



UNITED NATIONS  
*Office on Drugs and Crime*

# AN ASSESSMENT OF TRANSNATIONAL ORGANIZED CRIME IN CENTRAL ASIA

New York 2007







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organized crime in Central Asia**

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Figure 1



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## Summary

Transnational organized crime in Central Asia represents a serious threat to the region inhibiting the emergence of stable societies. This report provides an overview of the scope of the problem of transnational organized crime in Central Asia. The report identifies trafficking in drugs, human beings and firearms, fraud and corruption as the principle and most serious crimes in the Central Asian region. It provides an analytical framework based on causal factors as well as on facilitating and inhibiting factors.

Acknowledging the difficulties and limitations associated with research on organized crime in Central Asia, the report is a synthesis of information from a multitude of sources. It includes information provided by the governments of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan together with data and information drawn from secondary literature, expert opinions and other sources.

An analysis of organized crime in Central Asia must take into account historical, political, social and economic developments in the region. Most states in Central Asia are in a transitional period and are characterized by developing, but still relatively low levels of effective governance. Gaps in governmental capacity and voids created by weak and ineffective state institutions are a strong contributing factor in the proliferation of organized criminal activities. Moreover, cultural, religious and ethnic differences are exploited by organized criminals to achieve their objectives and to facilitate the spread of organized crime. Organized crime, therefore, must be seen as a consequence of the interplay between these various elements.

The report discusses the specific structures and modes of operation of the Central Asian criminal groups. It highlights the diversity of those groups and the tendency towards more flexible network organizations.

Various types of activities in which criminal groups are engaged are explored in the report, with drug trafficking presenting the most serious problem. With three of the Central Asian states, Tajikistan, Turkmenistan and Uzbekistan, sharing borders with Afghanistan, the largest producer of illicit opiates in the world, Central Asia is an important transit zone for illicit drugs. A consequence of the drug trafficking has been a major increase in drug abuse in the region. However, it is not the only form of criminal activity associated with organized crime in the region. Organized crime activity includes significant—and in some cases growing—incidents of trafficking in human beings and firearms, fraud and corruption.

The report concludes that organized crime has a serious impact on Central Asian societies and on the transition process by undermining state institutions and hampering economic development and investment opportunities. Strengthening and reforming state institutions, political will and promoting international cooperation, are key prerequisites for effectively combating organized crime in the region. The long-term development of the Central Asian states is very much dependant on effective governance. Effective governance will help bring economic stability to this region, which will in turn help combat the proliferation of organized crime.

It should be noted that this report constitutes a first attempt by UNODC to analyze the problem of transnational organized crime in Central Asia. It is not intended to be a definitive study but rather to draw attention to the key issues surrounding the phenomenon of organized crime in this region. The issues raised are ones that merit further research and debate. This report was completed to provide UNODC with a better understanding of the problem and to help ascertain how the organization can further assist Central Asian governments in combating it.<sup>1</sup>

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<sup>1</sup> UNODC wishes to thank the following contributors to this report; Phil Williams, Kairat Osmonaliev, Slawomir Redo, Mark Shaw, Nicole Maric, Andrea Wojtak, Aida Amanbayeva and representatives from the Central Asian states.

## I. Introduction

High levels of organized crime adversely affect a country's ability to achieve economic development. Organized crime undermines government institutions and public trust in the state and may even endanger democracy itself. The countries of the former Soviet Union and Eastern Europe have been, and continue to be, particularly vulnerable to organized crime. The present report aims to provide a broad overview of transnational organized crime in Central Asia. While acknowledging the unique differences between the states in the region (see figures 2-6) the report emphasizes the importance of adopting a coherent regional approach to the problem. The governments of Central Asia need to be aware of the dangers posed by organized crime both to their countries and to the stability of the region.

Figure 2

### Basic indicators: Kazakhstan



#### Kazakhstan

**Area:** 2.7 million km<sup>2</sup>

**Length of borders:** 12,012 km

**Population:** 15.284 million (2007 est.)

**Population density:** 6 per km<sup>2</sup>

**Ethnic groups:** Kazakh (Qazaq) 53.4%, Russian 30%, Ukrainian 3.7%, Uzbek 2.5%, German 2.4%, Uighur 1.4%, other 6.6% (1999 census)

**Religion:** Muslim 47%, Russian Orthodox 44%, Protestant 2%, other 7%

**Natural resources:** major deposits of petroleum, natural gas, coal, iron ore, manganese, chrome ore, nickel, cobalt, copper, molybdenum, lead, zinc, bauxite, gold and uranium

**Labour force:** 7.8 million (2006 est.)

**Unemployment:** 7.4% (2006 est.)

Figure 3

### Basic indicators: Kyrgyzstan



#### Kyrgyzstan

**Area:** 199,000 km<sup>2</sup>

**Length of borders:** 3,878 km

**Population:** 5.284 million (2007 est.)

**Population density:** 23 per km<sup>2</sup>

**Ethnic groups:** Kyrgyz 64.9%, Uzbek 13.8%, Russian 12.5%, Dungan 1.1%, Ukrainian 1%, Uyгур 1%, Other 5.7% (1999 census)

**Religion:** Muslim 75%, Russian Orthodox 20%, other 5%

**Natural resources:** abundant hydropower; significant deposits of gold and rare earth metals; locally exploitable coal, oil and natural gas; deposits of nepheline, mercury, bismuth, lead and zinc

**Labour force:** 2.7 million (2000)

**Unemployment:** 18% (2004 est.)

Figure 4  
**Basic indicators: Tajikistan**



**Tajikistan**  
**Area:** 143,000 km<sup>2</sup>  
**Length of borders:** 3,651 km  
**Population:** 7.076 million (2007 est.)  
**Population density:** 42 per km<sup>2</sup>  
**Ethnic groups:** Tajik 79.9%, Uzbek 15.3%, Russian 1.1%, Kyrgyz 1.1%, other 2.6% (2000 census)  
**Religion:** Sunni Muslim 85%, Shi'a Muslim 5%, other 10%  
**Natural resources:** hydropower, some petroleum, uranium, mercury, brown coal, lead, zinc, antimony, tungsten, silver and gold  
**Labour force:** 3.7 million (2003)  
**Unemployment:** 12% (2004 est.)

Figure 5  
**Basic indicators: Turkmenistan**



**Turkmenistan**  
**Area:** 488,000 km<sup>2</sup>  
**Length of borders:** 3,736 km  
**Population:** 5.097 million (2007 est.)  
**Population density:** 10 per km<sup>2</sup>  
**Ethnic groups:** Turkmen 85%, Uzbek 5%, Russian 4%, other 6% (2003 census)  
**Religion:** Muslim 89%, Eastern Orthodox 9%, unknown 2%  
**Natural resources:** petroleum, natural gas, sulphur and salt  
**Labour force:** 2.32 million (2003 est.)  
**Unemployment:** 60% (2004 est.)

Figure 6  
**Basic indicators: Uzbekistan**



<p><b>Uzbekistan</b>  <b>Area:</b> 447,000 km<sup>2</sup>  <b>Length of borders:</b> 6,221 km  <b>Population:</b> 27.780 million (2007 est.)  <b>Population density:</b> 53 per km<sup>2</sup>  <b>Ethnic groups:</b> Uzbek 80%, Russian 5.5%, Tajik 5%, Kazakh 3%, Karakalpak 2.5%, Tatar 1.5%, other 2.5% (1996 est.)  <b>Religion:</b> Muslim 88% (mostly Sunnis), Eastern Orthodox 9%, other 3%  <b>Natural resources:</b> natural gas, petroleum, coal, gold, uranium, silver, copper, lead, zinc, tungsten and molybdenum  <b>Labour force:</b> 14.44 million (2006 est.)  <b>Unemployment:</b> 3% with another 20% underemployed (2006)</p>
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Source: Country profile reports prepared by UNDP (2003) and Answers.com.

The states of the region, which have suffered from decades of totalitarian rule, are for the most part still struggling to establish effective law enforcement institutions. In these kinds of transitional societies, overall levels of governance frequently tend to be weak. This factor, combined with low levels of economic development and high unemployment, contribute to the region’s vulnerability to organized crime. The vulnerability of Central Asia is, as mentioned, accentuated by the fact that three of its states share borders with Afghanistan.

**A note on methodology**

One of the key challenges of any study of transnational organized crime is to define the concept. While there is no internationally accepted definition of “organized crime” per se, the United Nations Convention against Transnational Organized Crime (General Assembly resolution 55/25, Annex I, hereinafter referred to as the “Organized Crime Convention”) provides a definition of an “organized criminal group” as “a structured group of three or more persons, existing for a period of time and acting in concert with the aim of committing one or more serious crimes or offences established in accordance with this Convention, in order to obtain, directly or indirectly, a financial or other material benefit” (Article 2 (a)). The term “serious crime” is defined in Article 2(b) as “an offence punishable by a maximum deprivation of liberty of at least four years or a more serious penalty”. The definition of organized criminal group in the Convention is rather wide. It not only encompasses mafia-type organizations with strict hierarchical structures, but also street gangs and other criminal groups with relatively loose organizational structures. In the case of Central Asia, organized criminal groups take on a variety of structures, not just the hierarchical, highly organized structures typically associated with the notion of organized crime. Other definitions of “organized

crime” include: “the functioning of stable associations, engaged in crime as a form of business, and setting up a system of protection against public control by means of corruption”.<sup>2</sup> Another definition describes organized crime as the activities of sustainable criminal communities (organizations) that are distinguished by their organizational structure, possess a certain unity based on their criminal activities (gang related activities, anti-constitutional activities, white-collar crime, etc.), benefit from an established conspiracy as well as a police protection system and corruption, and engage in large-scale criminal activity, including in foreign countries. Specific organized criminal activities, such as trafficking in human beings or money-laundering, will be defined later in this report.

The criminal codes of all the Central Asian states establish offences relating to complicity within a criminal group or organization (community), as well as liability for organizing the criminal community. Some of the crimes outlined in the codes foresee commission of the crime by an organized criminal group or community as an aggravating factor. However, the laws of the Central Asian states do not clearly define the term “organized crime”.

It is important to consider that organized crime is a social phenomenon and cannot be reduced to the sum of criminal organizations.<sup>2</sup> The growth of organized criminal activities is not independent or separate from society, but rather intricately interwoven with social systems and subsystems that have an impact upon the politics, economics and policies of a state.

The present report is a synthesis of information from a variety of sources and includes information provided by the governments of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan as well as data drawn from secondary literature and expert opinion. Additional sources included media reports, scholarly articles on drug trafficking and organized crime, as well as research bodies such as the United Nations Institute for Disarmament Research. For the material on the socio-economic context in Central Asia, assessments provided by the annual Human Development Reports of the United Nations Development Programme (UNDP) were particularly helpful. A seminar on assessing the extent of organized crime in Central Asia, drawing on experts from across the region, was organized by the United Nations Office on Drugs and Crime (UNODC) on 26 March 2002 in Tashkent. The seminar provided many helpful suggestions and proposals that were subsequently incorporated into the present report.

Nevertheless, it is important to understand the constraints that were faced when gathering data on the nature of organized crime for this report. A growing body of literature points to the methodological difficulties associated with studying illicit and often hidden activities, including those related to organized crime. These include the requirement to collect data from multiple sources, the difficulties of doing so, and the challenge of drawing conclusions based on fragmentary data.<sup>3</sup>

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<sup>2</sup> Yakov Gilinskiy, “The Russia and Crime Today” (St. Petersburg, Russian Federation), available online at <http://www.socio.ru/public/gilinskiy/oslo1.doc>

<sup>2</sup> Adapted from Gilinskiy, loc.cit

<sup>3</sup> For two examples see Patricia Rawlinson, “Mafia, methodology and ‘alien’ culture”, *Doing*

Collecting information on organized crime in multiple jurisdictions presents a number of difficulties. The first is conducting cross-jurisdictional or comparative criminology, with all the issues of legal definition and varying interpretation that this presents.<sup>4</sup> The second is conducting research on organized crime, acknowledged to contain challenges that are not present in other areas of criminological study.<sup>5</sup>

Thus, despite the importance of doing so, collecting data on organized criminal groups and their activities at the international level is a challenging task. The assessment carried out for this report was no exception. While there are indications that organized crime has expanded rapidly both in the Central Asian region and across the globe in the last decade, these statements are often difficult to substantiate with empirical data such as the number of organized criminal groups currently operating. Also, estimating the extent and value of various criminal markets remains a difficult undertaking. For these reasons, this report examines criminal markets where there is some evidence of an expansion of criminal activity, or where there is vulnerability for this to occur. What is perhaps most striking is that the available information suggests a significant growth in the areas, apart from drug trafficking, in which organized criminal groups are currently active and that this is a trend that is likely to continue in the future.

While obtaining data on organized crime in the region presented specific challenges, acquiring information about the activities and impact of Central Asian criminal groups in Western Europe or North America (which are the major consumers for drugs and other illicit commodities) was especially difficult. This is partly because most accounts of organized crime in many developed countries fail to differentiate between citizens of Central Asian states and those from other states of the former Soviet Union. Generally, criminal organizations from Central Asia are considered to be part of the category of Russian-speaking criminal groups, groups from the former Soviet Union, or Russian and East European organized crime. Although the reality is significantly more complex, such groups and individuals are often considered under unhelpful labels such as the “Russian mafia”.<sup>6</sup> This has made it more difficult to highlight the transnational linkages of criminal organizations operating from Central Asia.

Within the region itself, significant gaps exist in the data. This is not surprising and reflects a systemic and general problem with research in this field: organized crime uses secrecy as a protection or risk-management mechanism, being only too aware that the more transparent its membership and activities the easier it can be targeted by law enforcement. Consequently, as already suggested, obtaining

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*Research on Crime and Justice*, R.D. King and E. Wincup, eds. (Oxford, Oxford University Press, 2000); and Simon Winlow and others, “Get ready to duck: bouncers and the realities of ethnographic research on violent groups”, *British Journal of Criminology*, vol. 41, No. 3(2001)

<sup>4</sup> For both the advantages and disadvantages of comparative criminology, specifically in research on policing, see R. I. Mawby, *Policing Across the World: Issues for the Twenty-first Century* (London, UCL Press, 1999).

<sup>5</sup> See, for example, the introduction to James O. Finckenauer and Elin J. Waring, *Russian Mafia in America: Immigration, Culture, and Crime*, (Boston, Northeastern University Press, 1998), and Dick Hobbs, *Bad Business: Professional Crime in Modern Britain* (Oxford, Oxford University Press, 1995).

<sup>6</sup> The use of the term “Russian mafia” has been critically evaluated in several detailed studies of organized criminal activity involving nationals of the former Soviet Union. See, for example, Patricia Rawlinson, loc. cit. and James Finckenauer and Elin Waring, op.cit.

adequate data is often difficult and time-consuming and sometimes impossible.<sup>7</sup> Another related problem arises from the fact that, in spite of proximity and similarities in the problems they confront, the various governments that contributed to the study did not necessarily have common definitions or understanding of what constitutes organized crime, or standardized criteria for the categorization of organized criminal activities. Even different agencies working on the problem of organized crime within the same country do not always have consistency or clarity in reporting. The final challenge to compiling this type of organized crime assessment concerns gathering information on the ways in which organized criminal groups are connected to one another, as well on the way they are connected to society. What follows, therefore, is a high-level strategic assessment of organized crime in Central Asia, based on the best available information as supplied by the governments concerned and based on a comprehensive review of the available open source information.

### **Outline and structure of the report**

The report seeks to provide a sense of the larger picture of the problem of organized crime in Central Asia through a systematic analysis of its origins and causes as well as its players and the organized crime activities in the region. The report will review these factors through an analytical framework comprised of background causes, facilitating and inhibiting factors and finally motivation and mobilization factors, the meaning of which will be explained later in this report. The causes and factors that will be reviewed involve the historical, political, social and economic developments in Central Asia. They also involve the cultural, religious and ethnic differences that are mobilized by organized criminals and that can both enhance and inhibit the pursuit of their objectives. The report concludes that organized crime in Central Asia must be seen as a consequence of the interplay between these various elements.

Against this framework analysis, the report aims, through a two-pronged analysis, to assess the current status of key organized crime groups operating throughout Central Asia and the efforts to combat them. Firstly, the structures and compositions of criminal groups are explored through an examination of the current knowledge available concerning the nature of organized crime in Central Asia. Secondly, the report then suggests that there needs to be a shift in the strategies employed to combat organized crime by engaging in an analysis of organized criminal groups within society. Organized crime is not a separate activity conducted by clearly identifiable actors, but rather is highly interwoven behaviour in society that must be addressed with a series of specific interventions. The report then outlines some of the challenges and dilemmas faced in combating organized crime in the region and outlines the potential consequences of the types of activity engaged in by organized criminal groups. Finally, the report presents some tentative conclusions.

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<sup>7</sup> The difficulties of collecting research data on organized criminal groups is discussed in greater detail in *Results of a Pilot Survey of Forty Selected Organized Criminal Groups in Sixteen Countries*, United Nations Office on Drugs and Crime, September 2002. See also Simon Winlow and others, loc. cit.

## II. Background analysis

Organized crime is a worldwide phenomenon and all countries, to varying degrees, are affected by the activities of organized criminal groups. Although developed countries are more often the recipients of the commodities of organized crime—for example, drugs or human beings for sexual exploitation—they are also the source for some illicit commodities, such as motor vehicles or stolen firearms. However, the extent of the phenomenon and the specific forms of organized criminal groups vary according to the historical, political, social, economic and cultural contexts in which they operate.

In any attempt to understand organized crime in a specific region, it is important therefore to isolate both the origins of organized crime and the general political, economic and social context in which organized crime takes root. The present section will use an analytical framework<sup>8</sup> comprised of three categories: structural causes, inhibiting and facilitating factors and finally motivation and mobilization factors.

**Structural causes** (also referred to as root or background causes) are the underlying events, structures and conditions that have existed over a long period of time and that are necessary conditions for organized crime.

**Inhibiting and Facilitating Factors** (also referred to as intervening factors or accelerators), contrary to structural causes, are factors that encourage or hinder the expansion of organized criminal activities and exacerbate or enhance endeavours to combat organized crime. For example, literature on Central Asia often cites the existence of tribes and clans, or strong social cohesion, as a contributing factor to organized crime. On the one hand, this strong social cohesion makes it easier to engage in organized criminal activities; on the other hand, it could also conceivably inhibit its proliferation. As has been pointed out in other analyses of the phenomenon, families and clans place central prominence on honesty, respect, help and hospitality.<sup>9</sup> Using the example of human trafficking, these clan values can result in a strong social prohibition and stigma against prostitution but at the same time can pose great challenges to efforts to reintegrate victims of trafficking back into society. In this way, the clan and its values can play a dual role in organized crime in Central Asia by both inhibiting and facilitating its growth. Inhibiting and facilitating factors can also, for example, be factors such as geography, including

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<sup>8</sup> The analytical framework used in the present report (structural causes, catalysts and motivation and mobilization strategies) has been adapted from three sources on the study of conflict rather than organized crime: Dessler, who uses channels, targets and trigger catalysts; Smith, who uses background causes, mobilization strategies and trigger catalysts; and FAST International, which uses root causes, proximate causes and intervening factors. See David Dessler, “How to sort causes in the study of environmental change and violent conflict”, *Environment, Poverty, Conflict*, N. Greger and D. Smith, eds. (Oslo, International Peace Research Institute, 1994); Dan Smith, “Trends and causes of armed conflict”, *Transforming Ethnopolitical Conflict: the Berghof Handbook*, Alexander Austin, Martina Fischer and Norbert Ropers, eds. (Wiesbaden, VS-Verlag für Sozialwissenschaften, 2004); FAST International, a programme of the Swiss Peace Foundation (analytical framework available online at <http://www.swisspeace.org/fast/products.htm>).

