REGIONAL COOPERATION AND STABILITY - A VIEW FROM TAJIKISTAN

Kamol Abdullaev

Senior Researcher, Tajik Centre for Strategic Studies, Dushanbe [1]

Historical Background

Current Central Asia is the product of a colonial dispute between Russia, Great Britain, and to a lesser extent, China. The region has never played a leading role in the political agendas of these empires. The main motive was to secure their backdoors against possible expansion by their neighbours. The Russians defended Siberia and the Caucasus, the British, India, while China defended Mongolia, which in turn protected Peking. Naturally, neither of these Great Game players allowed for the independence and nation-building of ethnic states in Central Asia. Moreover, imperial rule was directed at the prevention of Central Asian unification and development. The borders were defined in such a way so that ethnic and religion groups were dismembered, thereby creating obstacles for their mobilisation. Until now, interrelations of the western world in Central Asia were often considered from a Eurocentrist concept of "modernisation", that is the attack of a "progressive" West upon an archaic East. In this simplistic model, the southern borders of Central Asia (that is the current Tajik-Afghan border) were considered to be the frontier between a capitalist Russia and eastern stronghold of the Christian West, against a feudal Muslim world. The dread of an imagined threat of "Islamic fundamentalism" was created and fanned by the empires that took part in the "Great Game." In the light of this "clash of civilisations "model, Russia appeared to be the defender of the West from the "wild" East.

The implication of this widely held stereotype was that Central Asia was doomed to remain a colony because only through its integration into an imperial system could the political stability of the region be assured. This dependence froze the indigenous development of Central Asians and made them objects of manipulation and experimentation by external forces.

Overview

Formed in 1929, Tajikistan was the poorest post-Soviet republic and the most dependent on aid from Russia. Because of its potential instability, throughout the Soviet era, Tajikistan was regarded by the Kremlin as an important geopolitical area, rather than as a substantial economical unit. While Uzbekistan was treated as a "lighthouse of socialism in the East", Tajikistan served as a sort of a buffer between the USSR and the Muslim world. For that reason, the Soviets did not pay much attention to the economic development of Tajikistan, directing most investments to Uzbekistan (whose border with Afghanistan is ten times shorter than that of Tajikistan). Tajikistan entered the 21st Century at 108th out of 174 countries in the Human Development Index, and with an annual per capita GDP of just US$215. These relatively low figures contrast with a high adult literacy rate of 95-99%.

After gaining independence in 1991, Tajikistan's national economy declined. From 1991 to 1997, GDP decreased by more than 50%. In 1998, the country accounted for 0.3% of total CIS GDP (in 1991, 0.6% of the USSR), occupying last place among former USSR states. Average monthly salary reached US$11 in 2000. According to World Bank estimates, 85% of Tajikistan's population is living below the poverty line.

The structure of the national economy remains as in Soviet times. Agriculture, represented mostly by cotton production, is the most important sector of the national economy in which more then half of the population was engaged in 1991. In 1979, Tajikistan contributed 9.8% of total USSR cotton production, while Uzbekistan produced 62.9%, Turkmenistan 13.3%, Azerbaijan 8.1%, Kazakhstan 3.6% and Kyrgyzstan 2.3%. Since 1996, the state began a gradual phasing out of its monopoly over cotton. Yet because of a shortage of fertilisers, fuel and machinery, a decrease in area sown, and a decline in the market price of cotton, production decreased from more than 800,000 tons in 1990 to 335,421 tons in 2000. Industry comprises 465 enterprises operating in 80 branches, currently working spasmodically yet focusing mainly on non-ferrous metallurgy and power. Institutional reform of the Tajik economy began in 1991, but was postponed by the civil war in 1992. In finance, a two-level bank system was constructed with an independent National Bank at the apex. In 1997, a new tax code was adopted and then amended in November 1998. Privatisation began in 1992 with the sale of housing and small commerce enterprises. Still, the deficit of national capital and foreign investors seriously stunts the economy.

Tajikistan experienced a prolonged monetary crisis after the Soviet collapse. It continued to use the Russian rouble while its neighbours switched to new independent currencies. Tajikistan faced a shortage of roubles and was forced to introduce its own currency (Tajik Rouble) in May 1995. That currency sank very quickly - the exchange rate dropped from US$1=200TR in May 1995 to US$1=2,400TR in October 2000. On 30 October 2000, Tajikistan introduced a new currency called the Somomi, whose exchange rate was set at 1/1,000TR. The Somoni consists of 100 dirams and on the first day of its introduction, the exchange rate was US$1=2.4 Somoni.

