

U.S. POLICY IN CENTRAL ASIA

HEARING
BEFORE THE
SUBCOMMITTEE ON THE MIDDLE EAST
AND SOUTH ASIA
OF THE
COMMITTEE ON
INTERNATIONAL RELATIONS
HOUSE OF REPRESENTATIVES
ONE HUNDRED SEVENTH CONGRESS

FIRST SESSION

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U.S. POLICY IN CENTRAL ASIA

WEDNESDAY, JUNE 6, 2001

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE MIDDLE EAST AND SOUTH ASIA,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC.

The Subcommittee met, pursuant to call, at 2:17 p.m. in Room 2172, Rayburn House Office Building, Hon. Benjamin Gilman [Chairman of the Subcommittee] presiding.

Mr. GILMAN. The Committee will come to order. Today the Subcommittee on the Middle East and South Asia meets to receive testimony on U.S. policy toward Central Asia from the Administration. This is the first of several hearings we will be holding on the subject during our 107th Congress.

I would like to welcome Clifford Bond as our witness. I will introduce him properly in just a few moments.

Despite its remoteness from the United States, Central Asia is a very important region for U.S. interests. It is a region of serious human rights problems, an area that faces extremist movements influenced by Afghanistan. Central Asia is a transit point for drugs.

On the brighter side, Central Asia has enormous energy export potential that could ease our own current energy problems. Its governments are secular and its nations benefit from many educated, energetic people. In short, Central Asia may not be in the headlines every day, but it is certainly a very important area of the world.

We do have some concerns, however, Take the issue of human rights. Just this past April, we raised a number of concerns with the visiting Kazakh foreign minister. These included proposed amendments by the Kazakh Government that would restrict the independent media and religious practices in that country.

Nor is the picture more reassuring in the rest of the Central Asian republics. President Karimov of Uzbekistan has used legitimate concerns about an extremist Islamic insurgency as a pretext to crack down on legitimate political and social activities.

Kyrgyzstan is perhaps the most disappointing of the Central Asian countries. In the early 1990's, President Akayev seemed to be providing a model of political openness and economic reform. Those promises have now been dashed.

Turkmenistan is probably the most repressive of the Central Asian countries. It promotes one of the few remaining cults of personality in the world, around President Niyazov, and suffers from a command economy.

On the brighter side, the U.S. has important energy interests in Central Asia. With its recent energy finds, Kazakhstan could become one of the largest oil exporters in the world. Our nation has a strong interest in this oil getting to the world market at reasonable prices by way of multiple pipelines. To that end, I fully support our government's efforts to promote a new pipeline from Kazakhstan to Azerbaijan to Georgia and Turkey, the gateway to the entire western oil market.

In addition to energy interests, our nation also has a strong interest in working with the existing Central Asian governments on combatting drugs and on divesting themselves of their weapons of mass destruction.

Finally, the U.S. has a strong interest in assisting the Central Asian governments with their legitimate domestic security concerns, particularly about violent political movements. The strongest such organization is the Islamic Movement of Uzbekistan, whose violent tactics have resulted in its being placed on our State Department's terrorism list. Central Asian states also have legitimate security concerns about defending their territories militarily.

Before we begin our testimony, however, I would first like to ask Mr. Ackerman if he—I assume that he is on his way. He may have some opening comments when he arrives.

Mr. Bond is well placed to give us his views on all of these issues. He has had a distinguished career at the State Department and a wide range of posts, including Moscow, the European Union in Brussels, Belgrade and Prague. He is currently acting principal deputy to the special advisor for the New Independent States.

Mr. Bond, your full statement will be entered in the record. You may proceed as you deem appropriate. Thank you for being with us today. Please proceed.

[The attachment to Mr. Gilman's statement follows:]

PREPARED STATEMENT OF THE HONORABLE BENJAMIN A. GILMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK, AND CHAIRMAN, SUBCOMMITTEE ON THE MIDDLE EAST AND SOUTH ASIA

Today, the Subcommittee on the Middle East and South Asia meets to receive testimony on U.S. policy towards Central Asia from the Administration.

This is the first of several hearings we will hold on this subject during the 107th Congress. I would like to welcome Mr. Clifford Bond as our witness, and I will introduce him properly in a few minutes.

Despite its remoteness from the United States, Central Asia is a very important region for U.S. interests. It is a region of serious human rights problems. It is an area that faces extremist movements influenced by Afghanistan. Central Asia is a transit point for drugs.

On the brighter side, Central Asia has enormous energy export potential that could ease the United States' current energy problems. It also is represented by secular Islamic governments and benefits from many educated, energetic people. In short, Central Asia may not be in the headlines every day but it is a very important area of the world.

Take the issue of human rights. Just this past April, I raised a number of concerns with the visiting Kazakh Foreign Minister. These included proposed amendments by the Kazakh government that would restrict the independent media and religious practices.

Nor is the picture more reassuring in the rest of the Central Asian republics. President Karimov of Uzbekistan has used the legitimate concerns about an extremist Islamic insurgency as a pretext to crack down on legitimate political and social activities.

Kyrgyzstan is perhaps the most disappointing of the Central Asian countries. In the early 1990s, President Akayev seemed to be providing a model of political openness and economic reform. Those promises have now been dashed.

Turkmenistan is probably the most repressive of the Central Asian countries. It promotes one of the few remaining cult of personalities in the world in the person of President Niyazov, and suffers from a command-economy.

On the brighter side, the United States has important energy interests in Central Asia. With its recent energy finds, Kazakhstan could become one of the largest oil exporters in the world. The United States has a strong interest in this oil getting to the world market at reasonable prices via multiple pipelines.

To that end, I fully support our government's efforts to promote a new pipeline from Kazakhstan to Azerbaijan, Georgia, and Turkey, the gateway to the entire Western oil market.

In addition to energy interests, the United States also has a strong interest in working with the existing Central Asian governments on combating drugs and on divesting themselves of their weapons of mass destruction materials.

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Before we begin our testimony, however, I would first like to ask Mr. Ackerman whether he would like to make some opening comments.

Mr. Bond is well placed to give us his views on all these issues. He has had a distinguished career at the State Department in a wide range of posts including Moscow, the European Union in Brussels, Belgrade, and Prague. He is currently Acting Principal Deputy to the Special Advisor for the New Independent States. Mr. Bond, your full statement will be entered in the Record, and you may proceed.

STATEMENT OF CLIFFORD G. BOND, ACTING PRINCIPAL DEPUTY SPECIAL ADVISOR TO THE SECRETARY OF STATE FOR THE NEW INDEPENDENT STATES

Mr. BOND. Thank you very much, Mr. Chairman. I appreciate this opportunity to represent the Administration today and discuss our policies toward Central Asia with you and your colleagues.

I agree with you on the importance of this region. Like all the nations of the former Soviet Union, the Central Asian states confront multiple challenges brought on by independence and the social and political problems that they inherited from the Soviet past. But, Central Asia also faces some additional handicaps by its geography. It is bounded by Russia, China, Pakistan, Afghanistan and Iran. It is a tough neighborhood in brief, Mr. Chairman.

The overarching and the long-term goal of U.S. policy in Central Asia is to see these states develop into stable, free market democracies, which can serve as a bulwark against the spread of potential instability and conflict in the region. This broader goal serves three core strategic core strategies or interests of the United States; regional security, political and economic reform and energy development.