<sup>9</sup> Slawomir Redo, *Organized Crime and its Control in Central Asia* (Huntsville, Texas, Office of International Criminal Justice, 2005).

natural resources or a rugged landscape (making it difficult to monitor borders), or the prevalence of firearms.

**Mobilization factors** (also referred to as targets) are the most elusive of the three categories and predominantly concern the motivations of the key stakeholders. In short, mobilization and motivation factors are the set of highly personal, subjective reasons and causes for which people engage in criminal activities.

It is worth emphasizing that these factors are multifaceted and intertwined. Many transitional societies are trapped in vicious circles: weak state institutions provide an environment for the proliferation of organized crime; organized crime weakens state institutions. For example, extreme structural inequality, such as poverty, is a cause for people to participate in criminal activity. While such activities may be in the short-term interest of such individuals, in the medium to longer term they result in the weakening of institutions of governance and the increasing criminalization of the economy as a whole.

## A. Structural causes

### 1. The legacy of the Soviet Union

The present states of Central Asia became independent after the collapse of the Soviet Union and subsequently have become more integrated into the global economy. However, the states of Central Asia were formerly dominated by centralized control from Moscow and have inherited significant environmental problems, highly skewed trade patterns, distorted patterns of industrial production and a set of deeply entrenched obstacles to democratization and to the development of market economies.

The last decade of Soviet Union control in the region, which was characterized by autocratic rule, nepotism, suppression of opposition forces and growing corruption, provided ample opportunity for the expansion of organized criminal activities. One example is the cotton scandal of the 1980s. Those in charge of the production of cotton and other commodities in what is now Uzbekistan falsified documents, accumulated start-up capital and created shadow companies within the formal industrial structures. Among other activities, this involved the falsification of production figures, passing off bad quality cotton for good and claiming false seed shortages to obtain more seeds. The racket was protected by pay-offs to key state officials.

While the response of the central government in Moscow to the cotton scandal was harsh (between 1983 and 1988 at least 100 officials were charged with corruption and 2 were executed; more than 3,000 local officials were demoted; 18,000 of the 650,000 communists in the republic were expelled from the Communist Party; and more than 4,000 police officers were fired),<sup>10</sup> the patronage networks that had become a feature of the region by that time did not appear to be significantly altered. Investigations that followed the cotton scandal highlighted the existence of a systemic relationship between criminals and officials, a relationship facilitated in part by the clan structures of Central Asia.

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<sup>10</sup> Steve Goldstein, "The Uzbekistan cotton mafia: intrigue and pilferage", *The Record* (Knight-Ridder News Service, 25 November 1988).

While comprehensive data is lacking, there is evidence that in the last decade of the Soviet Union significant problems of organized crime had evolved or at least had become more visible.<sup>11</sup> The violent nature of organized crime was also evident. In 1988, for example, Uzbekistan's Deputy Prosecutor, said that a three-year investigation had revealed the existence of 14 different criminal families whose members had been involved in more than 40 murders, as well as blackmail and robbery.

By the time the Soviet Union collapsed, therefore, the five states of Central Asia already had a well-established history of corrupt and criminal behaviour. The breakdown of governance, the combination of large-scale economic dislocation and a tradition of corruption and criminality provided the window of opportunity for organized criminal groups to expand.<sup>12</sup> Such groups utilized the newly available resources that, when compared to the alternatives available in the legal economy, were extremely lucrative.

In short, an important part of the legacy of communism is the fostering of both a criminal tradition and a lack of public accountability. Along with authoritarian rule, there existed a tradition of corruption, disregard for human rights and the rule of law, and an overall lack of public accountability of state institutions and officials. All of these factors have shaped the current nature of organized crime in Central Asia today.

## **2. Lack of a strong historical tradition of statehood**

One of the main impediments to the building of modern, effective national institutions with the checks and balances necessary for successfully countering organized crime is the lack of a strong tradition of statehood.

For centuries, the region of Central Asia was one where nomadic and settled populations coexisted. It was also the arena for clashes between powerful empires (Mongolian, Chinese, Turkish, Russian and English, to name a few), which contributed at various times to the destruction or strengthening of existing states in Central Asia.<sup>13</sup>

This lack of a national identity was accentuated further during the Soviet era. To prevent nationalist movements from taking root in the region, Soviet rule explicitly aimed to mix the ethnic groups across the borders of each of the region's states. The result today is that national borders do not necessarily correspond to actual ethnic identities, with Uzbek and Tajik populations being citizens of Kyrgyzstan and Uzbek and Tajik enclaves inside the Kyrgyz frontiers. Tajikistan also has an enclave in Uzbek territory and, similarly, the historic Tajik cultural centres of Bukhara and Samarqand are located in Uzbekistan.<sup>14</sup>

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<sup>11</sup> See, for example, William Clark, *Crime and Punishment in Soviet Officialdom: Combating Corruption in the Political Elite, 1965-1990* (Armonk, New York, M. E. Sharpe, Inc., 1993).

<sup>12</sup> Stephen Handelman, *Comrade Criminal: Russia's new Mafiya*, (New Haven, Yale University Press, 1997).

<sup>13</sup> Asylbek Bisenbaev, *Drugaya Sentralnaya Asia*, (Almaty, 2003); see also L. Harukov, *Anglo-russkoe Sopernichestvo v Sentralnoi Asii i Ismailizm* (Moscow, Moscow State University Press, 1995), and Svat Soucek, *A History of Inner Asia* (Cambridge University Press, 2000).

<sup>14</sup> Jacquelyn Davis and Michael Sweeney, *Central Asia in U.S. strategy and operational planning*:

Contrary to other transitions, it is important to bear in mind that these states did not fight for independence but rather found themselves independent. Despite the two movements in Uzbekistan (Birlik (Unity) and Erk (Freedom)), there was no large-scale, grass-roots activism during the transitional democracy and thus no sustainable debate on which mode of post-Soviet governance to take up. The newly formed republics subsequently found themselves facing the challenge of needing to build democratic structures including strengthening and separating the executive, legislative and judicial branches as well as the media sector, all of which were weakly developed under Soviet rule.

This lack of a strong historical tradition of statehood continues to play a negative role in Central Asian politics and undermines endeavours towards political and economic reform and nation building. One outcome is the exclusion of relevant stakeholders from the institutions of power and politics. This has at times resulted in politics being directed towards the interests of a close, narrow, governing elite rather than the welfare of the nation state as a whole. As one writer has noted, the state is not above politics so much as it is reduced to being the prize of politics; whoever controls the state controls the spoils.<sup>15</sup> The notion of the state as a prize may explain the continued tensions in some of the Central Asian republics where control of the state is contested by rival clans and factions, all striving for a share of control over its resources.

Where members of a strong regime, as opposed to a strong state, are involved in organized crime, the regime will often provide protection for its organized crime allies, while attacking unaffiliated criminal organizations. Its organized crime allies in turn provide beneficial services to the regime. The regime can appear virtuous in its attack on selected criminal organizations while continuing to benefit from its cooperative relationship with others. Moreover, as its allies become more dominant in the criminal milieu, then the rewards for the regime will also increase. Importantly, therefore, where the state is contested, the rival political-criminal factions will vie for both political authority as well as control over illicit markets.

### **3. Weakness or collapse of state infrastructure**

The strength of state institutions is also an important factor for organized crime. The notion of weak or “failed” states can be used to describe states with such characteristics as: low levels of state legitimacy, poorly articulated or ineffective norms and rules, subordination of the collective interest to individual interests, lack of economic or social provision for the citizenry, absence of legal regulation of business and protection for business, lack of social control mechanisms embodied in a fair and efficient criminal justice system, and inability to carry out typical and traditional state functions with either efficiency or effectiveness.<sup>16</sup> However, from

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*where do we go from here?* (Institute for Foreign Policy Analysis, 2004).

<sup>15</sup> See the first chapter, entitled “The distinctive political logic of weak states” in William Reno, *Warlord Politics and African States* (Boulder, Lynne Rienner Publishers, 1999).

<sup>16</sup> A review of elements constituting state weakness can be found in Albert Rakipi, “The weak States and the role of international institutions” (NATO Defense College, Rome, 2003); Thomas Ohlson and Mimmi Soderberg, “From intra-State war to democratic peace in weak States”, Uppsala Peace Research Paper No. 5, Department of Peace and Conflict Research, Uppsala University; and Robert I. Rotberg, “The new nature of nation-State failure”, *The Washington Quarterly*, vol. 25, No. 3 (Summer 2002).

international experience, it is important not to confuse a country where state infrastructure has collapsed (a “failed” state) with a state where organized crime has infiltrated many areas of government. In the former, there are no functioning structures, while in the latter, state institutions continue to exist but may act in the interests of criminal groups.<sup>17</sup>

While the present report cannot provide a comprehensive review of the strength of state institutions in Central Asia, it can be concluded that states in the region suffer, to various degrees, from what can be termed capacity gaps, which in turn lead to functional gaps. These can be described as the failure of the state to fulfil certain basic functions that are normally associated with government institutions and are expected by the citizenry.<sup>18</sup> Central Asian governments suffer from various functional gaps, especially in the areas of criminal justice, financial and business regulation, social services and medical and health care, including treatment and rehabilitation of drug addicts.

As a result of these gaps, organized criminal groups are able to exploit weak and ineffective state institutions for their own benefit. Moreover, once organized crime is operating in this kind of environment it has a vested interest in maintaining a perpetually weak state.

A critical area of state weakness relates to the operation of the criminal justice system and in particular the judiciary. Central Asian states have been weakened through ongoing crises in the institutions of criminal justice. The problems begin with the procuracy<sup>19</sup> and judiciary and extend through the law enforcement agencies. The procuracy in the Central Asian states generally has far-reaching legal powers, but is highly politicized. It has oversight of the police, but rarely exercises it; and is in theory independent but often reports directly to the president.<sup>20</sup> The failure to exercise systematic diligence in overseeing police forces often allows corruption and human rights violations by law enforcement institutions to go unchecked. The degree to which the judiciary and law-enforcement sectors have become susceptible to corruption is difficult to measure. Nevertheless, several reports assert, most particularly in relation to drug trafficking, that there is often a mutually beneficial relationship between organized crime and some law enforcement officials. According to one report, the police “have become increasingly ineffectual at fighting serious crime and terrorism, partly because they have themselves become closely entangled in criminal networks engaged in contraband and drugs trafficking”.<sup>21</sup>

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<sup>17</sup> Fabio Mini, “The role of the military in combating organized crime”, Alexander Austin and others, *Organized Crime as an Obstacle to Successful Peacebuilding: Lessons Learned from the Balkans, Afghanistan and West Africa* (Berlin, Zentrum für Internationale Friedenseinsätze, 2003).

<sup>18</sup> The notion of capacity gaps and functional holes is developed more fully in Phil Williams “Transnational organized crime and the state”, *The Emergence of Private Authority in Global Governance*, Thomas J. Biersteker and others, eds. (Cambridge, Cambridge University Press, 2002).

<sup>19</sup> In Central Asia, the Procuracy continues to be the lead investigative agency for all criminal matters, see International Narcotics Control Strategy Report, 2002

<sup>20</sup> “Central Asia: the politics of police reform”, International Crisis Group, Asia Report No. 42 (10 December 2002).

<sup>21</sup> Ibid.

In addition to the functional gaps in the judiciary and police, prison services throughout Central Asia remain in need of serious improvement. Prisons suffer from overcrowding and have greatly contributed to the spread of HIV/AIDS.<sup>22</sup> The problem of HIV/AIDS in Central Asian society in general is also exacerbated through drug abuse and prostitution, further challenging already weakened health systems. The specific problems of functional gaps in the criminal justice and health systems illustrate a much wider issue throughout Central Asia: a faltering and still incomplete movement towards political and economic reform in the region.

Weakness and collapse of state institutions in Central Asia have had a direct impact on the dynamics of the development of organized crime. For example, during the period of the civil war in Tajikistan between 1992 and 1997, international organized criminal groups established drug trafficking routes. At the same time, paramilitary terrorist and extremist organizations were not regulated sufficiently in Tajikistan and Afghanistan. Even with the end of the war, Tajikistan has still had to devote substantial resources to tackling drug trafficking and terrorism.

Corruption and weak state institutions were the main factors leading to the collapse of the ruling regime in Kyrgyzstan in March 2005. Events in Andijan in May 2005 nearly pushed Uzbekistan into a protracted conflict. Kazakhstan on the other hand, with its dynamic economy, is less prone than other states of Central Asia to the risk of being involved in conflicts initiated by international terrorists and drug lords.

For all five states of Central Asia, the transition process has proved to be both painful and protracted. Since independence, progress towards democracy and a market economy has been uneven and the final outcome is by no means a foregone conclusion.<sup>23</sup>

This process has provided a highly favourable environment for organized crime to flourish. The halting transition towards a market economy provides opportunities for both government and criminal control over key sectors and key industries. The lack of transparency, which is a consequence of continued authoritarianism, facilitates both rent seeking<sup>24</sup> by political elites, and the operations of organized criminal groups. Sometimes these are independent of each other, while at other times they intersect in important and lucrative ways.

#### **4. Weak systems of criminal justice**

A key requirement for success in combating organized crime is an effective and functioning criminal justice system, with an independent judiciary. The constitutions of all five Central Asian states guarantee the rule of law (Tajikistan (article 4); Turkmenistan (article 1); and Uzbekistan (article 10), as well as the separation (or

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<sup>22</sup> See Antoine Blua, "Central Asia: HIV in prisons poses threat to public health", Radio Free Europe/Radio Liberty (23 February 2004), available online at <http://www.rferl.org>; see also the Dublin Declaration on HIV/AIDS in Prisons in Europe and Central Asia, adopted on 23 February 2004, available online at <http://www.iprt.ie>.

<sup>23</sup> Gregory Gleason, "'Asian values' and the democratic transition in Central Asia" (*Harvard Asia Quarterly*, Winter 2001).

<sup>24</sup> Rent seeking is defined as seeking profit through the manipulation of the economic environment rather than through trade and the production of added wealth (<http://www.edcnews.se/Research/RentSeeking.html>)

division) of power: Kazakhstan (article 3); Kyrgyzstan (article 7); Tajikistan (article 5); Turkmenistan (article 4); and Uzbekistan (article 11)). Nevertheless, these states are characterized by a strong presidential system where the executive branch is neither proportional to nor balanced by the judicial or legislative branches of government.

At the UNODC expert meeting on countering organized crime in the region, one of the challenges identified was that presidents were empowered to take any decision, to enact laws, to annul acts of parliament, to appoint and dismiss any public official, including judges, to order any investigation by the prosecutor's office and even to overrule judgements of constitutional courts. The aggregation of power in the hands of an executive has led to a judiciary that lacks de facto independence and a legislative branch that is ineffective in exercising oversight functions.<sup>25</sup>

An example of another type of weakness in the region's criminal justice systems is the fact that, until 2001, the Uzbek justice system had no accurate records. The United Nations common country assessment of Uzbekistan in 2001 noted that judges decisions or opinions were rarely in written form, were never published and not widely available to legal practitioners and the public.<sup>26</sup> Without accurate court records, a defendant's ability to launch a meaningful and successful appeal is obviously severely limited. However, efforts have been made to address this problem both by the Government of Uzbekistan and the international community with the provision of a court reporting system.

## 5. Poverty and inequality

Among the former Soviet republics, most of the Central Asian states were generally the poorest and least developed. When the countries of the region became independent, these new states often suffered from serious economic disadvantages. Structural weaknesses attributable in part to the central planning of the communist era were intensified as traditional trade patterns were disrupted.<sup>27</sup> The impact of political transition for ordinary citizens was particularly harsh as what was left of the Soviet social safety net disintegrated.<sup>28</sup>

In the wake of independence, the Central Asian states went through an extended period of economic dislocation, inflicting severe hardship on large parts of the population. Hyperinflation, the growth of unemployment, the loss of traditional markets and trade outlets and limited investment capital had important implications for the quality of life of the regions' citizens. The result was a precipitous economic decline. However, in the last few years, economic performance has improved

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<sup>25</sup> Andrzej Rzeplinski, "The rule of law as a priority in criminal justice reform: building on experiences in technical cooperation between Europe and Central Asia", *The Application of the United Nations Standards and Norms in Crime Prevention and Criminal Justice*, article presented at an Expert Group Meeting held at Stadtschlaining, Austria, 10-12 February 2003 (publication of the United Nations Office on Drugs and Crime).

<sup>26</sup> Common Country Assessment of Uzbekistan, 2001 (United Nations Development Program) available online at [www.undp.org/documents/1739-Uzbekistan\\_CCA\\_-\\_2001.pdf](http://www.undp.org/documents/1739-Uzbekistan_CCA_-_2001.pdf)

<sup>27</sup> Frederick Starr, "Making Eurasia stable", *Foreign Affairs*, vol. 75, No.1 (January/February 1996).

<sup>28</sup> Robert M. Cutler, "Economics and security in Central Asia", *Harvard Asia Quarterly* (Winter 2001).

considerably, although with some significant variations from state to state. Nevertheless, the extent to which the benefits of this are being equitably distributed remains highly contentious.<sup>29</sup>

The economic dislocation described above is evident in the figures for the gross domestic product (GDP) per capita during the 1990s for each of the five Central Asian states (see table 1). Only Kazakhstan had a GDP per capita higher in 2002 than it was in 1990. This can be attributed to the fact that Kazakhstan has attracted considerable foreign investment owing to its oil and gas resources. In Tajikistan, GDP per capita in 2002 was less than half the figure prior to the Soviet collapse, while in both Uzbekistan and Kyrgyzstan the 2000 figure was still well below the level 10 years earlier.<sup>30</sup> Economic growth in Tajikistan has been particularly slow. This is partly a result of a sustained period of civil conflict, which despite having ended in 1997, has had a long-term impact on such economic factors as investor confidence.<sup>31</sup>

Concerning the overall quality of life, as assessed by UNDP through the Human Development Index (HDI),<sup>32</sup> the picture is equally serious. In the five Central Asian states, the HDI rankings from the early 1990s dropped significantly over the next decade. Kazakhstan dropped from a ranking of 54 to 78, Kyrgyzstan from 83 to 110, Tajikistan from 88 to 116, Turkmenistan from 66 to 86 and Uzbekistan from 80 to 107.<sup>33</sup> While these rankings are no more than comparators of relative progress, they provide at least some indication of the economic and social conditions faced by ordinary citizens in these countries.

Table 1  
**Gross domestic product and Human Development Index ranking of the Central Asian states**

	<i>Kazakhstan</i>	<i>Kyrgyzstan</i>	<i>Tajikistan</i>	<i>Turkmenistan</i>	<i>Uzbekistan</i>
GDP (2006)	\$143.billion	\$10.73 billion	\$9.52 billion	\$43 billion	\$55.7 billion
GDP real growth rate (2006)	10.6%	2.7%	7%	6%	7.3%
GDP per capita (2006)	\$9,400	\$2 100	\$1 300	\$8 500	\$2 000
HDI (2004)	0.774	0.705	0.652	0.724	0.696
HDI country ranking (2004)	79	110	122	105	113

<sup>29</sup> For a review of developments in a variety of sectors, see *Transformation of Central Asia: States and Societies from Soviet Rule to Independence*, Pauline Jones Luong, ed. (Cornell University Press, 2003).

