Tajikistan’s Difficult Development Path

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JAMES COLLINS: Let me welcome all of you. I’m Jim Collins. I pretend to run the Russia-Eurasia Program here at the Carnegie Endowment, but of course it’s really all those who work with me who do the work. And I’m very pleased today that we’re again assembled to look at a book that comes from one of our foremost scholars and really one of the foremost scholars on the topic she covers, which is Central Asia and its development and the region around it.

So Martha Olcott has been a friend for a long time – (laughter) –but I must say she has a well-deserved reputation as being one of the more thoughtful people to write and do research on the countries of Central Asia. This is sort of the second book that she has completed and has appeared recently. The first one, which came a few months ago, called “In the Whirlwind of Jihad,” is about Uzbekistan and Islam in Uzbekistan, and at least that’s its main focus. And I would only tell you that it’s one of the few works where I have been in Kyrgyzstan, Uzbekistan, Moscow and this country and only heard positive and actually really very positive comments about the scholarship and the depth of analysis that it brought to the subject, that it is a unique work.

And I think it’s fair to say that in this book that we’re talking about today, we approach a subject that doesn’t get very much attention, frankly, unless it sort of appears in some ghastly headline or, you know, we’ve had some horrendous event that forces it on to the newspapers and then the attention of people in Washington. But it is in some ways a kind of forgotten country of Central Asia, in many ways, and it should not be, because it occupies a very central place and a very central role. And so I think all will be very much indebted to Martha’s work in taking a long-term and long-view perspective look at the country of Tajikistan, where it’s come from, how it’s doing and where it’s going. And it’s a very well-researched book. It’s thorough, and Martha will be giving you some of her main points and conclusions about it.

And with us to join the event today is Johannes Linn, who’s a resident senior scholar at the Emerging Markets Forum here in Washington. Johannes has worked in any number of ways on Central Asia, I happen to know, and I know he has worked with Martha in many ways. He is, in some sense, a kind of godfather to the book, is what I understand, in the sense that he read it for Martha and he worked on it. But what he’ll do for us today is to provide some comments and thoughts about the book and about the work that Martha has done and the substance of the topic.

And so without any further sense of introduction, I’m going to pass the microphone to Martha, who has both some slides and some comments, and then we’ll turn to Johannes to give his thoughts about it, and then we’ll open it up for discussions. So Martha, the floor is yours.

MARTHA OLCOTT: (Laughs.) (Inaudible.)

First I’ll tell you a little bit about the book, and then I just want to take you through the chapters. I want to introduce you to the book. I am enormously grateful to Johannes for going through this book twice, for reading it as one of our two readers and providing enormous comments – I mean, many, many comments. And whatever flaws in the book still are my fault, but the book really improved a great deal by virtue of the careful reading that he gave to it.
He has throughout felt that I was too negative, and that’s why I invited him to come talk – (laughs) – so he can give a more positive pitch to it. That’s the first thing. The second thing is the book wouldn’t have been possible with the help of lots of other people. This is the most data-intensive book I’ve ever published, and I couldn’t have done it without several assistants and junior fellows over the last three years who put enormous amount of time. They’re all thanked by name. None of them are in the room right now or I would point them out to you. (Laughs.) But this work really does expand beyond my data capacities. And as you see, it’s – I don’t remember if it’s 50 charts or 100 charts and tables – some of them are properly – they’re all properly sourced if we took them from someplace, but as you will see from looking at them, many of them are charts we’ve designed ourselves here. And so it really was an enormous effort on the part of many, many people to get this book out.

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I should also thank, for any of you that know her, Saodat Olimova, who has also read the book twice. She was the second reader. She’s from Dushanbe, and she and her husband run an independent research institute called Shark. The – she’s – I mean, she proved – we actually found mistakes, she provided data – (laughs) – you know, so she is thanked throughout the book. She is cited throughout the book for material she helped provide. She’s also a reader on the Russian text; this book will be published in Moscow by Hermitage Press in January. They already have the text for it.

The Uzbek book is appearing on the al-Farabi Carnegie website chapter-by-chapter in Russian. We have a Russian text of that as well, a beautiful translation which we will eventually find a publisher for, but it will be accessible on the Web. So tell people that don’t want to fuss with the English and prefer reading the Russian, they should do that.

As part of some grant support that Carnegie had, I agreed to write a book on Tajikistan. And originally, the topic was going to be smaller – (laughs) – I mean – and it just kept growing, because I felt that we couldn’t – actually, I was going to write about infrastructure and energy, and I felt that in order to do a book properly, I really had to focus on all of political economy.

There’s not very much on politics in the book; there’s a chapter on it. Politics is, of course – I explain the decisions that were made, so there’s politics throughout, but I don’t really focus on the political system except in one chapter. I mean, we have slides from each chapter, and I’ll go through that. I also don’t focus on the civil war, because there’s a lot written on that even though, of course, I deal with the implications of the civil war, especially for the economy. I’m less concerned about – for politics.

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While the book is exclusively on Tajikistan, I think that the book is very useful for people that study Kyrgyzstan as well, because it – many of the problems that I identify in Tajikistan are also clearly problems with Kyrgyzstan as well; the developmental challenges posed in both places are similar. The solutions taken are somewhat different, but the models applied are also similar, at least the international development models. So although the book was not – at one point, I thought about doing, like, both together and I said no, I would never satisfy the leadership here on a
submission date if I tried that. I think, down the road, at some point, I might try to do something short that looks at the two together in some way.

I’ve been going to Tajikistan – I made my first trip there in – I think it was 1984; it might have been 1983. I just can’t remember. I traveled for doing this book. I’ve made several trips since, but for doing the book, starting about four years ago, I made 10 to 12 trips. I went everywhere in the country in a car except to Murghab, so that’s the only part that I didn’t physically go to and that I didn’t go by car, because the – one of the engineers who was working with us on a renewable energy project we were doing there is a mountaineer, and he said, you just have to give up like, two or three days to acclimatize to the height. I just didn’t have the time for acclimatization.

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But we did get to Jirgatol near the Kyrgyz border, and we did go – and with various assistants, including Marina Barnet, who’s not an assistant, but our manager. She did a lot of this over-the-land travel with me. We spent four days in Khorugh; we went by car. We really did – another assistant who is not here today went on the Tashkent-Dushanbe car trip with stomach flu – (laugh) – so it was a particularly memorable trip.

We’ve crossed in many of the Tajik borders. So yes – so this is based on a lot of fieldwork. And then I interviewed people who had done a lot of agricultural field work, people at Michigan State who have been doing agriculture studies on the ground on natural fertilizers.

So what I tried to do in the book was introduce a sense of how these policies look applied. I also had a small renewable energy project. We tried to put a community – we put a small community center with solar panels in a school at one point, having handled – gotten a small charitable donation to do it. So that gave me a really great experience – (laughs) – into the bureaucratic challenges of working in Tajikistan. We also, at that point, got to interview everybody else who had done education projects in the country, and we learned a lot about the incompleteness about projects, how pilot projects were dropped, I mean, the follow-through. So it really was a very hands-on kind of experience.

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When Johannes challenged me about what I would do different, I have to say, I couldn’t – you know, the book is more critical than offering an alternative view of how you do it. I mean, I will as I go through explain a few places where I probably would have done things differently, but in the end, as I say in the conclusion of the book, in many ways, Tajikistan is a perfect storm, that it – it has, as I’ll go through, a lot of – I didn’t – as it’s clear for anybody who’s read the book, you know, I didn’t think it had a leadership in terms of having the optimal people in place to decide all these problems. But at the same time, the country that was inherited what I will – I mean, I’ll go into the slides now – what I really believe is not a country that can ever be made economically sustainable.