In the area of regional security, and by regional security I mean security broadly, and to address problems that you mentioned—drugs, as well as external terrorist threats—we are encouraging the Central Asians to work with each other, as well as with the U.S. and other regional powers. Central Asia faces a number of transnational threats, mainly emanating from Afghanistan in the south. Chief among these are terrorism, Islamic extremism and illicit trafficking in narcotics and arms, including weapons of mass destruction.

We are working with the Central Asian governments to help develop effective capabilities in areas of customs and export control and border security for dealing with these problems, but we want to do so without compromising the rights of their citizens. We want to ensure that the responses of these countries to these threats are proportionate.

We developed, for example, the Central Asian Security Initiative last year, which is providing assistance to Kazakhstan, Kyrgyzstan and Uzbekistan. This assistance has been extended this year to include Tajikistan and Turkmenistan. The current Administration has endorsed this policy fully, and we will also be sponsoring later this month in Istanbul a follow on to a conference on regional counterterrorism cooperation held in Washington last year.

We are also attempting to help the Central Asians better integrate into European security structures. We actively support their participation in NATO's European Atlantic Partnership Council and the Partnership for Peace, and we encourage an expanded OSCE role in regional confidence building and in democratization and work to develop a civil society.

All the states of Central Asia have indicated that they welcome security cooperation with the United States. They see our engagement in the region as an additional element of stability as they seek to balance their relations with more powerful neighbors in the region.

As to political and economic reform, we encourage and provide assistance in the formation of political institutions in the development of free-market economics. We foster these values and institutions, as we do elsewhere in the world, because we believe that they are essential guarantors of the long-term security and prosperity of these countries. Only by empowering their citizens through democratization and economic reform can these governments ensure lasting popular support and stability. This is an integral part of our message to the governments of Central Asia.

Unfortunately, I have to say, Mr. Chairman, that progress on reform has been slow and at best uneven in the region. At one extreme, as you mentioned, we have the government of Turkmenistan, which remains one of the most repressive regimes in the world with a Stalinist era command economy and a cult of personality that rivals North Korea's.

Uzbekistan has rejected serious economic reform and is carrying out repression among independent Muslims that could exacerbate its own security concerns.

Kazakhstan, through its oil wealth, has achieved a macro-economic stability, but even as its government has publicly touted democratic principles, it has progressively sought to silence political opponents, the independent media and NGOs.

Kyrgyzstan, as you rightly said, was once a regional leader in reform. Unfortunately, we have seen regression over the past 2 years.

I could say that perhaps the only one ray of hope politically in the region is Tajikistan, which has just emerged from a civil war. The very lack of a strong central government has allowed an independent media and diverse political parties to flourish in this country.

You rightly mentioned energy development as a key interest to the United States, and it has the potential not only to promote the development of two of the Central Asian states that hold vast energy reserves, but also promote prosperity throughout the region.

Kazakhstan could well become one of the top five world oil producers in the next 10 years, and Turkmenistan sits on top of world class natural gas reserves. The degree to which these states can exploit these resources responsibly will determine their ability to achieve economic independence and improve the lot of their citizens.

U.S. policy in the energy area focuses on enabling these states to develop multiple, commercially viable and reliable transport corridors for delivery of these resources to the global market. We believe this will have a positive impact on the diversification of energy supplies and on promoting regional cooperation.

Let me end with two final thoughts, if I may, and a conclusion. First, we do not want our relationship with Russia to be a complicating factor in our engagement in Central Asia. We acknowledge that Russia has a traditional role in the region. It is based on history. It is based on geography. Indeed, we maintain a continuing dialogue with the Russian Government on issues relating to the region, such as Afghanistan.

Where our interests coincide, such as on Afghanistan and regional security, we look to active cooperation with the Russian Government. Where we have diverging interests, such as energy policy, we want to discuss our differences openly and respect our varying perspectives. My point is that neither side should seek to exclude the other from the region.

Second, I would like to mention the importance of Tajikistan, one of the smaller states in the region. Tajikistan's fate is particularly important to the future of Central Asia. Its collapse or its return to civil war could easily lead to the spread north through this country to the other states in the region of the radical Islamic narco-terrorist system presently creating chaos in Afghanistan. Therefore, we and our allies and the states in Central Asia should do everything possible to stabilize and respect the territorial integrity and the security of Tajikistan.

Let me conclude by noting that in the nineteenth century, Central Asia was the subject of a Great Game in which great powers competed to impose their will on weak local regimes. So long as the Central Asian states fail to create modern political and economic institutions, fail to respect human rights, fail to work toward regional cooperation and fail to overcome ethnic and national rivalries, they will remain vulnerable to external pressure.

The United States is trying to help these countries choose another path. This is the road toward integration into a wider community of nations based on a commitment to democratization, the rule of law, market economics and adherence to the Helsinki Final Act and the other OSCE documents which the Central Asia governments have themselves signed.

It is our hope that these nations, which now find themselves at a geographical and historical crossroads, will develop over time into free market democracies that can adopt and will adopt the values

that will allow them to develop a strong relationship with the United States and the west.

Mr. Chairman, I would be happy to answer any questions you have.

[The prepared statement of Mr. Bond follows:]

PREPARED STATEMENT OF CLIFFORD G. BOND, ACTING PRINCIPAL DEPUTY SPECIAL
ADVISOR TO THE SECRETARY OF STATE FOR THE NEW INDEPENDENT STATES

Mr. Chairman, I am honored to represent the Administration here today, and I appreciate the opportunity to discuss with you and your committee our policies toward Central Asia.

Today, all of the nations of the former Soviet Union confront the multiple challenges brought on by independence and the social and political problems inherited from their Soviet past. Central Asia faces two additional handicaps: its geography, bounded as it is by Russia, China, Pakistan, Afghanistan and Iran; and its history of authoritarianism going back even before the Soviet period. Central Asian governments must carefully balance their relations with this diverse set of neighbors, as well as with other regional players such as Turkey and the United States.

The overarching goal of U.S. policy in Central Asia is to see these states develop into stable, free-market democracies, as a bulwark against potential instability and conflict in the region. This broader goal serves three core strategic interests of the United States: regional security; political/economic reform; and energy development.

In the area of *Regional Security*, we are encouraging the Central Asians to work with each other, as well as with the U.S. and other regional powers. Central Asia faces a number of serious transnational threats, mainly emanating from Afghanistan to the south—chief among them terrorism, Islamic extremism, and illicit trafficking in narcotics and arms (including, potentially, weapons of mass destruction and related technologies). We are working with the Central Asian governments to help develop effective capabilities for dealing with these problems, without compromising the rights of their citizens. We are working with them to ensure that their responses are proportionate to the threats and that they focus only on legitimate threats of violence. We also believe that there can be no purely military solution to these efforts. Enhancing respect for democracy and human rights, so that dissent can be raised peacefully within the system, is critical to diminishing popular support for extremist opposition. This is a central part of our message in Central Asia and supported by our efforts to promote democracy and human rights in the region.

The most immediate threat to the region is the Islamic Movement of Uzbekistan (IMU), a loose movement of armed radicals led by ethnic Uzbeks dedicated to the violent overthrow of the Karimov regime in Uzbekistan. The IMU first came to prominence after it led an armed incursion into southwest Kyrgyzstan in August 1999 and took several local and foreign hostages. IMU fighters were again involved in armed encounters in August 2000, this time in Uzbekistan as well, and briefly held hostage four American climbers in Kyrgyzstan. In September 2000, the United States Government designated the IMU a Foreign Terrorist Organization, in part based on its ties to the Usama bin Laden terrorist network.