Tajikistan has a total area of 143,100 square km, about the size of Wisconsin (USA) or Bangladesh. The country has a population estimated in 2001 at about 6.2 million. The average density of population is 42.2 people per square kilometre. This figure is rather misleading, since the majority of the population live in valleys, which constitute only 7% of the country's territory. Tajikistan has rich water resources, including snow, ice, and glaciers. Its average annual drainage reaches 64 km. cubic, that is 55.4% of the whole drainage of the Aral basin. The country's annual consumption reaches 11.5-12.6 km. cubic (18-20% of the region's total water resources).

Politics

Tajikistan, following the example of other USSR republics, adopted a declaration of state independence and declared a presidential system of government in September 1991. The presidential election of November 1991 led to a contest between an opposition coalition of Islamic groups coupled with newborn secular democratic movements against the old Soviet elites. The struggle turned into open armed confrontation in 1992. Political antagonism for and against communism was gradually eclipsed by region-based group discord. In November 1992, a government led by Emomali Rakhmonov regained control of the state, backed by Russia and Uzbekistan. In 1994-1997, the UN-sponsored intra-Tajik peace-talks led to the General Agreement on Establishment of Peace and National Accord, followed by the incorporation of the United Tajik Opposition into the government on the basis of a 30% quota. The acting Tajikistan Constitution (adopted in 1994) declared an independent, democratic, unified and secular statehood with separated executive, legislative and judicial powers. Although secularity was recognised as a central article of the Constitution, Tajikistan is the only state in post-Soviet Central Asia where an Islamic movement has opted to participate in the political process officially. The supreme legislative body is the parliament, a bi-cameral Majlisi Oli (Supreme Council). In the November 1999 presidential elections, Emomali Rakhmonov, a leader of the Peoples Democratic Party of Tajikistan from the southern Kulob region won 96.91% of the votes, while his opponent from the Islamic Renaissance Party got only 2.1%.

External Economic Relations

In the past, Tajikistan had mutual relations with most USSR republics. Bilateral links between the republics were developed according to Soviet demands. Great volumes of materials were imported. With these economic links now broken, Tajikistan faces great difficulties in securing supplies of raw materials, consumer goods and food items. The negative consequences of the crash were intensified due to geographic factors. Tajikistan is a mountainous country, the majority of its area is not densely populated, and transport and communication systems with other countries and regions are poorly developed. Today, foreign trade operations are handled with 70 countries (among them 11 in the CIS). Total volume of exports and imports in 2000 reached US$1.45bn. Of this figure, US$927m, or 63.8%, falls to CIS and US$555m, or 41%, to Central Asia countries. In 2000, exports reached US$779m, or 54% of total turnover. Exports comprised mainly aluminium - US$433.6m (55.6% of total exports), cotton fibre - US$91.8m (11.8 %), electric energy - US$86.7m (11.1%), precious stones and metals - US$2.4m (3.1%) and so on. Imported commodities are mineral products worth US$253.3m (37.5%), mainly electric energy and gas from Uzbekistan and oil products from the CIS. Besides, Tajikistan imported machinery and equipment worth US$39.3m. These figures do not include shadow economy operations.

Investment

The adoption of the law "On Foreign Investments" in Tajikistan on 10 March 1992 opened the way for foreign investment. In July 1999, 248 enterprises with foreign investment were registered in Tajikistan (at the end of 1998 the number was 198). Among these enterprises are 164 joint and 84 foreign owned firms. Russia is a partner in 35 joint enterprises, the USA in 16 and Afghanistan in 12. Among investment properties, Russia has 14 enterprises, the USA 11 and Turkey 8. In 1997, the total value of foreign investment in Tajikistan reached US$64.4m and the value of external trade turnover of joint enterprises reached US$171m. In 1999, foreign investment in Tajikistan decreased to US$6.6m, that is 10% of the 1997 level. 71% of this amount was directed to gold and silver mining, 12% to commerce, and only 4% to agriculture and education. Four of the biggest joint ventures are gold mining enterprises: Tajik-British Zarafshon and Darvoz, Tajik-Canadian Aprelevka, and Tajik-Korean Sogchana.