I mean, it is a hunk of the former Soviet Union, and it was never an – you know, the population inherited by this hunk of the Soviet Union existed in large part because of Soviet policy, the – I’m talking about the size of the population. So the demography of Tajikistan is the product of Soviet demographic policy of the 1970s and early 1980s, which is why the population is so high.
So, it’s like, if it – if Tajikistan had been independent from the – you know, from 1918 on, this hunk of land, you would not have had the population of this size, I feel very strongly. But that’s – you know, that’s my view and some other demographers from Tajikistan, OK?

So these are – the first chapter introduces a country at risk – I mean, that’s the chapter name – and as you see that since the end of the civil war, you know, there has been from 2001 on steady increase in the GDP. They have had positive GDP growth until the world crisis in 2009, and GDP per capita – and growth per capita again dropping off. I mean, all the statistics are in the book for anybody who’s going to want to see it, and we’ll put some of the charts on the Web – obviously, not the whole thing; this is World Bank data.

What Tajikistan, I feel, suffered from was a double catastrophe: the catastrophe of the collapse of the Soviet Union, which disrupted its production and its supply chains, of course, and then the civil war, which started in 1992, lasted a year as a full civil war, and then, until 1997, there was no peace in the country. And so productivity in that period – the international community – international development agencies didn’t really get in fully – into the community until 1998.

And as – OK, so that’s the first chart, and the first chapter deals with it. It deals at length with the theses from the rest of the book, you know, the problems that Tajikistan has, which I’ll go through fairly fast now.

Politics and religion – the second chapter looks at the – gives an overview of Tajikistan’s political system and the political reforms and lack of political reforms that have occurred in the past, from the time Rahmon took power. I mean, one of the points that I argue in the book that I think I’ve argued in other places before is that because Rahmon doesn’t consolidate his power until 1997 – he comes in in 1992 – that Tajikistan’s political evolution is about five years behind – (laughs) – other people’s. So his period of consolidation of his political power begins in the early 2000s and becomes more pronounced after about 2005, 2006.

So 1998 till – you know, from 1997, when they had the agreement of national reconciliation – Tajikistan is the only country that has Islamic – an Islamic party, a legal religious party. It had opposition fairly well-represented in the first parliament after the national reconciliation, but with each subsequent parliament, it’s gotten tighter and tighter.

So what you see is the same curve. The decision-making pattern is elsewhere in the region. You just see they were more liberal than some states in this period, 1997, ’98, ’99, but then they began the same centralization of power. So it’s come later there, and of course, the policies on religion come substantially later. But – and I talk about that in this chapter, and I’d happily talk about it in questions – his politics towards religion, I mean he has become more – I think repression is probably the wrong word, but he’s – religion has become increasingly more state-directed in the last several years, with him trying to advocate Hanafi Islam as the official faith of the Tajiks, as the true national faith of the Tajiks.
But the religious establishment that he – the religious – and it’s not even just an establishment – the religious landscape, Islamic landscape, that he’s working in is very different from the other central Asian countries, because they’ve had so – Islam has had so much greater a public role in Tajikistan over the past 20 years than anywhere else, which makes his policies towards religion more problematic than almost anybody else’s, because he’s dealing with a very different religious establishment. When I say that I don’t know if repression is the right term, I’m only talking about in the Islamic community; his policies to non-Islamic minorities are as strict as anybody else, I mean, and that – I think it’s fair to say, by our standards, it’s certainly repressive all the way through the regions to Christian minorities and such.

The one thing that I’d like to draw your attention to from this chapter is really the degree to which Tajikistan has become increasingly mono-ethnic over the last 20 years, and that’s something – looking for something new that – you know, to make mention of, that’s something that people don’t often talk about to the same degree. Tajikistan has lost virtually all its Russian population. It’s a very tiny Russian population left, and actually – and I think this is really important, that the white-collar drain from Tajikistan has been very acute. People who left during the civil war didn’t come back.

So for many years, I thought some of my friends were dead because I knew them from Tajikistan before and I knew they weren’t there anymore, and they were in Russia and never came back, and one is in Seattle. I mean, it’s like, you didn’t have this same process of return. Everybody that I know in Tajikistan now lived through the civil war there. You know, I’m sure there are exceptions, but it was an experience that if it didn’t drive you out, you tended to stay. But most Russians left, and Russians that stayed left afterwards when they could get out.

Tajikistan doesn’t – there are lots of Tajiks, actually, that are dual Russian citizens, because you can buy Russian citizenship illegally but very openly for a certain price, or at least you had been able to till last year. So – I haven’t checked since I checked at the time in the book. But the thing that I want to draw your attention to on this chart is really the Central Asian Turks – (laughs) – which include Uzbeks. I mean, there is no Uzbek designation on this chart. This is from the Tajik census of 2000.

So, if you note, the first category is Tajiks; the second category is Central Asian Turks; the third category is Russian and Kyrgyz. So ethnic Uzbeks don’t appear anywhere on – anywhere on this chart. (Laughs.) But the number of Central Asian Turks – (laughs) – which presumably includes Uzbeks, has declined dramatically, and this, I don’t think, is out-migration. This is largely ethnic re-identification of people who were Uzbeks who could list themselves as Tajiks. So, yes, some Uzbeks left, but this is really – you couldn’t really leave unless you had registration in Uzbekistan. I mean, Dushanbe is only 60 kilometers from Surkhandarya in Uzbekistan.
So people that had – you know, that had registration in Dushanbe but had homes in Surkhandarya, yes, this figure records some of that loss of population because they chose to live – they went to Uzbekistan at the time of the civil war and they didn’t come back. But it was very hard for people to do that if they didn’t have registration of some sort in Uzbekistan, if they weren’t people who had two homes or two addresses, which was much more common in Central Asia than one would think, you know, because people did – people from mixed marriages kept registration if they could, you know – mixed marriages – (inaudible) – ethnic and people who married somebody from a – met in Moscow and married somebody from a neighboring republic. Those people held the registrations if they could.

OK, so that’s the second chapter. OK, problem of reform. Now – I mean, here I argue – this whole chapter has to do with corruption, and there was problems – problems is too strong, but we face this question of where to put all this material on corruption in Tajikistan. You know, it’s like, do we put it with the substantive chapters of each economy? Do we put it all in the business chapter?

I would argue – and this is something that Johannes and I have – (laughs) – have fought about some – that corruption is a more serious problem in Tajikistan than elsewhere in the region, but it really depends upon what measure you want to take of corruption. Each country in Central Asia can make a claim to corruption being a serious problem, but the graphed index that we use from – we used three different World Bank enterprise surveys, because the – (inaudible) – group was going so long that more things kept coming out.

And this was from the – and not all the categories repeated – this is from the 2009 survey, and Tajikistan came in highest. (Chuckles.) I mean, but what we found throughout – we used several different studies. In this chapter, we use several studies from the – from the IFC on doing business, and the doing business chapters did show improvement over time. And one of the problems of those surveys is they’re not consistent categories, so it’s hard to compare. Some years, you’re comparing apples and oranges, and cherries and plums. I mean, this is, like – they don’t use identical categories.

We also used a study that was done by the Presidential Institute of Strategic Studies, or Strategic Investigations, whatever – that they denied corruption in 2007. And they talked about – and this is Rahmon’s institute—and they talk about the pervasiveness of corruption throughout the government, throughout society, up to the highest levels. I mean, they don’t name the president, but they talk about it as a persistent problem that reaches the highest levels. And we also use studies that the – (inaudible) – had done, that – (inaudible) – had done, including a really fine that the Assan-Jafar (ph) – who’s at, I think, University of Cincinnati now – had done on the informal economy. And I can’t remember if he did this for the UNDP, I think.