We have taken several actions to help the states of Central Asia meet these regional threats. When then-Secretary Albright traveled to the region in April 2000, she announced a Central Asian Border Security Initiative (CASI), which in the first instance provided more than \$3 million each in new security assistance to Kyrgyzstan, Kazakhstan and Uzbekistan. CASI assistance has since been extended to Tajikistan and Turkmenistan. We have allocated a total of \$9.5 million in FY01 funding for these purposes. The current Administration has endorsed this policy fully, and we will sponsor this month in Istanbul a follow-on to the very successful Central Asian Counter-terrorism Conference we held a year ago here in Washington.

We are also attempting to help the Central Asians better integrate into European security structures. We actively support their participation in NATO's Euro-Atlantic Partnership Council (EAPC) and Partnership for Peace (PfP), and encourage an expanded OSCE role in regional confidence-building measures and democratization. In this regard I am particularly pleased to welcome Tajikistan's imminent entry into the EAPC and PfP. We also work with our European allies and other partners in Brussels and Vienna to focus more NATO and OSCE attention on the challenges and opportunities in Central Asia.

As you might expect, the Department of Defense is actively involved in these initiatives—both to provide advice on program implementation, and to ensure that

DOD engagement activities are complementary to the overall Central Asia security agenda.

At the same time, we have made clear to these governments that we do not seek to replace or compete with the legitimate security interests of other regional powers. In particular, we acknowledge that Russia has a traditional role in the region, based both on history and geography. Indeed, we maintain a continuing dialogue with the Russian government on issues related to the region, particularly in the context of U.S.-Russian cooperation on Afghanistan. Deputy Secretary Armitage and Russian First Deputy Foreign Minister Trubnikov jointly chaired the most recent session of the U.S.-Russia Working Group on Afghanistan in May 2001, which dealt, among other things, with preventing the spread of terrorism to Central Asia. We welcome the increased engagement of Russia and China on regional security issues in the Shanghai Five with Kazakhstan, Kyrgyzstan, Tajikistan, as long as it is constructive. That said, all the states of Central Asia have indicated that they welcome security cooperation with the United States. Our engagement in the region provides an additional element of stability to the delicate policy balance the Central Asians must maintain in the midst of their more powerful neighbors.

As for *Political/Economic Reform*, we want to encourage the formation of democratic political institutions and the development of free-market economies open to unhindered foreign (including U.S.) trade and investment. We foster these values and institutions, as we do elsewhere in the world, because we believe these are the only real guarantors of long-term security and prosperity. Our engagement on economic reforms has been primarily through the International Financial Institutions (IFIs). The people of the multi-ethnic states of Central Asia face the painful dislocations and social shocks that come with transition to a market system. They have a history of social and ethnic tensions. Only by empowering their citizens through democratization and economic reform can these governments ensure lasting popular support and stability.

Unfortunately, progress on reform has been slow and uneven at best. At one extreme, the government of Turkmenistan remains one of the most repressive regimes in the world, with a Stalinist-era command economy and a cult of personality to rival North Korea's. Uzbekistan lacks most elements of a civil society, and President Karimov's regime has rejected outright serious economic reform. Kazakhstan, buoyed by its energy revenues, has achieved macroeconomic stability, but needs significant reforms to sustain this achievement. Even as it publicly touts democratic principles, President Nazarbayev's government has progressively silenced political opposition, independent media and nascent NGOs. Kyrgyzstan, once a regional leader in democratization and free market reform, has regressed in the past two years. The Akayev government seems now to be mimicking the Kazakh model in a coordinated campaign against previously well-established political parties, opposition figures, NGOs and independent media organizations. Kyrgyzstan has struggled to maintain its course with an IMF program to reduce poverty.

Perhaps the one ray of hope politically is Tajikistan, only now emerging from the aftermath of a civil war that ravaged the country. The very lack of a strong central government makes it possible for independent media and diverse political parties to flourish, and democracy assistance and civil society efforts can have a disproportionately rapid impact on this society. Economically, Tajikistan has struggled to stay on a poverty alleviation IMF program, but I am happy to report that Tajikistan got back on track with the Fund in April this year.

Energy development is key to the future of at least two of the Central Asian countries. Kazakhstan could well become one of the top five oil producers in the world by 2010, while Turkmenistan sits atop world-class deposits of natural gas. The degree to which these states can exploit these resources responsibly will in large part determine their ability to achieve economic independence and improve the lot of their citizens. Development has gone forward to date without final agreement on Caspian Sea border demarcation, but there is general consensus on the principal of national development of seabed resources.

U.S. policy in this area focuses on enabling these states to develop commercially viable and reliable transport corridors for delivery of these resources to global markets. Currently these resources reach markets via pipelines that transit Russia. Not only do these pipelines have limited capacity, but the Russian government has a history of temporarily halting the flow for political reasons. Such monopolies make neither commercial nor political sense. We have therefore supported and facilitated the efforts of Turkey, Azerbaijan and Georgia to reach agreement with private companies to build secure and commercially viable pipelines from the Caspian Sea across the Caucasus to Turkey. We also encourage extension of these transport corridors across the Caspian to include Kazakhstan and Turkmenistan.

To date, efforts to develop the Aktau-Baku-Tbilisi-Ceyhan (ABTC) oil transport system have been much more successful than the parallel Trans-Caspian Gas Pipeline (TCGP) initiative. The Government of Kazakhstan is an avid supporter of ABTC, which would link its Caspian Sea port of Aktau via barge to Baku and thence via pipeline to the Turkish Mediterranean port of Ceyhan, a gateway to global oil markets. The intergovernmental and commercial agreements to bring Kazakhstan into ABTC are almost complete. U.S. firms—including Unocal, Devon and Bechtel and, we hope soon, others—are active participants as investors, shippers, and engineering service providers to the project.

TCGP on the other hand has an uncertain future at best. The Turkmen government has refused to reach agreement with the commercial partners for a trans-Caspian link from Turkmenistan to Baku. President Niyazov has repeatedly rejected commercially viable offers, apparently holding out for unrealistic and wildly inflated “earnest money” cash payments. As a result, a gas pipeline from Azerbaijan’s Shah Deniz field is progressing without Turkmenistan’s participation.

Let me add two final thoughts:

Our relationship with Russia and the Putin government’s perception of our activities in the post-Soviet “Near Abroad” complicates our engagement with the Central Asian governments. We have made every effort to represent our policies as win-win to the Russians. Where our interests coincide, such as on Afghanistan and the regional security threat, we should look to active cooperation or at the very least parallel and complementary engagement. Where we may have diverging interests, such as on energy policy, we want to discuss our differences openly and respect each other’s perspectives. Neither side should seek to exclude the other from the region.

Tajikistan’s fate is particularly important to the future of the region. While success in any single Central Asian state will not necessarily help the others, Tajikistan’s collapse could easily lead to the spread of the radical Islamic, narco-terrorist system in Afghanistan north through Tajikistan to other states in the region. Therefore, we, our allies, and the other states of Central Asia should do everything possible to stabilize and secure Tajikistan, through democracy promotion, economic aid and security assistance.

