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Corruption and Coercion in the State—University Relations in Central Eurasia *

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Education in Central Eurasia has become one of the industries, most affected by corruption. Corruption in academia, including bribery, extortions, embezzlement, nepotism, fraud, cheating, and plagiarism, is reflected in the region's media and addressed in few scholarly works. This paper considers corruption in higher education as a product of interrelations between the government and academia. A substantial block of literature considers excessive corruption as an indicator of a weak state. In contrast to standard interpretations, this paper argues that in non-democratic societies corruption is used on a systematic basis as a mechanism of direct and indirect administrative control over higher education institutions. Informal approval of corrupt activities in exchange for loyalty and compliance with the regime may be used in the countries of Central Eurasia for the purposes of political indoctrination. This paper presents the concept of corruption and coercion in the state-university relations in Central Eurasia and outlines the model which incorporates this concept and the "feed from the service" approach. It presents implications of this model for the state-university relations and the national educational systems in Central Eurasia in general and offers some suggestions on curbing corruption.

Key words: corruption, control, state, university, higher education, Central Eurasia

Introduction

The problem of corruption in the Central Eurasia is reflected in a number of research papers and its existence is proven on the basis of surveys.¹ According to the data analysis, presented by Shleifer and Treisman (2003), administrative corruption is very high in poor countries of the former Soviet Union (FSU), such as Uzbekistan, Armenia, and Azerbaijan, lower in the Russian Federation, Bulgaria, and Lithuania, and even lower in relatively wealthy Hungary and Slovenia.² It is a generally accepted point of view that low salaries make bureaucrats, civil servants, and educators more susceptible to corruption.

The 2008 Corruption Perceptions Index (CPI), released by Transparency International, places Georgia 67, Mongolia 102, Armenia 109, Kazakhstan 145, Tajikistan 151, Azerbaijan 158, Kyrgyzstan, Turkmenistan, and Uzbekistan 166, out of 180 countries surveyed.³ The Central Asian regimes share ranks with such countries as Zimbabwe, Nigeria, and Pakistan. For instance, the survey conducted in Uzbekistan in 1996 showed that 56 percent of businessmen admitted paying bribes to controlling organs every time they visit the firm. Businessmen routinely pay bribes to representatives of law enforcement agencies, sanitary inspections, firefighters, utility services, and such.⁴ This makes both businessmen and civil servants engage in bribery. Ordinary citizens are victimized by corruption as well.

Everyday corruption becomes a broadly accepted practice of financing public services, including education. Ruling regimes in Central Asia may well use corruption as a mechanism of direct and indirect administrative control. Control in this case is based on coercion of corrupt educators and selective justice applied to those who do not comply with the government. Education in Central Eueasia has become one of the industries, most affected by corruption. Corruption in academia, including its most explicit forms, such as bribery, extortions,

embezzlement, and fraud, is reflected in the region's media and addressed by Heyneman (2004), Heyneman (2007), Heyneman, Anderson, and Nuraliyeva (2008), Petrov and Temple (2004), Sanghera and Ilyasov (2006), Sanghera and Romanchuk (2002), Silova (2006), and Silova, Johnson, and Heyneman (2007).⁵

This paper considers corruption in higher education as a product of interrelations between the government and academia and argues that suppressed university autonomy is used by the state to impose its will on faculty and control curriculum and political agenda in the universities. Liability and compliance of the university faculty and administrators is of a key importance for the regime. The ruling regime prescribes to its public servicemen, including educators, to “feed from the service” by making the rational choice of collecting bribes and other illicit benefits. Faculty members are first placed in conditions that encourage corruption and then indirectly blackmailed to comply with demands of central authorities. Corruption in universities perpetuates and so does their political indoctrination. University faculty and administrators are influential on their students. Thus, by controlling faculty and administrators the regime extends its influence on the nation's students as well. This paper attempts to construct a simple explanatory model for the corrupt behavior of educators encouraged by the state. It considers the mechanism of informal state control based on rampant endemic corruption in education that occurs in Central Asia and beyond. It also suggests further market reforms and development of the university autonomy as a possible solution to the problem of corruption in academia.

Defining corruption in education

Corruption in higher education manifests itself in numerous forms, including bribery, embezzlement, fraud, extortion, favoritism, nepotism, cronyism, ghost teachers, unauthorized

tutoring, unfair promotions, misuse of public property, research misconduct, cheating, and plagiarism.⁶ Different corrupt practices may be found in national educational systems throughout the world. Some forms, such as cheating and plagiarism, are believed to be common for developed and developing nations, while others, such as bribery and extortion are more characteristic of developing and transition countries. Media reports and surveys point to the presence of full spectrum of corrupt practices in colleges and universities in Central Asia.

The problem of corruption is obvious, but defining corruption is a challenge. The word corruption comes from the Latin word *corruptio*, which in Medieval Latin expressed a moral decay, wicked behavior, putridity, rottenness.⁷ Sayed and Bruce (1998) point to morale as an important factor in defining corruption: “what is commonly meant by corruption, it places the emphasis on morality and has its roots in classical conceptions of corruption which sought not so much to identify behaviour, but to judge the overall political health of a society and its institutions.”⁸ Bribe can be defined as “a reward to pervert the judgment or corrupt the conduct”, while corruption is ‘a loss of purity and purpose, a social decomposition.’⁹ Rose-Ackerman considers corruption as an “allocative mechanism” for scarce resources.¹⁰ The definition most cited in the political literature is offered by Nye: “Corruption is behavior which deviates from the normal duties of a public role because of private-regarding (family, close private clique), pecuniary or status gains, or violates rules against the exercise of certain types of private-regarding influence. This includes such behavior as bribery (use of reward to pervert the judgment of a person in a position of trust); nepotism (bestowal of patronage by reasons of ascriptive relationship rather than merit); and misappropriation (illegal appropriation of public resources for private-regarding use).”¹¹

Arora (1993) singles out four perspectives on corruption, including legal, historico-cultural, public interest, and market-centered approaches.¹² Hodgkinson (1997) notes that “According to Arora, the main advantage of adopting a legal perspective on corruption is that it ‘...enables an agreement over the definition and ... scope of its study’ (1993:2). It therefore involves defining corruption in terms of behavior which deviates from the legal norms of public office.”¹³ Hodgkinson presents a review of conceptual approaches to the issue of corruption, outlines primary and secondary corruption, and points to the weaknesses and possible pitfalls of marketisation in public services. He suggests that “The attempt to model public service organizations on private enterprise is meant to align the former with a changed socio-economic environment. The basic premise being that the success of the private sector model can be replicated in the public services. Marketisation has therefore involved a movement from ‘budgetary’ to ‘for-profit’ organizations.”¹⁴

According to Anechiarico and Jacobs (1996), definition of education corruption includes the abuse of authority for material gain.¹⁵ Heyneman (2004) adds to this definition by arguing the following: “But because education is an important public good, its professional standards include more than just material goods; hence the definition of education corruption includes the abuse of authority for personal as well as material gain.”¹⁶ International Institute for Educational Planning defines corruption in education as a “misuse of public office for private gain that influences access, quality, and equity in education.” Sayed and Bruce (1998) and Waite and Allen (2003) present a broad social approach to define corruption, considering legal approach as too narrow.¹⁷ According to Sayed and Bruce (1998), “any illegal conduct or misconduct involving the use of occupational power for personal, group or organizational gain.”¹⁸ Waite and Allen (2003) point to the need to distinct between formal or legal and social or broad approach to

education corruption and suggest that the definition of corruption should not be based on strict legal interpretation but “must also allow for a normative judgment or assessment draws from more widely held, commonplace conceptions of corruption as the deviation of a person, organization, or group from its purposes, such as when self-interest influences decisions by administrators.”¹⁹ Corruption in higher education can be defined as a system of informal relations established to regulate unsanctioned access to material and nonmaterial assets through abuse of the office of public or corporate trust.²⁰ This approach is grounded in the very nature of the concept of corruption and coercion that anticipates illegality and blackmail on the basis of the risk of prosecution by the state.