<sup>30</sup> The data is drawn from UNDP *Human Development Reports* for the years 1990-2002.

<sup>31</sup> See "Tajikistan: Country Profile 2003", Economist Intelligence Unit; see also "Central Asia: rehabilitation of Tajikistan", report of the European Commission Rapid Reaction Mechanism Assessment Mission (European Commission Conflict Prevention and Crisis Management Unit, June 2002).

<sup>32</sup> The Human Development Index (HDI) is a composite index that encompasses a variety of factors such as GDP per capita, availability of water and accessibility of health and welfare services (see table 1 in the body of the report).

<sup>33</sup> The data are drawn from the UNDP *Human Development Reports* for 1993 and 2003.

Any attempt to understand the growth of organized crime and drug trafficking in Central Asia during the 1990s must be viewed against this backdrop of economic decline and personal hardship. For people living in harsh conditions and poor economic circumstances, short-term survival may be the priority. This is why increasing numbers of impoverished people are willing to risk the harsh penalties imposed for drug trafficking—including the death penalty—for the chance to reap substantial financial rewards.<sup>34</sup> Organized crime, drug trafficking and the operation of shadow economies and informal markets have provided economic opportunities for many citizens that otherwise were simply not available.

During much of the 1990s in both Tajikistan and Kyrgyzstan, opium and, to a lesser extent weapons, became accepted currencies that retained their face value. These shadow markets often became important sources of livelihood. For many individuals with no other employment possibilities, the choice of illegal economic activity was no longer a rational short-term decision but a matter of necessity. With a legal economy that was not functioning properly and lack of possibilities to attract foreign direct investment, the informal and illegal economies provided a lucrative alternative. As one Kyrgyz official noted in 1997, “in some regions, the only way to survive is to take part in the drug trade”.<sup>35</sup>

In the long term, the criminalization of economies and societies chokes off legal economic activity, reduces the flow of resources to the state by avoiding taxation and adds significantly to the prospects for instability.<sup>36</sup>

## **B. Facilitating and inhibiting factors**

Several issues can be identified as either facilitating or inhibiting the growth of organized crime. The factors that facilitate organized crime are not in themselves a cause of the phenomenon, but can aid in its development. These factors may include material factors, such as easy access to drug production, or less tangible factors, such as cultural or social views.

To illustrate the point, as well as the interconnection between facilitating and inhibiting factors and background causes, participation in the informal economy as a means of economic survival does not carry the negative social stigma in Central Asian states that it would in more prosperous societies. This does not mean that the lack of a social stigma causes organized crime; necessity will force people to engage in some activities whether they are socially acceptable or not. However, it allows for easier expansion and proliferation of organized crime.

In Central Asia, seven key facilitating and inhibiting factors can be identified in relation to organized crime: traditions of tribes and clans, ethnicity, unemployment and low salaries, demographic factors, motivation and mobilization factors, proliferation of firearms in society, and regional linkages along with geopolitical location.

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<sup>34</sup> Quoted in Nancy Lubin, Alex Klaitis and Igor Barsegian, *Narcotics Interdiction in Central Asia: Challenges for International Assistance* (New York, Open Society Institute, 2002).

<sup>35</sup> Ibid.

<sup>36</sup> Phil Williams, “Criminalization and stability in Central Asia and South Caucasus”, *Faultlines of Conflict in Central Asia and the South Caucasus: Implications for the U.S. Army*, Olga Oliker and Thomas S. Szayna, eds., (Santa Monica, RAND Corporation, 2003).

## 1. Clan, tribal and ethnic loyalties

Cultural norms and traditions play a critical role in organized crime, both as facilitating and inhibiting factors. Clan, tribal and ethnic relationships are built on bonds of familiarity and trust. Between organized criminal groups comprised of different ethnicities or clans however, bonds may develop as a result of a common interest in mutual profit.

Central Asia is characterized by strong social cohesion. Tribes, clans and family structures, albeit with different forms and powers within the five states, are important in regulating social, political and business life. The main distinction between clans and tribes is that the former are smaller units upon which the bigger tribes are built. Clans provide a base upon which self-identity and socialization are grounded as well as a pool of members for common action. As described above, these tribal and clan structures date back several centuries and are an important factor in understanding social and community relations in Central Asia. In particular, family and clan relations serve as powerful organizing structures—a place to belong—for many of the region's citizens. In the case of nomadic groups, there is often only a limited acceptance of externally applied laws.

Clan-based structures can best be described as an informal organization or institution, structured around kinship ties, for the purpose of carrying out a certain pattern of transactions and relations. Within the clan organization, individuals share common goals and a collective identity. The existence of a high number of shared goals arises from established trust, close relationships and the socio-economic dependence upon the clan.<sup>37</sup> Such personal and clan loyalties are often more important than loyalty to any external structure, such as the state. Observing one's obligations to family or clan supersedes the obligation to obey the laws of the state.

The family and extended family function as a social safety net through financial and other support based on loyalty. The implications of this social cohesion can be seen in a number of interconnected factors: unconditional personal loyalty is expected, services rendered are repaid in kind, leaders rely on the full support of their members, and the dynamics within the clan allow benefits for its members in terms of credits, concessions and guarantees of safety and provide a code-of-silence that makes it difficult for law enforcement to infiltrate the clan or to find local informants.

These dynamics of trust and loyalty are not limited to the grass-roots level but are also present among the clan-based political elites. One of the central dangers is that political influence is misused to become a source of patronage and fuels corruption. Despite efforts and commitments to fight corruption, corrupt practices and rent-seeking by political elites are an issue of paramount concern in Central Asia.

Similar to these clan traditions, ethnicity too can be mobilized by organized criminal groups. The connection between organized crime and ethnicity is complex. Organized crime utilizes ethnicity to fuel tribal differences. Organized criminal

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<sup>37</sup> Kathleen Collins, "Clans, pacts and regime transition in Central Asia", paper presented at the Conference on Informal Institutions and Politics in the Developing World, Weatherhead Center for International Affairs, Harvard University, 5-6 April 2002.

groups then take advantage of these differences to facilitate the spread of organized crime. The ethnic mix and the distribution of minority populations in Central Asia are complex, with ethnic groups scattered among the republics. Nowhere is this more evident than the Fergana Valley, a densely populated region of roughly 22,000 km<sup>2</sup>, divided among Uzbekistan, Tajikistan and Kyrgyzstan.<sup>38</sup>

In many other regions of the world, ethnic rivalry, civil conflict and insurgencies have been both prompted by competition for control over natural resources and funded by exploitation of those resources. There were strong elements of this phenomenon in the Tajik civil war, which was a complex struggle between the old communist leadership on the one side and a combination of democratic reformers and Islamic groups on the other. The war was also characterized by old clan feuds, ethnic conflicts between Tajiks and Uzbeks and a desire to obtain control over drug trafficking routes and markets. Occasional outbreaks of violence, including those of 1989 and 1990, both reflected and exacerbated the tensions among ethnic groups. These incidents highlight both the problem itself and its inherent potential to cause domestic social disruption and conflict.<sup>39</sup>

Furthermore, because of the regional linkages, incidents involving ethnic minorities or inter-clan violence in one state can all too easily result in a serious increase in tension among the governments of the region. Nevertheless, great care must be taken, both in the case of Central Asia and elsewhere, not to automatically make a link between ethnic mobilization and organized crime. Ethnic mobilization is simply one of the tools that can be used by organized criminal groups to further their cause.

## **2. Unemployment and low income**

Unemployment and low salaries are two factors that have a strong impact on the potential for organized crime in Central Asia. During the transition process, the region has suffered from high levels of unemployment. Although there are no accurate figures, some estimates suggest unemployment to be as high as 30 per cent of the labour force in Tajikistan and 20 per cent in Kyrgyzstan. Uzbekistan, however, has a relatively low rate of unemployment, estimated to be less than 1 per cent in recent years. However, according to the United Nations common country assessment of Uzbekistan issued in 2001, alternative estimates suggest the unemployment rate to stand between 6 and 25 per cent, with variations across regions and sectors.

The second issue is the relationship between organized crime and the level of salaries, especially in the public sector. Financial insecurity does affect the behaviour of the civil service and international experience has shown that increasing salaries is not an easy solution to corruption. Nevertheless, reports from Central Asia often point to the fact that judges are poorly paid and accordingly, it is no surprise that they may be open to bribes.

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<sup>38</sup> See Douglas Goudie, "An overview of the Fergana Valley", *Perspectives on Central Asia*, vol. I, No. 1 (Eisenhower Institute, Center for Political and Strategic Studies, 1996).

<sup>39</sup> See "Conflict prevention in Central Asia: the role of the Organization for Security and Cooperation in Europe", report on a conference organized by the European Centre for Conflict Prevention and Transformation and the Netherlands Ministry of Foreign Affairs, The Hague, 7 and 8 March 2002, Juliette Verhoeven and Jim Wake, eds. (Utrecht, 2002).

It must be emphasized, however, that an increase in salaries on its own will not guarantee honesty and fewer opportunities for organized criminal activity. International experience has shown that of much greater importance is a climate of professionalism and transparency within the public administration. In addition, civil servants must be provided with a clear legal framework on which to base their decisions and given protection if they make decisions unpopular with powerful interest groups.<sup>40</sup>

### 3. Demographic factors

The total population of Central Asia is estimated at 50 million, of which 16 million are between 15 and 29 years of age. Half of the population is under 30 years old. In Kazakhstan and Kyrgyzstan, approximately 25 per cent of the total population is between 15 and 29 years old, while in Tajikistan, Turkmenistan and Uzbekistan, 30 per cent of the population falls in that age group (this is predicted to fall to 25 per cent by 2025 in Turkmenistan and Uzbekistan).<sup>41</sup>

Such a large “youth bulge”, when combined with poverty and political disaffection, adds another element of volatility in the region. In many ways, the current status of young people in Central Asia confounds the promise of the post-Soviet era; in a world where many people expect progress with each generation, most of the young in this region are worse off than their parents were. They have higher rates of illiteracy, unemployment, poor health and drug use and are more likely to be victims or perpetrators of violence. Few regions have seen such sharp declines in the welfare of their youth. The combination of declining living standards with a demographic bulge brings increased risks of political instability and conflict.<sup>42</sup>

As elsewhere in the former Soviet Union, most of the members of criminal organizations are young men. A substantial majority of the members are between 20 and 29 years old. In Kazakhstan, the UNODC country office estimated that in 2000, out of 500 identified members of a criminal organization, 160 were between 20 and 24 years old, 230 were between 25 and 29 and 42 were between 30 and 34. In addition, there was already a pool of young recruits with 27 of the criminals aged between 15 and 19.

One implication that can be drawn from this information is that recruitment of new, young members of organized crime in Central Asia is a relatively easy task. When combined with the structural causes and other catalysts described above, these factors suggest that, over the next 10 to 15 years, the size and number of criminal organizations in Central Asia may have the potential to expand.

There are already signs of this. Children between 13 and 15 years old are taking up any kind of work in order to earn money.<sup>43</sup> The large number of crimes related to drug trafficking committed by juvenile delinquents also suggests either

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<sup>40</sup> Austin and others, *Organized Crime as an Obstacle ...*

<sup>41</sup> International Crisis Group, “Youth in Central Asia: losing the new generation”, Asia Report No. 66 (31 October 2003).

<sup>42</sup> Ibid.

<sup>43</sup> See Gairatjon Sultanov and Umida Khasanova, “Child labour rising as Uzbek economy worsens, *Reporting Central Asia*, No. 131 (London, Institute for War and Peace Reporting, 23 July 2002), available online at <http://www.iwpr.net>.

growing involvement of juveniles in the activities of organized crime or, at the very least, an enormous potential for such involvement.

Organized crime in Central Asia is predominantly a male activity. Women are usually either victims of human trafficking or play a role as drug couriers. In criminal groups in Kyrgyzstan, women commit no more than 5 per cent of crimes. According to the assessment provided by Kyrgyzstan in 2002 however, women make up between 10 and 20 per cent of the couriers who smuggle drugs across borders, often using body cavities to conceal the drugs. At the same time, women make up 12 per cent of all those convicted of drug-related crimes in Kyrgyzstan. Significantly, the comparable figure in Tajikistan is 35 per cent.<sup>44</sup> The main reason for this difference is that many of the women in Tajikistan are war widows with children and no legitimate means of earning a living. Acting as drug sellers or couriers is a means of feeding their families.<sup>45</sup>

#### 4. Motivation and mobilization factors

The broad structural conditions and the catalysts described above contribute to the likelihood of individuals becoming involved in organized criminal activity. The present section briefly examines a set of factors relating to the motivation for individuals to become involved in organized criminal activity. While these, given the subjective nature of many such motivations, are often difficult to isolate and understand, they are potentially important guides in the planning and design of strategies to counter organized crime. Such factors include:

- **Organized crime as a role model.** Where there are few other role models, members of criminal organizations can appear to have a degree of wealth and the kind of lifestyle that many young men seek to imitate and ultimately to attain for themselves. Adolescents involved in organized crime carry a commanding image of power and of being cool<sup>46</sup> and their wealth encourages a desire for emulation. As one young Tajik noted: “We grew up seeing the drug mafia openly dealing, the big cars and tough guys, just like in movies. In schools and universities, students went to classes with guns and threatened any teacher not giving them the best marks...”<sup>47</sup>
- **Gang culture.** Closely connected to the issue of role models is the formation of gangs, often providing an alternative “home” for disaffected youth. As a recent International Crisis Group report notes: “crime has provided role models for young people, with complementary fashion, attitudes, and images. It often takes the form of street gangs in villages or cities, who impose their rule over a certain territory”.<sup>48</sup> In some cases, gang culture is connected to local drug trafficking. The ICG has noted that,

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<sup>44</sup> International Crisis Group, “Central Asia: drugs and conflict”, Asia Report No. 25 (26 November 2001).

<sup>45</sup> Ibid.

<sup>46</sup> Quoted in International Crisis Group, “Youth in Central Asia ...”.

<sup>47</sup> Ibid.

<sup>48</sup> International Crisis Group, “Youth in Central Asia: Losing the New Generation” Asia Report N°66, 31 October 2003

through gang culture, “drugs have been [sic] become part of the lifestyle of Central Asian youth...”.<sup>49</sup>

- **A coping or survival strategy.** Where there is no functioning economy apart from black markets or where the only employment lies with organized criminals, individuals have no choice but to engage in these illegal activities. A United States Department of State *Trafficking in Persons Report* contends that between 40 and 80 per cent of Uzbeks have slipped into poverty since 1991.<sup>50</sup> Moreover, some of the setbacks for the Uzbek economy in the last few years threaten to exacerbate the situation. One newspaper article indicated that human traffickers were taking advantage of the desperate circumstances confronted by many Uzbeks. It noted that there were many cases of unemployment and low salaries in the country’s labour market. As a result of these poor economic conditions, false entrepreneurs, who were involved in illegal activities such as theft, violence and fraud, were using people as a labour force and pushing women into prostitution. They were deriving considerable profit from this.<sup>51</sup>
- **Strengthening clan identity.** Against the backdrop of economic decline, which may lead many ordinary people into situations of deep insecurity, uncertainty and practical difficulty, cultural bonds and norms may acquire a special importance. The assertion of cultural norms and bonds at such times is often attractive to many ordinary people. It not only helps them to make some kind of sense out of what is happening to them, but it also provides a place where an appeal can be made for practical support, especially in areas where state services have weakened or collapsed. Clans, even if they are engaged in criminal activities, may serve as an attractive and secure “home” for individuals who would otherwise have few resources to allow them to cope on their own.
- **Isolation and vulnerability of women.** One of the most important factors rendering young women particularly vulnerable to being trafficked is their cultural isolation from the outside world. The perceived role of women in Central Asian society as housewives and child bearers has limited their potential to improve their lives. In seeking to change their situation they can become victims of organized crime.

The present section provides an overarching framework to understand the multitude of issues and their interconnection concerning the origins and context of organized crime in Central Asia. It attempts to illustrate that organized crime does not simply arise through a lack of policing per se, but rather that the proliferation or, conversely, the curtailment of organized crime arises from a complex process comprising structural causes, facilitating or inhibiting factors and motivation and mobilization strategies. The interconnection between the various factors has made Central Asia particularly vulnerable to the growth of organized crime.

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<sup>49</sup> Ibid.

<sup>50</sup> *Trafficking in Persons Report* (United States Department of State, June 2003), available online at <http://www.state.gov>

<sup>51</sup> Ibid.

## 5. Proliferation of firearms

The ready availability of firearms gives organized criminal groups an additional capacity for violence, renders terrorist groups in the region more threatening and endows tribal, political or ethnic clashes with a greater potential for large-scale violence.

The countless firearms in Central Asia originate from different sources, including former Soviet military stockpiles and smuggled firearms supplied to anti-Soviet forces in Afghanistan. The *Small Arms Survey 2003* report estimates that in 2001 there were between 0.5 million and 1.5 million small arms in circulation in Central Asia.<sup>52</sup> Moreover, the spread of weapons from both Afghanistan and the Tajik civil war has contributed to violent crime in the region. It has made clashes between law enforcement and organized crime more dangerous and added to the prevailing sense of lawlessness. When added to the ethnic tensions and the mix of drugs, crime and terrorism, the widespread availability of small arms and light weapons gives any kind of confrontation the potential for a much higher impact, including in terms of physical injury and loss of life.

Criminals use small arms as a commodity, as an instrument for extortion and intimidation and for self-defence, including against members of law enforcement. According to one high-ranking Tajik official, as reported in the Dushanbe newspaper *Asia-Plus* on 1 February 2001, about 47 per cent of all serious crimes, including robbery with violence and kidnapping, are committed using weapons.

Against this backdrop, it is clear that another consequence of organized criminal activities is that ordinary forms of social conflict and crime take on a greater potential for deadly violence. This, combined with a legacy of civil conflict, has resulted in a high level of violence associated with the activities of organized criminal groups.

## 6. Geopolitical location and regional linkages

Transnational organized crime is not only a national problem, but also a regional and international one. By definition, transnational organized criminal groups operate across borders; such crime cannot, therefore, be seen as a problem affecting one state to the exclusion of others. In this regard, three critical issues must be taken into account: proximity to source, porousness of borders and low levels of regional cooperation.

As a result of the protracted conflict in Afghanistan, Central Asia has become an increasingly important venue for the illicit trafficking of armaments.<sup>53</sup> Arms trafficking in and through Central Asia is particularly serious given that governments have limited capabilities and control over the illicit flow of arms. It is rendered even more serious by the political, religious and demographic fault-lines that already exist throughout the region.

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<sup>52</sup> Graduate Institute of International Studies, *Small Arms Survey 2003: Development Denied* (Oxford, Oxford University Press, 2003).

<sup>53</sup> Bobi Pirseyedi, *The Small Arms Problem in Central Asia: Features and Implications*, (Geneva, United Nations Institute for Disarmament Research, United Nations publication, Sales No. G.V.E.00.0.6).