In the 19th Century, Central Asia was the subject of a “Great Game” in which regional powers competed to impose their will on weak local regimes. As long as the Central Asian states remain vulnerable through their inability to create modern political and economic institutions, through a lack of regional cooperation and a failure to overcome ethnic and national rivalries, the danger of external domination will remain. There is another path, however, which the United States is trying to help these countries choose. It is the road toward integration into a wider, Euro-Atlantic community of nations based on a deepened commitment to democratization, the rule of law and an adherence to the principles laid out in the Helsinki Final Act and later OSCE documents—which the Central Asians have signed. It is our hope that these nations, which now find themselves at a geographic and historical crossroads, will develop over time into functioning free market democracies and adopt the values that will allow them to develop a vibrant partnership with the United States and the West.

Mr. GILMAN. Thank you, Mr. Bond, for your helpful statement. We welcome having you before us.

I will turn now to my colleagues, and I will reserve my questions until after my colleagues have had an opportunity to inquire.

The gentleman from Pennsylvania, Mr. Pitts.

Mr. PITTS. Thank you, Mr. Chairman, and thank you for convening this important hearing on U.S. foreign policy toward Central Asia.

I would like to submit my opening statement for the record and just make a couple of comments before the questioning.

In the years following the breakup of the Soviet Union and the—

Mr. GILMAN. Mr. Pitts, your opening statement will be made part of the record.

Mr. PITTS. Thank you.

Mr. GILMAN. Please proceed.

Mr. PITTS. In the years following the breakup of the Soviet Union in 1991, I think there was a lot of hope and optimism about the

future of Central Asia. Unfortunately, United States foreign policy toward the region has been one that emphasizes a stand back and watch approach. I do not think it has been as successful as it could have been.

I think we can still effect positive change in the region by engaging these countries. I think we must work with the leaders of the countries, and build bridges with them, both economically and politically. I think we must let them know that the United States is not going to turn a blind eye to the region. We need to show them we do care about their stability, their economic growth, and engage them in all aspects.

I have a couple of questions, Mr. Bond. Number one, you mentioned Kyrgyzstan. You described the human rights situation in Kyrgyzstan as one of the best in the region until recently, and I think you used the word regression or deterioration. Why has that happened?

Mr. BOND. It is difficult to explain, but—

Mr. GILMAN. Would you use your mike, please?

Mr. BOND. Sorry. It is difficult to understand or explain President Akayev's motives over the past 2 or more years, but we have seen a turn toward repression since 1999 and the onset of a set of parliamentary and then presidential elections in the year 2000.

In the lead up to those elections and as the opposition became more vociferous and more organized, we saw harassment of opposition figures who were running in the Parliament, their exclusion from campaigns. We saw the exclusion in the presidential elections themselves of principal opponents to President Akayev. We saw that expand beyond activities directed against individuals to the suppression of the free media, to the harassment of NGOs that were going to participate in election monitoring.

I would have to interpret all of those actions as an interest in President Akayev and his supporters in not wanting to run a fair election. They wanted to assure their re-election to power, and that entailed handicapping media, handicapping NGOs and excluding their political opponents from the election process.

Mr. PITTS. I am concerned about the insurgency mounted by Islamic extremists in several of the former Soviet republics in Central Asia. What is of particular concern are the actions of some of the governments who tend to be more repressive or corrupt in generating popular support for the insurgence.

You have mentioned a couple of examples that have eliminated independent judiciary, freedom of press. Would you agree that this kind of behavior that generates support for Islamic extremists threatens U.S. interest in Central Asia? What does the Administration propose to do to try to persuade some of these governments that it is in their best interest to end repression or try to eliminate corruption?

Mr. BOND. I agree with you on both counts, Mr. Pitts. The policies that have been carried out here particularly by the government of Uzbekistan, but there are similar policies pursued by some of the other governments in the region, to repress independent Muslim groups is creating a climate in which extremism, Islamic fundamentalism, is attractive.

What we need to do is to convince these governments that their failure to move forward and respect human rights and move forward on democratic reforms, their failure to move ahead in terms of economic reform so that they can help create a situation in which jobs are created and economic growth provides opportunities for the youth, is very much against their security interests.

I would admit that there is a security threat out there in terms of Uzbekistan. I would not exaggerate it. The Islamic Movement of Uzbekistan is still a relatively small movement, but what the regime is doing in Tashkent unfortunately is exacerbating and creating more of a problem and will over time.

We are engaged in a dialogue with the government. We have made some progress in modest ways to get them to respect human rights, but, frankly, they need to do a lot more, and we need to continue to talk to them.

As you may be aware, Uzbek Foreign Minister Kamilov is in Washington this week. He has been meeting with the Secretary and other members of the Administration. I can assure you that questions of human rights, questions of economic reform, are in the forefront of the discussion. Even as we admit that we should cooperate with them to respect or to help them meet their legitimate security concerns.

Mr. PITTS. Now, if you were to look at all the different countries in Central Asia, which one would you say is the best hope for the region. Where are there the most opportunities for prosperity?

Mr. BOND. Are you talking commercially or—

Mr. PITTS. Well, both commercially and democratically.

Mr. BOND. I would say in some respects Kazakhstan has an enormous potential because of its energy resources, and it also has done quite a bit on the macroeconomic side to try and create a modern economy, but I would also think that Uzbekistan, if reforms were implemented, has tremendous potential. It is the largest market. It has natural resources. It has the infrastructure and would be a natural regional hub.

I think the key, however, to the region's development politically and economically is regional cooperation, looking for solutions, whether it is the environment, security, looking for regional solutions to their problems.

Mr. PITTS. And you stress in your testimony border security as being key.

Mr. BOND. Yes.

Mr. PITTS. You mentioned a couple of countries, one Tajikistan, but I notice in your testimony you say that you are requesting only \$9.5 million for those purposes.

Mr. BOND. That is the monies that we did dedicate this year. We are not requesting it. It came from the Freedom Support Act. It is a small figure, I agree, but I think it is accomplishing a lot.

Mr. PITTS. Okay. Finally, what can be done about the corruption that seems to be endemic?

Mr. BOND. Yes. Corruption is a problem not just in Central Asia, but throughout the former Soviet Union. First of all, we have to work with the governments to put in place legislation. We have to train law enforcement people so they can do a professional job. We have to work with them to implement this legislation.

The most important thing is political will. We have to see a desire on the part of the leaders of these countries to address the problem of corruption because it is eroding legitimacy, it is making it difficult for the countries to develop economically, and it is a deterrent to foreign investment and to trade.

Mr. PITTS. And can we make sure the aid that we put there will not be bled off by corrupt officials?

Mr. BOND. We are doing everything we can to prevent assistance being used by local officials, corrupt officials.

Mr. PITTS. Thank you.

Mr. GILMAN. The gentleman's time has expired. Thank you, Mr. Pitts.

The gentlelady from Nevada, Ms. Berkley?

Ms. BERKLEY. Thank you, Mr. Chairman.

Hello, Mr. Bond.

Mr. BOND. Hello.

Ms. BERKLEY. I was hoping to catch your testimony before I asked you the questions, and perhaps they have already been answered. I apologize in advance.

One of the questions I was going to ask was asked by Mr. Pitts, but I am wondering if I can phrase it in a different way. I am very concerned about the rise of radical Islamic fundamentalism in Central Asia.