Main Economic Trends and Regional Interaction

Trade and cooperation has always been a substantial feature of Tajik culture. Tajikistan realises that one way for the region to help foster stability and attract foreign investment is through interaction among the states of Central Asia and the Caucasus. Among other Central Asian countries, Tajikistan is a most enthusiastic proponent for greater regional cooperation because it actively participates in all processes of integration within the CIS. In 1998, Tajikistan joined the Central Asian Economic Community in a move that will help ensure an end to the civil war in the country. Within this alliance, Tajikistan regulates the use of water and energy resources. Together with this, Tajikistan develops bilateral economic links with non-Central Asia countries and especially Russia.

Tajikistan pays great attention to hydro-energy, textiles, mining and the development of non-ferrous metals including silver and gold. In 1979, the Norak station, the biggest of its kind in Central Asia, started work in full capacity generating 2,700 megawatt/hour. In addition to the Norak station, in the 1990s, the construction of the Baipazy station (on the Vakhsh river) was completed and the three projects of Rogun, Sangtuda and Shurob stations were launched. Despite extensive energy resources, the country experiences an energy deficiency of up to 600 million kilowatt/hour per year, which becomes a serious problem in winter. Tajikistan meets its electricity needs by imports from neighbouring Turkmenistan, Uzbekistan and Kyrgyzstan. Tajikistan pays between US$0.025 and US$0.05 per one kilowatt/hour. The completion of the Sangtuda station project is expected to solve Tajikistan's energy shortage. The proposed capacity of this station (600 megawatt) would meet Tajikistan's domestic demands and generate surplus electricity for sale abroad. A much more ambitious electro-energy project is the Rogun hydroelectric station, which (in 1999) was in need of US$3bn for its completion. The proposed capacity is 3,600 megawatt and the embankment's planned height is 350 meters. This station is expected to make Tajikistan the biggest exporter of electricity in the region. In 1992, the construction of Rogun was frozen due to financial difficulties and a lack of foreign investment.

Another priority is the development of various inter-country transport links. One of them is a tunnel through Anzob to open a permanent road between Khujand, Dushanbe, Kulob, and Khorugh. Another prominent project is the Murghab-Kulma road, which goes from Murghab (eastern Pamir) eastward to the Kulma pass (4,362 meters above sea level) on the Tajik-Chinese border. Construction started in 1999, with completion planned for 2001. This road will conect Tajikistan with the Karakorum highway in China. It will allow the country to have permanent automobile connection with China, India, Pakistan, and other countries of southern Asia. The Government hopes that this road will help Tajikistan out from a transport "dead-end" and thereby obtain transport and economic independence. Of course, the realisation of Tajikistan's transport projects is dependent upon regional stability.

Barriers That Obstruct Integration

The main obstacle for regional cooperation is of a political nature. This is obvious in the case of the Afghani problem. In the course of this conflict, the regional context became even more polarised. The advance of the militant Taliban aided by Pakistan and Saudi Arabia distressed Russia, Central Asia and Iran, each for rather different motives. Some in the former Soviet republics feared that as the Taliban approached the Tajik border, this could intensify the conflicts in Tajikistan, Kyrgyzstan and Uzbekistan, thus threatening the CIS security border. The Taliban's rise helped Russia indirectly to strengthen its position in Central Asia, whose governments have strengthened their military links with Russia to protect themselves from the perceived threat of militant Islamicist movements.

Diversity in politics causes diversity and incompatibility in the strategy of economic reform. While Uzbekistan prioritises the creation of a free trade zone, Tajikistan remains Russia's closest ally in Central Asia, notwithstanding the fact that the military aspect of cooperation prevails over the economic and cultural dimensions. Since the establishment of Soviet rule in 1921, Russia has maintained military forces in Tajikistan and it was the only country in Central Asia where the government did not demand the withdrawal of Russian troops after independence. Dushanbe delegated the protection of its Afghan and Chinese borders to the Russian Federation until it could develop its own frontier troops. Tajikistan also hosts a Russian military base. If Tajikistan sees Russia as a "main strategic partner", Uzbekistan treats it as the main threat to its sovereignty and to regional stability. Today, Tajikistan and Russia support the anti-Taliban alliance in Afghanistan, while drawing on the experience of the Tajik peace process by advising Karimov to negotiate with the IMU. Uzbekistan and the Kyrgyz Republic denounce the Tajik government for insufficient effort to destroy IMU forces on Tajik territory and have begun to engage directly with the Taliban.