We tried entering the book to use every front-forward data – (laughs) – on Tajikistan that we could. And what we found from this is the – it – even what Tajiks consider corruption isn’t what we consider corruption. I mean, what they consider normal, we would consider corruption – you know, paying doctors, paying teachers. The thing that the chapter has – and it wound up in this
chapter – is the national bank of Tajikistan scandal, with the financing of the cotton industry, when there was in, if I remember correctly, December, 2008, they discovered that some $500 million had been used improperly in loans in the cotton sector, to finance cotton factors – cotton’s – cotton futures is the term. And I just asked – you know, I – if you’re interested in that, it’s all in the chapter.

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OK, the economic environment: Here – that’s the next chapter. Here, again, I know we talk about this in two different chapters. The most – one of the things that I want to draw your attention to is migration. In 2011, so released in 2012, Tajikistan had the highest percent of GDP drawn from remittances of migrant workers. And this includes islands that are sunk in the Pacific. We – you know, so the percent of GDP into – not the total sum – percent of GDP is higher in Tajikistan than people living in sunken Pacific Islands.

I mean, this takes me back to my beginning point about the unsustainability. By saying a country is not sustainable economically that doesn’t mean I think, like, it should disappear, or – I just think that migrant labor – I mean, really what I’m arguing is that the economic wellbeing of this country depends upon the capacity of people to find good jobs abroad. And Tajiks do find jobs abroad. And it includes material on people working in the various sectors and how much money they bring in – average money, income by month.

The three other things that I want to quickly say about migration and this – and some of it appears in the chapter on social welfare is, first – (inaudible) – have now done a really interesting study, that I hope to publish our website eventually, on Russia’s dependence on migrant labor. And they argue that Russia can’t cut off migrant labor, that economically, unless Russia has an acute and a dramatic downturn, that they cannot sustain any meaningful economic growth without migrant labor. So the threats really go against Russia as well as Tajikistan. That’s the first thing.

The second thing is the social challenges of migrant labor. I mean they – these create – the percent of the population that’s out of the country create acute social problems in Tajikistan: especially problems for women. And when I talk about agriculture, it impacts on agriculture in Tajikistan, because women are not head of households and they can’t borrow money in the same way. I mean, migrant labors’ remaining spouses don’t have the proper legal protection. And there are real family – crises at the levels of families. Increasingly a lot of Tajik males have taken second families, you know, so the stream of remittances need not be a steady stream.

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So it’s not like migration is an optimal solution, but what I feel strongly is – and I don’t argue it strongly in the book – but what I feel strongly is that without migration, Tajikistan just doesn’t have any realistic – that it’s not the flaws of Rahmon’s policies that are the reason why you have all this migration. The flaws of Rahmon’s policies, especially in agriculture – which I’ll get to right now – the flaws of his policies help explain some of the lack of productivity of agriculture, but it doesn’t explain enough to say that all of these people could have been gainfully employed in agriculture or in small businesses. Yes, if small businesses had been – and I mean, I talk in the book about the problems with small- and medium-sized enterprises. And, yes, more reform faster there would have created more economic opportunity, but I don’t think you solve all the problems.
OK, agriculture – because I want to finish fairly quickly – agriculture: I mean, I would say there are several problems. I mean, first the legal structure – it’s hard to get clear title in Tajikistan, even though they’re in the process of doing cadasters, but it’s still very hard to get clear title to your land; financing with small-medium-sized businesses is a problem, it’s a particular problem with agriculture; irrigation has – the Soviet irrigation systems are failing or have failed and there has not been reinvestment in the existing systems. And there are pilot projects for new kinds of irrigation, but overall, irrigation remains a serious problem. Despoliation of the land is a very big problem. A lot of Tajikistan’s land is ecologically damaged. There’s material in the book about that.

The terms of the cotton industry though, still remain the biggest source of having delayed economic reform, agriculture reform. Most people wanted to shift to food production, but they were planning cotton to begin with, and the whole system of cotton futures, where you sold your crop in advance, has really served to depress agriculture in Tajikistan. Tajikistan, like all the other Central Asian countries, is becoming less and less dependent on cotton production, but it’s still a very slow shift. And I would argue that they lost anywhere from five to 10 years of where they really needed to address food crops. Storage becomes a problem. All the other aspects of it become a problem. There – I mean, I want to get through, so I’m happy to answer questions.

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Tajikistan’s industrial sector – here I look at many of the industries in the country – industry is still dominated by metallurgy, non-ferrous metallurgy, and it’s dominated by Tajik aluminum, which is owned by the country, but the alumina that comes in owned by a management company, and the aluminum that comes out is owned by the same management company. So Tajikistan has not maximized it’s – the country of Tajikistan has not maximized its income from Tajik – from the aluminum factory. And I’m happy to answer questions on this. There’s lots and lots of material in the book about it.

Infrastructure and energy – and we should come back and talk about it, because it’s so complicated that I just want to touch on it now – this slide has – (inaudible) – charters and roads and railroads. Tajikistan is part of several – I mean, Tajikistan has problems transporting its goods. The easiest way of transporting is through Uzbekistan, but it has been problematic for most of the time for goods to go through Tajikistan. That’s one of the reasons why all these other alternative charters are being developed by – (inaudible). But all these alternatives charters are not user-friendly roads – (laughs) – I mean, I – you know, like, they’re really difficult passages.

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And a lot of the roads – and I talk about this in the book – and a lot of the roads are being rebuilt by ADB, and they’re matching programs, a lot of them, with Chinese funding. And a lot of the roads will collapse quickly, because we watched the roads being built, we traveled on the roads, and there clearly has been problems of corruption in handling – and I don’t think – I have no reason to believe it’s in the ADB fund – you know, in handling the ADB funding, but certainly, the bilateral assistance is a different question, and people – one section’s built with ADB funds and one section’s built with bilateral assistance, and then – and I’ve seen roads being built without roadbeds – like, big ditches with asphalt thrown on them – (laughs) – not like, great, for these kinds of roads.
So the cost of constant repair is going to be very, very high on a lot of these roads, and they would be high no matter what, given the kind of climate. The water – I mean, Tajikistan has really taken the construction of Rogun and made it something like a combination of – I mean, it’s the radiant future. You know, the Tajiks have basically been told that once Rogun is built, their economic development problems will be able to be solved, and I personally don’t think this is a realistic strategy. (Chuckles.) I mean – because I can talk to – bore you to death at great length about all the problems in the electricity sector. I mean, the electricity sector was built largely in the 1970s.

Most of the grid – the grid is aging, the relay stations are aging. There is still no secure market for Rogun. Sangtuda still doesn’t sell – that’s the other set of hydroelectric stations that were built – they still can’t work at full capacity, because there’s not enough market for them. There will be a huge debt for Rogun. And on top of that, there’s the big question of the height of the Rogun dam, and President Rahmon wants it built at 335 meters, which would dam up the Vaksh River entirely. It wouldn’t divert it – it doesn’t – it would dam it. I mean, it can still flow, but it goes through a dam.

And the alternative plan is to build it at 280 (meters), which doesn’t change the flow of the river in the same way; it’s a different course of the river. And the World Bank expertise, again, is supposed to have reported out in November, and they’re having a meeting next week, but they’re not going to report out on the height.

The height issue is still delayed, because the papers for that meeting are already out. They’ve talked about the ecology; the ecology report is out, but the feasibility study on building the dam is only partially ready, and it says very explicitly on the materials that the height issue is not addressed at this time; it has not been decided.