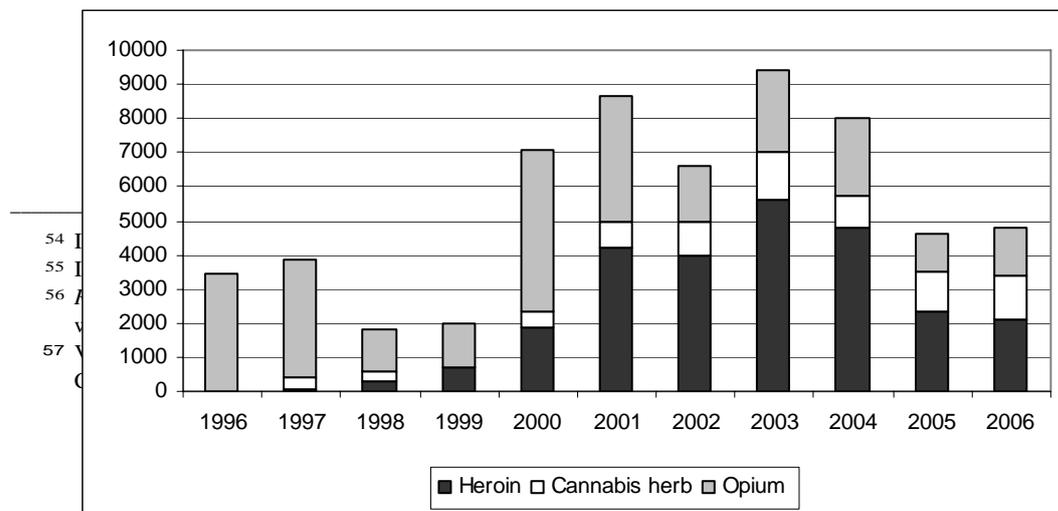
Because of the rugged terrain and the size of the countries, borders are difficult to monitor. Members of organized criminal groups have considerable freedom to move illicit goods across borders easily and with impunity. The reality is that effective border control is simply impossible. Trafficking in arms and drugs has also become a serious problem in the border region between Kazakhstan and China. Smuggling operations are reportedly being carried out at every checkpoint along the 1,700 km border between the two countries.<sup>54</sup> This includes considerable barter trade as smugglers from Kazakhstan exchange weapons for Chinese drugs.<sup>55</sup>

Central Asia, as a result of its proximity to one of the three largest sources of narcotics in the world, the Golden Crescent in Pakistan and Afghanistan, is the main trans-shipment region for these illicit goods destined for the Russian Federation and Western Europe. While primarily Tajikistan and Turkmenistan have been affected by their proximity to Afghanistan, all the Central Asian countries have emerged—to one degree or another—as transit states. The International Narcotics Control Board (INCB) has noted that there are estimates that 20 per cent of the opiates leaving Afghanistan pass through the porous borders of Central Asia, in particular Tajikistan.<sup>56</sup>

At the local level, the geopolitical location also plays a role. Prior to the fall of the Taliban, reports from the southern Shuroabad district of Tajikistan noted that Shuroabad's location had made its residents an easy target of Afghan dealers looking for Tajiks to carry the drugs on to the next point of transit, the capital Dushanbe, or even a location outside the country. Residents are forced to become couriers and are given a strict selling price for the drugs they are conveying. If the money they bring back is insufficient, the Afghan dealers may seize property or even a family member until the balance is paid. Some dealers have reportedly kidnapped relatives to ensure that the family will take their instructions seriously.<sup>57</sup>

All the countries of Central Asia suffer from such threats emanating from Afghanistan to various degrees. Tajikistan is the most vulnerable to these threats, as it is usually the first destination on the illicit drug trafficking route (see figure 7). Kazakhstan is also fighting against Afghan drugs. Based on reported seizures, Turkmenistan appears to have the most stable border with Afghanistan among the Central Asian states. However, a number of non-governmental sources report that trafficking in drugs from Afghanistan and drug abuse in that country is increasing.

Figure 7  
**Drug seizures in Tajikistan, 1996-2006**



*Source:* Annual Reports Questionnaire for Tajikistan, 1997-2007

In fact, all the countries of Central Asia report that drug abuse is spreading, thus transforming transit states into consumer states. Resolving issues of drug production and economic and political instability will have a direct impact on the improvement of the situation in Central Asia, including in terms of combating transnational crime.

### **C. Building the response to organized crime**

Recognizing the key importance of countering the growing threat of organized crime, the United Nations Member States negotiated the Organized Crime Convention. The Convention entered into force in September 2003 and, as of October 2006, had been ratified by over 100 states. Its three Protocols, which target specific manifestations of organized crime, are also significant: the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children (General Assembly resolution 55/25, annex II) (hereinafter “Trafficking in Persons Protocol”) entered into force in January 2004, the Protocol against the Smuggling of Migrants by Land, Sea and Air (resolution 55/25, annex III) (hereinafter “Smuggling of Migrants Protocol”) entered into force in January 2004, and the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition (resolution 55/255, annex) (hereinafter “Firearms Protocol”) entered into force in July 2005. The negotiation and entry into force of these instruments can be seen as an acknowledgement by both the international community as well as national governments of the growing challenges posed by organized crime and the importance of efforts to combat it effectively.

In the case of Central Asia, four countries (Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan) are parties to the Organized Crime Convention. Kazakhstan has signed, but not yet ratified, the Convention. It is interesting to note that Turkmenistan is also a party to all three Protocols, including the Firearms Protocol, which, as of October 2006, had been neither signed nor ratified by the other states of Central Asia. Kyrgyzstan and Tajikistan are parties to the Trafficking in Persons Protocol and the Smuggling of Migrants Protocol. Uzbekistan has signed both protocols but is not yet a party to either.

Given that organized criminal groups often engage in corruption to facilitate their activities, combating corruption is central in the fight against organized crime.

The links between organized crime and corruption mean that the United Nations Convention against Corruption (General Assembly resolution 58/4, annex), which was opened for signature in December 2003, is also important. The Convention has been signed by over 140 states and entered into force in September 2005. Table 2 outlines the current status for the Central Asian states of the Organized Crime Convention and its Protocols and the Convention against Corruption. At present, three of the Central Asian states, Kyrgyzstan, Turkmenistan and Tajikistan, are parties to the Convention against Corruption.

In addition, and at the regional level, there have been vigorous endeavours to combat organized crime and, in particular, to address the link between drug trafficking and terrorism. In October 2000, with the support of UNODC and the Organization for Security and Cooperation in Europe (OSCE), the states of Central Asia participated in the International Conference on Enhancing Security and Stability in Central Asia: an Integrated Approach to Counter Drugs, Organized Crime and Terrorism. They adopted two documents, a Declaration and a document entitled "Priorities for Cooperation to Counter Drugs, Organized Crime and Terrorism in Central Asia".<sup>58</sup> These two documents outline the main measures to counter the threats to security in the region.

Table 2  
**Ratification of the United Nations Convention against Transnational Organized Crime and the Protocols thereto and the United Nations Convention against Corruption**

	<i>Kazakhstan</i>	<i>Kyrgyzstan</i>	<i>Tajikistan</i>	<i>Turkmenistan</i>	<i>Uzbekistan</i>
United Nations Convention against Transnational Organized Crime	13 December 2000 (signature)	13 December 2000 (signature), 2 October 2003 (ratification)	12 December 2000 (signature), 08 July 2002 (ratification)	28 March 2005 (accession)	13 December 2000 (signature), 9 December 2003 (ratification)
Protocol to Prevent, Suppress and Punish Trafficking in		13 December 2000 (signature), 2 October 2003	8 July 2002 (accession)	28 March 2005 (accession)	28 June 2001 (signature)

<sup>58</sup> Impetus was given to the enhancement of regional cooperation to combat terrorism and associated challenges in the fight against transnational crime after the events of 11 September 2001 in the United States of America. On 13 and 14 December 2001, the International Conference on Enhancing Security and Stability in Central Asia: Strengthening Comprehensive Efforts to Counter Terrorism was held in Bishkek, which resulted in the adoption of a Declaration and Programme of Action on countering terrorism. It should also be noted that cooperation in combating terrorism, extremism and drug trafficking are the most important activities of the Shanghai Cooperation Organization.

	<i>Kazakhstan</i>	<i>Kyrgyzstan</i>	<i>Tajikistan</i>	<i>Turkmenistan</i>	<i>Uzbekistan</i>
Persons, Especially Women and Children		(ratification)			
Protocol against the Smuggling of Migrants by Land, Sea and Air		13 December 2000 (signature), 2 October 2003 (ratification)	8 July 2002 (accession)	28 March 2005 (accession)	28 June 2001 (signature)
Protocol on Illicit Manufacturing of and Trafficking in Firearms				28 March 2005 (accession)	
United Nations Convention against Corruption		10 December 2003 (signature) 16 September 2005 (ratification)	26 September 2006 (accession)	28 March 2005 (accession)	

Source: United Nations Office on Drugs and Crime, available online at [http://www.unodc.org/unodc/en/crime\\_cicp\\_signatures\\_convention.html](http://www.unodc.org/unodc/en/crime_cicp_signatures_convention.html), [http://www.unodc.org/unodc/en/crime\\_signatures\\_corruption.html](http://www.unodc.org/unodc/en/crime_signatures_corruption.html).

In May 2003, various ways to curtail illicit production of and trade in heroin and opium in Central Asia and Afghanistan were discussed in Paris at the Conference on Drug Routes from Central Asia to Europe. In June 2003, regional experts met in Osh, Kyrgyzstan, to explore options for preventing HIV/AIDS, which is one of the consequences of trafficking in drugs. They also discussed drug treatment for HIV-infected drug users. In August 2003, despite the non-participation of Turkmenistan, future mechanisms to control the national drug situation and enhance synergy between approaches were explored at a seminar organized jointly by the International Narcotics Control Board (“INCB”) and UNODC.<sup>59</sup>

At the national level, in 2002 a National Council on Counter-Trafficking was established in Kyrgyzstan with the objective of ensuring implementation of policies aimed at combating trafficking in human beings. Similar to the Drug Control Agency in Tajikistan, Kyrgyzstan established its Drug Control Agency in June 2003. Tajikistan has focused law enforcement efforts on the Tajik-Afghan border. Kazakhstan has also strengthened its border controls, especially through joint patrols with the Russian Federation. Uzbekistan’s efforts have been aimed at increasing the exchange of information between the key national bodies for enforcement on drugs as well as strengthening the capacity of those bodies. Moreover, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan are participating in Operation Topaz, an international operation aimed at tracking precursor chemicals to prevent the production of heroin.<sup>60</sup>

<sup>59</sup> *Report of the International Narcotics Control Board for 2003* (United Nations publication, Sales No. E.04.XI.1), paras. 466-468.

<sup>60</sup> Operation Topaz was the outcome of an international meeting convened by the International Narcotics Control Board in Antalya, Turkey, hosted by the Government of Turkey, in 2000. Representatives of major manufacturing and trading countries of acetic anhydride and countries where illicit manufacture of heroin takes place took part in the meeting. The Operation involves an intensive programme to prevent diversions from licit international trade by tracking

In 2003 and 2004, four of the states of Central Asia (Turkmenistan was the exception), took active part in the international anti-narcotics operation “Operation Kanal”<sup>61</sup>. The operation was conducted within the framework of the Collective Security Treaty Organization. The operation was highly valued by the states members of the Treaty Organization.

In order to increase the effectiveness of counter-crime measures, the states of Central Asia, have joined the International Criminal Police Organization (Interpol). Countries of Central Asia have also supported the initiative of UNODC to establish the Central Asian Regional Information Coordination Centre (CARICC), in accordance with the main principles outlined in the Organized Crime Convention. CARICC will serve as a regional focal point for communication, analysis and exchange of operational information on cross-border crime in real time. It will be a centre for organization and coordination of joint law enforcement operations. CARICC also has the aim of improving the capacity of law enforcement authorities and their international cooperation, especially against international organized crime. Of the five Central Asian states, only Kyrgyzstan has established a Financial Intelligence Unit, which was done by the President of Kyrgyzstan in September 2005.

There are quite striking differences between the states of Central Asia in terms of ethnic, cultural, historical, economic and other criteria (see figures 2-6). Approaches and activities to counter organized crime also differ. For example, Turkmenistan, in contrast to the other Central Asian states, at the official level does not recognize the existence of organized crime in the country.<sup>62</sup> The characteristics of organized crime also vary from state to state.

### **III. Description of organized crime in Central Asia**

#### **A. The nature of organized crime in Central Asia**

Determining the nature of organized crime in Central Asia is complicated by the fact that it is often difficult to distinguish clearly identifiable groups or, in many cases, to define what constitutes legitimate and illegitimate activities. In order to

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shipments of acetic anhydride from the manufacturing countries to their final destination. It also involves law enforcement to intercept and investigate smuggling and seizures of acetic anhydride and illicit manufacture of heroin to identify the sources from where the acetic anhydride was diverted, with a view to developing measures to prevent diversion from domestic distribution channels.

<sup>61</sup> Operation Kanal is a large annual (since 2003) counter-narcotics operation aimed at detection and suppression of trafficking channels, as well as developing mechanisms for cooperation between relevant agencies of Armenia, Belarus, Kazakhstan, Kyrgyzstan, the Russian Federation and Tajikistan.

<sup>62</sup> In October 2000 at the International Conference on Enhancing Security and Stability in Central Asia: an Integrated Approach to Counter Drugs, Organized Crime and Terrorism, the Extraordinary Ambassador of the President of Turkmenistan, Boris Shikmuradov, clearly stated the official position of Turkmenistan: “Today we can confidently state the absence of sustainable organized criminal groups, armed military gangs and criminal authorities in the country. Law-enforcement bodies control the situation within the country and suppress any criminal incursion attempts according to the law.”

understand the extent and impact of organized criminal groups, it is important to take into account their “dual” role in the clan system in particular and in society in general. Organized criminal groups, as well as individuals involved in organized crime, may provide economic support to their own community while at the same time pursuing both criminal and legitimate business activities.

The present section first reviews the current knowledge on the structure and composition of organized criminal groups in Central Asia through a review of typologies of Central Asian criminal groups, and then attempts to explain the place of these groups in society at large.

## 1. Structure and composition of organized criminal groups

On the available evidence, it appears that organized crime in Central Asia began to develop in the early 1990s with the emergence of small groups of criminals (3-4 persons). The range of activities was somewhat limited and specialized, and criminal influence was exercised mainly in local areas.<sup>63</sup> Today, the scope of criminal groups has expanded, ranging from sophisticated drug trafficking groups to cases of high-level official involvement in criminal activities.

There have been many debates about the structure and composition of organized crime.<sup>64</sup> For example, Vikram Parek has recently argued that it is more accurate to describe the internal structure of organized criminal groups in Afghanistan as loosely interconnecting pyramids rather than a single overarching framework. “It is better to look at these structures as sets of interlocking pyramids. Militia commanders rarely live in bilateral but rather multilateral relationships.”<sup>65</sup>

Based on work conducted in Tajikistan, table 3 provides an overview of six key types of criminal groups that are present, to varying degrees, in the countries of Central Asia: criminal groups, criminal groupings, criminal syndicates, criminal cartels, politically orientated communities, and ethnic criminal communities. These groups can be differentiated through their size, structure, hierarchy, connection, modus operandi and activities. Table 3 provides an outline of the key differences among these groups.

Table 3  
Typology of Central Asian criminal groups

	<i>Size</i>	<i>Structure and hierarchy</i>	<i>Connections</i>	<i>Modus operandi</i>	<i>Activities</i>
<b>Criminal group</b>	<b>2 to 10</b>	2-3 levels of hierarchy	Links to corrupt officials from law enforcement agencies	Predatory in their behaviour	<ul style="list-style-type: none"> <li>▪ Robbery</li> <li>▪ Kidnapping</li> <li>▪ Extortion</li> <li>▪ Contract killings</li> </ul>
<b>Criminal</b>	<b>Greater</b>	Structured as trade	Links to corrupt officials from law enforcement	Less violent than most of	<ul style="list-style-type: none"> <li>▪ Production activities</li> </ul>

<sup>63</sup> Kairat Osmonaliev, “Developing counter-narcotics policy in Central Asia: legal and political dimensions” (Silk Road Studies Programme and Central Asia-Caucasus Institute, Joint Project on Narcotics, Organized Crime and Security in Eurasia, 2005).

<sup>64</sup> It is now widely recognized that many criminal organizations do not resemble the classic hierarchical structure of the popular imagination, but have a more complex and dynamic form, which may even resemble a loose network.

<sup>65</sup> Austin and others, *Organized Crime as an Obstacle...*

	<i>Size</i>	<i>Structure and hierarchy</i>	<i>Connections</i>	<i>Modus operandi</i>	<i>Activities</i>
<b>groupings</b>	<b>than 10</b>	unions	agencies	the others	<ul style="list-style-type: none"> <li>▪ Bank fraud</li> <li>▪ Gambling</li> <li>▪ Drug trafficking</li> </ul>
<b>Criminal syndicate</b>	<b>Greater than 20</b> (some of whom have spent time in prison)	Structured within organized criminal communities	Symbiotic relationship with state administrative and financial bodies; amalgamated with their former competitors	High degree of organization and sophistication	<b>Broad portfolio of criminal activities</b> <ul style="list-style-type: none"> <li>▪ Theft of state property</li> <li>▪ Smuggling</li> <li>▪ Fraud</li> <li>▪ Control over the prostitution business</li> <li>▪ Control over the drug business</li> <li>▪ Create legal branches that facilitate contact with state agencies</li> <li>▪ Assist in establishing links between organized crime and corruption</li> </ul>
<b>Criminal cartel</b>	<b>Greater than 50</b> (voluntary basis of (?) illegal mutual agreements to promote criminal business)	Structured within organized criminal communities, hierarchical structure with several leaders who coordinate spheres of influence and develop joint criminal activities	Amalgamated with state officials and criminal market operators, foreign partners to develop influence over key sectors of the national economy; symbiotic relationship between criminals and political elites (executive and legislature)	Sophisticated variant of the syndicates	<b>Economic crime</b> <ul style="list-style-type: none"> <li>▪ Bank fraud</li> <li>▪ Money-laundering</li> <li>▪ Diversion of credit and humanitarian aid</li> <li>▪ Crime in the energy sector</li> </ul>
<b>Politically oriented criminal communities or ethnic criminal communities</b>	<b>Size not specified, but likely to be at least as large as the criminal syndicate</b>	Structure resembles political parties with well-organized administrative structures, representatives in various provinces and security forces, organized along paramilitary lines	Parallel structure with figures who provide legal or legitimate fronts and shadow leaders who make the real decisions for the organizations	Especially active during civil war or ethnic conflict	<ul style="list-style-type: none"> <li>▪ Subversion</li> <li>▪ Activities to overthrow the existing order, seize power and exercise “ethnic control”</li> <li>▪ Terrorism</li> <li>▪ Contract killings</li> <li>▪ Organization of mass riots</li> <li>▪ Trafficking in drugs and arms</li> <li>▪ Ethnic cleansing</li> <li>▪ Armed clashes with government troops</li> </ul>

In most cases, law enforcement agencies stipulate that there are three major forms of organized crime, defined by the form of organization: an organized

criminal group, an organized criminal grouping,<sup>66</sup> or an organized criminal community (organization).

An **organized criminal group** is the association of two or more individuals united to commit criminal offence(s) for continuous income. The main traits of such a group are: a sufficiently high level of organization, a hierarchy (made up of organizers, principal offenders, pointers, spies, fences, receivers, etc.), strict discipline, a thorough selection process for members of the group, the use of family, friends, ethnic ties and area links, the exploitation of previous complicity with criminal relations and prison inmates, and, frequently, the availability of relations among corrupt officials.

