hand, the sudden economic collapse in 1991 and the end of Moscow’s transfers in cash and kind denied means to the Central Asian governments to continue many social

**TABLE 11.** Nutrition, Undernourished as Percentage of Total Population (FAO Estimates 1994 and 2001 and UNDP estimates 2002–2004)

	1994*	2001†	2002–2004
Kazakhstan	1	13	6
Kyrgyzstan	21	6	4
Tajikistan	21	61	56
Turkmenistan	13	9	7
Uzbekistan	8	26	25

\*1993–1995 average. †2000–2002 average.

Sources: United Nations, 2008, “Commonwealth of Independent States: Nutrition, Undernourished As Percentage of Total Population (FAO Estimate),” New York: UN Statistics Division, Department of Economic and Social Affairs, [http://unstats.un.org/unsd/mi/mi\\_series\\_results.asp?rowID=566&fID=r15&cgID=172](http://unstats.un.org/unsd/mi/mi_series_results.asp?rowID=566&fID=r15&cgID=172) (accessed September 8, 2008); United Nations Development Programme (UNDP), 2008, *Human Development Report 2007/2008*, New York: UNDP, 252–253, [http://hdr.undp.org/en/media/HDR\\_20072008\\_EN\\_Complete.pdf](http://hdr.undp.org/en/media/HDR_20072008_EN_Complete.pdf) (accessed October 4, 2008).

welfare projects, including various food programs for children and generous subsidies for essential food items to make them affordable for all their citizens. On the other hand, a sudden sharp decrease in incomes and skyrocketing prices denied means to the Central Asians to compensate for their governments’ inability to provide for their basic needs, including food. The result was the sudden expansion of malnutrition, which has continued to this date. Various factors, including economic improvements, have helped address this problem to varying extents. The available statistics (Tables 11 and 12) indicate the prevalence of this phenomenon in those countries in the 1990s, and show their achievements and failures in dealing with it.

**TABLE 12.** Nutrition, Undernourished, Number of People (FAO Estimates)

	1994*	2001†	2002–2004‡
Kazakhstan	171,273	200,907	840,000
Kyrgyzstan	929,868	287,885	204,000
Tajikistan	1,208,553	3,726,053	3,548,000
Turkmenistan	54,848	40,280	329,000
Uzbekistan	1,744,412	6,585,234	6,450,000

\*1993–1995 average. †2000–2002 average. ‡Calculated by the author using Table 11’s 2000–2004 statistics and Table 5’s population statistics for 2003.

Source: United Nations, 2008, “Commonwealth of Independent States: Nutrition, Undernourished, Number of People (FAO Estimate),” New York: UN Statistics Division, Department of Economic and Social Affairs, [http://unstats.un.org/unsd/mi/mi\\_series\\_results.asp?rowID=640&fID=r15&cgID=172](http://unstats.un.org/unsd/mi/mi_series_results.asp?rowID=640&fID=r15&cgID=172) (accessed September 8, 2008).

**TABLE 13.** Net Primary Enrollment Rate (Percent)

	1990–1991 <sup>a</sup>	2002–2003 <sup>a</sup>	2005 <sup>b</sup>
Kazakhstan	88	92	91
Kyrgyzstan	92	89	87
Tajikistan	77	94	97
Turkmenistan	n/a	n/a	n/a
Uzbekistan	78	n/a	n/a

Sources: <sup>a</sup>United Nations Development Programme (UNDP), 2005, *Human Development Report 2005*, New York: UNDP, 230, [http://hdr.undp.org/reports/global/2005/pdf/HDR05\\_HDI.pdf](http://hdr.undp.org/reports/global/2005/pdf/HDR05_HDI.pdf) (accessed September 1, 2008); <sup>b</sup>United Nations Development Programme (UNDP), 2008, *Human Development Report 2007/2008*, New York: UNDP, 270–271, [http://hdr.undp.org/en/media/HDR\\_20072008\\_EN\\_Complete.pdf](http://hdr.undp.org/en/media/HDR_20072008_EN_Complete.pdf) (accessed October 4, 2008).

### Educational Deficiencies

The educational system has also suffered from the transitional period. In part, this has been reflected in certain quantitative indicators, such as a decrease in the primary enrollment rate in Kyrgyzstan from 92 percent of eligible children in 1990–1991 to 87 percent in 2005 (UNDP 2005, 260). However, at least statistically, this has not been the case in two other Central Asian countries, Kazakhstan and Tajikistan, for which comparable statistics are available. Rather, they show clear progress in this regard (Table 13). Another set of comparable statistics covering the period 1998–2005 indicates noticeable fluctuations in enrollment rates in Kazakhstan and Tajikistan (Table 14). Compared to Table 13, its statistics suggest a significant increase in enrollment in Tajikistan. The enrollment rate of Uzbekistan, 101 percent for 2001, compared to 78 percent for 1990–1991 (Table 14), suggests a great leap forward.