President Karimov has already implied that he would go to war on this issue, and in his statement in Kazakhstan at the – at the summit that he had with President Nazarbayev, he basically said – I mean, he’s very cautious; he doesn’t say, I’m going to make war if this happens, but he just says that the situation could lead to war. And this is – you know, so this is just out there as – on three levels, the question is, does this solve the problem? Is this – you know, will this be profitable? Can the money be made back any time soon? And then three, how you cope with the regional concerns.

Women, children, food and social safety. Tajikistan has basically privatized its social safety net, even though nominally it belongs to the government. One of the things that the chapter makes very clear is what percentage of people – what you pay towards your education, what you pay towards your health care. Education systems are heavily subsidized by communities now. The local – the local budgets don’t cover the actual costs of expenses. This is not a uniquely Tajik problem; this happens to varying degrees throughout the region. The same thing with health care; again, everything I talk about with Tajikistan having to pay for a lot of health care, to pay for your medicines, to pay to get better doctors or to pay to get a doctor quickly, again, happen in lots of the countries in the region.
The point that I made from here – or these tables are that there’s been some drop-off in total education – you know, who receives secondary – specialized secondary, secondary and higher education. There is a gap now between richer and poorer in terms of the likelihood to get advanced education.

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The biggest thing is – I would – and one of the things about the poverty is that they can’t – poor people can’t cope with the travel – the distance you have to travel oftentimes to get the secondary or the specialized secondary education. It’s a cost of transport issue for people that can’t afford to be absent from their households for that amount of time. It’s not that they are ineligible because of – but it is the distance to go. So it’s rural areas these are more – the differences are more profound.

And the biggest difference is the difference of quality. Like everywhere else in the region, the quality of education is really dropping. There have been a lot of programs in the last four or five years; it’s still too soon to know if they are being implemented across the board or they’re having the desired effect. Tajikistan is trying to cope with a shortage of books and teaching materials by having electronic books increasingly, but that means you have to have a teacher’s corps that can use this, and you have to have electricity in your schools so that your computers work, and all these things are not givens in rural Tajikistan.

I mean – you know, shortages of electricity in winter remain profound in Tajikistan, with even the capital city of Dushanbe having restrictions. Outside of Dushanbe, electricity has traditionally, for anything from three to six months a year, depending upon the year, been reduced to two to three hours in the morning and three or four hours in the evening, and the criteria for determining what is a strategic business to be guaranteed electricity during the day has varied from year to year.

So in some areas, things that are obviously strategic enterprises have been – just couldn’t get electricity either. So that is – and then the electricity shortages are real. Final chapter – and then I’ll turn the floor to Johannes – looking ahead – I mean, there has been a big – this is import and export figures, and it shows the different pattern of Tajikistan’s economic partners. One of the problems with the statistical material on import and export is it doesn’t deal with – it’s not sensitive to small and medium-sized business, and what you find – if you look at small- and medium-sized business – and this is true in Uzbekistan as well as Tajikistan – on these tables, the Arab Emirates and the Arab world just don’t turn up, but they have become really important sources of funding small businesses, providing loans at – but they don’t turn up in the overall transfer of trade statistics because they’re not moving the big ticket items in the same way.

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So what I would say is that Tajikistan’s partners have really changed dramatically. They’ve changed dramatically since I started the book. You know, China is a dominant partner in Tajikistan; it is the single most important partner in the country. When I was finishing the page proofs of the book, they made a commitment to – they were in the process of making a commitment to develop petrochemical industry in the country, and the goal is actually that the Chinese will support the
development of Illumina (ph) from – (inaudible) – in Tajikistan if that actually occurs, but that’s now a goal.

The presence of the Arab world is much greater than it was four or five years ago, and Iran has been a constant presence. I mean, Iran’s cultural presence is very, very strong; its economic presence is limited by Iran’s economy and the restrictions on it.

[00:37:59]

The most striking things are that, you know, Russia has basically been eclipsed in Tajikistan. I mean, they haven’t been eclipsed at the military base now, but they’re not the economic partner of Tajikistan that they were at the beginning or thought they’d be 10 years ago. And Rahmon has been very skilled at developing new partners for the country. That’s really – I mean, sort of, my penultimate comments are – you know, when I started I wanted to try to figure out why the international financial institutions hadn’t been more successful at directing Tajikistan to take some of these – to move faster with some of these reforms, to be more consistent in the reform process, to be – to take pilot projects to the next stage.

And increasingly as I – I mean, as I worked through the material, I became sensitive to the human resource problems in Tajikistan, which are really acute. There are – obviously, there are competent people with technical background, but I think overall, with the exception of Turkmenistan, Tajikistan would probably be second in the region in terms of the relative shortage of this kind of cadre to work in the economy.

And then the other thing is that it’s just not clear what clout the international community has anymore. I mean, Chinese loans come in, Arab potentates come in with mystery packages of money that you’re not quite sure what happens with them. And Rahmon has a stronger and stronger sense of what developmental choices he wants to make for the country. So I’m honestly – at the end – you know, as I say, I’m more sure about why things went wrong, but I’m less confident that the future – that there was an alternative future that could have been easily obtained. Thank you.

MR. COLLINS: Thank you, Martha.

Johannes, I think we’d like to get your comments.

JOHANNES LINN: Thank you. Thanks, Mr. Ambassador. Thank you, Martha. I think you should all know I think this is an excellent book. It’s a unique book for Tajikistan. As far as I know, there’s absolutely nothing available of its kind. You can’t find the information – a tremendous amount of research and knowledge and information, comprehensive information about the country that Martha has assembled, you can’t find that anywhere else. You just look at the references, the number of footnotes that she’s assembled. It’s extraordinarily impressive research effort of herself and the team.

[00:40:42]

And the fact that she was able to do it, by the way – I think this was some extent a credit to the country because I’m not sure how many – in how many countries in the region you could have actually done the research you did or the international organizations. And by the way, a lot of the
information that Martha draws on is in formation that is being assembled by the World Bank, the IMF, et cetera, et cetera. You know, I – in Turkmenistan or Uzbekistan, you wouldn’t have gotten the information. Tajikistan, you actually can still do it. You actually can have a report by the government think tank itself about corruption. I mean, where do you find – that’s honest, reasonably honest. Where do you find that?

[00:41:22]

So there are certain aspects to the Tajik situation that relates to information, access to information that is, I would stress, perhaps still exceptional for much of the region. And one can only hope that it will stay that way and if anything, the trends towards more restricted media information access and so on that one has seen is not continuing but, if anything, reversed, although one may not be too confident on that. But to extent one is in the advocacy business, that’s what one would advocate.

So what you get in the book is a very vivid picture of a low-income country and the extraordinary, profound development challenges that the Tajik people face. Now, I think from my experience elsewhere in developing countries, in particular post-conflict and fragile state environments, the Tajik picture is not exceptional. Now, that’s not good news. It’s not good news for Tajik people; it’s not good news for other countries. But it’s important to understand as one reads the book this is not atypical for countries that face the kind of constraints that Tajikistan has faced.

And one of the things that Martha does very well and I think very honestly is to talk about many of these constraints that are – that are embedded in the history, in the location, the geography, the environment in which the country operates. So I think it’s important to bear that in mind. In that sense it’s representative of the problem of fragile states, low – and lowest-income countries and the tremendous challenges which a country like Tajikistan presents to the international community if it cares to deal with it, as ambassador said, not enough, I would argue, and I’ll come back to that at the end.

[00:43:23]

Now, rather than second-guessing or adding specific information to the very rich body of knowledge set Martha has contributed here, what I’d like to do is highlight a number of what I would refer to as fundamental conundrums that are faced by different actors and stakeholders in this very difficult country context.