The combination of at least four pillars forms a necessary ground to address the issue of education corruption in Central Eurasia. These pillars include theories of corruption that may be found in different disciplines and apply different frames; theorization of relations between the state and the higher education sector; presence of corruption in higher education in the region, including court evidence, surveys, and media reports; and scholarly work on corruption and related issues in the region. Nevertheless, the presence of a significant gap in the scholarly literature on corruption in education is obvious as well as the need to compensate for it. Little is known about the mechanisms of corruption and why the state policies remain ineffective in curbing corruption in education in Central Eurasia. More theoretical explanations are needed.

Academic corruption in Central Asia and beyond

Rapid educational reforms in the countries of Central Asia are arguably outpacing even those taking place in the Russian Federation, Ukraine, and other former Soviet republics. Within the region of Central Asia itself, Kazakhstan and Kyrgyzstan are leaders in educational reforms,

while Turkmenistan is lagging behind with its two-year college degrees. Number of students in higher education institutions per 10000 population in Central Asia and Caucasus for the period of 1980-1999 is presented in Table 1.

Table 1

Number of students in higher education institutions per 10000 population in Central Asia and Caucasus, 1980-1999

Year	Azerbaijan	Armenia	Georgia	Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Uzbekistan
1980	172	189	168	173	151	142	124	172
1981	172	188	170	176	154	138	125	172
1982	172	189	172	179	154	137	127	170
1983	169	183	172	181	151	133	126	165
1984	163	173	169	180	148	131	122	162
1985	158	163	167	172	144	119	119	155
1986	155	160	160	170	142	115	117	154
1987	149	161	160	168	136	114	117	155
1988	140	168	157	167	133	115	112	155
1989	140	186	171	171	136	125	116	163
1990	146	191	190	171	133	128	113	165
1991	147	181	188	170	129	124	104	159
1992	134	156	167	165	119	127	96	146
1993	125	124	168	163	117	121	90	123
1994	117	97	251	165	129	127	86	102
1995	128	97	231	165	142	126	70	84
1996	132	142	239	176	169	127	62	71
1997	127	149	234	188	210	126	62	66
1998	134	157	236	206	274	123	62	65
1999	147	160	248	245	325	130	62	68

Source: Commonwealth of Independent States (CIS) - Official Statistics, retrieved from the database in August 8, 2006.

As follows from the data, the republics had different experiences with student enrollment over the period of economic transition. Some had a significant increase in the number of students in higher education institutions per 10000 population, while others had a significant decline. The dynamics of college enrollment in Central Asia and Caucasus for the periods of 1980 to 1989 and 1990 to 1999 are presented in Figures 1 and 2, respectively. It appears that while during 1980s the rate of college enrollment in all of the republics in the region changed in unison

without any major differences, in 1990s there is a clear robustness that increases by the end of the period. For instance, in Kyrgyzstan, the number of students in higher education institutions per 10000 population has increased dramatically from 117 in 1993 to 325 in 1999. In Turkmenistan, this number has declined from 124 in 1980 to only 62 in 1999.

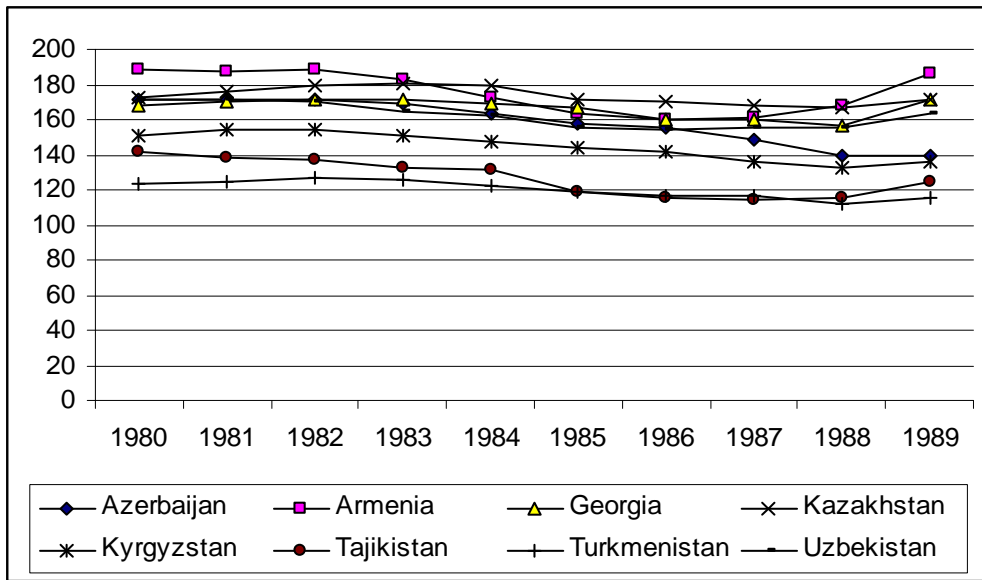


Figure 1. Number of students in higher education institutions per 10000 population in Central Asia and Caucasus, 1980-1989

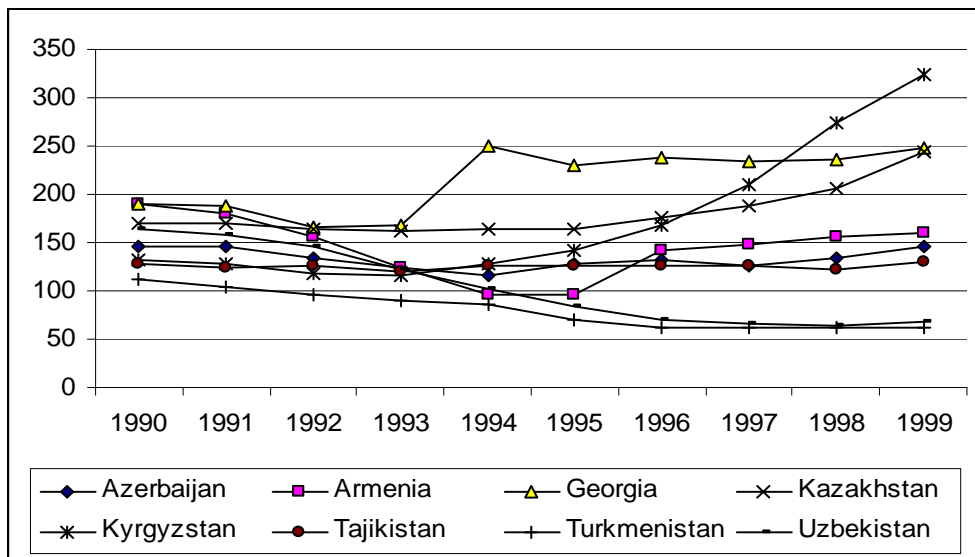


Figure 2. Number of students in higher education institutions per 10000 population in Central Asia and Caucasus, 1990-1999

The homogeneity in development trajectories of university enrollment in the republics of central Asia and Caucasus during the period of 1980 to 1989 is explained by the Soviet rule. Equality in regional development was one of the declared priorities of the socialist system. The robustness of the university enrollment indicator by republic during the period of 1990 to 1999 demonstrates certain heterogeneity in developmental pathways. After the independence, the enrollment numbers in the republics varied significantly. Nevertheless, differences in the enrollment which may be indicative of differences in national education policies and the pace of reforms do not contradict the observation about the high level of corruption. High level of corruption in higher education is characteristic for all of the region's states, independently of the level of access of population to higher education in these countries.

