

On Corruption's Front Lines

Reforms help Tajikistan look to the future

The Central Asian republics are looking for foreign investors to help boost their ailing economies. As a result, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan are reaching out to Russia, China and the West for that help.

Historically, endemic corruption has plagued the region and dissuaded foreign investors in Central Asia, and while some countries are taking steps to fight corruption, it has not been a quick process.

It is widely accepted that curbing corruption will not only improve each nation's economic status but will contribute to good governance and stability in the affected countries. "Globally and nationally, institutions of oversight and legal frameworks that are actually enforced, coupled with smarter, more effective regulation, will ensure lower levels of corruption," said Huguette Labelle, chair of Transparency International, or TI, a nongovernmental organization fighting to end corruption worldwide. "This will lead to a much needed increase of trust in public institutions, sustained economic growth and more effective development assistance."

The most impoverished of the Central Asian nations, Tajikistan's economy depends on cotton and aluminum exports, as well as remittances sent from Tajik workers abroad, roughly 1 million of whom work outside the country. But the global economic downturn has caused cotton revenues and remittances to fall.

The economic situation set in motion a chain reaction that lends itself to increased corruption. According to the World Bank, meager government salaries, complex economic regulations that make compliance practically impossible and low legal awareness among the general public are main factors that contribute to corruption. A joint study by the U.N. Development Program, or UNDP, and the Strategic Research Center of the President of Tajikistan, found corruption tends to

institutionalize over time. "Most of the respondents recognized corruption as a key problem in the Tajik society, and viewed corruption as an obstacle delaying economic and political reforms," the Tajik research center's A. Shamalov said in the report, posted on the UNDP Web site. "The research sadly shows that corruption is widespread in crucial sectors such as health, education, law enforcement, courts and security."

The study concluded that corruption is rife at all levels of these sectors, and the higher up it is, the larger the bribes involved. "Bureaucrats are chronically underpaid, making them highly susceptible to corruption," the European Forum for Democracy and Solidarity, a political outreach organization, stated on its Web site. "High government positions are said to be bought and sold." The forum found people in these nations pay to pass exams, to secure a hospital bed and even to avoid standing trial.

However, the government of Tajikistan is beginning to take measures to eliminate such problems. In the 2006 Global Integrity report by Nargiz Zokirova, the author noted that there are examples of President Emomali Rahmonov's emphasis on legislative means to control corruption. Zokirova cited specific laws such as "President's Decree about Additional Steps to Strengthen the Fight against Economic Crimes and Corruption," "Law about Fighting Corruption" and "Law about State Service." The report went on to note that the president also established a governmental arm called the "Office for Fighting Corruption" in 2004 to manage corruption in Tajikistan. In fact, the joint UNDP-government of Tajikistan "Country Program

Action Plan 2010-2015” notes that “The issue of corruption, which historically was rarely discussed among society, has now become a hotly contested issue.”

These legislative means are strong first steps in fighting corruption in Tajikistan. In the Global Integrity report, the former U.S. ambassador to Tajikistan, Richard Hoagland, said, “Investors are sure to succeed, if equal conditions are available to them. Transparency and law enforcement give confidence to the American investors. But corruption and official circumlocution can frighten them away.”

Tajikistan cannot afford to scare away investors, and it is working to resolve its corruption problems, something country leaders know they cannot do alone. A Centre for European Policy Studies report said, “The new approach to Central Asia developed by the EU offers the opportunity to re-engage with Tajikistan at a vital stage in its post-independence history and, in particular, to introduce new policies that can assist the development of the country and avert the drift into authoritarianism.”

In response, the country has enacted anti-

corruption reforms, and there are more to come. New Tajik legislation passed in July 2009 streamlined the business registration process — which is rife with corruption — a David Trilling article on eurasianet.org reported. The legislation has greatly reduced graft, because now business owners deal only with the State Tax Committee when registering. Although widespread corruption still abounds in Tajikistan, the new legislation has created a “one-stop shop” for business registration. This cut the number of people “reaching for handouts,” Trilling said.

“Corruption exists when there is a person coming to another person with some problem. Either the applicant has some flaws in his documents, or some procedures need to be done quickly and there is the chance for bribes,” Temur Rakhimov, executive director of the American Chamber of Commerce in Tajikistan, said in Trilling’s report. “In the past, the law was not very clear. You had to go through 13 steps to get your business registered, at five or six offices.” The more steps needed to register a business, the more chances for bribery.

But Trilling said the situation in Tajikistan

Tajik Drug Control Administration officers check a bag of confiscated heroin at the organization’s headquarters in Dushanbe in July 2009. The agency has a reputation for being the most professional and corruption-proof counternarcotics agency in Central Asia.



continues to improve, though maybe not fast enough. He quoted an anonymous, Dushanbe-based Western businessman, who said, “You can pass a law, but if you’ve got some guy at customs who doesn’t know what he’s doing, it doesn’t mean anything. But the changes give hope.”

Thanks to the country’s new laws, there is less corruption and an improved investment climate that has allowed Tajikistan to climb the rankings in the World Bank’s “Doing Business 2010: Reforming Through Difficult Times” report. It is now a “top 10 reformer,” which makes it easier for the country to attract business and do business worldwide. Tajik officials know it is time for change. Corruption cost Tajikistan about 8.9 million euros in the first nine months of 2009, much of which the government recovered through inspections and investigations. The nation’s Agency for State Financial Control and Combating Corruption conducted 892 inspections and started 742 criminal prosecutions, online news agency Asia Plus reported in November 2009. The National Bank of Tajikistan created a direct hot line to help prevent corruption and abuse, Asia Plus reported in December 2009. Tajikistan’s efforts to curb corruption have allowed the government to

begin to overcome the legacy of corruption that resulted in the country earning a ranking of 158 on TI’s 2009 Corruption Perceptions Index of the 180 countries most affected by corruption.

Tajikistan is also looking to other nations for examples in fighting the corruption that so stifles economic growth. Poland, for example, has helped curb corruption by establishing an anti-corruption ministry and conducting more investigations. Bangladesh is fighting widespread corruption by introducing institutional and legal reforms during a nationwide crackdown from 2007 to 2008, which The Associated Press reports has improved conditions. Tajikistan has welcomed several organizations into the country to assist in instituting measures that can, over time, improve the institutions in Tajikistan.

The Organization for Security and Cooperation in Europe created the Border Management Staff College in Dushanbe to help the Central Asian republics facilitate cross-border dialogue and cooperation through information sharing and lessons learned. It also provides access to the latest thinking, methodologies, techniques and technologies. In addition, the European Union is helping by providing programs to fight corruption and help develop small- and medium-sized businesses; the World Bank is helping the country establish basic processes for efficient and transparent management of public expenditures; and UNDP is helping to develop legitimate trade while stemming the transit of narcotics and other illicit material through the region. As corruption lessens, more investors will be interested in doing business there, which bodes well for Tajikistan’s ongoing negotiations for entry into the World Trade Organization.

TI’s Labelle said the solution to stemming corruption “requires strong oversight by parliaments, a well-performing judiciary, independent and properly resourced audit and anti-corruption agencies, vigorous law enforcement, transparency in public budgets, revenue and aid flows.” She said the international community has an obligation to “find efficient ways to help ... countries to develop and sustain their own institutions.” Given the importance placed on this issue by Tajikistan, and the bilateral and multilateral support offered by international organizations in the country, Tajikistan is postured to do just that. □



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Corruption in any form “undermines democratic institutions, slows economic development and contributes to governmental instability,” the United Nations reported.