

Understanding Serious Organised Crime: The Role of the UK in Central Asia's Clientelist Politics

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Corruption is pervasive in the post-Soviet Central Asian republics – Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan. All five are among the world's most corrupt countries according to Transparency International's [Corruption Perceptions Index](#). In Central Asia, political corruption and organised crime are intertwined phenomena (Kupatadze, 2015). Politicians engage in criminal activities directly and cooperate with criminal networks to the point that the two become indistinguishable. Corrupt politicians and organised crime bosses launder their money through UK financial institutions and shell companies and UK property provides a store of wealth far more secure than any domestic institutions. The ability to launder and secure money abroad strengthens the regimes' hold on political and economic power at home (Marat, 2015). The UK therefore plays a crucial role in facilitating corruption in Central Asia. Whilst this problem is widely understood and the UK government has taken steps to tackle it, what is perhaps less well understood outside of Central Asian area studies is the central role that corruption and the wealth it generates plays in the politics of the region.

The political systems of the Central Asian Republics can be characterised as neopatrimonial, clientelist, or, using Henry Hale's (2015) classification, patronal presidential. Clientelist systems are characterised by rampant corruption, symbiotic relationships between officials and organised crime, weak party systems and weak rule of law. Corruption siphons public money out of the state, ensures poor public service provision, and facilitates the continuation of bad governance. To compensate for weak institutions, politicians use criminal networks to perform functions including policing, public service provision and governance of penal institutions (Kupatadze, 2017, pp.63).

In clientelist systems, corruption is not just a consequence of poor governance. It is central to the way politics works and power is exercised. In patronal presidential systems, politics is structured around pyramidal networks of individuals linked by informal economic relationships of mutual dependence. Actors are motivated primarily by personal gain. Power is primarily exercised not through formal institutions but through the selective transfer of resources, from the top of the pyramid right down to buying votes at the local level (Hale, 2005). Actors within the system hold onto power as long as their clients believe that they can continue to reward loyalty and punish disloyalty. Kyrgyzstan's three revolutions – in 2005, 2010, and 2020 – can be explained by the presidents losing this confidence.

The informal networks, created by clientelist exchanges, are the key institutions structuring politics. An actor's power is determined not by their position in the state's formal institutions but by their ability to operate and maintain patronage. Possessing and securing wealth is therefore central to the ability to exercise political power. This kind of systemic corruption is very difficult to root out, because it is almost impossible to rise to a position of power without engaging in it.

The career of Raimbek Matraimov and his alleged associates provides an illustrative example. Matraimov is one of Kyrgyzstan's most powerful men. His power comes from his position in Kyrgyzstan's clientelist networks, not its formal political institutions. His highest formal position was as deputy head of Kyrgyzstan's notoriously corrupt customs service. He used this position to generate enormous wealth with which he exercised [political influence](#), including backing political parties.

In 2019, [OCCRP published an investigation](#) into a cargo empire built by the Abdukadyr family in southern Kyrgyzstan, with the collusion of the customs service and the alleged involvement of Matraimov. A whistleblowing money launderer moved more than \$700 million out of Kyrgyzstan over five years. The Abdukadyrs used this money to buy political influence and to create an extensive [real estate portfolio](#), including £44 million of property in London.

The Abdukadyr's property portfolio is far from unusual. In 2015, a Global Witness [investigation](#) claimed that that Rakhat Aliyev, a former high-flying Kazakh official and ex-husband of the then-president's daughter Dariga Nazarbayeva, owned London property worth £147 million. Nazarbayeva, an influential politician and businesswoman in her own right, owns London property including [221b Baker Street](#). UK real estate is favoured by Central Asia's elite because it provides secure assets and complex ownership structures and an opaque property market make ownership [relatively easy to disguise](#) (Cooley et al., 2018).

Shell companies registered in the UK are popular vehicles for money laundering (ibid.). The UK is one of the easiest places in the world to register a company and transparency requirements are comparatively lax. In May, amid widespread food shortages, the president of Turkmenistan granted a [\\$25.7 million food import contract](#) to a UK registered company, with no public history of any activity related to food imports, controlled by his nephew. A 2012 [investigation](#) by Global Witness 'found significant indicators' that the proceeds of corruption in Kyrgyzstan were laundered through AsiaUniversalBank (AUB) and UK registered companies.

Offshore finance allows corrupt politicians to launder sums larger than their domestic economies could absorb and once wealth has been moved to secure jurisdictions and obscured through layers of shell companies, it can be almost impossible to recover. An added advantage of securing wealth offshore is that politicians can usually keep it if they fall from power (Bullough, 2018; Marat, 2015). Maxim Bakiyev, whose father was overthrown as Kyrgyzstan's president by a popular uprising in 2010 [owns a £3.5 million property](#) in Surrey. All of this gives politicians, whose power relies on the maintenance of personal wealth, both economic and political security.

The UK has taken steps to tackle the problem, including the introduction of Unexplained Wealth Orders (UWOs) and a register of beneficial owners of firms. A register of beneficial owners of property is due to be implemented this year. However, according to a report by [openDemocracy](#), roughly ten per cent of UK companies have not disclosed their beneficial owners, and the requirements only apply to individuals with a stake of more than 25 per cent. UWOs can be ineffective when faced with the kinds of [complicated ownership structures](#) favoured by the political elite and when legitimate and [illegitimate wealth are intertwined](#), as demonstrated by the National Crime Agency's (NCA) failure to defend in court its issuance of UWOs against properties owned by Dariga Narabayeva and her son, Nurali Aliyev. The UK looks set to continue playing its role in Central Asian politics.

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