Market reforms in education are linked to the social policy and to commercialization of higher education programs.²¹ Several journalistic investigations in the countries of Central Asia conclude that corruption in higher education is widespread: "A student in Tajikistan is forced to pay three times the average monthly salary for a high grade. A Kazakh teacher gets her students to pay for her trip to Moscow -- and they all pass their exam. In Turkmenistan, the obligation to pay bribes gives students there yet another reason to seek education abroad. All over Central Asia, corruption in education is a serious problem."²² Few independent on-line media sources in the region are eager to highlight corruption in education.

In Kazakhstan, where per capita GDP is the highest of all the former republics in Central Asia thanks first of all to the high oil prices, market reforms in higher education are also the most advanced. The number of private colleges is two-and-a-half times higher than the number of public colleges, with half of all the nation's students attending private colleges. According to the data presented by the Education Committee of the Commonwealth of Independent States (CIS),

there are 181 higher education institutions (HEIs) in Kazakhstan, including 51 public and 130 private. There are 747.1 thousand students in the country, of which 400 thousand study in public colleges and universities, while 347 thousand attend private colleges.²³ The majors in high demand are primarily economics and finance. They lead in the field of social sciences in terms of popularity and the total enrollment. Seven out of ten future economists specialize in finance and accounting. Among the students of humanitarian disciplines, 67 percent study jurisprudence. Mathematics and sciences attract only between 2 and 4 percent of all the nation's students, while 60 percent of all students study education, history, cultural anthropology, and the arts. Gender disparities in access to higher education in Kazakhstan seem to be absent as women constitute around 60 percent of all students.

The newly introduced national test may help some academically strong students to gain access to higher education, but the issue of the test remains controversial. Retention and successful timely graduation from colleges should be used as indicators of success for those with high test scores, not the fact of admission alone. Heyneman (2007) offers a comment of a faculty member in Kazakhstan regarding the problems that left unresolved by the test: "Does access to a standardized examination eliminate the problems of corruption? Not completely. Said one professor at EKSU: After 2 years, each college student takes an internal exam designed by the ministry of education. For the first several years it operated fairly. But now it too has become corrupted. Cell phones and cheat sheets (for a price) are allowed into the test."²⁴ Massification and marketisation of higher education along with the emergence of large private sector and an increasing interest in economics and finance did not lead to reduction in corruption. MacDestler (2002) confirms that even the most popular major - economics - suffers from lack of modern

curriculum while the schools of economics are riddled with corruption.²⁵ The same is true in Uzbekistan, where some superficial changes did not result in higher quality of education.²⁶

Kyrgyz republic is struggling to curb corruption in admissions by replacing the college-run entry examinations with the newly designed standardized computer-graded tests, run by the independent agency.²⁷ National scholarships are then assigned to those with the highest scores and not to those who managed to pass highly corrupt oral entry examinations. While the testing has proved successful thus far, the sustainability of the reform remains of a great concern. The Ministry of Education continues its attempts to take over the testing process, or at least to control the results of the tests.²⁸ The implementation of the national standardized examination in Kyrgyzstan is a highly politicized and contested issue: on the one hand, the government understands the need for further market reforms in education, but on the other hand, it wants to preserve its strong influence on education institutions and retain its control over educators and students. The governmental bureaucracy attempts to preserve its discretion over the admission decisions and the partial monopoly on the access to higher education.

Despite some anecdotal evidence about the reduction in corruption in admissions to colleges, surveys point to the remaining rampant corruption in virtually all of the country's HEIs. According to Heyneman, Anderson, and Nuraliyeva (2008), "The majority of students in most of the universities in Kyrgyzstan describe their HEIs as 'bribeable'."²⁹ The survey conducted in several HEIs in Kyrgyzstan in early 2006 shows that students routinely pay bribes to college professors. The results of the survey are presented in Table 2.

Table 2

Percentage of students in Kyrgyzstan who had personal experiences with corruption and bribery
in their university

University	Percentage
Kyrgyz Technical University (KTU)	68.0
Skryabin Kyrgyz Agrarian University (KAU)	67.5
Balasagyn National State University (NGU)	64.9
Bishkek State University (BGU)	62.0
Bishkek Medical Academy	59.6
Kyrgyz State University of Construction and Architecture (KGUSTA)	59.0
Kyrgyz-Russian Slavic University named after Boris Yeltsin (KRSU)	51.0
International University in Kyrgyzstan (MUK)	49.5
Kyrgyz State Academy of Physical Culture and Sport (KGAFKiS)	34.3
American University in Central Asia (AUCA, Bishkek)	5.1

Source: The Friedrich Ebert Fund, Akipress, and Neweurasia.net. Retrieved April 5, 2007, from <http://kyrgyzstan.neweurasia.net/?p=33>

According to the survey, Kyrgyz Technical University surpasses all of the other universities in corruption. 68 percent of students in this higher education institution paid bribes to their college instructors at least once. Kyrgyz Agrarian University is not much better in this sense, following closely on the commonality of cases of corruption. 67.5 percent of students in this university took advantage of passing their examinations with the help of a bribe. Many HEIs, including some of the leading ones, are not included in the survey. Students in Kyrgyz National University (KGU), Kyrgyz Pedagogical University, Manas Kyrgyz Turkish University did not take a part in the survey. Nevertheless, the scale of the problem of academic corruption in Kyrgyzstan is obvious. According to many observers, bribing one's way through college is common in the region.³⁰ In addition to behavior of graduates, institutional behavior, i.e. patterns of behavior of universities as organizations, are in focus as well. Heyneman (2007) suggests that

the single most important arena wherein universities can influence social cohesion in Central Asia and Caucasus is the way in which they address corruption in education.³¹

Central Asia is by no means an exception in terms of corrupt practices in academia. Corruption in HEIs may be found throughout the Central Eurasia. The Caucasus, including Armenia, Georgia, and Azerbaijan, is also notorious for corruption. According to some reports, Georgia is making a steady progress in curbing corruption in higher education.³² It has also improved its position according to the Corruption perceptions Index. However, major reforms and the restructuring of the entire higher education sector are still in progress. Little is known about higher education corruption in Armenia. Taking into consideration a notoriously high level of bribery, nepotism, and other forms of corruption in Armenian higher education in the Soviet times, one may speculate that the level of corruption in education in this former Soviet republic is not much different from that in the region overall. The numerous news reports point to high levels of corruption in education in Transcaucasia and in North Caucasus republics of the Russian Federation.³³ Petrov and Temple comment on the scale of corruption in Azerbaijani universities:

Corruption in the universities in Azerbaijan is almost universal: one of our informants remarked ironically that it would be “abnormal” if a student did not engage in bribery at some point in her or his studies. The process operates by older students passing on to the class below them information about the going rates for bribes to pass examinations, differentiated by subject, grade sought, and teacher. The more prestigious faculties – law, for example – charge higher rates. Figures of US\$10 up to US\$100 for a single examination were quoted, making the cost in bribes of a first degree of the order of several thousand dollars. For comparison, in 2001 the monthly salary of senior professor

was said to be equivalent to about US\$100 per month, with other academic staff earning perhaps US\$60. Most staff supplement their incomes from second or third jobs, inside or outside higher education, in addition to income from bribes.³⁴

