

Kyrgyz post-Soviet foreign policy: a habit of dependency¹

Kyrgyzstan's independent foreign policy record may be described as state-building foreign policy.² Much of the country's relations with the outside world were carried out from the perspective of a newly established and still 'under-construction' nation-state. While all of the former Soviet states are eligible for that categorization, Kyrgyzstan has arguably taken a longer time than its fellows in that status of a newcomer or newborn, allowed to err and in need of help.

It is that last point – *in need of help* – that describes the substance or the prevailing nature of Kyrgyzstan's foreign policy of the nearly thirty years of independence. Needing help – in any form and terms, from grants and aid to loans and deals – and seeking it; or *dependency*, in a word, has been a defining leitmotif of Bishkek foreign policy.

Dependency in foreign policy as proposed here is not the same as dependency *theory* and not quite the same as *aid dependency*. The former is a macro theory (or rather, a family of theories) of global political economy, mostly a critique of capitalism for its inherent reproduction of inequality. Here the concern is not with that, albeit the overarching conditions of Kyrgyzstan's dependency may be traced to this theory's arguments. The latter is more narrowly a description of a country's actual dependency on foreign aid, such as, arguably, the state of the Afghan economy – a reference that neither fits the urgency of Kyrgyzstan's dependency, nor the scope of what Kyrgyzstan depends on.

A possible way to distinguish Kyrgyzstan's case is to think of it as dependency-as-supplicancy. This dependency is not only about aid but any other form of transfers, including repayable loans. It is also, strictly speaking, not accurate as a description in the sense that the country may not actually need all the sought and received external transfers. It is dependency foreign policy in that the country's interactions with other countries and with donor institutions are systematically attuned to seeking any form of help and favour. It is not a foreign policy pursuing consistent political objectives, not one that systematically pursues investment opportunities for Kyrgyz business abroad, or one that offers such opportunities for foreign business at home, not one that comes to its partners with proposals that may be of genuine economic attraction for the latter. Rather, dependency foreign policy is a *modus operandi*, much like when supplicating is the mode of worship of a church-goer.

A culture of dependency

As soon as COVID-19 was deemed inevitable in Kyrgyzstan by mid-March 2020, the government of the country, from President Sooronbay Jeenbekov to several cabinet members: the prime minister, ministers of economy and of foreign affairs, all got busy asking for help from all potential donors – countries and international financial and development institutions. This may have been a rare occasion

¹ This paper was written and submitted shortly before the elections of October 4, 2020, which sent Kyrgyzstan's politics tumbling once more. The events cut short the tenure of President Jeenbekov, but they did not immediately appear to be ushering in changed foreign policy. Please, see the note at the end of the paper for more.

² A number of works have considered Kyrgyzstan's foreign policy, each coming from its particular theoretical and argumentative angle – e. g., S. Dzhuraev (2020), A. Cooley and J. Heathershaw (2017), K. Toktomushev (2016), E. McGlinchey (2015), A. Cooley (2012), among others. This paper contributes to these works while it argues for a more particular *dependency* view of the foreign policy of Kyrgyzstan.

when such requests for help seemed justified and normal. Many countries around the world were in similarly dire straits and asking for help from all sources.

On most other occasions, Kyrgyzstan's government also sought help from different sources and for different purposes. A frequent generic purpose across all three decades of statehood has been to patch up holes in state expenses, usually known as 'budget support'. But there were indicative, less generic thematic lines of seeking help under different presidents.

Across five presidents, each coming upon a particular big theme (or several big themes) that defined his or her presidency, Kyrgyzstan developed – or rather, entrenched – a general underlying characteristic of foreign policy that may be described as that of dependency-as-supplicancy. Entrenched in the sense that foreign aid, loans and other transfers to the country – a subject of little public interest in most countries – turned into a regularly reported and discussed theme in popular media, a subject of clear awareness among citizens, and a mainstay of parliamentary and expert attention in their public appearances.

One notable example has been the regular reminders and alarmed mentions of the country's external debt burden, which has hovered around 55% to 60% of GDP in years preceding this writing. The total amount of debt, the ratio of the debt to GDP, and the per capita debt – these data are cited in news media and in public discussions with ease and regularity of information on currency exchange rates, if not of weather forecasts.

But such alertness to the country's debt dynamics, normally, should indicate not comfort but discomfort with dependency and owing to others. In Kyrgyzstan's government attitudes over the years, however, what has mattered more was not the burden of future repayments of loans but the attraction of cash at present. Such an attitude was particularly evident on various occasions in the words of the more garrulous of former presidents, Almazbek Atambayev.³

Not all public attention to and awareness of external help and transfers is negative or so focused on judging. As some philosophers might put it, public attention is more in the realm of facticity of such help than with validity questions thereof. A remarkable example was the manner of public and media attention given to a «Turkish grant» in 2012 – a transfer of \$106 million by Turkey, of which \$100 million was a loan on generous terms, and \$6 million – a grant.⁴ For an extended period in many news outlets of Kyrgyzstan, one could read debates and discussions of how "the Turkish grant" would be used.