An **organized criminal grouping** is the union of two or more criminal groups with one or more different criminal activities, joined by an organizing chain.

An **organized criminal community**, or organization, is the most sustainable, complex and hierarchical criminal formation. It represents the highest level of criminal complicity.

All the forms of organized crime described above can have transnational links; however such links are more inherent to developed forms such as organized criminal groupings and communities.

While the broad set of typologies outlined above provides only a guide to the range of criminal groups active in the region, a number of conclusions can be drawn from the available data. It is striking from the data provided by at least two of the states that the majority of entities identified by the authorities as constituting organized criminal groups were, in fact, relatively small. For example, from data supplied to UNODC, the general distribution within both Kazakhstan and Kyrgyzstan appears to be a multitude of small groups (3-5 members) and a relatively limited number of large groups (16 members or more). It also reveals some interesting differences between organized crime in Kazakhstan and Kyrgyzstan. Although there are more groups in Kazakhstan than in Kyrgyzstan (87 and 31 respectively) approximately three quarters of the groups in Kazakhstan consist of no more than five members, while this is only true of just over a third of the groups in Kyrgyzstan. In both countries, the quantity of large groups (over 16 members) is low. However, the UNODC country office has reported that, based on the predictions of the Kazakh authorities, this is likely to change over the next 5 to 10 years.

In Tajikistan, it appears that criminal groups are much larger. This is partly the result of the conflict in that country, which led to the mobilization of larger armed groups. An important contributing factor in this regard is the closer geographic proximity to the producing areas of Afghanistan and the longer period over which drugs have been smuggled through Tajikistan.

The second conclusion that can be drawn from this information is that the typical pyramid structure, although present in some forms of organized crime, is not the sole or even dominant structure. One of the challenges in the fight against organized crime is the existence of a variety of structures. These structures can in

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<sup>66</sup> In Russian, the term “organized criminal grouping” is usually rendered as “prestupnaya gruppirovka”.

addition, be transient or amorphous or at times depend on a specific venture, for example the networks that coalesce around a series of criminal projects.

Organizations can have strong leadership without necessarily having a formal hierarchical structure. The leaders themselves usually belong to the leading clans and occupy positions of high status in a family. In addition, the leaders are usually well connected to the apparatus of government power, whether in the political leadership or local administration. Criminal networks, for example, can have a core group that makes key decisions and provides strategic direction; the implementation of these decisions is then carried out by other parts of the network organization. Although there is only limited data, it would not be surprising if some of the criminal organizations in Central Asia started as strict hierarchies but then evolved towards the network structure. Certainly the more flexible network facilitates cross-border activities both in the region and beyond.

## **2. Inter-group dynamics: cooperation or competition**

Several references were found during the research to levels of cooperation and competition between criminal groups. In reality, such relationships appear to be highly complex, best described as competition tempered by cooperation. On the one hand, criminal organizations seek to obtain and protect a monopoly over markets and typically use violence. On the other hand, cooperation can be present in various forms, including agreements to limit conflict, supplier relationships, barter and exchange relationships, contracts for specific services and tactical and strategic alliances.<sup>67</sup>

The common interest of personal gain and mutual benefit through cooperation does appear to occur among criminal groups in Central Asia. There is evidence of informal agreements on spheres of influence, territorial demarcation of activities and criminal jurisdictions. In one sense, such agreements are at the low end of the cooperative spectrum, as they are about avoiding problems and conflicts rather than generating mutual gain. These agreements can be important in limiting clashes among groups and, where successful, can provide a basis for more active and ambitious forms of cooperation. According to an assessment provided by the authorities in Kyrgyzstan in 2002, several groups in the Chui region had reached an arrangement to decide which one of them had jurisdiction over a sugar-processing factory.

Other forms of cooperation also frequently take place. Criminal organizations with highly specialized expertise in one area may require the specific services provided by other criminal groups. These tactical alliances bring together criminal organizations for a relatively short period with no expectation of long-term cooperation. If such alliances prove mutually beneficial they can develop into strategic alliances. These strategic alliances involve systematic and extensive forms of cooperation. They have a high degree of regularity and an expectation that cooperation will endure.

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<sup>67</sup> For a full analysis, see Phil Williams, "Cooperation among criminal organizations", *Transnational Organized Crime and International Security: Business as Usual?*, Mats Berdal and Mónica Serrano, eds. (Boulder, Colorado, and London, Lynne Rienner Publishers, 2002).

On the other hand, there is also evidence of ongoing, and on occasion violent, competition between criminal groups in the region. What is perhaps most interesting here is the degree to which state actors are often involved. This can be illustrated through examining government crackdowns on competing clans. It is highly probable that at least some of the crackdowns on organized crime by government and law-enforcement agencies are carefully targeted against rival clans, while criminal organizations that are linked to the dominant clan obtain “preferential impunity” and are able to continue to accumulate wealth from their criminal activities.

This competitive interplay can also be seen through the manipulation of, rather than affiliation with, law-enforcement agencies. In 2000, for example, according to an assessment provided by Kyrgyzstan, a law-enforcement agency conducted a search and seizure operation in the village of Tuleiken near Osh in Kyrgyzstan, in which they found more than 800 kg of opium. The operation was launched on the basis of information received from a rival criminal group. In another case, in September 2005, the Security Department and Ministry of the Interior of Kazakhstan arrested members of a regional criminal group from Shymkent. Local Kazakh bandits had invited mafia bosses and members of the criminal community with control at the level of the Commonwealth of Independent States, to resolve a conflict between two Kazakh mafia bosses with equal status in the criminal hierarchy. Along with Moscow’s mafia boss “Zhora Tashkentski”, another mafia boss and adviser to the Russian Ministry of the Interior Economic Security Department, were arrested in this operation. Law enforcement officers efficiently used informal information channels and relationships based on conflict between rival groups to arrest members of this large regional criminal group.<sup>68</sup>

### **3. The regionalization of organized crime**

The issue of cooperation between criminal groups also raises the issue of the degree to which criminal organizations in the region have developed operations that are increasingly regional rather than national in scope. Since many minorities also live in the various localities or regions of the Central Asian states, organized crime based on clan or kinship frequently has a geographical focus. According to the assessment received from Kyrgyzstan in 2002, for example, a group of 15 criminals from the Ak-Tallin district of the Naryn region was arrested in December 1995. They had been involved in theft and cattle rustling and were responsible for 16 armed assaults and 2 rapes in the Chui and Naryn regions. The locus-clan basis for organized crime, however, has significant implications that transcend geography or locality. Tajik organized crime is not confined to the territory of Tajikistan. Many Tajiks have also become involved in the drug trade as both couriers and organizers, with the result that, in recent years, the number of Tajiks arrested in the Russian Federation for drug trafficking has increased significantly.

The reverse can also be seen and Central Asia is not the exclusive preserve of indigenous criminal organizations. As reported by Kyrgyzstan, on occasion groups from other parts of the former Soviet Union move into one or more of the states of

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<sup>68</sup> Tohtoniaz Kuchukov, “Kriminalnye Avtoritety Jdut Dvojnogo Prigovora-Sudebnogo i Vorovskogo”, *Komsomolskaya Pravda v Kazahstane*, 14 September 2005, available online at <http://www.kz.kp.ru/2005/09/14/doc82356>.

Central Asia, embarking on intense crime sprees. Chechen gangster organizations in particular have, at times, been active in Bishkek and elsewhere in Kyrgyzstan, engaging in armed assaults, extortion and kidnapping.

Significantly, almost half of the overall crimes in Kazakhstan are connected in one way or another to drug trafficking. Mainly ethnic regional groups are responsible for smuggling heroin across borders in Central Asia, e.g. Tajik, Uzbek and Kyrgyz criminal groups smuggle heroin through the southern borders. Roma and Azeri groups sell drugs in Kazakhstan. The clans or ethnic minorities in Tajikistan—such as the Russians, Uzbeks, Kazakhs or Afghans—are also involved in drug trafficking activities.

In short, in the last few years, there is evidence of a significant regionalization of organized crime; contacts between criminal groups have become more interregional and more transnational. The UNODC country office has reported that, according to the Kazakh authorities, the Izmaiyllov organization based in Moscow, along with Chechen and Ingush organizations and members of the Slavic “Thieves-in-Law” have attempted to re-establish the criminal tradition, known as the “thieves’ code”, in Kazakhstan.<sup>69</sup>

This can also be seen in Uzbekistan, where, as reported by the UNODC country office, two of the country’s leading criminals have also tried to expand their influence in Kazakhstan. It appears that these groups from elsewhere in the former Soviet Union are interested in using Kazakhstan's indigenous criminal organizations to take control of key strategic sectors of Kazakhstan's economy, thereby obtaining profitable contracts and becoming “shadow shareholders” in major enterprises.

National counterparts have also reported that criminal organizations in Kazakhstan not only remain in contact with their criminal associates in other Central Asian countries, the Russian Federation and the Baltic states, but also have criminal linkages in some European countries, Turkey and China. It has been suggested that some kind of supplier relationship has also developed between Kazakh criminal groups and Italian mafia organizations. Allegedly, “envoys” from Italian organizations specializing in drug trafficking visited the southern areas of Kazakhstan and established contact with local organized criminal groups in the province of Yuzhnoe. The Italians are said to have subsequently purchased heroin, brought from Tajikistan, from the Kazakh groups.

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<sup>69</sup> The “thieves-in-law” (known as Vory v Zakone in Russian), formed as a society for mutual support within the prison camps of Stalin, and adopted a system of collective responsibility, and swearing a code of “complete submission to the laws of criminal life, including obligations to support the criminal ideal, and rejection of labor and political activities.” This group existed throughout the Soviet era and continues today throughout the republics of the former Soviet Union. In this society the thieves-in-law live and obey the “Vorovskoy Zakon”, the thieves’ code. The members are bound by 18 codes and if they are broken, the transgression is punishable by death. See (Fikenuer, James O, and Waring, Elin J. *Russian Mafia In America: Immigration Culture and Crime* (Boston: Northeastern University Press) 1998) and also see (*Russian Organized Crime: Organization and Structure*, [www.fas.org/irp/world/para/docs/rusorg3.htm](http://www.fas.org/irp/world/para/docs/rusorg3.htm))

## B. Criminal activities

In Central Asia, organized crime fundamentally revolves around trafficking in drugs. However, it is by no means limited to this activity and includes a broad spectrum of activities and illicit markets, such as racketeering, control of prostitution, infiltration of the banking system and oil industry, cattle rustling, car theft and trafficking in wildlife and in precious metals.

Criminal organizations have also defrauded states of resources, agricultural products and manufactured goods. Other sources of illegal proceeds include profits from smuggling, tax evasion, tax fraud and trafficking in firearms. The growth in trafficking in women as well as the continued vibrancy of the market for illicit firearms in Central Asia provides testimony to the innovation and diversification of the organized criminal groups in the region. The present section reviews the key illicit activities in which criminal groups in Central Asia are involved.

### 1. Trafficking in drugs

Trafficking in drugs has a variety of impacts on the security and stability of Central Asia. These include:

- **Undermining human security.** The former “transit” states are now becoming the newly emerging “consumer” states, resulting in increasing levels of addiction, increasing petty crime and drug-related epidemics, including HIV/AIDS;
- **Increasing risks of economic and political instability.** As corruption incapacitates the state economically, citizens become dissatisfied because of the lack of protection of their rights, which in turn leads to political dissatisfaction;
- **Exacerbating national, regional and international insecurity.** Through their involvement in drug trafficking, armed rebel groups have the potential to increase the destabilization of the region.<sup>70</sup>

The major drug route into Central Asia in the past lay along the road between Khorog (on the Tajik-Afghan border) and the Kyrgyz city of Osh. During the 1990s, the Kyrgyz government identified Osh as one of the central hubs for trans-shipment. New routes were also forged into Central Asia across the Tajik-Kyrgyz border from the Tajik cities of Jirgatal and Garm. This route was particularly attractive due to its remoteness, its difficulty to police and the presence of the enclaves of Vorukh, Sokh, Qalacha, Khalmion and Chorku administered by different states. These enclaves subsequently developed their own “hub” status.<sup>71</sup>

By 2002, the authorities reported that there were four routes through Kyrgyzstan: the Kyzyl-Art route across the southernmost part of Kyrgyzstan and onward to Osh and the Fergana Valley and Uzbekistan; the Batken route stretching to the far western and most remote areas bordering Tajikistan and Uzbekistan; the Altyn-Mazar route, following a similar path into the Fergana Valley; and a fourth route overlapping some of these routes and beginning in the city of Khojand on the Tajik border. The United States Department of State has reported that all of these

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<sup>70</sup> Svante E. Cornell, “The nexus of narcotics, conflict, and radical Islamism in Central Asia”, *Caspian Brief*, No. 24 (Cornell Caspian Consulting, June 2002).

<sup>71</sup> *Ibid.*

routes originate somewhere on the 1,000 km Tajik border and consist of footpaths, minor roads and only a few major thoroughfares.<sup>72</sup> The Government has estimated that smugglers use over 100 different paths to move drugs and other illicit goods into Kyrgyzstan.<sup>73</sup>

According to the UNDP country profile of Kyrgyzstan in 2002, the trafficking networks in Kyrgyzstan are well organized with developed connections across the country; they are also involved in considerable transnational illicit transactions.

The trafficking routes overlap with those used by armed non-state actors such as the Islamic Movement of Uzbekistan (IMU). During the civil war in Tajikistan, the IMU held strong bases along the Khorog-Osh highway in the cities of Tavildara and Jirgatal. In addition to those strongholds, the IMU utilized the enclaves of Vorukh, Sokh, Qalacha, Khalmion and Chorku as strategic positions in their conflict. The IMU and drug barons, with their mutual interest in border crossings, established a symbiotic relationship developing joint routes for their activities.<sup>74</sup> Such trafficking routes are also used to supply precursor chemicals to the laboratories of the region, including in Afghanistan. There appears to have been a notable increase in the precursors that have been transported to Afghanistan. In 1999, Turkmen authorities seized 15 tons of acetic anhydride,<sup>75</sup> while in 2000 the figure was approximately 83 tons.<sup>76</sup>

Of all the Central Asian states, Tajikistan has been the most severely affected by the drug business (see figure 7). The value of drugs trafficked through Tajikistan has been estimated to be 30 per cent of the country's GDP.<sup>77</sup> There are several reasons for this, including Tajikistan's long contiguous border with Afghanistan. Most of the opiates leaving Afghanistan for the Russian Federation transit Tajikistan, then either Kyrgyzstan or Uzbekistan and finally Kazakhstan. There may well be also important trafficking via Turkmenistan and from there to other C.I.S. states (Uzbekistan, Kazakhstan and via the Caspian sea to Azerbaijan or Russia), but information on these trafficking routes is rather scarce.

In Kazakhstan, the drug problem is also serious. The country has a significant drug abuse problem. There is also extensive cannabis cultivation taking place in Kazakhstan and it is a key trans-shipment point for the passage of drugs from Central and South-West Asia to markets in the Russian Federation and the West. Its role as a transit state developed during the 1990s and by 1995 the United States Department of State was expressing concern that major international heroin trafficking groups were accelerating efforts to smuggle drugs through Kazakhstan.<sup>78</sup>

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<sup>72</sup> *International Narcotics Control Strategy Report 2002* (Washington, D.C., Department of State, March 2003).

<sup>73</sup> *Ibid.*

<sup>74</sup> Cornell, *op. cit.*

<sup>75</sup> Report of the International Narcotics Control Board for 2000 on the Implementation of Article 12 of the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988

<sup>76</sup> Report of the International Narcotics Control Board for 2001 on the Implementation of Article 12 of the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988.

<sup>77</sup> Cornell, *op. cit.*

<sup>78</sup> *International Narcotics Control Strategy Report 1995* (Washington, D.C., Department of State, March 1996).

Kyrgyzstan has a similar set of problems. By the mid-1990s, Osh had developed into a major trafficking and transit hub and remained important, as heroin became the dominant drug moving through the country. According to the UNDP country profile of Kyrgyzstan in 2002, up until 1997-1998, the main direction of traffic was from the Gorno-Badakhshan Autonomous Region in Tajikistan along the Pamir highway to Osh province. Since that time, new routes have been developed, some of which are the sites of heavy drug trafficking.

Both Turkmenistan and Uzbekistan have also become trans-shipment states, with the former being used for smuggling not only of narcotics but also of precursor chemicals. Afghan opium and heroin headed for Europe, the Russian Federation and Turkey come into Turkmenistan from Afghanistan, the Islamic Republic of Iran, Pakistan, Tajikistan and Uzbekistan. Commercial truck traffic in which drugs can be concealed continues to be heavy from the Islamic Republic of Iran to Turkmenistan. Traffic by ferry across the Caspian Sea from Turkmenistan to Azerbaijan and the Russian Federation continues to be a viable smuggling route. The majority of Turkmenistan's law enforcement resources however are only directed at stopping the flow of drugs from Afghanistan.<sup>79</sup>

On Turkmenistan's border with Uzbekistan it has been reported that the emphasis of law enforcement has been on detecting and seizing smuggled commercial goods, thus providing an attractive trans-shipment route for narcotics smugglers. Reports indicate that smuggling activities continue to grow along the Turkmen-Uzbek border.<sup>80</sup>

Two trends have emerged in drug trafficking: drugs are being moved through legal entry points in hidden compartments in vehicles and in containerized cargo and an increasing number of traffickers swallow heroin.<sup>81</sup>

Drug trafficking and seizures that have been made in the recent past have generally involved larger shipments than before. Table 4 outlines the drug seizures in Central Asia for 2003 and 2004. Tajikistan can be used to illustrate this trend, with Tajik forces seizing a 345 kg consignment of heroin on the night of 18-19 February 2003. This constituted the largest single seizure in Tajikistan.<sup>82</sup> On 7 October 2003, Russian border guards, on the Tajikistan-Afghan border, discovered a shipment with over 929 kg of raw opium, over 111 kg of heroin, and over 18 kg of cannabis.<sup>83</sup> Overall, 6,537 kg of heroin were seized in Tajikistan during 2003.<sup>84</sup> In 2002, units of the Tajik Ministry of the Interior disrupted over 100 criminal drug trafficking organizations and arrested about 1,500 of their members.<sup>85</sup> The significance of these successes however and the extent to which they have managed to disrupt the trafficking business is far from clear. This is partly due to the fact that

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<sup>79</sup> Ibid.

<sup>80</sup> Ibid.

<sup>81</sup> Ibid.

<sup>82</sup> "Trafficking drugs in Tajikistan", *Crime, Corruption and Terrorism Watch*, vol. 3, No. 727, Radio Free Europe/Radio Liberty, February 2003.

<sup>83</sup> "Over 1 ton of drugs seized on Tajikistan-Afghan border", Dushanbe, *Asia-Plus*, 8 October 2003 (in Russian).

<sup>84</sup> "Nearly seven tons of drugs seized in Tajikistan January-September", Moscow, Interfax, 9 October 2003.

<sup>85</sup> "Tajik police make record heroin seizure", BBC Monitoring Service, Global News Wire, Asia Africa Intelligence Wire International Reports, 19 February 2003.

poverty is widespread in Tajikistan making new recruitment very easy. It is also due to the fact that no comprehensive analysis of the composition and nature of the criminal groups involved at the regional level has been completed, including a wider assessment of the multiple activities in which they are involved.