Mongolia has two hundred colleges, of which only seven are public. Massification of higher education costs nothing to the state, but it may cost to the national economy. Private colleges filled out the niche on the market of higher education services quickly, but the quality of many educational programs is being questioned. About a third of Mongolia's HEIs are accredited through the National Council for Higher Education Accreditation, which was set up in the mid-1990s to monitor both public and private institutions. Some observers say the group does little to stem the tide of low-quality universities.³⁵ "Professors are no longer committed to their jobs," says former state secretary in the Ministry of Education. "Teachers don't interact with students. They have to make money in order to survive."³⁶

Throughout the region, students, parents, and college faculty agree that one of the major causes of corruption is the low wages in HEIs that are part of the public sector. College instructors have to make ends meet by accepting bribes from their students. However, bribery and extortion here is not the same. Many instances of corruption are not a result of extortions committed by faculty members. Students themselves initiate negotiations, offering bribes in exchange for grades. Pannier (2004) affirms:

In Central Asia, corruption in the education system is rife. Low wages and lax standards have created a vicious cycle in which teachers and administrators demand bribes -- to pass an exam or enter university -- that students and parents often feel they can't refuse. But it's not simply a question of greedy teachers milking helpless students... It would be wrong, however, to cast all the blame simply on corrupt teachers. All the Central Asian

countries have had to institute budget cuts since independence, and many of the cuts have come in education. Teachers and school administrators have seen their relative wages drop -- and bribes increasingly are needed for teachers make ends meet. And frequently more subtle motives are also at work. In Uzbekistan, teachers say the corruption is so widespread there's no incentive to attempt reforms. Much easier, they say, is simply to take bribes and pass students along.³⁷

Pessimism of students and educators regarding future reforms and prospects to reduce corruption leads to thoughts about the existence of fundamental grounds for corruption to perpetuate. The state pays low salaries to educators despite the knowledge of widespread corruption and possible negative correlation between level of salaries and level of corruption. The state may have its own interest in keeping corruption in education at a high level. In Central Eurasia, the lack of university autonomy coexists with the high level of corruption. This leads to the need to reconsider traditional concepts of the state-university relations.

Concept of academic corruption and state coercion

There are certain specifics of Central Asia and Caucasus that have to be outlined prior to presenting the concept of academic corruption and state coercion and linking it to the "feed from the service" prescription. The first essential feature of the region that makes it distinct from the rest of the former Soviet Union is in demographics. Unlike all other former Soviet republics, the republics of Central Asia, including Kazakhstan, Kyrgyzstan, Tadjikistan, Turkmenistan, and Uzbekistan, have positive demographic trends. Despite a significant labor migration outside the region, the birth rate is high and the population is growing. Second, the region is characterized by a significant labor outmigration. This is explained by a high rate of unemployment. The labor

migrants are predominantly of low skills or non-skilled labor. Third, many educated specialists, primarily of ethnicities other than the region's ethnicities, left the country in early 1990s, when the region suffered of rapid economic decline, political unrest, and civil wars. These include medical professionals, school teachers, university faculty, engineers, etc. The negative impact of this early outmigration on the national economies in the region is such that the countries have yet to recover from it. This explains an especially high priority that should be placed on higher education in the region.

Unlike in the rest of the former Soviet Union, the republics of Central Asia and Caucasus suffered of significant local military conflicts that undermined social cohesion. The region can be characterized by high ethnic and social tensions and weak states due to the lack of public support of the ruling political regimes. Despite the manifested strong support for the current leadership, some information points to the opposite, i.e. weak popular support of authoritarian regimes. The constant threat of Islamic fundamentalism urges the ruling regimes to maintain and enforce secular character of education, including higher education. This, in turn, necessitates state dictate over the education curriculum. Aside the pressure from Islamic fundamentalism, the region is squeezed geopolitically between Russia and the West. Both Russian and NATO military presence can be found in the region. Central Asian political regimes seem to be undetermined about the directions and partnerships they want to develop. This situation affects many aspects of life, including higher education. The inherited Soviet educational system makes these national educational systems blueprints of the Russian educational system, despite some attempts to prioritize Europeanization of education and develop a certain degree of conformity to the principles laid down in Bologna declaration.

Language is also an issue. Under the Soviet rule, Russian was the language of instruction. In some schools, Russian was taught as the second language during all ten grades. As a result, most of the population knew Russian and most of those with college degrees had professional level of language. The situation now is different. While in Kazakhstan Russian has a status of second official language, in other countries of Central Asia and Caucasus Russian no longer has its strong positions. Knowledge of Russian and opportunity to study in Moscow becomes a privilege of the elites. Finally, living standards of the vast majority of the region's population are now below those enjoyed during the Soviet rule. The income inequality is growing rapidly. Access to high quality higher education and health care is limited and distributed unevenly among different socio-economic strata of population. Regional differentiation in standards of living is also alarming. Silova, Johnson, and Heyneman (2007) point out that young people in the region have been negatively affected by intensifying political repression and worsening economic conditions: "Young Central Asians are clearly disadvantaged in many aspects of life compared with their parents' generation."³⁸

Political indoctrination of education can be traced easily in all of the countries of the Eurasia region. This political indoctrination combined with economic impoverishment and deteriorating conditions in the higher education sector move it closer to a critical point beyond which a restoration of higher education in all of its social and economic functions would be problematic. According to Silova, Johnson, and Heyneman (2007), "The deterioration of the state-sponsored secular educational system is reaching a political tipping point in Uzbekistan and Turkmenistan amid repression and social stagnation. In these repressive countries, the authorities have been wary of, and sometimes openly resistant to, educational reforms that threaten to

compromise either their entrenched positions or their perceived ability to control the young generation.”³⁹

A substantial block of literature considers excessive corruption as an indicator of a weakness of a ruling political regime.⁴⁰ It is often assumed that a high level of corruption indicate that the state fails to perform its functions. This comes from the commonly shared approach to corruption as a filling material in the niches of socio-economic relations that are left unattended by the state. In this case, corruption is considered as a substitution for the state. It accepts certain functions in the society if the state fails to function properly. However, the opposite may well be true. State itself may be a corrupting force. First, despotic regimes concentrate all the political and economic power in hands of few and this near absolute power may corrupt absolutely.⁴¹ Second, ruling regimes allow corruption among civil servants, street level bureaucrats, and public officials at a reasonable level, if they are loyal to the regime.⁴² High level of everyday or petty corruption may be indicative of a relative strength of the regime. Andreski outlines the theory of parasitism and subversion and argues that parasitism causes poverty and that poverty in its turn strengthens parasitism.⁴³ The state apparatus is used by the ruling minority to oppress the majority and to extract benefits in order to maintain its sustainability and high living standards. Further proliferation of the repressive regime impedes economic development and weakens social cohesion.

The positive role of the state in developing and sustaining corruption may be underestimated and in any case remains a controversial theme. Zhdanov presents the following view on the relation of the state and corruption: “Corruption and government are eternal antagonists. Corruption, as a form of social corrosion, ‘eats away’ at governmental structures, while governmental authority in turn strives to destroy corruption.”⁴⁴ Darden (2002) argues the

opposite pointing to vulnerability of the bureaucrat's assets acquired by illegal ways: "Hence, the threat of exposing and enforcing his wrongdoing constitutes an enormously powerful sanction and places lower-level officials in an especially vulnerable position. The severity of this sanction allows the state leadership to practice a systematic form of blackmail, with payment extracted not in cash but in obedience."⁴⁵ He defines the state "as a compulsory rule-making organization that is sustained through the extraction of wealth from within its territorial domain."⁴⁶ This definition is particularly convenient when investigating power-wealth relations in non-democratic or authoritarian regimes in Central Eurasia.