Now, I think it’s worth focusing on those because there are no easy solutions. There’s no – there are no silver bullets. But everyone who’s dealing in whatever way or is involved in Tajikistan faces very difficult choices. And to think that they’re easy choices is, I think, maybe the first mistake one would make.

Anyway, let me start the actors I have in mind. First of all, some conundrums that the author faced that may be helpful in reading the book; secondly, the Tajik leadership; thirdly, the average Tajik; fourth, the aid donors and finally, very briefly, one conundrum that the U.S. State Department I think faces in Tajikistan.
So Martha, I think you faced a number of conundrums here as you wrote this book. First of all, what information should you use? Despite what tremendous job you’ve done in putting together reasonably hard and objective information and citing it, you know, ad infinitum almost, there are many – and I would think actually perhaps too many, or regrettably many is perhaps a better way to put it – cases where you have to – and you do very explicitly, to your credit – rely on rumor, on hearsay, on presumption, on speculation, particularly when you deal with issues of governance and corruption.

Now, there’s no question that governance and corruption are serious issues, and they’re of course – they are hard on data, up to a point. But you – I think you faced the conundrum sort of where on the spectrum of academic, journalistic and advocacy you are positioned. And every one of us readers will have our own impression on this. But I was struck that I haven’t read recently any book that’s of its nature that referred so much rumor, hearsay and so on.

[00:45:37]

So just – it’s a conundrum. There’s no simple answer. Should she have not written about this? Should she have not referred to the rumors and the hearsay? I don’t know. I probably wouldn’t have written it this way. She did, and in a sense, I think she made us better-informed as a result of it. But it’s a very tough decision. And maybe you can comment on that in terms of what – you know, what the choices were you made.

Second choice or second conundrum is what to focus on, the economic story or the political and governance story. Now, Martha, for a noneconomist – I think you’re a noneconomist, right? Do – you focused actually more on economics than I think you focused on any of – typically in your other work, which is – which I think is very helpful, because too few economists or noneconomists actually work on economic issues in Tajikistan. There are very few, to my knowledge. Outside of international institutions, there are actually very few economists working on Tajikistan or Central Asia more generally.

However, I still felt that you fell to some extent through the trap of the noneconomist looking at Tajikistan, which is basically see everything through what I generally find the very negative lens of political economists looking at Central Asia. I’ve been struck by how every single document written by political economists casts the future and the presence of Central Asia in almost universally negative terms.

[00:47:00]

You then read economists, and there are few of them, writing about Central Asia in the recent last, say, 10 or 15 years, trends since the recovery started in the late ’90s. Read IMF, read World Bank, read ADB, anything that is written from an economic perspective, and you actually find a pretty positive story. If you just look at the growth rates now, it’s supported significantly, of course by – as you point out, by migration and remittances. But that’s not in itself necessarily bad story. It is an important story, but the fact that Central Asia as a region and Tajikistan as a country has consistently now grown for 12, 13, almost 15 years at higher than 6 (percent) or 7 percent a year and that the IMF projects for the next five years another 6 percent per annum growth rate is remarkable given the location, given everything you’ve told us. So what’s behind this? What’s behind 20 years – let’s assume it continues – of positive growth? So, you know, how should we
value that? Is that a country that’s not sustainable? Maybe not. But I think giving it a somewhat more positive spin than you have, I personally would have welcomed.

Now, you have in your introduction an interesting – and this is the second conundrum – the third conundrum that you face – an interesting reference to what do we – where do we – what do we compare Tajikistan to, to the country at the end of the Soviet Union, where it was relatively well-off, in some respects, particularly in social and to some respect economic terms, or do we compare to 1996, 1997, when it was at the base of its – of its post-Soviet recession and post-civil war recession? I – that’s where I started. I made my first visit to Tajikistan in 1997 for the World Bank. And it was pretty disastrous.

Now, you made explicit that for you, it’s really sort of the Soviet history and where Tajikistan had gotten to. Now, to me, yes, that is obviously – one can take that as a reference point. But then if you do, you also have to acknowledge that that was not sustainable. The Soviet system wasn’t sustainable, and we know it. It was – did not get sustained. So what’s that reality that was created? Yes, it’s in terms of one’s perception comparing with 1989 Tajikistan. It’s unfortunate, very unfortunate. But it doesn’t make sense to then say Tajikistan today, relative to 1989, you know, is what is my reality. Or does it make sense to say, since it’s – since it’s hit bottom in 1996, 1997, a sustained performance of 15-plus years of sustained growth and improved living conditions and relative stabilities, actually a remarkable achievement in this context. So I – you know, and I put it out as a conundrum, because I’m not necessarily disagreeing with you, I’m just saying that when you look at a country like Tajikistan, it’s quite striking how difficult it is to actually make up your mind what you think about the country.

Now, the last conundrum that I think you face, and you hinted at this, is whether to focus on reporting what’s happened or happening, or to provide some assessment of what should be done by the various actors. Now, you’ve – I think, again, sort of in the political economy sense, you – an economy sense – you’ve focused very much on describing the problems, the situation and so on. I personally would have liked to push you, and I did push you.

And in some places you did a little bit of it, but I would have liked you to see – liked to have you think, put yourself into these different actors’ positions – and we’ll come in a minute to what the actors might have been – and ask yourselves, so what would you have done differently? What should they do differently, what should they do differently looking ahead? And that’s where – and that’s when – in a minute, my last point – you give us a lot of food for thought. So what would I – you know, what should X or Y do, or what would I do if I – but you don’t tell us what your own thoughts on that, and that’s where I would have liked to push you a little harder. Anyway, that’s the conundrums you face, and to some extent, the conundrums we face as readers of this terrific book.

Now, let me say a few words about Tajik leadership and the multiple conundrums Tajik leadership faces. First of all, in a post-conflict, civil conflict situation, the choice you face – that I think President Rahmon faced – was do you pacify the other warlords by giving them various assets to exploit and with that, in effect, lock in long-term corrupt society? Or do you risk continued conflict by not providing the payoffs that you would need to actually pull them over to your side?
So that was a real conundrum. And actually research indicates—that I’ve seen, at least—that the fact that he did pay off and in that way locked in, I think, a long-term corrupt society, was a key element of the peace process and the post-peace agreement that created a sense of stability for some time to come.

[00:52:38]

The second conundrum we face is should you go for short-term to medium-term control and stability in the political sphere or do you move towards longer-term democratization? On the one hand, you have the example of Uzbekistan, Turkmenistan; on the other hand, you have Kyrgyzstan. That’s at least how it’s seen from Dushanbe. If you go for the short-term stability—and medium-term stability, as Rahmon obviously has done, then how do you control the vicious cycle of repression begetting more resistance than requiring more oppression? How do you do that? Can you do it?

With the payoffs to opponents and/or to a clan and family members, do you not create more potential resentment, in your population, as I believe you do? And finally, is there a gradual way out of this mess—out of the political mess that—over and through this vicious cycle that in a sense you’re creating?

Now, how if you think there’s a way out of it, what is it? Is it relying on external aid, on economic growth? And what are the examples elsewhere that you could actually follow to get you out of this difficult situation as the leader of your country, presupposing that you want to? But my hunch is, yes, he probably does. Is a conundrum of religion? You say—you know, you’ve actually reminded me of it.

Do you control religion, Islam in particular with trends to what is Islamic fundamentalism, or you let it go with the risks that come with that? How do you deal with the tremendous constraints on your fiscal resources? You have some tough choices; do you invest more in education and health, or in energy and transport? Do you build big dams with long-term export and economic growth potential or do you invest in small hydro to provide more power to the population in the short-to-medium term?