Table 4

**Drug seizures in the Central Asian region, 2005-2006**

	<i>Opium</i>		<i>Heroin</i>		<i>Cannabis herb</i>		<i>Cannabis resin</i>	
	<i>Kilograms</i>				<i>2005</i>	<i>2006</i>	<i>2005</i>	<i>2006</i>
	<i>2005</i>	<i>2006</i>	<i>2005</i>	<i>2006</i>				
Kazakhstan	668	636	625	554	21,732	22,868	284	305
Kyrgyzstan	261	302	259	260	1,983	2,399	131	153
Tajikistan	1,104	1,386	2,344	2097	1,164	1,305		
Turkmenistan	748	2,655	180	201	135	154	18	206
Uzbekistan	107	759	466	537	444	428	9	5

Source: UNODC Delta Database

Drug trafficking groups present a great challenge for law enforcement, in particular for border control along the Afghan border. The criminal organizations that have established themselves in this area show strong sustainability, sophistication and are heavily armed, resulting in a number of confrontations with border controls.<sup>86</sup> This reflects the weakness of law-enforcement agencies in Central Asia, which in many cases are not able to cope with the threat of organized crime and to stem the spread of drug trafficking. Most of the groups are highly mobile, well-equipped and quite flexible, thus always having an upper hand over law-enforcement agencies.

## 2. Trafficking in firearms

Arms trafficking has been defined by the United Nations Disarmament Commission as that of international trade in conventional arms, which is contrary to the laws of states and/or international law.<sup>87</sup> Arms trafficking in Central Asia is linked to trafficking in drugs. For example, in Tajikistan, drug trafficking has been used for funding, with opposition militants buying drugs from Afghanistan, selling them in the Russian Federation and then returning to Afghanistan to purchase weapons.<sup>88</sup>

However, in the last few years, trafficking in firearms has received surprisingly little attention in the region. The possible intersection with terrorism, however, has contributed to the sensitization of the international community towards these activities. In particular, in Uzbekistan and Kyrgyzstan, the activities of the IMU together with a process of political and social radicalization in the

<sup>86</sup> Osmonaliev, "Developing counter-narcotics policy in Central Asia: Legal and Political Dimensions", 2004, Silk Road Studies Program and Central Asia-Caucasus Institute

<sup>87</sup> However this definition is not universally accepted, with some governments restricting the illicit trade to those international transactions which are not authorized by either one or both states concerned in the transfer.

<sup>88</sup> Pirseyedi, op. cit.

Fergana Valley has helped to underscore the seriousness of the dangers posed by trafficking in firearms.

Central Asia has been a major recipient of illegal weapons for well over a decade. The proximity to Afghanistan has provided a plentiful source of small arms. Until 2002, the estimate of small arms circulating in Afghanistan was about 10 million.<sup>89</sup> More recent and better informed estimates have suggested that the figure is somewhere between half a million and one and a half million small arms in circulation, with approximately 200,000-290,000 in the hands of still active combatants and militiamen.<sup>90</sup>

Similarly, there was a large surplus of military supplies after the Cold War, which has provided a second rich source of firearms for Central Asian traffickers. Many of these weapons have subsequently spread through the region, as have weapons from the Kazakh army, which has been described as a considerable source of illicit decommissioned arms and ammunition.<sup>91</sup> It is the diverse sources of firearms that are the main challenge in assessing the problem of trafficking in firearms in Central Asia.

The war in Tajikistan created a major demand for weapons, with different sources supplying different factions to the conflict. According to one analyst, some of these groups acquired weapons from the Russian military through theft, purchases, bartering food and alcohol, or by simply disarming Russian soldiers. Similarly, Afghanistan provided a plentiful source with a variety of weapons in circulation.

In addition, both the Russian Federation and Uzbekistan supplied the Tajik pro-government forces, while the opposition forces obtained weapons from Afghanistan. Massive quantities of small arms, ranging from assault rifles to hand grenades, were supplied from Afghanistan to the Tajik opposition.<sup>92</sup> This created a veritable arsenal in Tajikistan, which included such firearms as AK-47 and AK-74 assault rifles; SVD sniper rifles; AKM, AKMS and AKSU sub-machine guns; RPK and PK machine guns; and RPG-2, RPG-7, RPG-18, RPG-22, SPG-7 and SPG-9 anti-tank weapons.<sup>93</sup>

As a result of the large quantity of firearms in circulation, several states in the region have become concerned about the trafficking in weapons into their territory. Kyrgyzstan is particularly worried about weapons coming into the country from Tajikistan. Some of these weapons move along the old Silk Road from Ishkashim through Gorno-Badakhshan via Khorog and Murghab to Osh. Another route runs from central Tajikistan to the Kyrgyz districts of Leilek and Batken and then to Osh and Bishkek.<sup>94</sup>

In October 1999 at a checkpoint in Osh, Kyrgyzstan, a train with charity cargo from the Islamic Republic of Iran to Afghanistan was stopped. In addition to 300 tons of flour, customs officers found 700 tons of weapons, including tank

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<sup>89</sup> Ibid.

<sup>90</sup> Graduate Institute of International Studies, *Small Arms Survey 2003*.

<sup>91</sup> Pirseyedi, *op cit*.

<sup>92</sup> Ibid.

<sup>93</sup> Ibid.

<sup>94</sup> Ibid.

mines, grenades, F1 ammunition for large-calibre machine guns, missiles and even a launcher for volley fire “hail”. After negotiations, the train was sent back to the Islamic Republic of Iran. However, according to some reports, it did not reach its destination, disappearing on the way.<sup>95</sup>

### **3. Smuggling of migrants**

There has been in recent years, in particular in many developed countries, an increased focus on the role of organized criminal groups in the smuggling of migrants. The Smuggling of Migrants Protocol defines the smuggling of migrants as “the procurement, in order to obtain, directly or indirectly, a financial or other material benefit, of the illegal entry of a person into a State Party of which the person is not a national or a permanent resident” (article 3 (a)).

Central Asia is a transit point for illegal immigrants, in particular from South Asia. According to a survey conducted by the Government of Kyrgyzstan in 1997-1998, there were about 50,000 illegal immigrants in the country. Having travelled mainly from Afghanistan, Bangladesh, India, Nepal, Pakistan, Somalia and Sri Lanka, smuggled migrants typically then transit through Kyrgyzstan and Kazakhstan en route to the Russian Federation and then Western Europe, the United States of America or Canada. According to the assessment provided by Kyrgyzstan in 2002, it also appears that many buy Kyrgyz passports, which cost between \$300 and \$1,500, enabling them to travel as citizens of Kyrgyzstan.

In February 2002, the heads of the Kyrgyz, Kazakh, and Tajik Ministries of Foreign Affairs signed a joint plan in Bishkek for enhanced cooperation in dealing with illegal migration and refugees. The representatives of Kazakhstan reported at the meeting that the number of illegal immigrants from South-East Asia travelling to Kazakhstan from Bishkek had fallen.<sup>96</sup> There was also agreement that one of the priorities in the effort to counter the trans-shipment of illegal aliens through Central Asia should be measures to prevent the use of false documents.

As in the case of trafficking, there is some evidence that Central Asia may in future be an important source region for illegal migration. For example, in April 2002 Russian Federal Border Guards detained 29 Uzbek nationals as they attempted to enter the Russian Federation illegally. Another 19 were detained at Mineralnye Vody (Russian Federation) airport after flying from Urgench (Uzbekistan) without documents.<sup>97</sup> Although these incidents are relatively minor, they provide an indication of a possible increase in such activity, particularly if economic opportunities for many citizens of the region continue to decline. With continued immigration restrictions in Western Europe and the United States, such a trend can only provide more opportunities for criminal organizations to develop lucrative roles as intermediaries in facilitating the migration process.

### **4. Trafficking in human beings**

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<sup>95</sup> Martha Brill Olcott and Natalie Udalova, “Drug trafficking on the great silk road: the security environment in Central Asia”, Working Paper No. 11 (Carnegie Endowment for International Peace, March 2000).

<sup>96</sup> Kyrgyz National News Agency “Kabar”, 6 February 2002, available online at <http://www.kabar.kg>.

<sup>97</sup> ITAR-TASS News Agency, 27 April 2002.

Trafficking in human beings is defined in the Trafficking in Persons Protocol as “the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs” (Article 3 (a)). The available evidence suggests that trafficking in persons is a significant problem in Central Asia, with the involvement of organized criminal groups. The data presented below is largely drawn from UNODC’s global database on human trafficking.

Kazakhstan ranks high as both a state of origin and as a transit state. In a small number of cases it has also been used as a destination for victims of trafficking. The main destinations for victims trafficked from Kazakhstan are Greece, Israel, Turkey and the United Arab Emirates.

The International Organization for Migration (IOM) has reported that during 2000 and 2003, 152 cases of trafficking in human beings were registered in Kazakhstan. A total of 132 women and 20 men were victims of these crimes.<sup>98</sup> In Kazakhstan in 2004, law enforcement agencies investigated 27 cases of human trafficking. Fourteen cases were prosecuted and 12 traffickers were convicted.<sup>99</sup>

In Kyrgyzstan, according to the UNDP country profile for 2002, trafficking in human beings, nearly unknown in Kyrgyzstan before independence, is now a common and growing problem. The simplification of entry and exit formalities and the weaknesses of the existing system of border control have contributed to the growth in these criminal activities. Another study by IOM has estimated that every three months, between 500 and 800 Kyrgyz women are sent to the United Arab Emirates as sex workers, that is between 2,000 and 3,200 women a year, with another 800 women trafficked into countries of the Commonwealth of Independent States. Figures however, seem to vary depending on the source. It also appears as though much of the business goes undetected. In 1999, only 18 people were convicted of trafficking-related offences and were sentenced to five years imprisonment.<sup>100</sup> Concerning the destination for Kyrgyz women, the Protection Project of Johns Hopkins University in Baltimore, United States, has concluded that women are trafficked to the Middle East, the Russian Federation, Turkey and Western Europe. In addition, Kyrgyzstan is also a transit state. Because Kyrgyz passports are considered to be easily duplicated, women from adjacent Central Asian countries are brought to Kyrgyzstan, provided with false documents and taken to neighbouring Kazakhstan, where they board flights for other destinations.

Tajikistan ranks high as a place of origin, with no evidence that it is a significant transit or destination state. Victims from Tajikistan are generally trafficked to North America, the European Union, Western Asia and the

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<sup>98</sup> See the website of the International Organization for Migration in Kazakhstan at <http://www.iom.kz>.

<sup>99</sup> Ramzia Mirobekova, “Traffick”, available online at <http://centrasia.org/newsA.php4?st=1123747620>.

<sup>100</sup> *Trafficking in Persons Report 2001* (Washington, D.C., Department of State, July 2001)

Commonwealth of Independent States. In July 2005, law enforcement officers from Tajikistan returned 18 female “sex slaves” from the United Arab Emirates. It was discovered that 400 Tajik residents were officially registered in the United Arab Emirates, working mainly in bars, restaurants, hotels and trade companies.<sup>101</sup> The United States Department of State has classified Tajikistan as a country of origin for young women being trafficked to Kazakhstan, Kyrgyzstan, the Russian Federation, Uzbekistan and countries of the Persian Gulf, including the Islamic Republic of Iran, Saudi Arabia, the United Arab Emirates and Yemen, for the purposes of sexual exploitation.<sup>102</sup> Once again, as stated in the UNDP country profile for Tajikistan for 2003, the number of those who believe they are going to get good jobs abroad, only to find that they are virtually imprisoned and forced into prostitution or other forms of modern slavery, is estimated to be in the thousands. Motivations for trafficking identified by IOM include prostitution or sexual exploitation, domestic and sexual servitude, to convey drugs, and for the removal of organs.<sup>103</sup>

No official data is available on the trafficking situation in Turkmenistan. While the country ranks medium as a point of origin, no information suggests it is used as a point of transit or destination.

Uzbekistan is not mentioned in the UNODC Database on Human Trafficking Trends as a state of transit for victims of trafficking. It ranks low as a state of destination and high as a state of origin for trafficking victims. Victims trafficked from Uzbekistan are primarily brought to Western Asia and North America. There is evidence that women have been trafficked to a variety of destinations, however. In early 2001, for example, Thai police detained 24 potential trafficking victims from Uzbekistan in Bangkok, only eight of whom were able to produce valid travel documents and visas.<sup>104</sup> Also in 2001, a married couple of Uzbek nationality was arrested in the United States on charges of trafficking women from Uzbekistan to the United States.

Various measures employed by Central Asian criminal groups to persuade or force people into trafficking and subsequent exploitation have been documented. These include the confiscation of travel documents, lack of registration or visa expiration, debt bondage, violence, rape, forced prostitution, forced domestic service, drug dependency, denunciation or threats to family members, false promise of lucrative and safe sex work abroad and marrying a false groom who is in fact a trafficker.<sup>105</sup>

It has been reported that some trafficking victims come from orphanages. When they reach 18 they are released from the institutions and find themselves homeless with no source of income other than as commercial sex workers.<sup>106</sup>

Once trafficked, the vulnerability of victims increases enormously. On reaching their destination, victims are often informed that they have entered the country illegally. Their passports and other documents are usually taken away from

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<sup>101</sup> Ibid.

<sup>102</sup> *Trafficking in Persons Report* (United States Department of State, June 2003).

<sup>103</sup> International Organization for Migration, *Deceived Migrants from Tajikistan: A Study of Trafficking in Women and Children* (July 2001).

<sup>104</sup> Redo, op. cit.

<sup>105</sup> International Organization for Migration, *Deceived Migrants from Tajikistan ...*

<sup>106</sup> Ibid.

them and they are physically, psychologically and sexually abused until they acquiesce to the demands of their traffickers. It is worth noting that more sophisticated criminals, whether they specialize in trafficking in human beings or are involved in a broader range of trafficking activities, often use legitimate front agencies. Travel agencies are particularly useful for trafficking in women. Such companies have well-established commercial links, provide legitimate cover for travel and have established financial channels that can be used to move funds and process payments.

In conclusion, although trafficking in women is more extensive in many other countries of the former Soviet Union than it is in Central Asia, it is clearly a serious and growing problem in the region. Moreover, as other countries clamp down on the trade, the states of Central Asia may emerge as alternative sources. Unless comprehensive preventive and enforcement campaigns are initiated, trafficking in women from Central Asia by organized criminal groups will expand in the next few years. This is a lucrative illicit market that criminals in the region will seek to exploit further.

## **5. Trafficking in organs**

There is relatively little information, even anecdotal evidence, concerning trafficking in human organs. It is clear that there is insufficient work being conducted in the region to document this practice. This has resulted in circumstantial or hearsay information. There have been reports for example of cases in Tajikistan where children have been trafficked out of the country and subsequently killed for their organs. An IOM report has noted that a weekly newspaper reported the discovery of two bodies of Tajik migrant children in Ukraine where the autopsy revealed that kidneys and several other organs had been removed.<sup>107</sup>

## **6. Child prostitution**

Child prostitution and child pornography represent a lucrative area of business for organized criminal groups. The available evidence suggests that the children are kidnapped or lured under false pretences. According to the United Nations Children's Fund (UNICEF), more than a million children may be forced into prostitution each year.<sup>108</sup> However, estimating both the impact and numbers involved in child prostitution remains difficult given the "underground" nature of the activity. Although there are various sources concerning the global scope of the problem, specific figures for Central Asia are unavailable. The data provided below therefore can provide only a broad estimation of the nature and extent of the problem.

In Kazakhstan, there are increasing reports of child sex workers in the south of the country, some as young as 8 years old, many of whom are alleged to be children of drug or alcohol dependant parents working in the sex trade.<sup>109</sup> In Kyrgyzstan it

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<sup>107</sup> Ibid.

<sup>108</sup> "UNICEF calls for concerted action to halt commercial sexual exploitation", Press Release, 17 December 2001, available online at <http://www.unicef.org/newsline/01pr100.htm>.

<sup>109</sup> Human Rights Watch, Kazakhstan Country Report, 2003

has been reported that some women and also children as young as 11 or 12, travel regularly in trains over great distances with different male companions. They provide sexual services before being left at a terminus station. On arrival at the train's destination point, the children become street children for a day or two until they find another travelling customer to go back home with.<sup>110</sup>

Child prostitution is an existing problem in Uzbekistan. However, there is no official data about the age and percentage of children involved in prostitution. Street children and children in institutions such as orphanages are often involved in prostitution, either by force or out of necessity. Street girls can often be subject to sexual abuse by some law-enforcement officers. Children in prisons can also be exposed to sexual exploitation either by the prison staff or by older inmates.

Similarly, in Tajikistan there is evidence of many young girls being involved in prostitution. These girls are mostly homeless teenagers or children. Prostitution has proliferated in the wake of the civil war. Housewives and very young girls are driven to the trade by poverty and find a ready market in urban areas.<sup>111</sup> Although there are few accurate statistics, authorities believe that the age of prostitutes has fallen sharply. In many cases, prostitutes are 11 or 12 years old. Many of the young girls involved are orphans or children sold by their parents. In some cases, however, girls have been kidnapped and raped.

## 7. Corruption and white-collar crime

While there is no single definition for corruption, definitions commonly include the notion of misuse of public power for personal gain. It is "behaviour on the part of persons in which they improperly enrich themselves or those close to them by misusing power with which they have been entrusted."<sup>112</sup> Corruption undermines economic investment and the transformation process towards democracy by driving state funds away from already under-resourced services such as policing and health. This places an extra burden on citizens at large. Table 5 below presents Transparency International's Corruption Perceptions Index for 2006.

Table 5  
**Transparency International Corruption Perceptions Index, 2006**

	<i>Kazakhstan</i>	<i>Kyrgyzstan</i>	<i>Tajikistan</i>	<i>Turkmenistan</i>	<i>Uzbekistan</i>
Country ranking	111	142	142	142	151
2006 CPI score	2.6	2.2	2.2	2.2	2.1
Confidence range	2.3-2.8	2.0-2.6	2.0-2.4	1.9-2.5	1.8-2.2
Surveys used	6	6	6	4	5

<sup>110</sup> Child Prostitution: The Commercial Exploitation of Children, CRC: NGO Commentaries to the Initial Report, <http://www.gvnet.com/childprostitution/KyrgyzRepublic.htm>

<sup>111</sup> UNIFEM Gender Profile – Tajikistan – Women, War & Peace, available at <http://www.womenwarpeace.org/tajikistan/tajikistan.htm>

<sup>112</sup> see [http://www.anticorruption.info/corr\\_def\\_alt.htm](http://www.anticorruption.info/corr_def_alt.htm)

Source: Transparency International, *Corruption Perceptions Index 2006*, available online at <http://www.transparency.org/>

In recent years, corruption has become a major issue in global politics. The World Bank and the International Monetary Fund (IMF) have emphasized the need to reduce corruption in many developing states. As previously mentioned, three of the Central Asian states, Kyrgyzstan, Tajikistan and Turkmenistan are parties to the Convention against Corruption. (See table 2).