**TABLE 14.** Education, Primary Completion Rate, Both Sexes (UNESCO)

	1998	1999	2000	2001	2005
Kazakhstan	91*	89*	90	92	114
Kyrgyzstan	98	97	96	97	97
Tajikistan	98	99	103	105	102
Turkmenistan	n/a	n/a	n/a	n/a	n/a
Uzbekistan	n/a	n/a	n/a	101*	97†

\*UNESCO Institute for Statistics (UIS) estimate. †2004 data.

Sources: United Nations, 2008, “Commonwealth of Independent States: Education Primary Completion Rate, Both Sexes (UNESCO),” New York: UN Statistics Division, Department of Economic and Social Affairs, [http://unstats.un.org/unsd/mi/mi\\_series\\_results.asp?rowID=743&fID=r15&cgID=172](http://unstats.un.org/unsd/mi/mi_series_results.asp?rowID=743&fID=r15&cgID=172) (accessed September 4, 2008); United Nations Common Database (UNCDB), 2008, “Primary Completion Rate, Both Sexes” (May 15), <http://data.un.org/Data.aspx?q=Primary+Completion+Rate&d=MDG&f=seriesRowID%3a743> (accessed October 4, 2008).

The statistical nature of this positive phenomenon must be stressed, since enrollment is not equal to the actual attendance of students. In Tajikistan, for instance, where surveys have been conducted on school attendance, factors such as poverty and lack of proper facilities result in low school attendance (ADB 2005, 177).

Hence, the deficiencies of the educational system have been partly, perhaps more importantly, manifested in a decrease in the quality of education, for which various factors have been responsible. These include, as is the case in all other Central Asian sectors, limited resources available for proper operation of educational institutions, both in terms of essential nonhuman requirements (e.g., classrooms, electricity, fuel, educational material, computers) and human resources (adequate numbers of qualified and committed teaching staff). In Tajikistan, where income inequality is worse than in any other Central Asian country, according to a 2005 ADB report, inadequate funding for schools has resulted in a severe shortage of teachers; many have left their low-paid teaching positions for better-paid jobs (ibid.). Needless to say, this shortage has had a major negative impact on the quality of education Tajik students receive.

An issue of concern has been the re-emergence of gender discrimination in education, a reflection of this alarming phenomenon in the wider Central Asian society. It was observed as a surfacing phenomenon in the 1990s. Reportedly, some parents, but not educational authorities, showed a preference for male education while denying female children the same right. The absence of statistics on all Central Asian countries in this regard makes any generalization based on the available statistics inappropriate. However, a significant decline in primary-level enrollment of girls in Kyrgyzstan (from 92.2 percent of eligible children in 1990 to 84.4 percent in 2001) even as the rate of enrollment for eligible boys for the same years remained almost the same (92.5 percent and 91.7 percent, respectively), suggests gender preference for education as a likely factor (Tables 15 and 16). In the absence of comparable data

TABLE 15. Education Enrollment Ratio, Primary Level, Girls (UNESCO)

	1990	1998	1999	2000	2001	2005
Kazakhstan	87.2*	83.5*	84.5*	86.6	89.0	90.0
Kyrgyzstan	92.2*	90.0†	88.7	88.3	88.4	86.0
Tajikistan	75.9*	94.3*	n/a	n/a	n/a	96.0
Turkmenistan	n/a	n/a	n/a	n/a	n/a	n/a
Uzbekistan	77.7*	n/a	n/a	n/a	n/a	n/a

\*UNESCO Institute for Statistics (UIS) estimate. †National estimate.

Sources: United Nations, "Commonwealth of Independent States: Education Enrollment Ratio, Net, Primary Level, Girls (UNESCO)," New York: UN Statistics Division, Department of Economic and Social Affairs, [http://unstats.un.org/unsd/mi/mi\\_series\\_results.asp?rowID=634&fID=r15&cgID=172](http://unstats.un.org/unsd/mi/mi_series_results.asp?rowID=634&fID=r15&cgID=172) (accessed September 4, 2008); United Nations Development Programme (UNDP), 2008, *Human Development Report 2007/2008*, New York: UNDP, 335–336, [http://hdr.undp.org/en/media/HDR\\_20072008\\_EN\\_Complete.pdf](http://hdr.undp.org/en/media/HDR_20072008_EN_Complete.pdf) (accessed October 4, 2008).

TABLE 16. Education Enrollment Ratio, Primary Level, Boys (UNESCO)

	1990	1998	1999	2000	2001	2005
Kazakhstan	88.0*	83.4*	84.1*	87.5	90.0	n/a
Kyrgyzstan	92.5*	92.0†	91.1	91.5	91.7	n/a
Tajikistan	77.5*	100.0*	n/a	n/a	n/a	n/a
Turkmenistan	80.3*	72.1	n/a	n/a	87.6*	n/a
Uzbekistan	78.7*	n/a	n/a	n/a	n/a	n/a

\*UNESCO Institute for Statistics (UIS) estimate. †National estimate.