[00:54:43]

Finally, the last sort of conundrums, there are many more for leaders, how do you deal with difficult neighbors? Do you appease your Uzbek neighbors or do you confront them? Do you bring the Russian control—to control your Afghan border or do you do it on your own, with the risk of losing control because your army is too weak? And how should you welcome the embrace of the Chinese, that you pointed out is coming your way? How, finally, do you keep Afghan violence and drugs out of your country?

I think it’s worth putting ourselves into the shoes of Mr. Rahmon and his government to actually appreciate how damn difficult the situation is. Now, I’m not trying to defend him and his decisions. And for example, in agriculture—as you well pointed out—in the way the energy sector’s being handled, in the way the aluminum industry is being handled, there are obviously a lot of terrible, terrible decisions that have been made and where there have been endless arguments,
unprofitable to some extent, with the international organizations to try and move faster and do better. But let’s not forget that actually trying to run a country like this is extremely difficult, and there are no easy answers, even if you had the right intentions.

Now, what about the average Tajik? Also faces multiple conundrums: Do you leave the country to work abroad or stay at home with limited opportunities? Do you accommodate with a corrupt political and economic system or do you work for the secular opposition or turn Islamic fundamentalist? In a sense, those are the most interesting, actually, conundrums, and I – to some extent I wish actually that the book had given us a bit more sense about – so how do the average Tajiks, in their day-to-day life, deal with those and other conundrums that they face?

The last two, for aid donors and the State Department, maybe in some sense, though at least interesting – but let me just flag, because to some extent, these are also dealt with by – these issues are dealt with by Martha. For aid donors, it’s a tough decision. Do you walk away, since the situation is so darn difficult, corrupt, and seemingly hopeless? Or do you stay engaged and provide some limited benefits to the people that you’re trying to help but risk supporting and propping up a questionable client?

[00:57:20]

Secondly, if you go and decide to stay, as the international institutions and some bilateral donors have, how do you actually best deploy your very limited resources – and most Western – most Western aid organizations have very little to spend – money to spend, too little I would argue, in Tajikistan? And how do you work in a context – as Martha has pointed out – with very limited leverage?

In contrast to Africa, Central Asia is not the darling of donors. And with China and Russia looming larger, international aid donors actually have very little to say, as you rightly point out. So as an aid donor that’s still operating there – World Bank, IMF and so on – how do you actually confront the difficult situation that you’re handed there?

And finally, for the State Department: Do you engage with or support the questionable partner, or do you walk away? Now, given Afghanistan of course, the U.S. has decided it can’t walk away, certainly on the short term, but has taken cautious middle course to engage, but not too closely. My sense is that there’s been too little engagement. And I would argue, for example, if the U.S. had invested more in the relationship with President Rahmon over the last five, 10 years, it might actually be in a better position to have influenced his choices. And we can discuss how that might have been done.

[00:58:51]

Now, let me close. It’s a very useful book for understanding Tajikistan. Even though in the end, Martha, you raise more questions than you answer, to me that’s actually a best – perhaps the best sign of a good book, because it makes you think based on more information than you had before; certainly I read the book.

So thank you very much.
MS. OLCOTT: Thank you.

MR. COLLINS: Well, thank you, Johannes and Martha.

I’d like to take the prerogative to ask one question for both of you, as you’ve read this book and as you’ve researched this book. It seems to me that corruption is a central theme. It touches almost every piece of the book or the effects of the book. But my one question is, is there any given, sort of agreed definition of what corruption means? You know, when people write about corruption, what do they mean here? And if there – if there is one, that’s fine, but if there isn’t, it’s pretty tricky then to understand exactly how we address these questions. So I – and I mean, I don’t know the answer to the question. So, Martha or Johannes, I’d like to know.

[01:00:06]

MS. OLCOTT: Maybe – do you want to go first, Johannes, with a definition of what corruption is to the banks?

MR. LINN: No. Go ahead. (Laughter.)

MS. OLCOTT: No, I mean, I’m not being sarcastic. I mean, what international – what is the international definition? And then I can talk about the –

MR. LINN: I don’t know whether there’s one definition. I think it depends very much on the researcher and the analyst and the international organization that is addressing it. If a – if you look specifically at the – at very clear definitions in the context of contracts that are being funded by the international organizations it’s very straightforward. It’s basically payments that are outside and influencing contract decisions that is outside the established process.

Beyond that it – we all recognize it’s culture – to some extent culture-specific. You said yourself that there’s a different perception of what corruption is. I would argue it’s even in this country. Are we clear what corruption is? Is the current way, the way the U.S. finances its election – presidential election system, is that corruption? I could make a case that it is; at least it has elements of it. But that doesn’t mean that it is according to the current legal system in this country.

[01:01:15]

So you know, I think we got to be careful. When we talk about corruption, when we measure corruption, we better have a clear definition for that particular purpose. But sort of a generic definition of corruption, to my sense, is not very useful. So I think it depends very much on the context and you – as you write about corruption, you better be very clear what you refer to. So that would be my response.

MS. OLCOTT: I mean, one of the things we talk about in the book is that each of the different projects that measure corruption don’t even have the same definition of what corruption is. But it is – and even some of the population isn’t concerned – that’s what the surveys show, you know, that the population has expectations that its leadership will be corrupt but their own understanding, that – and that varies by country, obviously.
But if we look at the Tajik data, you know, there is some expectation of – not that all the businesses will go to the president’s family, but that the – but that power brings with it the ability to reward people. But it’s really tricky. And yet, the people in Tajikistan, as elsewhere through the region, all cite corruption as they understand it – which I would just define as the people at the top and the people in positions of authority taking more than is their share – not that they’re breaking the law but that they are being greedy about what they take.

But this is a problem throughout the region. And in the case of Rahmon, like Turkemenbashi, you know, and to some extent Nazarbayev, there’s a perception of things that we would think of as forms of corruption, like building elaborate presidential palaces or putting your face on every corner, but that’s what the population wants. That’s what the population sees as leadership.

[01:03:11]

So there’s also this line between – it’s hard to know where to put the line between what a – what a proper leader does in the cultural constrains of – in the – in terms of its culture and what we would understand as corruption. I mean, it’s hard for us to sustain – it’s hard for Western observers to feel comfortable with building elaborate palaces that aren’t used, or even elaborate palaces that are used. But, no, it’s very hard. But here in the book you’re really talking about taking payments for services, giving jobs just to family members. Is tolling corruption? That’s a very complicated question. I mean, I implied it was.

MR. COLLINS: All right. I turn it over to the audience. Yes, please, in the back. You – could you give your name and, you know, your affiliation, please?

Q: Doug Tashimaka (sp). I used to work back at – (inaudible) – USDA. And good to see you, Ambassador. And – (inaudible) – I want to commend Martha for a great book. I skimed a little bit of it and I thought your chapter five was terrific, on agriculture. I’m an aggie. Jim and I worked a lot on agriculture over the years. I worked in the Bank and worked at USDA.

And just a question for Johannes, what’s the – did the – if we just look at the numbers, 60 percent of the population a few years ago was in agriculture, 40 percent of GDP. But then recently, Martha, you said nearly 70 percent now, in your chapter five, is in agriculture but only has about 20 percent of GDP.

MS. OLCOTT: That’s right.

Q: And then when you skim your chapter, it does appear that – and I’m not being critical, Johannes, of the World Bank – but given the work that you all did back in the ’90s on Eastern Europe, and you were very successful in Poland, for example – Poland survived very well – were you a failure – I don’t want to say failure – were you thinned in your work in Central Asia when you just were not able to accomplish what you did in Poland and others?