In Central Asia, there can exist symbiotic relationships between members of the political elite and members of organized crime. These relationships are often very difficult to disrupt. In Kazakhstan, when asked the difference between his subordinates and common criminals, a Kazakh police chief replied: “the difference is in the thickness of a cigarette paper”.<sup>113</sup>

In describing the nature of corruption in Central Asia, its latency and its correlation to white-collar crime should be noted. The latency of corruption is very high. Law-enforcement activities aimed at combating the most frequent manifestations of corruption (bribery, abuse of power for personal gain, etc.) seem to reveal only the tip of the corruption iceberg. According to a poll sponsored by UNDP in 2000, the overwhelming majority of participants in the survey, which included law enforcement officers, businesspersons, office workers and the general population, believe that corruption is the most acute problem in Kyrgyzstan. More than 80% of those who responded to the survey consider the police and internal affairs bodies the most corrupt state structures in Kyrgyzstan.<sup>114</sup>

A similar situation exists in other countries. It should be noted that the largest number of crimes classified as corruption relate to entrepreneurship and that so-called “business” corruption significantly damages the economy. The emergence of a market economy, especially in Kazakhstan, Kyrgyzstan and Tajikistan, together with privatization of major state and public property, led to various incidents of speculation, fraud and corruption in the 1990s and the spread of white-collar crime. Tax evasion is common and savings go to the shadow economy. Businesspeople close to the higher echelons of power can more successfully derive shadow income. In August 2005, the Office of the Prosecutor of Kyrgyzstan issued an order to arrest the son-in-law of a former president of Kyrgyzstan, charged with tax evasion in excess of \$16 million.<sup>115</sup>

In Turkmenistan in September 2005, a former Minister of Oil was sentenced to 24 years in prison and a former chief of a trade corporation (Turkmen Oil and Gas) was sentenced to 25 years in prison on corruption and embezzlement charges. Proceeds amounting to \$25 million, 107 kg of gold jewellery, 20 cars, 14 houses and 5 villas at the Caspian shore were seized from the former Minister.<sup>116</sup>

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<sup>113</sup> See Daur Dosybiev, “Kazakhstan: police corruption worsens”, *Reporting Central Asia*, No. 128 (London, Institute for War and Peace Reporting, 5 July 2002), available online at <http://www.iwpr.net>.

<sup>114</sup> “Corruption in Kyrgyzstan”, report on a public opinion survey conducted by the Center of Public Opinion Studies and Forecasts sponsored by UNDP (2000, Bishkek)

<sup>115</sup> ITAR-TASS News Agency, 26 August 2005.

<sup>116</sup> Reported online, available at <http://centrasia.org/newsA.php4?st=1127200380> (in Russian).

Corruption and white-collar crime not only pose a challenge to the integrity of state structures, but also have a corrosive impact on society, undermining faith in the government, increasing alienation of the population and inhibiting the development of a civil society based on the rule of law. Corruption undermines the effectiveness of law enforcement, the impartiality of the judiciary and the efficiency and fairness of state administration. Moreover, organized crime has exacerbated some of the problems in the fractured societies discussed above and has the capacity to do even more damage.

## 8. Money-laundering

Money-laundering can be broadly defined as “the conversion or transfer of property, knowing that such property is derived from serious crime, for the purpose of concealing or disguising the illicit origin of the property or of assisting any person who is involved in committing such an offence or offences to evade the legal consequences of his action, and the concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of property, knowing that such property is derived from serious crime”.<sup>117</sup>

One of the problems faced by successful criminal and drug trafficking organizations is to decide what to do with the proceeds of their activities. Ensuring that these proceeds are enjoyed rather than seized by law enforcement is essential, and is the basis for money-laundering.<sup>118</sup> Analysis of this issue in Central Asia suggests that there are three main ways of spending the proceeds of organized crime: expenditure on operational costs and reinvestment in further criminal activities; consumption; and investment, mainly through the banking sector.

Operational costs and reinvestment include: the purchase of fresh consignments of goods, communication devices and vehicles, the establishment of safe houses or hideouts, the payment of bribes to public officials and law enforcement personnel and the payment of salaries to the members of the organization itself. Consumption covers the purchase of real estate (houses and apartments) and luxury items, as well as meetings, banquets and sex services. This kind of money-laundering is often cash-based and thus leaves no traces in bank records. Furthermore, according to the 2002 Kyrgyz assessment, criminals do not always have to use special techniques to disguise the source of their illegal gains if they are offered protection by corrupt state officials.<sup>119</sup>

One of the most important money-laundering techniques in Central Asia is the use of front companies. These companies provide ostensibly legitimate sources of income and opportunities for trade-related laundering through false invoicing. In order to open front companies, organized criminal groups in Kazakhstan have targeted banks, casinos and businesses engaged in food processing, distilling and

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<sup>117</sup> Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime, article 1. Council of Europe, *European Treaty Series*, No. 141, available online at <http://conventions.coe.int/treaty/en/Treaties/Html/141.htm>.

<sup>118</sup> For an overview of the mechanisms of money-laundering, see Elizabeth Joyce, “Expanding the international regime on money-laundering in response to transnational organized crime, terrorism and corruption”, *The Handbook of Transnational Crime and Justice*, Philip Reichel, ed. (Thousand Oaks, Sage Publications, 2005).

<sup>119</sup> Kyrgyzstan Country Assessment 2002, UNODC

export trade.<sup>120</sup> Casinos are particularly useful for money-laundering and there is some concern about their exploitation in both Kyrgyzstan and Kazakhstan. According to the UNDP country profile for 2002, front companies have also been widely used in Kyrgyzstan, where it is believed that illicit revenues from trading in drugs and weapons and the smuggling of alcohol and tobacco are typically transferred to front companies.

The UNDP country profile of Tajikistan for 2002 reported that there is evidence that considerable amounts of money (both legitimate capital and proceeds of crime) have been moved out of Tajikistan to accounts in the United Arab Emirates and the Russian Federation. Both the banking system and commercial companies can be exploited with little fear of detection. Since no attempt is made to identify illegal money in Tajikistan all money is treated as legal. Moreover, the influence of organized crime over the banking sector provides an additional layer of safety for criminals. For the most part, these funds do not return to Tajikistan. That portion which does come back is usually invested in businesses and real estate. It therefore seems likely that, as the banking system is modernized, money-laundering through the system will increase significantly unless major initiatives are taken to forestall such a development.

In Kazakhstan, where there are still bank secrecy provisions and where there are an estimated 200 organized criminal groups with links to criminal organizations in the United States and Europe, particular concern centres on money-laundering and illegal financial transactions in the energy sector. The UNODC Global Programme against Money-Laundering has reported that the practice of “oil swaps”, in which traders exchange title to oil in different locations, could be used to obfuscate ownership and payments and thereby facilitate money-laundering. In addition, trade-based money-laundering could be accomplished through “oil transfer pricing”, where shipments of oil are under-invoiced.

A method to bring money out of the country without the use of the banking sector is cash smuggling, which reportedly is common at Kazakhstan’s borders. Relatively large cash sums of United States dollars have been seized. In one case, \$831,200 in undeclared money originating in Kazakhstan was seized by the French customs at a Paris airport. Whether this case involved the proceeds of crime or simply capital flight is uncertain. In another case, three officials from the Kazakh Eurasian Bank group were charged in Belgium with money-laundering in connection with the purchase of real estate.

The banking systems in Central Asia, with the exception of the one in Kazakhstan,<sup>121</sup> are not well developed and therefore do not offer many opportunities for money-laundering. However, even the limited level of development has not been matched by a commensurate level of controls. Although there are some provisions in national laws for dealing with criminal assets and some internal controls in banks, very little attention has been paid to preventing money-

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<sup>120</sup> United Nations Office on Drugs and Crime, Global Programme against Money-Laundering, “Money-laundering and related issues in Kazakhstan”, Central Asia Briefing No. 1, 30 April 2002, available online at <http://www.imolin.org>.

<sup>121</sup> For a brief description of the Kazakh banking sector, see United Nations Office on Drugs and Crime, Global Programme against Money-Laundering, “Money-laundering and related issues in Kazakhstan”.

laundering through the banking system. Although Kazakhstan has criminalized money-laundering for drug trafficking and other serious crimes, the UNDP country profile for 2002 states that inadequate financial controls make detection of money-laundering difficult. Bank examiners are not trained to look for evidence of money-laundering, but rather focus on traditional safety and soundness concerns. Banking laws require tax police and investigators to go through local prosecutors in order to obtain bank records. Records may be released only if the prosecutor deems an investigation is warranted.

Moreover, law-enforcement agencies have little expertise in following money trails or dealing with the complexities of money-laundering. There are few reporting provisions and limited capacity to assess suspicious transactions or initiate investigations, so that even where provisions for reporting suspicious transactions are in place they are generally ignored by the banks. Although some steps are being taken to close both the regulatory and the enforcement gaps, this process is slow and incremental. Since developing the kind of expertise necessary to combat money-laundering is a long-term process, the banking systems in the region will remain vulnerable to exploitation for some years.

UNODC has found that in many developing countries there is a very low level of participation in the so-called “formal” financial system; in several countries, for example, less than 10 per cent of the population has a bank account. It is not unreasonable to assume, therefore, that a very large portion of economic activity (the transfer and storing of wealth) takes place outside of official financial institutions.<sup>122</sup>

Moreover, market deregulation and technological progress have brought advances to the electronic banking sector offering new forms of electronic payments, including through the Internet. The rise of the electronic banking sector can benefit organized crime as it allows fast and anonymous transfer of huge amounts of money and thus facilitates money-laundering. In future, the Internet will be used more extensively to transfer money from jurisdiction to jurisdiction. Money-laundering will then increasingly take place via online banking and cellular telephone banking. Cyber payment systems allow for more anonymity when money is transferred and also lower transaction costs significantly.

## **9. Smuggling of tobacco and alcohol**

Tobacco and alcohol smuggling continues to occur in the Central Asian republics and there have been various endeavours to address this recurrent problem. For example, the *Times of Central Asia* reported on 14 February 2002 that customs officers in Kyrgyzstan had seized 69,900 litres of alcohol and 647,000 packets of cigarettes in 2001. A recent study has noted that in 1999, as a result of a joint operation of the tax police of Kyrgyzstan and Kazakhstan, a group of alcohol smugglers was arrested in Kazakhstan. About 160 metric tons of alcohol from China

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<sup>122</sup> This issue was highlighted at the African, Asian and Pacific and Western Asian regional preparatory meetings for the Eleventh United Nations Congress on Crime Prevention and Criminal Justice (see A/CONF.203/RPM.3/1 and Corr.1, A/CONF.203/RPM.1/1 and A/CONF.203/RPM.4/1, respectively).

were seized. The alcohol was intended for a front company in Bishkek for its underground vodka production. The profit from the operation was to be transferred to special bank accounts in Kazakhstan and Uzbekistan for use in future operations.<sup>123</sup>

## 10. Other forms of smuggling

From the initial collapse of the Soviet Union with its stockpiles of nuclear weapons, the current situation concerning smuggling of weapons of mass destruction, while a major area for concern, is relatively stable. This is in part thanks to the Cooperative Threat Reduction programmes that were initiated under legislation in the United States. These programmes, especially in regard to Kazakhstan, have helped to mitigate the dangers posed by weapons of mass destruction as well as securing the so-called “anthrax graves” on Vozrozhdeniye Island. Under the programmes, the process of decommissioning the chemical weapon facility in Nukus, Uzbekistan, has also been started.<sup>124</sup>

However, despite these measures, new concerns have arisen, primarily about the movement of biological and nuclear material from neighbouring states to armed, non-state groups in Central Asia. This has somewhat alarming ramifications for the five Central Asian republics in terms of trafficking routes and as transit states for smugglers. In addition to this, the Cooperative Threat Reduction programmes, while praiseworthy, must be placed against the original size of the Russian arsenal. In view of the scope of production during the Cold War, trafficking of nuclear material and weapons from the Russian Federation through these Central Asian states cannot be ruled out. It should be noted however, that this report did not examine this issue in detail and the concerns raised regarding smuggling of biological and nuclear material through Central Asia could not be verified.

The International Atomic Energy Agency has noted that uncontrolled access to radioactive sources and gaps in security will allow traffickers to obtain radioactive material.<sup>125</sup> According to the *Times of Central Asia* on 7 September 2000, in Kyrgyzstan in 2000, traffickers were involved in smuggling of radioactive non-ferrous material and trafficking in aluminium to China. In Uzbekistan during 2000, a truck carrying 10 lead containers with radioactive scrap was stopped while travelling from Kazakhstan to Pakistan. Despite the efforts of the Uzbek and Kazakh governments, the purpose and degree of the radioactivity of the material has not been determined.<sup>126</sup>

The IMF has estimated that in Kazakhstan, in 2000, approximately \$410 million left the country as a result of under-pricing of petroleum products.<sup>127</sup> However, information remains anecdotal, including the reported theft of fuel worth \$15 million from an oil depot.<sup>128</sup>

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<sup>123</sup> Redo, op. cit.

<sup>124</sup> Davis and Sweeney, op. cit.

<sup>125</sup> Thomas Wagner, “UN says dirty bomb security inadequate: UN urges measure to prevent theft of radioactive material”, *Associated Press*, 25 June 2002.

<sup>126</sup> Davis and Sweeney, op. cit.

<sup>127</sup> International Monetary Fund, *Republic of Kazakhstan: Selected Issues and Statistical Appendix*, Country report No. 01/20 (January 2001).

<sup>128</sup> *International Narcotics Control Strategy Report 1999* (Washington, D.C., Department of State,

Furthermore, organized crime has become involved in grain production and the energy sector.<sup>129</sup> In June 2000, a fraud scheme was reported involving embezzlement of in excess of \$2 million in payment settlements between Kazakhstan and Uzbekistan for electricity supplies.<sup>130</sup> In addition to these larger schemes, small-scale smuggling of fuel is common. This is partially motivated by the stark difference in the price of fuel between Kyrgyzstan and Uzbekistan, with fuel in the latter being 30 per cent cheaper. The Institute for Peace and War Reporting estimates it that in 2002, some 70 per cent of the petrol, diesel fuel and other oil products consumed in Kyrgyzstan had been smuggled into the country.<sup>131</sup>

Concerning the smuggling of natural resources, custom officials in Kazakhstan have made considerable steps forward. The *Times of Central Asia* reported on 14 February 2002 that custom officers had seized natural resource commodities during an attempt to smuggle them out of the country. In 2001, the customs service managed to seize 513 kg of silver items and 5 kg of gold items and also prevented the illegal export of 330 tons of non-ferrous metals.

In Tajikistan, smuggling of precious stones continues, including of uncut rubies, according to a report in the *Times of Central Asia* on 17 May 2001. Non-ferrous metals are also trafficked. Since 1992, hundreds of tons of aluminium have been smuggled out of Tajikistan from one of its major industrial plants with “protection money” paid to officials.

In Uzbekistan, trafficking in illicit minerals and metals is not uncommon. For example, according to a report by the British Broadcasting Company (BBC) on 18 February 2000, in 1999 officials seized 12 kg of pure gold, and over 200 cases of such trafficking had been brought to court. The BBC also reported, on 10 March 2000, that 13 tons of aluminium had been seized by custom officers. Again according to the BBC in a report on 29 June 2000, the Uzbek police had stopped an illegal shipment of 70 tons of non-ferrous metal.

## 11. Counterfeiting and cybercrime

The falsification and forgery of documents plays a central role in human trafficking and smuggling of migrants. Given the exorbitant income that can be claimed from women trafficked abroad as prostitutes (it is estimated by the IOM that each woman trafficked can earn a brothel owner from \$25,000 to \$40,000 per annum),<sup>132</sup> there is a highly developed sub-market in counterfeit passports.

Charges for falsification of passports were filed by the Kyrgyz Prosecutor General in 1999 in eight criminal cases against nine people; in 2000, 12 cases were filed against 20 people; in 2001, 20 cases were filed against 25 people; and in 2002,

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March 2000).

<sup>129</sup> Sergey Danilin, “Central Asia: zone of special attention—countering organized crime in the region requires pooling of efforts by entire world community”, *Moscow Nezavisimaya Gazeta*, 20 April 2000 (in Russian).

<sup>130</sup> Redo, op. cit.

<sup>131</sup> Ulugbeg Babakulov, *Black Market in Fuel Damages Kyrgyz Economy, Reporting Central Asia*, No. 196 (London, Institute for Peace and War Reporting, 4 April 2003).

<sup>132</sup> International Organization for Migration, *Trafficking in Women and Children from the Kyrgyz Republic* (November 2000).

47 criminal cases were filed against 54 people. About 80 per cent appeared not to be Kyrgyz nationals, but nationals of Kazakhstan, the Russian Federation and Uzbekistan. Their passports had simply been bought, according to the BBC in a report on 27 February 2003. However, the falsification of documents is not limited to passports but covers a wide spectrum of papers. For example, the State Border Guard Service in Turkmenistan assisted with the falsification of export licenses for illegally sold armaments in 1993 and 1994. This only came to light in early 2001.<sup>133</sup>

There have been some cases of production of counterfeit state currency. In April 2003, a group of counterfeiters was arrested for producing the largest denomination Kyrgyz currency bank notes; 115 counterfeit bank notes of soms 1,000, 5 notes of soms 500 and 1 note of soms 100. Production tools (computers, a scanner and a colour printer) were also seized.

The damage to the public from economic crime rises when the expert professional skills of economists and lawyers and modern computer and engineering techniques are utilized for criminal purposes. For example, in April 1997 in Kyrgyzstan two criminals stole \$147,200 belonging to AKB Kyrgyzstan using a bank transfer request via the international computer-telex network from Bank of America in New York to Kazkredosocbank in Almaty, where they received the money by presenting a counterfeit document.<sup>134</sup>

## IV. Organized crime and society

The present report has so far emphasized that organized crime filters through all levels of society; but for a clear understanding of the subject, the different levels in society must be delineated. For the purposes of the analysis below, society is split into three levels: high, medium and grass-roots levels. The high level represents the small group of political, military and religious elite with high visibility. Medium level players are a larger section of society, representing the mid-level leadership, including leaders who are respected in society, as well as the judiciary, law-enforcement and media. Members of the grass-roots level of society represent the largest section, including local leaders of clans or ethnic groups, as well as the local police.

As with all models, such an approach has its limitations and does not assume that all the players will fit neatly within these categories. Nevertheless, it provides a useful starting point for examining the overall impact of organized crime on the societies of Central Asia.

### A. High-level players

The interplay between organized crime and high-level players is complex. As has been indicated above, the state plays a dual, and often confusing, role as both

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<sup>133</sup> Radio Free Europe/Radio Liberty, *Newsline*, vol. 5, No. 64, part I, 2 April 2001.

<sup>134</sup> Kurmanbek Kubatbekov, "Aktualnye Problemy Borby s Organizovannoi Prestupnosty v Kyrgyzstane", *Aktualnye problemy Borby s Organizovannoi Prestupnosty v Sentralnoazianskom Regione* (summary report of International Conference, Bishkek, 2000)

perpetrator and prosecutor. At times, systemic relations exist between organized crime and government officials. Indeed, as mentioned earlier, the legacy of the Soviet Union included relationships between criminals and government officials, as exemplified by the cotton scandal. The connections and relationships of organized criminal groups to this level of society enable them to exert pressure on law enforcement or even on government staff. They can also use their influence to obtain information about forthcoming law enforcement operations and ongoing investigations, enabling criminal organizations to take effective counteraction.

Moreover, the situation often goes beyond the fact of a relationship between organized crime and high level society to a situation where members of an organized criminal group are also players in high society. According to the assessment provided by Kyrgyzstan in 2002, for example, among the people arrested for selling opium in 1996 were the brother of a member of parliament, the nephew of the head of the National Security Service and the cousin of the chief-deputy of the Investigations Department in the Ministry of Internal Affairs.