Later, several other such occasions took up the Kyrgyz public space. Russian giant Gazprom, upon its purchase of Kyrgyzstan's troubled natural gas distribution system for a symbolic \$1, turned into a much-publicized benefactor, building and presenting to Kyrgyzstan a series of social use objects – several

³ Atambayev argued Kyrgyzstan "should take more loans" while he was still president. E.g., <https://rus.azattyk.org/a/28158551.html>

⁴ See only a sample, for example: [https://akipress.com/news:489491:Turkey_provides_Kyrgyzstan_\\$106_million_concessional_loan/](https://akipress.com/news:489491:Turkey_provides_Kyrgyzstan_$106_million_concessional_loan/); <https://knews.kg/2013/03/07/dastan-djumabekov-nedovolen-tem-chto-nekotoryie-shkolyi-budut-otstraivat-zaschet-turetskogo-kredita/>; <https://rus.azattyk.org/a/27292539.html>; <https://for.kg/news-209647-ru.html>

sports halls and a large school. The latter became an object of intense public debate as to how the school would be governed, who would become its principal, and how much the tuition would be.⁵

The alleged abuse of a \$1 million grant provided by a Chinese contractor, hired to carry out a major reconstruction project of epochal scandal subsequently became grounds for a controversial criminal case against two former mayors of Bishkek.⁶ Many more examples exist, where public discussion, debates, controversies and politics in Kyrgyzstan would be over money or objects gotten from some external source.

All such occasions taken together stand as ample evidence of unusually wide public awareness of foreign transfers, the frequency with which such transfers gain public notoriety, and the prevailingly value-neutral, matter-of-fact attitude of people to such transfers – and all that is something of a culture, nascent as it may be, and not just an element of the country's foreign policy in obscure quarters of decision-making.

Reasons for dependency

What explains the emergence and continuity of Kyrgyzstan's dependency foreign policy? One explanation, especially relevant for the early years when aid-focused foreign policy just began emerging under Akayev's presidency, was the genuinely cash-strapped, depressed economic situation in newly independent Kyrgyzstan. That strong need for external help was matched by a corresponding positive disposition of major donors in the West and among IFIs to extend such help in exchange for reforms.⁷ Soon enough, the government of Kyrgyzstan learned that such help was easy-going in two important respects – accountability for how the money was spent and accountability for implementation and effectiveness of promised reforms. The government of Kyrgyzstan learned the language of the donors, without being serious on commitments made to them – a phenomenon problematized in many works on international development.⁸

Another explanation, particularly relevant for subsequent years from late Akayev times to the present, is that of a likely path dependency. Where the government needed to urgently spend and lacked the money for it, it could seek external transfers – aid or loan – to patch up the holes, and every time that such urgency was so covered contributed a layer in the pavement of the path of such dependency. Souring of one source could be, and was, replaced by another source; the difficulty of funds for one sphere could be offset by playing up another sphere. Therefore over the years, a core class of foreign and economic policy bureaucracy emerged whose thinking was well attuned to inventive and innovative

⁵, E.g., <https://kloop.kg/blog/2019/12/16/ucheniki-shkoly-gazproma-vyshli-na-aktsiyu-protesta-chtoby-zashhitit-direktora-ot-uvolneniya-i-dobilis-svoego/>

⁶ See: https://24.kg/obschestvo/137296_sud_nad_eks-merami_prokuror_oglasil_obvinenie_postritelstvu_shkolyi/

⁷ For an overview of that early period of development assistance to Kyrgyzstan, see this OECD report from 2001: <http://www.oecd.org/countries/kyrgyzstan/35288717.pdf>.

⁸ This is especially well articulated in an important work originally written as a World Bank working paper by Douglass North et al., "Limited Access Orders in the Developing World", 2007: http://econweb.umd.edu/~wallis/MyPapers/Limited_Access_Orders_in_the_Developing_WorldWPS4359.pdf

ways of asking for help from outside and was, conversely, uninterested in thinking of other rationales for foreign relations.

These two early logics – the initial need-supply nexus, and the subsequent path dependency – were reinforced by several other problematic characteristics attending Kyrgyz politics. Prime among them would be corruption. In a logic similar to rentier state behaviour, aid and loan infusions were attractive for a relatively easy possibility for embezzlement, misappropriation, overspending, and other forms of corruption. Another would have been expediency in demanding political times. While public awareness and negativity toward incurring of debt were there, a still stronger phenomenon was the public approval of generous spending on social needs – and if that came by way of taking loans, so be it. Such spending, politically gainful, was most easily and quickly possible with external transfers rather than by developing the economy and earning the needed revenue. A third related factor, peculiar to Kyrgyzstan among its neighbours, is the high political volatility and leadership turnover. When top officials bearing the ultimate accountability – prime ministers and ministers – stayed in office for very short tenures, they had neither the time, nor the incentive to develop long-term economic projects, and they also had little reason to worry about the repayment burden that came with borrowing. Basic short-term rationality came to hold, that is.