Strengthening the state through the vertical axis of administrative apparatus is necessary to advance the corruption and coercion policy, as outlined in Osipian (2008).⁴⁷ This policy, in its turn, leads to further strengthening of the ruling regime. The practice of sharing the benefits of corruption and profiteering from the public office and access to resources create a base for further corrupt actions. Such a practice also strengthens the vertical structure of coercion and control. The degree of sharing of personal or institutional benefits derived from corruption is an indicator of the strength of the vertical hierarchy in organization. Subordinates share bribes with their superiors. A formal set of rules and laws is necessary to enforce this type of sharing. In non-democratic regimes the state maintains a formal structure necessary for corruption to perpetuate.

Shlepentokh says that widespread corruption creates a parallel, semi-feudal chain of command that competes with the official hierarchy.⁴⁸ In Central Asia this semi-feudal structure is not parallel, but is in the core of the system. Although it is informal, it does not compete with the official hierarchy. Instead, this structure is developed and maintained by the system of state institutions. Waite and Allen support this view of self-sustainability of corrupt regimes as applied

to HEIs.⁴⁹ Payne describes mechanism of subversion and corruption in national systems as well as in international politics in historical perspective, based on practices of dictatorial regimes.⁵⁰

In Central Asia, where the predominant mode of production and social life presented a mixture of feudalism and socialism, corruption was a normal part of everyday life. A combination of despotic Asiatic feudalism, the Soviet rule, and Islamic traditions was reinforcing clan and family relations resulting in nepotism, cronyism, and bribery. These forms of corruption penetrated every aspect of social, economic, and political life, including education. In hierarchical bureaucratic structures, corrupt supervisors manipulate their corrupt subordinates, using them as tools of collecting bribes from businessmen and ordinary people. Informal pressure on the subordinates may be characteristic not only for the state bureaucracies, but for HEIs as well.⁵¹

Economic and political dependency on the “big brother,” i.e. Moscow, taught local leadership how to defraud the Center and at the same time sustain their despotic regimes. Economic indicators were traditionally inflated in order to please the Kremlin, and so were reports on gender equality and social progress. Such fraudulent practices led to the need of control over the information flows from the republics in the region to the Center. Simply put, local party bosses in Central Asia always tried to prevent ordinary people to report of numerous violations, abuse, corruption, and fraud to the central authorities in Moscow. This fear of information leakage urged local authorities to establish an informal mechanism of tight control and breeding of loyalty among subordinates. The local media was controlled as well in order to prevent certain information from being presented not only to the general public in the region, but to the central authorities as well. The mechanism of corruption and coercion with benefits being extracted in form of loyalty and compliance is inherited from the Soviet times.

The Center was aware of such practices and had a low level of trust in the local authorities. In each of the republics, the Second Secretary of the republic's Communist Party, i.e. the second official in the republic, was appointed from Moscow, and, traditionally, was ethnic Russian. His task was to advance interests of Moscow in the republic and oversee the local authorities. Efforts were made to keep national authorities in restraints, preventing them from turning into absolute monarchies. Few investigations of economic crimes in the region were conducted by the central authorities. The investigation of large-scale economic crimes in Central Asia in late 1980s, conducted by two Moscow investigators Gdlian and Ivanov, received especially wide publicity.⁵²

High level of corruption in the region, including in the higher education sector, did not disappear with the disintegration of the Soviet Union. Formal sovereignty of the former republics and a weak process of initiation of market reforms left HEIs in direct dependence from the state. At the same time, weakening control over the quality of education and prioritization of political indoctrination undermined professional integrity of the faculty. According to Heyneman (2007), "Universities are expected to maintain their sense of professional autonomy, but with the passing of the party/states in the former Soviet Union and Eastern Europe, state ideological dominance is no longer acceptable. This left universities to fend for themselves professionally and to establish their own standards of integrity."⁵³ Nevertheless, while reducing funding, states are not eager to give up their control over public universities. Adversely, they are trying to establish control over private HEIs as well. This system of control and political indoctrination is inherited from the Soviet times and is not likely to change overnight.

The legacy factor is strong in the organizations and enterprises in the region, including in colleges and universities. Heyneman (2007) points out the following regarding one of the

universities in East Kazakhstan that was established as a pedagogical institution: “Since many of the faculties received their degrees where they now teach, the institution is heavily influenced by its earlier purposes.”⁵⁴ The government also changed the rector of this university three times over the last three years. The frequent change of university leadership points to the dictate of the state over the academia. This, again, brings into fore the issue of university autonomy.

The question to be addressed is: Does higher level of university autonomy translate into lower level of corruption? Or does financial pressure lead to more corruption? In case of a HEI, financial pressure means financial survival. A strive for university reputation as a long-run strategy would contradict the vector of development of the priority of achieving financial survival by any means. Competition for students would work both ways: it would encourage corruption in order to make degrees easily accessible and it would discourage corruption in order to remain competitive among other HEIs on the level of reputation of the university degrees. One may reasonably assume that the latter trend will eventually dominate the former, thanks first of all to further advancements of market reforms.

If university autonomy means financial survival and if financial survival leads to more corruption, then “financially independent” universities should be less corrupt. “Financially independent” means that they have external funding and thus can concentrate on their primary function, i.e. educating students and conducting research. External funding can come from the government, businesses, non-governmental organizations, and households. It can come as a budget transfer or a private donation and be conditional or not. If an external funding implies conditionality, it is normal. Conditionality implies voluntary compliance with certain rules and regulations imposed by the granting agency. For instance, federal funding for colleges and universities in the US is conditional.

But what if funding comes from the government and the university is still corrupt? The explanation appears to be laying on the surface: it is a commonly recognized problem of underfunding. What is the justification for insufficient funding? The official one is that there is a budget crisis. The informal one combines the justification itself with the guideline to financial survival. It lays in the realm of “feed from the service” concept. Under this concept, the government no longer honors its obligation to fund public HEIs and pay middle-class salaries to the faculty. At the same time, the monopolistic position of the faculty remains intact. Armed with the state’s permission to “feed from the service,” faculty members earn living by abusing their office, including functions of selection, retention, evaluation, graduation, and conferral of academic degrees. “Feed from the service” translates into self-sustainability, including financial independence. It works, however, to the detriment of the society, because it involves public office. Corrupt civil servants provide for themselves, but it perverts their judgment. This means corruption by definition.

Heyneman (2007) points to the continuing pressure on universities from the state offering an opinion that comes from Tbilisi State University (TSU) in Georgia: “The question is whether the new governments can manage the urge to control opinions in the university that contradict their own. According to the faculty member at TSU, the new government intervened for political reasons, just like the Soviets: our first rector in the new government was asked to fire certain professors who were not liked by the government. He refused, and instead he was fired....We are still in a situation when we are under stress for our opinions, and these could be a threat to our lives.”⁵⁵ Apparently, political indoctrination of universities is advanced by the ruling regimes in central Eurasia with informal means, while academic meritocracy is no longer honored.