[01:05:18]

You know, when you look at the book, you know, it didn’t appear that the Bank had much leadership or put much effort or, the opposite, with a – was the system politically so anti-agriculture,
with the government taking over the – handing out those big state farms and not doing it, but with 70 percent of the population in agriculture, did the Bank fail?

MR. COLLINS: Johannes?

MR. LINN: OK. I think it’s a matter of further research, let me say. I’d have to go back and see what specifically the Bank did between ’96 and whatever – within the last 15 years – but a couple of points. First of all, agriculture as a business of the international aid community and a focus, as you probably know, dropped off – basically off the charts in the 1990s into the 2000s. If you look at the amount of aid going into agriculture – actually, worldwide investment going into agriculture in developing countries, it dropped off dramatically.

[01:06:23]

Then what happened, you had the food crisis of 2006-2007, and all of a sudden with the G-8 focusing on it and others, there was a strong renewed focus on agriculture worldwide and in the aid business more generally and by the international organizations, including the World Bank. Point number one. So to the extent – and I don’t – to be honest, I don’t know at this point. I can’t remember what the World Bank specifically or the aid donors more generally did in agriculture and whether, looking back in the ’90s and early 2000s we did too little.

My answer is we probably did too little, but its part and parcel, very likely, of this general trend. It was moreover in the context where, as Martha points out, the government was actually holding on for dear life to its traditional cotton sector and cotton sector approach. And to – there were long arguments over years between the government and the international aid agencies – World Bank, ADB, IMF – as it go involved in some of the issues of the mishandling of, in that case, I think, pretty clearly corrupt handling of the Central Bank funded funds – about how reform in the sector should proceed.

And it – there were a number of policy loans that the World Bank had supported in the early and mid-2000s that were delayed. Delayed because the government did not move in the direction in which one had thought it was necessary and had reached certain agreements on. And so you had two or three factors coming together here which perhaps explain what happened. And to some extent you’re probably right. It’s probably true that the international aid donors in general, and perhaps the World Bank specifically, did not pay enough attention to agriculture back in the late ’90s and early 2000s.

MR. COLLINS: Want to add anything?

MS. OLCOTT: No, his question – (inaudible).

MR. COLLINS: OK. Yeah, in the back. Ann (sp), can you get the young man in the back. Yeah. Green shirt.

[01:08:35]

Q: Thank you for the very nice reporting about Tajikistan. I’m Mr. Lloyd Solis from the University of Maryland and also the Philippine Daily Inquirer. I have one question – one for Martha
and the other one for Johannes. For Martha, this is about corruption. Tajikistan being a new country – well, relatively, 23 years, since 1989 when you – after the fall of the Soviet Union, naturally, corruption would come in every new country. And how do you assess the corruption in Tajikistan in the present day? Is it comparable with the corruption of the Marcos’ in the Philippines or – (inaudible) – or Romania?

And for Johannes, about migrant labor – Tajikistan being a new country and relying on foreign remittances at some point of your – of the GDP, in which most countries do foreign workers go? Or – yeah, like the Middle East – for example, like many in South Asia or North Africa, they go to the Middle East to seek for jobs. So most Tajik people, where do they go to get – find jobs? Thank you.

MS. OLCOTT: I don’t know how to measure the corruption of Tajikistan versus the corruption of the Philippines. I mean, I think it’s more useful to measure it in terms of the context of the other post-Soviet states. There was plenty of corruption in the Soviet period. In my opinion, as somebody who was in Tajikistan a fair amount in the Soviet period, the corruption got worse in relative terms as well, because obviously in monetary terms it’s much worse than it would have been because there’s now a real market economy in the country. Before the corruption was a lot of in-kind corruption.

But Tajikistan – the presence of the drug trade is a big source of corruption in Tajikistan. And I think in relative terms, corruption’s as bad in Tajikistan as anyplace in Central Asia, at least as bad. And in the Soviet period, corruption in Tajikistan was less than corruption in some of the other states, some of the other republics. So it’s a new state, but it’s not a new administrative formation. And the elite that was there was there before, in virtually every case.

So I think that – I mean, and that may be why, you know, Johannes felt that I went too far in terms of rumors and hearsay, because I feel like there’s been plenty of rumors and hearsay published about all the other leaders throughout Central Asia. And I felt like the Tajiks were getting a bye on this. Because there was so much less reporting on Tajikistan as anyplace else, it was easier just to say that they were – that they had bad luck, a bad civil war, bad luck, the leadership wasn’t terribly skilled, but that they were a bunch of good, honest men trying hard for the people.

And so I thought, you know, like, in a fairness to the – (laughs) – neighbors doctrine, you know, that it should just get out there with the sources and people could make their own decisions, because all you have to do is Google any of the leaders’ names from the other countries, all the past leaders of Kyrgyzstan – (laughs) – and get dirt up the gazork (ph), you know, on any of them. And you just have to work a lot harder to get it about Rahmon. I just think he holds his own – (laughs) – in the corruption category rather than that they’re worse or that they belong on some sort of world list of horrible, corrupt leaders. You know, that – I don’t think so. I think it’s pretty typical for the region.

MR. COLLINS: (Inaudible) –
MR. LINN: Yeah, no, actually I didn’t mean – Martha, I didn’t mean to disagree with you on your judgment. And yeah, I think it is – for all one knows, it is a – and by whatever definition, I think almost one would – could agree on, it is a very corrupt society and leadership to boot.

And what I was referring to is a conundrum you faced as an academic writer, as a think tank writer is, you know, why – it is very atypical that a – I would submit that a – I think a book from Carnegie or Brookings or whatever has so much reference to rumors and, you know, suppositions and so on rather than to hard facts. That’s – I mean, that I think is reality that we – you faced as you wrote the book. So I didn’t – it’s – and it’s not really criticism. It’s just – it’s the context in which you write. And I think it’s important for a reader to understand that, because, frankly, an academics-type reader might stumble over this and say, gee, what is all this reference to rumors here? I mean, how can we have that in an academic-style book?

[01:13:39]

So I’m – I don’t disagree with your judgment. I don’t even disagree with your judgment that you included it. I’m just flagging that this, to me, anyway, as a – as an – sort of academic writer writing for a think tank, as I often do, is – rather than as a journalist or as an advocate, is a very difficult – to me is a difficult thing to face.

Now, on the question, it’s a very simple answer. Russia is – and Martha has the figures – overwhelmingly the place, the destiny for Tajik migrants. Some go to Kazakhstan, but most of them are Russia, right?

MR. COLLINS: Yes, please.

Q: I’m Fail Rushiri (ph) from Howard University. And I’m – I haven’t read your book, I’m afraid. I’m looking forward to reading it. My interest is in different regions in Tajikistan. Do you have laid out information by region? I’m especially interested in Gorno-Badakhshan oblast. I’ve been there several times for the last 10 years, and I see the corruption you are talking at the local level. That’s where I do the work with people, women especially. And I’m concerned about – there are some changes that are going on in Badakhshan too, and I’m interested in your opinion about that.

MS. OLCOTT: I have some information on each of the regions. We just didn’t have enough time or space to do some of the things we wanted to do, which was to make further use of the Poverty Assessment study that the World Bank did from 2007. We used some of that data. If you’re really interested in regions, I would go to that database. And we just couldn’t reproduce all that we found in it.

[01:15:42]

I think overall, there are a lot of changes going on in Gorno-Badakhshan now. Overall, it has been seen as a less corrupt part of the country than some of the other parts of the country. But, you know, there – that’s not – there’s not good data by region. A lot – some of the corruption studies that I used were for – (inaudible) – oblast, with – it’s been more studied. But yeah.