To use an old development metaphor, Kyrgyzstan kept asking for – and getting – fish, consuming it every time, and never succeeded in securing good fishing gear. To take the metaphor further, a plausible reason for the latter may have been that Kyrgyzstan did not have a pond to fish in anyway – a small market with limited resources locked in a difficult neighbourhood and geography. And to beat the metaphor, Kyrgyzstan most recently even began investing some of its borrowings in securing a larger pond – the much-touted 180-million-population market of the Eurasian Economic Union. However, that pond has proven more difficult than expected to fish in – despite such investments as the Russian-Kyrgyz Development Fund and other lines of EAEU-related transfers, Kyrgyzstan has seen limited if any benefits of the market in the past five years of membership.

Future of dependency?

Clearly, a foreign policy of dependency is unlikely to secure strong and sustained development in the country. At nearly 30 years of independence, Kyrgyzstan's failure to launch any major economically productive investment projects (except the scandal-riven Kumtor gold mining enterprise), moderate economic growth records across the years, the magnitude of labour remittances and shadow economy – two vulnerable pillars of economic sustenance of a large part of the population – that rarely get invested back in the economy, are all the troubling indicators of a stagnant economy.

Given such overall performance, Kyrgyzstan's foreign partners may not remain indefinitely interested in this relationship, and certainly not for the cooperation of any significance. The country's current leadership needs to take the 30th anniversary of statehood, and possibly the jolt given by the Coronavirus crisis, as an opportunity to fundamentally revise its foreign relations and the objectives therein, and commence into the next 30 years with a different approach.

Potential factors that may help the country's leadership in such a substantive change of foreign policy are several. One is the changing dynamic in the region. If it continues, the much greater openness of the

Central Asian states to cooperate may lead to serious, productive relations, trade and cooperation, wherein Kyrgyzstan's government will be able to get away from a primary concern with aid and loans from far away and seek investment and joint ventures within the region instead.

A second impulse might come from the burden of already accrued debt itself. By 2023-2024, the government of Kyrgyzstan expects to enter the period when debt-servicing will be the most onerous, and the country will be near risks of becoming an unreliable borrower. That burden may get particularly complicated due to the economic crisis caused by COVID-19. This situation has the potential to incentivize usual lenders to be less willing to lend, encourage Kyrgyzstan to borrow less and seek productive investments and trade and export earnings instead.

Third, just as the country – the general citizenry as well as the government – gets increasingly uncomfortable with the national debt, that unease can get particularly sharp due to the changing structure of Kyrgyzstan's donors. The country has already become primarily oriented to Chinese loans, which – while said to be easy to secure – is likely to get burdensome just for the sheer size of it, if not also for the expected difficulty to renegotiate repayment terms when so needed.⁹ As crisis hits the whole world – the depth of the crisis is still only speculative at the time of the present writing – many of Kyrgyzstan's other sources of help, such as the Western countries, Russia, and intergovernmental funds, are likely to tighten their assistance budgets.

A fourth factor may be business. It is difficult to expect a serious transformation in the quality of the ruling elite and government habits in the near term. The logic of path dependency coupled with deep- and wide-spread corrupt instincts are likely to remain strong strangles on the capacity of the Kyrgyz state to work differently. However, the private sector in the country has been a dynamic part of the economy, despite continued hurdles and structural limits to its growth. Should the private sector continue to grow, deepen and diversify international linkages, and generate an increasingly larger share of the national economy, that can turn into a strong domestic factor to push Kyrgyzstan toward changed ways of foreign relations.

Lastly, another internal impulse for change may come, ultimately, from the citizenry and their civic associations in the form of much more effective and strict watchdogging of how any borrowing gets spent. Cutting down on possibilities of embezzlement from borrowed funds would be a critical factor to make a dent in the path dependency sustained very much due to opportunities of graft involved in dependency.

These and various other factors are some of the potential ones to have an influence on how Kyrgyzstan's foreign policy may change. All things being equal, the most likely scenario will be for habits of the past thirty years to continue their hold for some time more, as long as external help keeps coming forth from alternating sources, in alternating forms and terms, and the Kyrgyz public tolerates it. That, after all, is the compelling logic by which path-dependent processes work. If the saying that crises are opportunities is correct, then the COVID pandemic is clearly an opportunity to clean the house and start something fresh.

⁹ President Jeenbekov pleaded with the Chinese government in April 2020 to postpone the debt repayment periods – reported in the news only in vague terms. In September 2020, there was still no particular response to the request. See: <https://rus.azattyk.org/a/kyrgyzstan-kitay-kredit-otsrochka/30557585.html>