Numerous examples of informal pressure on the public officials and the entire administrations may be found in the region's presidential campaigns. In some HEIs the students are taken directly from classes to the ballot boxes. These electoral voting practices are quite consistent with the population's perceptions of the political corruption and corruptness of the college administrators. Not only filling of the ballot boxes is at stake, but the cotton fields as well. Since Soviet times, students in Uzbekistan and Turkmenistan are sent every year to collect cotton in the fields. Cotton is one of the major agricultural products in the region and is being exported overseas. Turkmenbashi issued a verdict that does not allow HEIs to take students to the fields, but the facts show the opposite. Faculty members threaten students who refuse to travel to rural areas to collect cotton. This points to three things: first, the regime exercises the system of double standards with the official rhetoric not matching the real deeds and that such system is applied to higher education; second, the regime has informal tools of control over the faculty; third, the faculty has significant control over students, and this informal chain of command is utilized by the ruling regime.

College faculty are more susceptible to corruption when their salaries are lower than in other sectors of the economy. Hence, the intensity of corruption in public sector, and in public HEIs in particular, increases when the gap between the pay rates in public sector and private sector widens.⁵⁶ In addition to the difference in the sector pay rates, the reduction in the risk of being detected, prosecuted, and punished for corruption makes bribery less risky and more widespread.⁵⁷ An increase in opportunity costs for college faculty is likely to lead to an increase in corruption.

Economic considerations are not the only determinants of corrupt behavior. Soviet mentality contributes to the strength of vertical hierarchy and rule of the state in university affairs. Petrov and Temple note:

Corruption is not only caused by financial and structural factors in higher education systems of the former Soviet republics: it is also linked to the Soviet period *mentalitet*. *Blat* practices (accepted levels of petty corruption) of the Soviet period taught Russian citizens to protect their networks of family and friends, not to take personal responsibilities, but alternatively to rely on, or blame, the Government. In the Soviet era, higher education was solely provided by the central Government, handed down from above. University staff and students had very few rights, and no sense of “ownership”. As a result, “beating the system” became an accepted end in itself. This is still broadly the picture in Russia and Azerbaijan (naturally, there are exceptions), where ministries and their agencies still prescribe in great detail what universities must teach. This limits freedom of thought and action, and discourages personal responsibility and initiative.⁵⁸

Sanghera and Satybaldieva argue that “it is not easy to make straightforward moral judgments of practices and to condemn corruption because people possess a multiplicity of ultimate concerns, and often prioritize the family over professional ethics.”⁵⁹ The system of social and family networks in Central Eurasia becomes especially important in the time when *blat* practices are even more vital than during the Soviet times while the reliance on the state institutions is minimal. The contradiction that emerges now is one between the old system of social networks based on extended family relations and the new system of competitiveness and market-based relations. However, the market base is still very weak and undeveloped while nepotism and corruption reach peaks unseen even in Soviet times. The model presented in the

following section seeks to explain some of the structural causes of corruption in higher education in Central Eurasia.

Model of corrupt behavior

This model is descriptive in its nature and develops in part on the ground of empirical findings presented in Heyneman, Anderson, and Nuralieva (2008) and the concept of corruption and coercion in the state-university relations, laid down in the previous section. It is intended to explain the relation of corrupt educators to the ruling regime and possible changes in their behavior. The explanatory character of the model is in that it considers corruption and coercion and “feed from the service” concept combining the issues of state control, education corruption, illicit benefits, and public offices for sale.

Students who graduate from corrupt HEIs earn less, apparently because they receive less skills than do those who graduate from less corrupt universities. Companies that offer high wages prefer not to hire graduates of those HEIs that are known to be highly corrupt in an attempt to secure themselves from low quality workforce.⁶⁰ This behavior of risk aversion is typical for companies that operate on the open labor market. Risk aversion in hiring decisions as a strategy of human resource management points to the presence of the process of developing labor market in the region. This is a highly positive trend, and yet it drives transaction costs up.

Faculty who work in corrupt HEIs produce graduates who earn less. Faculty contribute to corruption in HEIs by collecting bribes and practicing numerous other forms of professional misconduct. Bribery causes the reduction of demand on higher education services in two different ways. First, bribery drives total price of education up and reduces access to higher education. Since higher education is not an inferior good, higher prices inevitably lead to the

reduction in demand. Second, bribery results in lesser earnings for college graduates. If higher education is an investment good for students, then bribery reduces demand on higher education from the side of students.

As far as students are concerned, the issue of higher education reaches beyond tuition payments and expected future earnings. Being a part of educational process anticipates a substantial investment of student's time, energy, effort and earlier acquired skills and experiences. It is quite natural that some prefer to skip this part of the process, unwilling to invest their time and effort in the learning process. They have their work places secured or often have full time jobs and are catered for as busy professionals. They initiate bribery, push demand for higher education and for academic corruption up. In addition, the existence of an informal marriage market within the HEIs, where students get acquainted with each other, makes HEIs attractive for parents. Also, as it was in the Soviet times, a college degree raises the value of a woman on the marriage market. Finally, deferrals from the military draft, granted to those enrolled in HEIs, make higher education attractive for men of the recruitment age. As a result, these two forces, - for and against corruption, - push higher education in two opposite directions: adjustment of behavior with an intention to reduce corruption that comes from the labor market and an increase in education corruption intended to meet the demand on fake degrees and college placements.

Reduction in demand on higher education will eventually urge faculty and HEIs to adjust their behavior on the market of higher education services. Such an adjustment is quite possible technically. In earlier times of transition in 1990s, corruption was decentralized, while later institutional leadership managed to concentrate control in hands of the university administration.⁶¹ Fair level of analysis will lead to understanding among the university

administration and faculty members that they have to cut corruption in order to continue to attract prospective students and generate revenues from tuition and fees. Single faculty can play as free riders, but the common good or a group interest will eventually overwhelm and this type of behavior will no longer be welcomed. Faculty free riders will be deemed “bad apples” and ousted from the university. The quantitative issue would be to determine the new optimum level of corruption. This turns to the issue of optimization and defining the acceptable level of corruption. In general, the level of corruption will decline from reasonable to rational, when reasonable means acceptable and rational means the optimum. Rationalization of the level of corruption will occur under the pressure of the emerging market relations in the national economy.

“Feed from the service” concept found its realization in Russia as early as in thirteen century. Centralization of power and delegation of authority facilitated the process of collection of benefits by those appointed to represent the state in the regions and provinces. At that time, the border between legal and illicit was vague and unclear at best. Russian Tsar Ivan Grozny (1530-1584) prescribed statesmen and civil servants to “feed from the service” in response to their demands for salaries. Salaries were not paid for years and people in the state service collected their benefits from the public. Those were bribes in kind and rarely money. This system continued through the Soviet times. In May of 1918, few months after the Bolshevik Revolution, *Sovet narodnyh komissarov* [the Council of People’s Commissars] issued a Decree “On bribery.”⁶² This Decree anticipated an imprisonment term of up to five years for corrupt bureaucrats.