Could you tell me what influence the Taliban of Pakistan and Iran are having in this region and what, if anything, we can do to stem this tide? I know you answered it partially when it came to too much repression and lack of economic opportunity, but is there something else? Can you share with me more?

Mr. BOND. Let me say, first of all, that Central Asia is not fertile ground for Islamic fundamentalism. The Islamic tradition in these countries is a very tolerant one. The Taliban's variety of Islam has little attraction to the great mass of people who accept the idea of a secular state.

Recently, however, we have seen groups, such as Hizb-ut-Tahrir, a group that is elsewhere in the world and professes a non-violent, but a radical form of Islam which aspires to see an Islamic Caliphate created in Central Asia, has been developing.

The IMU, which was designated a foreign terrorist organization by the United States, grows out of repression in the Fergana Valley that occurred early in the 1990's. Most of its leaders are from there.

I guess my response to you is that we do not see Islamic fundamentalism right now as a threat to the states of Central Asia. But, if the repressive policies pursued by the governments drive the young, particularly because there is a lack of economic opportunity, into the arms of extremists, the danger is greater. This is a message which we have to make and continue to make with the leaderships in Central Asia.

Ms. BERKLEY. Why do you think these nations keep making this same mistake? Is it cultural? Is it historical?

Mr. BOND. It is hard to respond. I believe that President Karimov believes that he needs to be in control of the political and social situation in this country, and he fears a threat from independent groups, whether they are religious in nature or political in

nature. It is his response to that situation that I think is causing the problem.

Ms. BERKLEY. Let me ask you one other question that is a little far afield from what we have been discussing.

It is my understanding that Kazakhstan has had problems with citizens who have been exposed to high levels of radiation from previous nuclear tests and experiments. Since this is an issue in my home state of Nevada, I am kind of curious if you have any information about this and what is being done in Kazakhstan to help these people.

Mr. BOND. I am afraid I do not off the bat. I would be happy to look into it and get back to you with some information.

I can tell you that we have a very active non-proliferation program in Kazakhstan which has enabled us to work with Kazakhstan to make it a nuclear weapons free state, remove its infrastructure for weapons of mass destruction and to clean up its environment. The question of exposure, however, I am not familiar with. I would be happy to get some information to you on that.

Ms. BERKLEY. Thank you. I would appreciate it.

No further questions.

Mr. GILMAN. Thank you, Ms. Berkley.

I am pleased to yield to the gentlelady from Virginia, Ms. Davis.

Mrs. DAVIS. Thank you, Mr. Chairman, and thank you, Mr. Bond, for being here today.

I would like to talk to you a little bit about the drug problem. Do you believe that Central Asia is emerging as a major drug trafficking and production center? If so, how is the United States assisting them to combat drug trafficking? Are any of the drugs making their way to the U.S., or are they just staying there in Europe? Specifically, could you expand on what is occurring in relation to drug eradication of opium in Central Asia?

Mr. BOND. Several questions there. I do not see Central Asia—Central Asia is not, the five countries that I have talked about in my testimony, a source of drugs. The drugs are emanating from Afghanistan. Central Asia is a transit point, and there are groups, some terrorists, some drug traffickers, that are moving drugs through Central Asia primarily to Europe. That is the destination.

We have active drug enforcement programs and anti-trafficking programs with all of the states of the region, and we would like to do more. We have also invested considerable assistance monies in building up their capabilities in terms of customs, border security and drug enforcement to allow them to interdict these drugs as they cross through the region.

One of the problems we have in managing the drug problem in Central Asia is that their borders are new and porous. The borders between these countries were administrative borders in the period of the Soviet Union. There were no guard outposts there. There were no fences. Those barriers are going up, but it is a very, very open terrain in which drug traffickers can operate pretty freely.

Mrs. DAVIS. One more question, Mr. Chairman.

Switching gears a little bit, what do you think is the state of the U.S. military assistance and military to military relations with Central Asian countries?

Mr. BOND. As I said in my testimony, all the states in Central Asia have told us they want security cooperation with the United States. They see us as a factor balancing their neighbors.

We have programs there. They may look small in a global context, but we are approximately spending something on the order of this fiscal year \$50 million on security assistance programs. That is not just military, that is drug enforcement, customs, and border security.

We do a range of things with these countries, including standard FMF and IMET programs. We do defense contact programs. We are working on military exercises, both bilateral and multilateral, with them, and we are working with them to bring them into the Partnership For Peace within NATO.

Our Commander-in-Chief of CENTCOM visits the region frequently. He has an active dialogue with his military counterparts, and he is working with them to reform their militaries and establish civilian control.

The program is small now, but it is growing.

Mrs. DAVIS. Thank you, Mr. Bond. I have no further questions.

Mr. GILMAN. Thank you, Ms. Davis.

Mr. Rohrabacher?

Mr. ROHRABACHER. Thank you very much, Mr. Chairman.

First for the witness, you are the acting principal deputy. What does that mean?

Mr. BOND. It means that we had a change in the Administration in January.

Mr. ROHRABACHER. Right.

Mr. BOND. Several individuals left, and I took the position of principal deputy and never was——

Mr. ROHRABACHER. You are a career——

Mr. BOND. I am a career foreign service officer. That is right.

Mr. ROHRABACHER. Mr. Chairman, I would just like to note that it is a cause for some concern by this Member of Congress that the Administration has been slow to make appointments to important jobs like the one that we are talking about today and that you represent.

It would have been, of course, much preferable for us to have someone who is going to have this job for the next 4 or 8 years to be with us today discussing the President's policy toward Central Asia.

Mr. GILMAN. If the gentleman would yield?

Mr. ROHRABACHER. Yes, sir.

Mr. GILMAN. I might make my colleagues aware of the fact we have a note from the State Department from Paul Kelley, Assistant Secretary of Legislative Affairs, dated June 5.

“I want to thank you for the opportunity to send an Administration representative to testify before your Subcommittee on June 6 on U.S. policy toward Central Asia.

“We would normally want to be represented by our acting special advisor, John Beyrle, who recently traveled to the region, but regrettably Mr. Beyrle will be unavailable. He has been asked by the Helsinki Commission to address a human rights in Russia hearing on June 5 and feels that as our point man on the Russian war in Chechnya he needs personally to

be the one to address these issues before the Commission. That testimony plus other commitments on both June 5 and 6 will make it impossible for him to prepare adequately for testimony before the Subcommittee.

“I am pleased to tell you that Cliff Bond, John’s principal deputy, will represent the department at this hearing. Cliff has been following Central Asia closely for 3 years now and has taken many trips to the region and has met with most of the regions’ leaders.”

Mr. ROHRABACHER. Thank you very much, Mr. Chairman. That does answer my question. However, it does not eliminate my concern that the Administration has been behind schedule in appointing people not only at the State Department, but elsewhere through the Administration.

I imagine Mr. Beyrle will be with us and is an appointee by the President and will be with us for 4 to 8 years.

Mr. GILMAN. And we look forward to having him come before the Committee, Mr. Rohrabacher.

Mr. Bond, you wanted to comment?

Mr. BOND. Just as a point of information, I will not have a successor. The Secretary of State, after consultation with Members of Congress, has decided to merge the Office of the New Independent States with the European Bureau, and we will be one bureau.