MR. COLLINS: OK. Yes.
Q: Hi, Kevin Jones (sp), University of Maryland. Wanted to come back to the electricity sector and specifically Rogun. You mentioned briefly and kind of outlined the three problems as you saw it. But to go a little farther there, and also with the World Bank study coming out very soon, really – and again, I don’t know how – what you covered on it in the book, but I’m more interested in kind of looking forward in the sense, does it make a difference what the feasibility study even says? Has the government, in a sense, already decided what they’re going to do? And – I mean, they’re looking for funding from China for some pieces for other dams, they’re looking for other countries – so in a sense, whether it’s feasible or not or whether there’s a practical issues that you raised when you talked about very briefly – is that going to make any difference? And then in the – kind of the larger question is what is – what difference does that make for both the security issue, as you talk about, also vis-à-vis Russia, so kind of getting that into the broader context.

[01:17:08]

MS. OLCOTT: I think it makes much more difference for the international community than for Russia. I implied – and I want to go back and write more about this when the Rogun study is – when these feasibility studies are – they’re out now, but they’ll be discussed at the next set of meetings in November – that the international community is going to face a huge conundrum if the Tajiks go ahead and build it in any other way.

And I think, unlike some of the other questions, that there’s a clear policy choice. I mean, I think that the World Bank and the IMF and the Asian Development Bank, if they go against Tajikistan, signed on to accept the results of this study or at least imply that they were, if they build it outside of what’s approved, then I really think there should be harsh economic consequences for them, because, I mean, I think that funding should be withheld, period.

And I think that it’s not just a question of what – how the international community, the international financial institutions are going to be viewed in Tajikistan, it’s how they’re going to be viewed in the rest of the region. Nazarbayev hasn’t fully signed onto what Karimov – President Karimov wanted, but President Nazarbayev is – has moved closer to that position. And the IFIs are going to have to maintain their credibility throughout the region.

And the Uzbeks are going to have expectations of them to deliver, because the Uzbeks made certain commitments based on that they would – again, nobody’s sworn they’d accept it, but the Uzbeks have strongly intimated that they will accept an international solution – an internationally supported solution that doesn’t do 335. As I write in the book, I don’t think that the final height will be 335, because there were studies done by Germans hired by RusAl – I mean, and RusAl didn’t take their conclusions either, because the – their – they recommended a dirt and rock dam, and he wanted a concrete dam. But they came out with strong arguments against 335 – (chuckles) – and strong arguments against the concrete too.

[01:19:09]

So to me, if you had a competent group do it once in five years, not much has changed. You know, 20 years, yeah, some things may have changed; the technology would have changed. So I think that it’s going to be a big issue. I think – and I think the IFIs should put pressure on China
not to do anything – not to fund anything that goes against them, because it creates a security dilemma.

Now, the Uzbeks are savvy, as well as the Tajiks – (chuckles) – being savvy, and they’ve gotten a lot closer to China in the last two years, and trading relations have increased, and a lot of other things have increased. So I’m sure the Uzbeks are putting direct pressure on the Chinese as well.

But I see this as a major crisis that would come, and I don’t believe the Tajiks are going to find it easy to build to 335 if they make that decision. I think there’s a lot of bluff going on too, but we’ll have to see. But yeah, I plan to write – because I’ve put, like, a lot of time into this.

MR. COLLINS: All right. I’ve got one more question. Yes. Right here, right in the back, there’s a question for the lady.

Q: Cathy Cosman, U.S. Commission on International Religious Freedom. I was hoping you could talk a little bit more about what you view as the future of the Islamic Renaissance Party? And also – this may have been outside the scope of your book, but about the interrelationship between Tajiks and the Tajik population of Afghanistan, since Tajik is one of the official languages of Afghanistan.

And finally, to add to your rumors about corruption, I was told by a Tajik policeman who’s in charge of counter narcotics, that often when they get a particularly large – when the confiscate a particularly large consignment of drugs, when they inform the central government about it, they’re ordered to release the drugs to the open market.

MR. COLLINS: OK. Let me take one more question. There was a young lady in the back I think.

Q: Anna Borshchevskaya at the Atlantic Council. My question actually is very similar to the one that was just asked earlier, and that’s about the relationship between Tajikistan and Afghanistan. Also, I don’t know if that’s outside the scope of your book, but if you could elaborate a little bit further on what’s going to happen with the U.S. withdrawal from Afghanistan in light of this connection. Thank you.

MR. COLLINS: OK. I think with that – let me have my colleagues respond and then I think we’ll have to wrap it up. Martha.

MS. OLCOTT: Yeah. I will be writing all this year about what’s going to happen after 2014, which of course nobody knows. I’m not sure how much I put in the book because I’ve spoken on this a bunch. I mean, I think that – I imply it in a couple pages at the conclusion. I think that the territorial integrity of Tajikistan will come into question depending up on what happens in Afghanistan. I think that’s part of the explanation of the political – of the fighting in Gorno
Badakhshan, because his control in that area – Rahmon’s control, the central government’s control – is very weak.

And I think he is correctly trying to assert – whether he was correct in how he did it is a different question – but he correctly understands that he has to reassert control before 2014 or forever lose control. The economic links across the border – and that’s just the Pamir population – are very strong. There are other links in the Kulob area across the border with Tajiks. And I haven’t traveled as much in that part of the border area to watch the local markets and stuff, but certainly the part of the Tajikistan that borders on the – on Afghanistan could go different ways if Afghanistan fails to fully hang together or if Tajik – if they were to ever be, which I see as unlikely – a Tajik government in Afghanistan.

But certainly the security of Tajikistan, the stability of it in its current form will come into question. I’m not implying it’s going to collapse or anything, but the situation in Afghanistan will play out. And it has always, since the 1970s, had real impact in Tajikistan – varying impact. And that would be another interesting question to write about.

In terms of Islam – and that’s where I don’t agree with Johannes about his policy to religion, and that’s what I imply – that what is radical in Tajikistan is totally different from the definition of what is radical elsewhere in Central Asia. And the whole range of Islamic responses that are culturally tolerated in Tajikistan are much greater than in other parts of the country. And the Islamic Renaissance Party is not considered an extreme party by the bulk of the population. I mean, it would be – you know, the teachings of it would be considered extreme in some of the other countries, but in Tajikistan, these are normal political actors. And they talk about groups that lie beyond them – there’s a whole younger generation of Salafists that might be considered extreme. The question about control of Islam is really whether Rahmon is seen as a credible figure to try to control it. And he has taken upon himself – you know, he’s writing books about religion. You know, it’s like – Karimov – doesn’t write books about Islam. I mean, Rahmon is the author of books about Islam.

So he has tried to put himself in that space where he can define religion. That’s the mistake I think he’s making in terms of stability. The Islamic Renaissance Party and the president of that party in particular, I think has a real – very strong political future. I think he’s a very credible political actor, I think he’s a very – I mean, I think he’s viewed as an impressive political actor by most people who come into contact with him. And in no other country in the region could you have somebody from an Islamic party or an Islamic group be a credible, national-level figure.

So I think that’s one thing that has really changed dramatically in Tajikistan because of the civil war. You can’t put the genie back in the bottle. Tajik is – as some of my Tajik colleagues say, it’s not a question of the role of Islam in Tajikistan, it’s the role of which Islam. And that’s a very different position than elsewhere in the region. So I don’t know if that answers the questions.
MR. COLLINS: OK. Johannes, did you have anything? All right, well, look, let me thank you both very much. And, Martha, congratulations on your book.

MS. OLCOTT: Thank you. (Applause.)

MR. COLLINS: And thank you all for coming.

(END)