Further obstacles to regional cooperation are the substantial shadow economy and the regional narcotics business. In spite of the efforts of Russian border guards, the Tajik-Afghan border is unreliable and there is a constant flow of illegal trafficking in both directions. Current governments are unable, even sometimes reluctant, to stand firmly against this destructive trend. One of the main reasons for the rise in the narcotics trade is the rapid decline in living standards. As mentioned above, 85% of the Tajik population live below the poverty line. More than a quarter of economically active Tajikistanis are unemployed. Almost a half of million Tajiks are working illegally on a temporary basis in Russia. Substantial finances allow the mafia to recruit the local population, government officials, and border guards, both Russian and Tajik, in illegal trafficking of narcotics. The struggle against illegal narcotic traffic in Tajikistan cannot bear fruit without stopping the war in Afghanistan, where different political and military factions are interested in narcotics production. Surely, no workable regional cooperation and security in Central Asia are possible without a peaceful and stable Afghanistan.

Prognosis

There are three possible options for Central Asian regional cooperation:

Gradual disintegration

The least preferable option that would turn the region into one of total anarchy, turmoil, and constant conflict. The refugee problem would get much worse and the region would become one of the world's biggest centres of narcotics manufacturing and dissemination. Following the Afghani example, separate states failing to maintain their sovereignty could have serious consequenses for peripheral states, such as Russia, Pakistan, China and Turkey. Even so, regional powers and the international community might jointly be prepared and able to extend sufficient support to enable the region to maintain a minimum degree of credibility.

Unbalanced re-integration

This assumes the asymmetrical economic cooperation of Tajikistan with regional neighbours in the framework of bilateral agreements, but even this choice could not provide the degree of desirable security in Central Asia. Bilateral deals will inevitably lead to distortion and rivalries among outside powers and Central Asians themselves. Conflicting Tajikistan-Uzbekistan approaches to the issues of regional militant Muslim movements (Taliban, IMU) and Russia's presence in the region are some of the obvious examples of these emerging discords. The economic situation in Central Asia is expected to remain insecure as the Russian crisis continues.

New model of cooperation

This is the most desirable yet rather idealistic scenario. It assumes the close economic and political cooperation of Tajikistan with all Central Asian states within the Central Asian Economic Community, the Customs Union, the Economic Cooperation Organization (ECO) and other regional associations. Our countries have a common history, culture, and religion. We have common challenges to national and regional security: the Afghan war, the Aral Sea problems, illegal trafficking of drugs and weapons, terrorism, militant Islamic groups and so forth. The difference in economic strategies is not an inescapable obstacle to integration because Central Asian economies can complement each other.

Needs

What is needed to make regional integration possible?

• The political will of leaders to approach each other. In spite of episodically emerging arguments at a high level (Karimov vs Rakhmonov for example), there is a ground for optimism. At least none of the leaders have openly denied cooperation, and some observers claim that a real Tajikistan-Uzbekistan rapproachment would be possible after Rakhmonov and Karimov leave their posts.

• The willingness of nations. Here there is more ground for optimism. Indeed, in spite of inter-governmental tensions, sometimes very serious, there are no open interstate conflicts. This is due to the wisdom of the Central Asian masses that for ages used to live in peace and still retain valuable social capital able to sustain peace. For sure, Central Asian states also must be inclined towards the deepening of integration.

• External benevolence. Those foreign governments and international agencies that wish to see an integrated, strong region have to be welcomed in all Central Asia capitals. Only in this case can the region turn into a major supplier of energy and attract regional powers and their investment, above all from China, Iran, Russia, Turkey and, probably, the USA.

Central Asian states today are going in different directions, their political systems are weak and social life is unstable. Most of them, especially Tajikistan, need to submit to outside control. The strengthening of regional cooperation will bring benefits to all. But regional projects have to be in concert with national development plans. At the moment, as far as regional powers such as Russia and Uzbekistan are concerned, Tajikistan is serving as an effective buffer against unstable Afghanistan, just as it did a century ago.

Table 1: Tajikistan Exports & Imports with Central Asian Countries in 1999, in US$

	EXPORTS	IMPORTS	TOTAL	% OF TOTAL TRADE
Kazakhstan	3,594,900	78,788,600	82,383,500	6.1
Kyrgyzstan	3,906,700	7,227,900	11,134,600	0.8
Turkmenistan	1,302,300	15,186.500	16,488,800	1.2
Uzbekistan	180,976,800	264,428,700	445,405,500	32.9
TOTAL	189,780,700	365,631,700	555,412,400	41.0

1. Written contribution