Mr. ROHRABACHER. That may or may not be a good decision. We will have to talk about it. I will not say that I believe Central Asia has been—you know, as much talk as there has been about the “Silk Road” and about Central Asia, there has been very little done in Central Asia by the United States Government.

Because of that, for these last 10 years what was a tremendous opportunity for expanding the democratic system into the region and opening up the region economically, I am afraid that by all of the criteria and judging how far we have come, we have not made very much progress.

Countries like Kazakhstan where they still have the same brutal thug controlling the political life of those people, and he still has an iron grip on that population. There is no democracy in that country. Maybe his little finger has loosened up. Maybe. I do not know. It appears from the outside that they still have a tightfisted control of that country.

In Turkmenistan they still have a regime where a man has statues of himself and pictures of himself all over the country with a huge hat on his head. I mean, this is a cartoon character.

Tajikistan and Uzbekistan, especially Uzbekistan, that had great, great promise and very sophisticated leadership, instead of permitting freedom of elections and freedom of the press and having the United States lead these countries into a more democratic situation, we have seen no real lasting democratic reform in those countries.

I am sorry to have that evaluation. I know that a lot of people are blaming that on destabilization by the Taliban. I am one of the first ones to step forward and say we should be lock step with people trying to eliminate the Taliban and bringing a more representative government to their own people, but the Taliban, if faced with democratic governments in Central Asia, would not have the ability

to undermine those governments because the governments would have the support of the people. Instead, we have dictatorships which drive the young people right into the hands of extremists, of Muslim extremists.

Perhaps you would like to comment on that observation.

Mr. BOND. I do not disagree with your analysis about the state of democracy in Central Asia, but I would say first and foremost it is the peoples and leaders of Central Asia that have to have the political will to make the changes to make democracy possible.

We had a lot of hopes in Central Asia that were reflected in Congress' generous assistance to the NIS in the region. We have had to lower our expectations over time. We expected a dramatic transformation, a democratic transformation in the region. It has not happened.

I think our assistance has had some successes. I think we have seen elements of a civil society develop in many of these countries. You mentioned Kazakhstan. I do not disagree with the political control that is exercised there, but there are a lot of very active NGOs in areas from the environment to women's issues to whatever. The U.S. Government has been instrumental in promoting the development of those, and hopefully those seeds will develop into democracy over time.

Mr. ROHRABACHER. I applaud the positive things you have done obviously. Our State Department has been trying. It just would seem to me that we should have been a lot tougher in demanding political reform.

I notice, Mr. Chairman, even some of the billed legislation that has come out of the Congress, the "Silk Road" legislation and such, we end up giving economic concessions to some of the Central Asia countries, but not demanding a political reform with those economic concessions. That I think exemplifies the type of strategy that leads to no political reform and people taking it for granted that we do not really care about that political reform.

Thank you very much, Mr. Chairman.

Mr. GILMAN. Thank you, Mr. Rohrabacher.

Mr. Bond, I understand that all the Central Asian countries suffer from human rights shortcomings. Could you summarize what the major problems are, for example, in Uzbekistan and Kazakhstan, the most populous of the countries?

Mr. BOND. I would make a distinction between the two countries to begin with. I think in Kazakhstan, to give it credit, there is, as I said, an active NGO community. There is political activity and political parties in opposition to the government.

There are fewer dimensions to political life in Uzbekistan. I think the major failings in Uzbekistan are a lack of respect for human rights, a lack of the conduct of free elections and the allowance of human rights groups and political organizations to register and be active in the country.

In Kazakhstan, the failure, as you mentioned, to pass legislation to permit a free media, restrictions that are being considered on religion and the poor record the country has had in elections as well. The OSCE has documented the faults in elections both in Kazakhstan and Uzbekistan, and I think those governments should follow up on those recommendations.

Mr. GILMAN. You stated, Mr. Bond, in your testimony that Tajikistan is perhaps the most pluralistic of the Central Asian countries right now. Could you give us some examples of that kind of pluralism? Does it translate into civil liberties there?

Mr. BOND. It does, and it is one of the reasons why, when Congressman Pitts asked me what led to this regression, this reaction from President Akayev, it was active NGO monitoring of elections, for example.

The local NGOs monitored observed elections, detailed the election fraud, the vote and ballot stuffing that went on. It had a very vibrant media—it still does to some extent—which the government has gone after through libel cases and through harassment.

It has political opposition figures who have organized political parties and tried to run in the elections, and that has led Mr. Akayev to carry out criminal prosecutions against these people. It is a much more open political system when you compare it to some of its neighbors like Uzbekistan or Turkmenistan.

Mr. GILMAN. My question was about Tajikistan.

Mr. BOND. Tajikistan. I think that as to Tajikistan the weak central government is a factor. If it wanted to, it could not replicate the sort of controls that we see in Uzbekistan or Turkmenistan. It does not run the whole country.

What we have seen develop there are, as I said, in Tajikistan more NGOs, more political opposition. There are actually Islamic fundamentalist opposition members in the Tajik parliament and more media, more free media.

Mr. GILMAN. I understand, Mr. Bond, that Kazakhstan has continued to make major oil discoveries. How much oil do you think Kazakhstan would be exporting within a 10-year period? Would that have some impact on the international oil prices?

Mr. BOND. I have seen various estimates on its potential oil exports. I think in relative terms, people have suggested that in 5 to 8 years Kazakhstan might be exporting as much oil as Kuwait does now.

I think it will have—it is hard again to predict what oil prices will be, but it would seem to make sense to me that an increase in oil supply and the diversity of supply would have an impact, a lowering impact, on prices in the world.

Mr. GILMAN. And are we doing anything to make certain the region's resources do not merely result in short-term consumption and excessive weapons purchases, as opposed to investment?

Mr. BOND. In the case of Kazakhstan, we have actually worked with the Kazakhs to set up a generational oil fund. The purpose of that fund—they have worked with the IMF, but we were also instrumental in helping them set it up—is to collect these revenues and use them in a way that will benefit the Kazakh people over time.

Mr. GILMAN. I understand that in Turkmenistan they have enormous gas reserves. Can you give us an idea of their dimension and where the gas is most likely to be exported to?

Mr. BOND. Well, they are enormous. I have heard gas reserves on the order of four to 5 percent of world reserves. That is substantial for one country.

Unfortunately, the regime in Turkmenistan has been irrational in making demands on potential commercial partners, and it has meant that the prospects for its actual export have not materialized. It has been selling some gas to Russia, selling some gas to Iran, but major exports are unlikely to happen unless the government changes its policies in the energy area.

Mr. GILMAN. Is Central Asia emerging as a major drug trafficking and production center today compared to other areas?

Mr. BOND. Drug trafficking, yes. Not a major production center. As I mentioned, it is one route from Afghanistan in which a great volume of drugs has gone to Europe.

Mr. GILMAN. Could you describe Central Asian elite and popular views of our nation, both of its government and society?

Mr. BOND. I—

Mr. GILMAN. The elite in Central Asia. What are their views of our nation?

Mr. BOND. I see. I have traveled in Central Asia. I found the people there very positively inclined toward the United States, very interested in learning more about the United States.

In terms of elite opinion, I have found them to be very interested in seeing the United States engage commercially because they think we bring the best technology and excellent management. They also want to see us engage politically and on security matters because, as I said before, they would like to see us balance some of their larger neighbors.