“Feed from the service” is the result of the Russian Empire’s influence and, later, the Soviet rule. Illicit income, generated by state bureaucrats in addition to their salaries, may be

considered as an informally approved second salary. It would be incorrect to assume that the state fought with the second salaries as an illicit income of state bureaucrats. In fact, the state itself was paying second salaries to party bosses and top administrators. These salaries were tax free and considered as regular premiums or bonuses. Soviet leader Joseph Stalin, who ruled the country for three decades, from 1924 to 1954, introduced informal supplements to salaries for bureaucrats in early 1930s. These salaries were paid in envelopes and soon were named “Stalin’s envelopes.” Stalin himself was receiving the second, informal, salary. For instance, in February of 1936, in addition to his formal salary of 1200 Soviet rubles, he received 7000 rubles in an envelope.⁶³ The need to accumulate and distribute tax free second salaries explained in part the existence of double accountancy. In addition to second salaries, special distribution centers were established by the government. In the conditions of total deficit, consumer goods were distributed to public officials and heads of enterprises, often at very low prices. The distribution centers took their origin in times of the Military Communism of early 1920s. So-called “Stalin’s envelopes” were abolished by Khrushchev, but the system of special distribution centers remained until 1990s. Second salaries that come from the state represent an attempt to replace, at least partially, illicit benefits with informal salaries. These informal salaries become yet another form of supplemental income. They strengthen informal influence of the state.

Sustainability of the regime is limited by budget constraints. This means that the regime is unable to please all the educators in order to secure their support. Instead, the regime identifies the key educators, - normally rectors, and a few other college leaders, - and guarantees them a level of income high enough to gain their political support. In these circumstances the primary task of the current authoritarian regime, in order to sustain its existence, is the creation and the maintenance of the system that maximizes the present salary of educators along with their

benefits from corruption. At the same time this system should minimize both their opportunity costs of being employed in the education industry as well as the risk of being involved in corrupt activities. The prescription to earn “feed from the service” is nothing but the authorization and approval of corruption in education. It is intended to diminish the real risk of being punished for corrupt activities to zero in order to reach the balance under the conditions of low present salaries.⁶⁴

College leaders, faculty, and staff are indifferent to the current political regime if their present salary, benefits from corruption and bribery, and risks of being caught and prosecuted for corruption are equal to the market salary that they would be able to earn working outside academia. The market salary is understood as the potential earnings in the private sector of the economy. Each given educator will be in opposition to the current political regime if his/her present salary combined with illicit benefits is equal to the market salary that he/she would be able to earn working outside academia. However, if the educator’s fair market salary or opportunity costs of being employed in academia are less than his/her present salary plus illicit benefits, he/she will support the current political regime. In this case support of the regime implies loyalty based on the satisfaction with the current system, including its corruption component.

University autonomy is one of the key ingredients for the higher education sector to be freed of corruption. Referring to the data on corruption in leading HEIs in Kyrgyzstan, Heyneman (2008) concludes that “A private university managed by foreign owners, in accordance with international standards of professional conduct, might be expected to have significantly less corruption than in government universities.”⁶⁵ One important detail is that in private foreign managed universities, all students pay tuition. In state universities, a substantial

portion of students are financed by the government. This is one of the major reasons of corruption in admissions. Also, top public HEIs readily admit children of political leaders, well positioned bureaucrats, and businessmen. Instead of bribes, they receive protection or so-called roof and an indulgence for collecting bribes from students who do not belong to the elite.

Regimes in Central Eurasia are often personified. Some are nothing but cults of personality. If other candidates for the leadership positions promise better benefits, whether legal or derived from corruption, the supporters of the corrupt system will likely demand the regime change in order to gain access to higher income. Educators who can reasonably expect that their salaries under the non-corrupt regime would be higher than they earn now, despite collecting bribes and other illicit benefits, would certainly support the regime change. They would want either their salaries increased, or their access to illicit benefits widened. The concepts of fair market salaries and opportunity costs of educators may be combined on the ground that fair market salaries exist hypothetically under the corrupt regime and opportunity costs as potential earnings in other sectors and occupations exist presently. In order to receive greater benefits, i.e. increased present salary and illicit benefits and decreased risk of being prosecuted, educators will have to demand regime change. The change of the entire system would be necessary if educators, along with other civil servants, would decide to make their fair market salary their present salary.

Discussion

Hyde warns against a false dichotomy between the worlds of learning and of politics, based on an underestimation of the social links between them.⁶⁶ It is a fact that universities became by far the most important institutions for political socialization. For Almond and Coleman, “Political socialization is the process of induction into the political culture.”⁶⁷ The

importance of universities in political life of Central Asia is undeniable. They absorb a substantial number of youth, primarily of advantaged socio-economic backgrounds, and educate them in accordance with doctrines imposed by the ruling regimes.

The ruling regimes in Central Asia as well as in other parts of Central Eurasia control the political situation in HEIs by first corrupting the educators and then forcing them to support the regime. The government relieves itself from the obligation to fund educational programs in many public colleges and universities by paying the employees below the poverty level and thus forces the instructors to extract rent from their advantageous position. The regime does not pay decent middle-class salaries to college employees. Instead, it *de facto* encourages faculty members and administrators to take bribes by advancing the “feed from the service” approach in universities. Indulgence, as a necessary detail in the mechanism of corruption and coercion, is presented here in the form of informal approval of corruption, most often expressed as opinions and views of public officials and administrators and the tolerance of the general public. The public officials prefer to shed “crocodile tears” over the victims of corruption as well as underpaid college faculty, instead of addressing the problem of miserable salaries of educators and the difference in the public and the private sectors’ pay rates.

The current regime exercises its authority over HEIs through direct state funding and the numerous codes, rules, regulations, and restrictions imposed on universities. The obligatory procedures of licensing and accreditation, administered by state agencies and initially intended to guarantee the quality of educational services offered to the students in both public and private HEIs, are now being turned into the tools of control over the programs’ content and colleges’ compliance with the state policies. For example, *Ruhnama*, a masterpiece composed by the now deceased leader of Turkmenistan Saparmurat Niyazov Turkmenbashi, is a required text in the

curriculum of all educational programs in the country. *Ruhnama* is now taught not only in Turkmenistan, but in some of the colleges in the neighboring states as well, because these neighboring governments encourage colleges to do so. The loyalty to the regime among the lead educators appears to be unshakable. The example with the book points to a high level of obedience and compliance of the college leaders with the regime's orders.

The model presented earlier shows the issue of loyalty through a wider perspective. Specifically, it sheds light on the way state leaders approve their subordinates' access to illicit benefits in exchange for loyalty and compliance. Academic leaders and college faculty are very influential on voters, especially college students and their parents. In early times of transition, loyalty to the regime had to be "earned" from the existing leaders of colleges and universities in exchange for other benefits. In contrast, presently appointment of academic leaders in public HEIs is the prerogative of the state and has to be approved by the regime. The opportunity costs of appointed college leaders are oftentimes low. By reducing the risks of being prosecuted for the involvement in corrupt activities, the regime maintains stable loyalty of the academic leaders with the relatively low present salaries and reasonable illicit benefits. Of course, the risk of punishment for corruption is nominal only for those educators who are loyal to the regime.

It is widely believed that underpaid bureaucrats and public employees are forced to involve in corruption in order to supplement their income and that public offices that promise lucrative illicit benefits attract best educated employees from the private sector. For instance, Goorha suggests that better paid public officials are less corrupt yet notices that "substantive affirmation of this result awaits detailed government sector wage level data in each transition economy considered."⁶⁸ This statement is based on the assumption that there is a correlation between per capita GNP and public official's salary, which may not be true. According to the

implications of the model presented above, leaders of HEIs are often appointed on the basis of their low opportunity cost expressed in terms of their fair market salary on the open labor market.