Sources: United Nations, "Commonwealth of Independent States: Education Enrollment Ratio, Net, Primary Level, Boys (UNESCO)," New York: UN Statistics Division, Department of Economic and Social Affairs, [http://unstats.un.org/unsd/mi/mi\\_series\\_results.asp?rowID=633&fID=r15&cgID=172](http://unstats.un.org/unsd/mi/mi_series_results.asp?rowID=633&fID=r15&cgID=172) (accessed September 4, 2008); United Nations Development Programme (UNDP), 2008, *Human Development Report 2007/2008*, New York: UNDP, 335–336, [http://hdr.undp.org/en/media/HDR\\_20072008\\_EN\\_Complete.pdf](http://hdr.undp.org/en/media/HDR_20072008_EN_Complete.pdf) (accessed October 4, 2008).

for boys in 2005, an increase in enrollment of girls to 86 percent in 2005 cannot be interpreted positively or negatively.

### Drug Abuse

Drug addiction has been increasing in Central Asia since 1991. Neighboring Afghanistan is the largest producer of opium, from which other narcotics—heroin and morphine—are extracted. That country also produces milder drugs, such as hashish. Estimates for 2004 suggest the production of 4,850 tons of opium, accounting for 87 percent of the world's production (UNODC 2005, 34). In August 2008, the United Nations Office on Drugs and Crimes (UNODC) estimated the 2008 production to be 7,700 tons (UNODC 2008, 1). Inability to secure borders with Afghanistan has enabled the international drug traffickers based in Afghanistan to flood Central Asian markets with inexpensive drugs on their way to Europe via the CIS countries. Various social and economic problems caused by the seemingly endless transition (dysfunctional families, poverty, unemployment, low-income, lack of opportunities, etc.) have created suitable ground for the rapid expansion of drug trafficking and drug addiction. Drug addiction is growing especially rapidly among the region's youth and women. As stated by the UNODC, drug use starts at "a very early age" (ibid.). Its rapid expansion among women is demonstrated in an estimate that suggests women account for about 30 percent of drug users in Dushanbe (Esfandiari 2004).

Accurate official statistics are unavailable on drug addiction, which is mainly addiction to heroin, the most common drug in Central Asia. According to James Callahan, the UNODC regional director, "the situation is continuing to deteriorate or get worse again because of the increasing traffic from Afghanistan" (ibid.). His organization estimates that drug addicts account for 1 percent of the Central Asian

population (about 560,000, based on 2002 population statistics) and suggests a 17-fold increase in opiate abuse between 1990 and 2002 (Buckley 2005). Other estimates are close to this. A 2004 estimate, for example, suggests the number of addicts to be 100,000 in Kyrgyzstan, 55,000 in Tajikistan, and between 65,000 and 91,000 in Uzbekistan; a 2002 estimate suggests 186,000 for Kazakhstan (Esfandiari 2004). No statistics exist for Turkmenistan. However, it seems that country is following the regional trend, as suggested in 2005 by Tajigul Begmedova, head of the Turkmen Helsinki Foundation (THF). Accordingly, drug addiction is on the rise in Turkmenistan based on THF's recent informal survey of the residents of Ashgabad and other parts of that country (UNOCHA 2005a). As evident in the available statistics, and they are mainly conservative estimations, the number of drug addicts is on the rise. For instance, in January 2009, Tajikistan is estimated to have at least between 55,000 and 75,000 addicts (UNOCHA 2007).

Apart from obvious health hazard of drug addiction, the extensive use of morphine, the injectable version of heroin, has contributed to a rapid expansion of HIV/AIDS in Central Asia. Furthermore, this phenomenon has contributed to such social problems as expanding prostitution. In Tajikistan, for example, some female addicts become prostitutes to earn money to buy drugs, according to Murtazokul Khidirov, the director of RAN, an NGO helping drug addicts in Dushanbe (Esfandiari 2004).

There is no realistic hope for a significant decrease in Afghanistan's growing production of narcotics and the Afghan-based international drug trafficking, as indicated by UNODC's report of a 64 percent increase in opium cultivation in Afghanistan in 2004 from the 2003 level (UNIS 2004). The mentioned figure for 2008 reflects yet another major increase—63 percent compared to 2004. Against this background, the persistence of all types of social and economic ills in Central Asia suggests the continuity and expansion of drug trafficking and addiction in that region.

## CONCLUSION

Despite some achievements, the Central Asian countries have basically failed to conclude their political, economic, and social transition 18 years after gaining independence. In early 2009, the Central Asians are suffering from the consequences of their failed economic transition, which in turn prevent their economic and social development and prosperity. In particular, economic and social difficulties have seriously damaged human security in Central Asia, affecting the majority of the Central Asians in a variety of forms, although its extent varies among countries. The resulting social problems negatively impact both the regional countries' economic development and—of course—political stability. In particular, the persistence of various social and economic difficulties is polarizing the Central Asian societies by dividing them between two extremes of wealth and severe poverty. Rooted in the poor performance of the Central Asian economies that characterizes their failed transition, expanding social discontent has contributed to political fragility—a recipe for disaster, for such fragility could lead to the rise and expansion of various types of instability in their respective countries.

Should the transitional failure continue, there are grounds to fear that such upheavals as the Yellow Revolution and the Andijan incident will become the rule, not the exception.

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