Mr. GILMAN. Mr. Bond, what is the status of our public diplomacy effort in Central Asia?

Mr. BOND. We have public affairs officers in all of our embassies in Central Asia. We have an active exchange program that brings young people, members of the opinion forming elite, to the United States. We are active in presenting information about the United States and our views on developments in the region. I think we have a strong program.

Mr. GILMAN. One last question. What can be done to rationalize the legislative authorities related to the security of the Central Asian states to make certain that our assistance is adequately coordinated and covers all the appropriate activities? Does the Administration have any firm proposals in that area?

Mr. BOND. Actually, that is a very good question, Mr. Chairman, because we are reviewing our assistance to the region. One of the things we are looking at is the authorities that were given to various agencies of the U.S. Government to see if the division of labor that has developed really reflects the expertise that is located in those various agencies.

After that review, we are going to propose going to Congress and sharing our findings with you to see if there is not some way to perhaps arrange the authorizations in a way that gives those authorities to the most effective agency to take the lead.

Mr. GILMAN. Thank you, Mr. Bond.

We will go for a second round. Mr. Pitts?

Mr. PITTS. Thank you, Mr. Chairman.

Mr. Bond, yesterday the Human Rights Watch-Helsinki issued a memorandum on U.S. policy in Central Asia. Among other recommendations, it said this:

“The United States must take a consistent and principled approach to International Religious Freedom Act implementation. Uzbekistan and Turkmenistan should be designated as countries of particular concern this year. A clear signal should also be sent to the governments of Kazakhstan, Tajikistan and Kyrgyzstan that continued repression of peaceful religious expression also risks their designation as countries of particular concern.”

Do you agree with this assessment? Why should not Uzbekistan and Turkmenistan be designated as countries of particular concern this year?

Mr. BOND. Mr. Pitts, we have considered designating Turkmenistan in the past as a country of particular concern, and I would suspect that we would do so again.

In the case of Uzbekistan, we realize there are religious problems there. I mentioned the problems and persecution of independent Muslims. We have a dialogue with the Uzbek Government on that. We have been able to make progress in some areas on religious freedom in Uzbekistan.

Based on that progress in the past, we have recommended against designation. We will have to see whether we can achieve the progress this year to justify that it not be designated.

Mr. PITTS. Well, now in Uzbekistan the government has adopted a policy of punishing family members stating that the father will be punished for the sins of his son. Family members have proved an effective form of leverage in the battle against radical Islam. Relatives are held in prison indefinitely. Other things are used.

Is the U.S. Government aware of such practices in Uzbek prisons? If so, what are we doing about that?

Mr. BOND. We are aware of the prison problem in Uzbekistan. One of the accomplishments I was talking about or progress I was talking about was agreement we got from the Uzbek Government late last fall—it may have been as late as January—to allow the International Committee of the Red Cross to visit prisons in Uzbekistan to review the situation there and report to the government so that action could be taken to clean up the prison system. It was a step toward transparency.

It has just begun, but that is the sort of thing we are trying to do to get at the problem.

Mr. PITTS. Okay. Finally, besides the energy sector, are their significant trade and investment opportunities for U.S. companies in Central Asia?

Mr. BOND. I think there are substantial investment opportunities. There would be more if the Central Asia governments adopted market oriented policies.

In the case of Uzbekistan, which, as I said, is the largest market in the region, convertibility of the currency is key if it is going to attract foreign investment, but it is true in terms of cleaning up their act and corruption and other measures they need to take. The potential is clearly there, but they have to do things on the economic side to make it more attractive.

Mr. PITTS. And could you finally comment on the Chinese role in Central Asia? To what degree are you concerned about China and any interests they have?

Mr. BOND. Well, as I said, a core U.S. interest is seeing this develop into a stable area. To be stable, it has to move in terms of political and economic reform. It has to address these threats I was talking about in terms of extremism.

China has a role, a constructive role to play in the region. It is a member and a founding member of the Shanghai Forum, which is a group of Russia, China and several of the Central Asia states which has looked at first and foremost border security, but they are talking about Customs cooperation now and addressing some of the capabilities the Central Asian states have to develop to meet these threats, so I think China has potentially a constructive role to play.

Mr. PITTS. Thank you, Mr. Chairman.

Mr. GILMAN. Thank you, Mr. Pitts.

Mr. Issa, the gentleman from California.

Mr. ISSA. Thank you, Mr. Chairman.

Mr. Bond, I hope that you will bear with me. With multiple Committees, I am afraid I was not able to be here for this whole hearing.

I tend to be somebody who looks for the brightest spot in everything and sees what we can do to pursue that, so I hope my questions are not repetitive.

In the case of Kazakhstan, which to me appears to be still the brightest spot, one that has much potential, but some challenges, I wonder if you could characterize whether on balance with their history of liquidating some of their surplus arms left over from the Soviet days if that on balance you believe that engagement, as a strong initiative, is the most appropriate.

Mr. BOND. I think I know what incident you are referring to. We have engaged in terms of non-proliferation of conventional arms, as well as weapons of mass destruction and dual use technologies with the Kazakhs.

Where there have been incidents in which there have been arms transfers we have objected to them. We have obtained commitments from the Kazakh Government that those will not be repeated.

We have seen them begin to apply a new export control regime to tighten it up. We have various programs of assistance in the Customs area and export control area which we believe are helping them identify and deter and, if necessary, interdict transfers, so I think our engagement is producing results with Kazakhstan.

Mr. ISSA. I appreciate the good results there. My question, though, had to do more with investment in commercial trade. In light of what you have just described, all this progress, is this not the brightest spot in the region—

Mr. BOND. I see.

Mr. ISSA [continuing]. To invest?

Mr. BOND. Certainly it is in terms of the energy sector. There is about \$10 billion of investment in Kazakhstan; less in terms of opportunity in some of the other sectors of the economy.

Again, I said this before, and I do not want to sound like a broken record, but Uzbekistan has tremendous potential in the region if it would get its economic act together.

Mr. ISSA. Thank you, Mr. Bond. I guess my time has expired.

Mr. GILMAN. Thank you very much, Mr. Issa.

Mr. Rohrabacher, second round?

Mr. ROHRABACHER. Thank you very much, Mr. Chairman.

I am afraid that I do not see the light, even a glimmer, that my colleague sees. It seems to me in Kazakhstan Nazarbayev has basically maintained power at the expense of his country's prosperity and certainly at the expense of his country's and his fellow countryman's freedom.

There will not be economic progress in Central Asia until there is democratic reform in Central Asia. This is not what businessmen keep telling us about China; just invest and interact economically, and there is going to be democratic reform as a byproduct of economic progress. It is just the opposite.

You cannot expect people to invest in a dictatorship that has no free press and has no opposition parties. That is what keeps a country honest. That is what keeps a country honest enough for foreign investors to come in because they know they are not going to be asked for bribes or be intimidated by the corrupt officials in that country.

That is true of Kazakhstan and the other countries of Central Asia, too. If we are looking for prosperity in American investment, we better look for a commitment to democratic reform first.

I would like to go back to something that you said just in passing a moment ago about China. Let me just say that am I mistaken that the Chinese in the last decade have moved millions of Hun Chinese toward and now they are living on the border areas of Central Asia, when before they lived in the other parts of China? Is that a mistaken report?

Mr. BOND. It is not an area that I follow.