In Tajikistan, there are numerous accusations of involvement of the political leadership in the drug trade. In May 2000, Tajikistan's ambassador to Kazakhstan was stopped with 63 kg of heroin in his car. On 22 November 2001, the BBC reported that, after a criminal investigation, the First Deputy Minister of the Interior of Tajikistan was murdered because he had failed to pay for a large consignment of heroin. In August 2004, the Director of the Tajik Drug Control Agency was arrested and accused of murder, abuse of power and illegal possession of weapons, including 3,000 firearms.<sup>135</sup> In addition, a former member of parliament (who had been the head of the State Committee on Trade in Precious Stones) was sentenced to death for embezzlement and murder. His cousin was also sentenced to death for organizing contract killings. In Turkmenistan, in late 2001, criminal charges were brought against the former ambassador to China on allegations of illegal arms deals.<sup>136</sup>

Seen from this perspective, the tendency of governments in Central Asia to limit the degree of openness in politics and society is likely to be intensified by the desire of individual members of the government apparatus, who are benefiting from links with criminal organizations or are themselves actively involved in criminal activities, to ensure that their activities do not become the focus of public and media scrutiny. In addition, these entrenched interests create serious obstacles to the emergence of democratic forms of governance.

## **B. Medium-level players**

Medium-level players are prominent members of society, security and law-enforcement agencies, border guards, the media, the judiciary, the business sector and banking. Sportsmen, such as boxers, practitioners of the martial arts, wrestlers and weightlifters, often provide the muscle of organized crime and play a critical role in extortion, according to the assessment provided by Kyrgyzstan in 2002.<sup>137</sup>

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<sup>135</sup> Alexander Shvarev, *Sedoi Vyshel iz Doveria*, Vremya Novostei, 10 August 2004.

<sup>136</sup> Bruce Pannier, "Turkmenistan: former Foreign Minister wanted in criminal charges", Radio Free Europe/Radio Liberty, 2 November 2001, available online at [www.rferl.org](http://www.rferl.org).

<sup>137</sup> Kyrgyzstan Country Assessment 2002, UNODC

This is another feature of organized crime that is evident in most parts of the former Soviet Union.

### **1. Security and law-enforcement agencies**

The involvement of former or even current members of law-enforcement agencies in organized crime creates key challenges, especially in states with weak institutions or functional gaps in their security agencies. Members of organized criminal groups with experience in the police or the security services are an enormous asset to criminal organizations. They know exactly how law-enforcement agencies work and can take appropriate and effective countermeasures to protect the interests of their organizations. This is not to deny the presence of many honest and courageous law-enforcement officials. In July 1999, for example, the head of the Tajik Ministry of the Interior press service was killed in Dushanbe after appearing on a television programme in which he identified members of criminal and drug trafficking organizations.<sup>138</sup>

There are also cases, however, in which those in law enforcement have either provided some form of support for criminals or have themselves been engaged in criminal activities. This was particularly evident in Uzbekistan in October and November 2002, when, as reported in the UNDP country profile of Uzbekistan, several officials from law-enforcement agencies and the courts were either arrested or convicted for corruption. The chairman of the Navbahor District Court in the Navoi region, who had been caught taking 1.5 million sum (about \$1,200) for mitigating a sentence, was sentenced to 13 years in prison. The former chairman of the Oltinsoy District Criminal Court was convicted of taking \$11,000 in bribes and given the same sentence. In November 2002, a senior Uzbek police officer was sentenced to 14 years in prison for extortion, while the head of the Termez police department was caught extorting just over \$400 from a citizen in his own office. Problems of corruption and links to organized crime remain a serious challenge for all of the region's law-enforcement agencies.

In Turkmenistan during 2002, corruption was alleged in a statement by the Prosecutor General. As a result, charges were raised against the former chairperson and 21 members of the National Security Committee. These charges included murder, torturing suspects, drug trafficking and embezzlement. This resulted in a two-month review of National Security Committee practices as well as the initiation of an anti-corruption campaign.<sup>139</sup>

### **2. Border guards and customs**

In Central Asia, the role of the border guards and customs service in relation to trafficking is crucial. Paying bribes at the border has become a common practice and according to a report in the *Times of Central Asia* on 2 January 2002, smugglers share up to 25 per cent of the value of the goods with officers during their tour of duty. Even when border officials are not bribed, illegal acts can be difficult to detect. It is often difficult for border guards to distinguish for example, between

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<sup>138</sup> "Tajik official possibly killed for fingering mobsters", Moscow Interfax, 5 July 1999.

<sup>139</sup> Redo, op. cit.

legitimate female travellers and women who are being trafficked for commercial sex.

In 2001, according to a report by the BBC on 23 October 2001, Russian drug smugglers had attempted to make their way through Kazakhstan using \$5,000 to bribe law-enforcement officials. Similarly, according to the President of Kazakhstan, 65 per cent of corruption cases involve law officers who should be fighting against corruption. In 1999, 120 corruption-related cases were initiated against customs officials in Kazakhstan.<sup>140</sup>

The BBC reported on 23 May 2002 that in order to combat this, Tajikistan reviewed in 2002 the behaviour of over 1,000 border troops, which resulted in the discharge of 200 border service officers, the relocation of 37 officers and warnings being issued to 25 officers. The Minister of the Interior of Kazakhstan employed more unorthodox measures and disguised himself as a driver transporting melons from Kyrgyzstan to Kazakhstan. The *Times of Central Asia* reported on 28 September 2000 that on his 2,000 km route, he met 36 police officials requesting bribes ranging from \$1.50 to \$25 or accepting bribes in melons.

### 3. Media

An institution that is very important in terms of creating public accountability of government structures is a free and independent media. Only occasionally (mainly in Kazakhstan and Kyrgyzstan) is there an open media allowed to disseminate information criticizing the government or criminal justice agencies. The relationship between the state and the media remains highly confrontational. For example, in Kazakhstan the harassment of journalists and the media continues. According to the Swiss-based FAST International project, run by the Swiss Peace Foundation, on 15 July 2000 the opposition newspaper *Assandi-Times* was found guilty of defaming the presidential administration. The newspaper had accused the presidential administration of forging an edition of the newspaper. This resulted in a fine of \$370,000 as well as the assets being seized and thus led to the closure of the newspaper.

The Institute for War and Peace Reporting reported similar incidents, such as a controversial ruling against the *Moya Stolitsa Novosti* newspaper in Kyrgyzstan prior to March 2005. Similar reports were also recorded in Tajikistan, where the Institute said independent and opposition Tajik journalists and newspapers were struggling to cope with growing pressure being placed on them by the authorities and pro-government organizations. According to the Institute, a number of journalists had been physically attacked or intimidated and opposition Tajik-language publications had been shut. The international advocacy group Reporters without Borders has pointed to a “serious worsening” of press freedom in Tajikistan. The organization’s statement came after tax police closed and sealed private printer Jiyonhon in late July 2004. The printer’s seven newspapers have not gone to press since then, as other printing houses in Dushanbe have refused to provide their services.

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<sup>140</sup> *Korrupsiya v Kazakstane: Mery po Yego Preduprezhdeniyu I Mezhdunarodnyi Opyt*, Isdatelskiy Tsentr Obshestvennogo Fonda “Interlignal” v Kazakstane, S. M. Zlotnikova, ed. (Almaty, 2000).

Taking into account the increasing role of mass media in internal and external policy, various top businesspeople, including representatives of organized crime, are trying to purchase television companies and newspapers in order to use mass media to support their illegal activities. As a result, the absence of control by the state over the mass media may exacerbate conflicts, including those related to organized crime. However, defining the limits of such state control is liable to result in heated discussion.

#### 4. Business and the banking sector

The business and banking sectors play a multifaceted role in organized crime in Central Asia, with involvement in such matters as illegal profits, corruption and money laundering. The European Bank for Reconstruction and Development conducted a survey in 69 countries of 3,600 business people and revealed that approximately two thirds perceived that it was necessary to have “irregular fees and additional payments to get things done”.<sup>141</sup> In Kazakhstan, one account has alluded to the infiltration of organized crime within the business sector: “Mafia exercises control over 35,000 legal entities among which are 400 banks, 47 stock exchanges, 1,500 state enterprises”.<sup>142</sup> According to the research on organized crime in Kazakhstan, experts from business circles and leaders and members of organized criminal groups explained that at present almost all banks and related financial structures were owned by famous oligarchs supported by public authorities, intelligence services and law-enforcement agencies. In 2001, the United Nations common country assessment of Uzbekistan highlighted that 65 per cent of foreign firms reported that they had to pay bribes to officials for various government services.<sup>143</sup>

The international dimension and role of foreign companies in organized crime are very prominent in this sector as a result of the nature of the international markets. In Kazakhstan, an issue was raised concerning the acquisition of companies in the metallurgy and energy sectors. According to an investigation conducted by two European country prosecutors into the energy sector in Kazakhstan, in 1996 and 1997, \$55 million was offered as an illicit commission to acquire project tenders.<sup>144</sup>

Concerning the banking sector, the *Times of Central Asia* reported on 12 July 2001 that three officials of the Kazakh Eurasia Bank had been charged in Belgium with money-laundering with regard to the purchase of a villa near Brussels. In Tajikistan, a leading banker was arrested for bribing (\$1 million) the Office of the Military Prosecutor.<sup>145</sup>

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<sup>141</sup> Adrian Karatnycky, Alexander Motyl and Aili Piano, eds., *Nations in Transit 1999-2000: Civil Society, Democracy, and Markets in East Central Europe and the Newly Independent States* (Washington, D.C., Freedom House, 2000).

<sup>142</sup> O. E. Alakhunov, “Proyavleniye Korruptsiyi v Ekonomike Kazakhstana”, *Preduprezhdeniye Prestupnosti*, No.2 (2001).

<sup>143</sup> United Nations, *Common country assessment of Uzbekistan* (Tashkent, 2001).

<sup>144</sup> “Tractebel of Belgium, which controls some gas pipeline systems in Kazakhstan, is to quit the country, the Kazakh Prime Minister announced on Tuesday”, *Agence France-Presse*, 2 May 2000.

<sup>145</sup> Radio Free Europe/Radio Liberty, *Newsline*, vol. 5, No. 165, Part I, 30 August 2001.

It also needs to be taken into account that the most damaging but least visible way in which organized crime undermines development is by driving away investors. Few companies are willing to expose their executives to kidnapping, violence or extortion. In addition, foreign firms rarely wish to invest in societies where there is an additional level of “taxation”. Moreover, local economic development is inhibited by “front companies” that are associated with organized crime. Such companies undermine new business, in particular by being able to undercut prices using their profits from illegal activities, thereby effectively eliminating honest competitors.

### C. Grass-roots players

This level is the most challenging for analysis as it may include a wide variety of motivations. For example, on the one hand individuals may engage in organized crime as a survival mechanism, while on the other, leading members of a clan with positions of authority in local government or in law enforcement may use their positions to benefit other members of the clan through nepotism and other preferential decisions. If other members of the clan are involved in organized crime then they obtain a degree of protection that would otherwise have to be bought. Drug mafias, as outlined earlier, operate effectively at the grass-roots level, where their position is bolstered by long-standing relations with the local leaders.

In Uzbekistan, according to National Centre for Drug Control reports, most smuggling incidents involve one or two individuals, who are likely to be backed by a larger, organized group. Information that has been gathered suggests that smuggling rings are relatively small, family-run operations, with no single group controlling any region or the whole country. Smuggling rings tend to be located on the border between Uzbekistan and Tajikistan, where family members can cross the border more easily. There are also reports that indicate that smuggling activities continue to grow along the Turkmen-Uzbek border.<sup>146</sup>

A central dynamic at the grass-roots level is the role of local communities. There exists a form of neighbourhood grouping (known as *mahallas*) containing anywhere from 150 to 1,500 households and which are scattered, in various forms, around Uzbekistan, Tajikistan and Turkmenistan. For example, in Uzbekistan it is estimated that there are about 12,000 *mahallas*. These social structures play a significant role at the grass-roots level helping to organize weddings, funerals and naming ceremonies as well as having certain powers to collect taxes. In addition to these social functions, *mahallas* play an economic role, operating in all markets whether in the legitimate or the grey or black economies, such as foreign currency exchange.

Disenfranchised, poor and alienated populations provide an excellent recruiting pool for criminal organizations. Repressive societies, in which benefits are concentrated within the elite, encourage citizens to turn to any movements that offer some promise of alleviation.

## V. Conclusions

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<sup>146</sup> *International Narcotics Control Strategy Report 2002* (Washington, D.C., Department of State, March 2003).

## A. Challenges and dilemmas in the fight against organized crime

Official data does not reveal the real level of organized crime. For instance, in 2004 in Kazakhstan 143,550 crimes were registered and 13,808 out of these were committed with complicity. Therefore, 9.6 per cent of crimes were committed with accomplices. Not all of these, however, can be related to organized crime. A total of 104 cases regarding creation and management of criminal groups (article 253 of the Criminal Code of Kazakhstan) were investigated, amounting to 0.07 per cent of all crimes.

A similar situation exists in other states of Central Asia. The research conducted in Kyrgyzstan revealed that organized crime amounted to 10 per cent of all registered crime.<sup>147</sup> Taking into account the underground nature of most of the crimes committed by organized criminal groups, as well as complicated procedures for registration and detection of organized crime, it can be stated that the official statistics do not accurately reflect the reality.

It should be noted that corrupt officials and representatives of organized crime are rarely called to account and it is primarily the regular members of society who become victims of the criminal justice policy. Such a situation is common in all former Soviet countries.

Law-enforcement activities are frequently aimed at protecting the interests of the ruling elite, including the bureaucracy. The ruling elite has virtual immunity from criminal liability and a monopoly in terms of influence over the creation and implementation of criminal policy. Criminal policy is then shaped to serve the interests of the elite, including corporations and individuals. The result is a vicious circle that has inevitably brought law and order to a crisis point.

Current practices aimed at combating organized crime and corruption in the countries of Central Asia are actually becoming weaker, despite the officially declared intentions of the states to intensify these activities. Quite often, courts reduce or mitigate penalties at variance with existing criminal law, which can be suggestive of corruption in the judiciary.

The absence of an effective mechanism to provide physical protection to victims, witnesses, experts, suspects and accused people, has a negative effect on the quality of the fight against organized crime. Witnesses and their families are often in danger of becoming victims of various unlawful acts, including murder. Therefore, to ensure an effective fight against organized crime it is important to guarantee real protection of witnesses, victims and experts. It is also essential to establish special methods for processing criminal cases related to organized crime including providing for protective measures to facilitate in-court testimony (i.e. closed-circuit television, screens etc.)

Moreover, difficulty in sharing and exchanging operational information and intelligence is perhaps the main obstacle for effective detection and interdiction of organized crime.

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<sup>147</sup> Kairat Osmonaliev, *Organisovannaya Prestupnost v Kyrgyzstane. Resultaty Kriminologicheskogo Issledovania* (Bishkek, Ministry of Internal Affairs-Drug Control Agency, 2003).

In addition to the problems associated with the legal framework, law enforcement agencies also experience other difficulties, such as a lack of experience in detecting new types of crime, especially in the economic and banking sectors, and a lack of technical and human resources.

## **B. Concluding remarks**

The present assessment of organized crime in Central Asia clearly reflects the seriousness and extent of the problem. It shows how conflict ridden states and states with economies in transition that are burdened with poverty and marginalization, may facilitate or even promote the emergence of transnational organized crime and the consequent negative impact on development, transition and security.

The research revealed a lack of solid analysis and monitoring of the phenomenon of organized crime in the states of Central Asia. It is therefore difficult to provide a comprehensive account of the situation. There is a need for greater and more coherent study of the criminological aspects of the fight against organized crime in the Central Asian states. Nevertheless, the present assessment of the various structural causes, mobilization factors and facilitating and inhibiting factors, together with the main trends and directions, of contemporary organized crime in Central Asia, has made it possible to define the main parameters of the phenomenon.

The assessment of organized criminal groups has shown that these groups can be clearly structured or can be based on loose, intangible relationships that develop as required to undertake joint projects. This diversity in structure, as well as the fluid nature of the groups, is the key challenge in efforts to combat organized crime. The diversity of organized crime in Central Asia is also reflected in the wide range of illegal activities: corruption, white-collar crime, money-laundering, trafficking in drugs and firearms, smuggling of tobacco and alcohol, extortion, contract killing, counterfeiting, cybercrime, smuggling of migrants, trafficking in human beings and organs and terrorism.

The research highlighted, in particular, the increasing problem of drug trafficking in Central Asia, primarily because of its proximity to Afghanistan. In addition, the increasing rate of drug addiction in the Central Asian states is having a debilitating impact upon the functioning of the already weak states. As long as the proportion of youth among the population remains large and young people have few options for legal sources of income, joining organized criminal groups or engaging in organized crime will remain not just the only option for many people, but also a highly attractive one. Moreover, weak law enforcement and instability provide ample opportunities for the growth of organized crime.

Endeavours to combat organized crime must address the underlying and usually ignored structural causes, such as extreme poverty, the legacy of central planning, unemployment and financial inequality. If a state shows no sign of positive economic development, efforts to combat organized crime will be doomed to failure. For the Central Asian states, where social safety nets are weak, resort to the informal economy and illicit activities is a natural response in periods of major

social and economic upheaval. That response can be understood as a coping mechanism in countries characterized by poverty, poor governance and ineffective markets. It is necessary to have both a long-term strategy to unravel the deep-rooted structural origins as well as short-term activities to address the day-to-day challenges. At the same time, it is important to pay attention to the differences (cultural, political and economic) of each state in order to transform them into stable and durable states capable of combating organized crime, drugs and terrorism.

The lack of effective state institutions allows organized crime to exploit the situation in order to facilitate its activities and maintain such favourable conditions. Thus, in order to combat organized crime in the region it is not only crucial, but a prerequisite, to strengthen the institutions and the political will. Effective state governance is key to combating organized crime. Only with effective governance will there be economic stability and eventually prosperity. Economic stability will in turn help eliminate many of the root causes of the proliferation of organized crime. However, especially in countries of the former Soviet Union with economies in transition, inherited corruption must first be eliminated in order to strengthen institutions. It is also important to recognize that individuals who are engaged in organized crime should be brought to justice. However, many individuals who were involved in organized crime during the Soviet era have transformed themselves into respectable politicians and businesspersons. Some of these individuals continue to be involved in organized crime. This results in the dilemma of choosing either to prosecute these central figures and in the process jeopardize transition and reform or, alternatively, to allow them to continue to operate in the rebuilding process and thereby contribute to a lack of public confidence in the rule of law.

It is a common problem that cooperation between international agencies in a post-conflict environment is not the most synergetic. The challenge is that organized criminals at times seem to be more willing and more effective in working together than those who try to combat their activities. A significant step forward for the Central Asian states would be their universal ratification and effective implementation of the Organized Crime Convention, along with efforts to improve regional and international cooperation and exchange of information.

The growing and strengthening links among international terrorism and trafficking in illicit drugs, weapons and human beings in the Central Asian states highlights the need to search for new approaches to decrease the negative impact of those activities and to strengthen the national security system. Organized crime, even if it is only a small part of overall registered criminality, poses a real and dangerous threat to the reputation of a state among its population and serious harm to efforts to introduce democratic changes aimed at promoting the freedom and welfare of the people. In this regard, strengthening of efforts to combat organized crime is an essential condition for social development.