The issue of reputation, i.e. good or high reputation is being taken away by the notion that students in the region either disregard or do not understand the importance of it and in many instances are not concerned with the reputation of a university they attend.⁶⁹ The Soviet legacy is such that the state guarantees all the diplomas and all the diplomas are considered of equal quality. Outdated employment practices and lack of labor market relations add to this misinterpretation: often a diploma is needed to occupy a workplace, not the knowledge. The situation may change, however. Heyneman, Anderson, and Nuraliyeva (2008) point out that “If a college or university acquires reputation for having faculty or administrators who accept bribes for entry, grades, or graduation, the power of the university in the labor market may be adversely affected.”⁷⁰

Break up of the Soviet Union resulted in one major change in the lives of the population in Central Eurasia: remaining totalitarian regimes no longer maintain social programs, developed under Socialism. Instead of further development of healthcare, quality education, public services, and such, there are violent conflicts, as is the case in Uzbekistan, Tajikistan, and Kyrgyzstan, and attempts to establish monarchies, as is the case in Azerbaijan. This explains the nostalgia after the Soviet times, indicated by the majority of population in the region. The only solution to the existing social and economic problems is in the advancement of market reforms, and first of all development of a large private sector, independent from the state. Private sector needs to be developed in every sector of the national economy, including in higher education. It will bring competition and a sense of autonomy.

With the existing level of corruption, the ruling regime undermines its own existence. The climate of distrust and deteriorating social cohesion lead to the situation when political and business leaders are only able to rely on their family members. This results in the limited leadership resource. Such a limitation exists quantitatively and qualitatively and prevents restructuring of the public sector. Socio-economic and political instability may eventually lead to deindustrialization and economic collapse, resulting in failed states. Truly independent private enterprises at this stage are problematic for at least two reasons. First, the state uses non-economic leverages to regulate private sector. Such leverages include selective justice and informal pressure on entrepreneurs. Second, state officials own private enterprises, often indirectly, through their relatives and family members. As a result, market is divided between firms and there is a lack of competition. HEIs are often nothing but local monopolies.

Growing proportion of youth in the population points to a likely increase of the higher education sector in the future. Corruption in higher education reduces total social welfare when graduates are employed. Common good is negatively affected. There are economic consequences to corruption in higher education, and they can go far beyond those normally caused by corrupt bureaucracies. Heyneman (2007) points out that some faculty in the region understand the “macro-implications” of corruption in higher education and offers the following passage: “One Kazakh professor mentioned that: Corruption will affect our economy. If we produce a foolish agriculturalist, and he chooses a bad crop, a bad seed, the result will affect all of us. We have suffered before from famine. We can again.”⁷¹ Most of the youth in the region want to receive their education abroad. Referring to the International Crisis Group’s report (2003), Silova, Johnson, and Heyneman (2007) say that “the best and the brightest are leaving the region, with those left behind worse educated and less equipped to handle the many complexities of the

transition period.”⁷² The erosion of human capital along with the large and growing proportion of youth in the growing population aggravate the problem of education corruption in the region.

Public for-tuition and private education started not because of the declining state funding and lower salaries of educators, but because of the freedom to offer more educational services on the side of suppliers and ability and willingness to pay on the side of the public. Market changes appear fundamental in the education sector. There is a promise for future positive developments and it comes from the developing education market. In this sense, education corruption is similar to broadening base for education services in that it is also demand driven. Heyneman (2007), and Heyneman, Anderson, and Nuraliyeva (2008) point out that bribery in higher education seem to be most widespread in the majors in highest demand, including economics, finance, management, and law.⁷³

University autonomy releases HEIs from political indoctrination and influence of the state, but it does not preclude them from participating in political life. Financial soundness and self-sustainability that comes from tuition revenues, research grants, and non-bounding external funding make universities decide for themselves. Financial independency changes the vector of political influence. In the current situation, the ruling regime forces universities to take the political stance defined by the state, while university autonomy will allow HEIs to influence political decisions of the government. Moreover, in an independent university, members of academic community exercise freedom of choice and affiliation and vote according to their political preferences. Precedents of such university autonomy may be found even in Central Asia. Heyneman (2007) points out that American University of Central Asia (AUCA) receives funding predominantly from the US government and the Open Society Institute (The Soros Foundation).

Several senior administrators and faculty are actively involved in political life, holding memberships in political parties.⁷⁴

There are three major directions in which changes are needed in order to curb corruption in education. First, changes are needed in the national economy and the society overall. These include restructuring of the national economy, demonopolization, creation of a large private sector in every segment of the economy, development of the domestic labor market, increased labor mobility, competition, a decrease in rent-seeking behavior, and democratic changes. These changes will place an emphasis on real values, i.e. knowledge and skills, not papers and worthless certificates. Second, further changes are needed in the higher education sector. These include demonopolization and decentralization of the education sector, plurality of forms of university property, organization, and instruction. Finally, land reform is needed in Central Eurasia. Land reform is fundamental to the development of private sector, including in higher education. Changes in land ownership will impact public HEIs as well. Without land reform, state control over universities is unavoidable. University autonomy can hardly be achieved without making both public and private HEIs real owners of the land on which their campuses are located. Land ownership of universities will clear the way for an increased long-term investment and reinvestment of HEIs in their academic resources and infrastructure.

Conclusion

The presence of corruption in higher education in the Central Eurasia region is obvious and is proven based on surveys, some scholarly work, and publications in the media. Corruption has a systemic character, it is endemic to the society, and it has reached epidemic proportions. Access to higher education, academic grades, term papers, degrees, and honors are all for sale.

College faculty and administrators are grossly underpaid. They abuse their position in order to sustain themselves. The state leadership turns blind eye on corruption in academia in exchange for loyalty from the educators. Corrupt instructors and college leaders have no choice but to comply with the orders and to support the regime.

Sanghera analyzes major factors that contribute to the exceptionally high level of corruption in Kyrgyz universities and concludes that “Low wages along with students’ unwillingness to value knowledge itself, universities’ failure to encourage learning effort, lack of state financing, reluctance to take action, and employers who choose their employees not according to their qualifications but rather kinship ties and the presence of diploma, all together contribute to the growth of corruption in education.”⁷⁵ The author also points out the reluctance of the government to undertake radical measures to change the situation to the better. This goes in line with our suggestion that increasing wages of educators alone is unlikely to resolve the problem of corruption and that the government may in fact be opposing any possible drastic changes in the education sector in order to preserve its control over corrupt faculty, administrators, and students. The situation may be reversed with the advancement of market reforms. In the US, HEIs are not passive objects of the state policy. Instead, they develop different tools to influence the government.⁷⁶ Same may become true in Central Eurasia in the future, but only if university autonomy will raise and the political indoctrination of universities diminish.

The model presented in this paper points to the necessity of an increase in salaries of educators and of tightening the state control over their corrupt activities in order to achieve a significant reduction in academic corruption. However, the “carrot and stick” policy may not work. The ruling regimes in Central Eurasia may well have a preference to advance the

corruption and coercion scheme and are unlikely to increase salaries of college faculty and administrators. Centralized control and appeals to educators' morale seem to be ineffective, when the ruling regime relies on the "feed from the service" approach in financing higher education.

Massification and marketisation of higher education do not eliminate corruption. Examples of large educational systems in Russia and China, where such processes do not eliminate but rather increase corruption, are a good argument in support of this statement. Education sector is by no means an oasis in the economy but is vulnerable to a wide spectrum of societal diseases and is a reflection of socio-economic conditions in the nation. Hence, neither privatization of public education, nor its marketisation will solve the problem of education corruption in Central Eurasia. Instead, further market reforms may be needed to develop the university autonomy and to increase demand for high quality educational programs, not the worthless diplomas and degrees. This will reduce corruption in academia and strengthen its resistance to external pressure from the state.

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