Mr. ROHRABACHER. Let me note that if indeed the reports that I have read that Communist China has moved tens of millions of Hun Chinese to the border areas of Central Asia, that does not indicate that China is a potential positive force, but instead indicates to me that China has very serious plans for Central Asia, and it is not positive.

It indicates to me from what I have heard while traveling in the region that there is already considerable illegal Chinese immigration going into Kazakhstan and these other Central Asian republics, and the Central Asian republics are justifiably scared to death that the Communist Chinese intend to inundate them and eventually take over their countries if not by force, then by evolution or forceful evolution.

I would say the Chinese represent a major threat to the stability rather than a potential positive force, and I would hope that our career diplomats would recognize that. Of course, we have had 8 years of groveling at Beijing. Maybe the new Administration will change people's views on the nature of the Communist Chinese dictatorship.

Back to the Taliban. Is there any indication that the Taliban drug shipments that are coming out of Afghanistan have ceased in the last 6 months as the Taliban claims?

Mr. BOND. My information, and it is limited, is that there has been an end to growing of poppy in Afghanistan, but that stocks remain. Substantial stocks remain, and trafficking continues.

Mr. ROHRBACHER. Yes. I think it is important for the west to note that it is very easy for the Taliban to claim that the poppy fields have ceased to grow, Mr. Chairman, because there is a drought in Afghanistan, and everything has ceased to grow.

My only question is when they get some water, are those poppy fields going to be back in production? Until then, I think to analyze the Taliban in a positive way that they are trying to cooperate in controlling the poppy fields by the fact that they cannot grow them because of the drought is a big stretch.

Of course, it is always easy to look for that glimmer, and maybe I hope that those people are looking for a more optimistic analysis of Central Asia. I hope they are right. I am pretty pessimistic myself, but that does not mean that we cannot get there and work with those people and turn it around and try to make things better.

Thank you very much.

Mr. GILMAN. Thank you, Mr. Rohrabacher.

Mr. Bond, do you anticipate any violence in the area this summer?

Mr. BOND. It is hard to tell, Mr. Chairman. We have had incursions into Kyrgyzstan and Uzbekistan over the course of the last two summers. Expectations are high in Central Asia that there will be some repeat of that sort of terrorism, but we will have to see.

Mr. GILMAN. One last question. Would you describe the role of Iranian policy in Central Asia? To what degree has it been counter to our own interests?

Mr. BOND. Iran's export of Islamic fundamentalism has been very unwelcome in Central Asia. The Iranians have been active there, and we are concerned about that.

We look, though, to Iran too to cooperate within the Six Plus Two, the U.N. process for trying to reach a settlement in Afghanistan, which has not been successful. The Iranians have cooperated in that, and the region has appreciated that cooperation and that effort to try and find a solution to Afghanistan.

Mr. GILMAN. If there are no further questions, Mr. Bond, I want to thank you for being here.

We had a staff briefing Monday by your office, and we had a good turnout there so there is interest by our Members with regard to these issues. I imagine we will have continuing interest in this area, and I want to thank you and my colleagues.

Just one last note that I happened to think of in closing. President Nazarbayev in Kazakhstan has been a very hard ruler. Corruption and repression there is staggering. His policies need to change. Are we trying to do anything to change his policies?

Mr. BOND. Yes, sir. Again, we had the Kazakh foreign minister here only a few weeks ago, and the subject of democracy, of respect for human rights, was in the forefront of the discussions we have had with him and will have with the government.

Mr. GILMAN. And we have made some progress there, do you think?

Mr. BOND. I am afraid you mentioned the media, the problems with the media law. We have seen some backsliding there. I cannot point to too many successes. They are very well enumerated in the human rights report we will produce this year on Kazakhstan.

Mr. GILMAN. Thank you very much, Mr. Bond, for being here.

Mr. BOND. You are very welcome.

Mr. GILMAN. The Committee stands adjourned.

[Whereupon, at 3:12 p.m. the Committee was adjourned.]

A P P E N D I X

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PREPARED STATEMENT OF JOSEPH R. PITTS, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF PENNSYLVANIA

I thank the Chairman for convening this important hearing this afternoon on the U.S. foreign policy towards Central Asia.

Economic prosperity, the growth of democracy, and the establishment of the rule of law in the Central Asian states is essential for regional stability and U.S. national security.

In the years following the breakup of the Soviet Union in 1991, there was hope and optimism about the future of Central Asia. Unfortunately, U.S. foreign policy towards the region—one that emphasizes a stand back and watch approach—has failed miserably.

One by one, Central Asia States, most notably, Tajikistan and Turkmenistan have taken multiple and swift steps backwards toward oppressive police regimes that strangle freedom and democracy.

This trend will continue in other countries unless the U.S. reevaluates its foreign policy in the region and begins to actively engage it.

Central Asia, which is precariously located with Russia to the North, China to the East, Afghanistan and Pakistan to the South, and Iran and Iraq to the Southwest, offers the U.S. many benefits and challenges.

Central Asia is an energy rich region full of potential for economic growth. Its natural resources are for the most part untapped. The people are hungry for democracy and economic prosperity, and there is a great desire to work with the U.S. and have a U.S. presence in the region.

However, corruption runs rampant and is getting worse. Proliferation of military equipment and weapons of mass destruction has also worsened. In fact, weapons proliferation to Iraq, specifically, has greatly increased the risk to our men and women in uniform in the Persian Gulf.

Blatant abuses of human rights by oppressive regimes have increased. Freedom of religion is nonexistent in some countries and getting worse in others. Terrorist cells of Islamic fundamentalists run free through many countries. The list goes on.

But, it is not too late. The U.S. can still affect positive change in the region by engaging with these countries. We must work with leaders of these countries and build bridges with them both economically and politically. We must let them know that the U.S. is not going to turn a blind eye to the region. We need to show them that we do care about stability and economic growth in the region.

If we engage them we can promote respect for human rights, and increase their understanding and acceptance of democracy and the rule of law.

I look forward to the testimonies of our witnesses this afternoon and a healthy and much needed discussion on our future policy toward this important region.

Thank you, and I yield back the balance of my time.

Central Asia Braces to Fight Islamic Rebe

5/3/01

By DOUGLAS FRANTZ

SAMARKANDYK, Kyrgyzstan — In the foothills of the majestic Pamir Mountains and in the ageless villages of the Fergana Valley, spring brings warm days, new leaves in the apricot orchards and deep fears about another season of violence and tension.

Across a vast swath of Central Asia, former Soviet republics have tried to strengthen their armies in anticipation of what have become annual attacks by radical Islamic insurgents financed from Afghanistan and operating with ever greater precision and sophistication from remote mountain bases.

These shadowy rebels, known as the Islamic Movement of Uzbekistan, have mounted deadly raids into Kyrgyzstan and Uzbekistan, aiming to put these shaky states on the defensive and to carry their cause gradually eastward, toward the repressed Muslim minorities of western China.

These guerrillas are the latest armed band to emerge from the ruins of the deadly conflict between American-backed rebels and the Russians in Afghanistan. The eventual coming to power of the Taliban united Washington and Moscow in determination to isolate Kabul's new brand of radical Islamism.

The rebels' leader is a 32-year-old Uzbek, Juma Namangani, who became radicalized during his service as a Soviet paratrooper in Afghanistan and trained opposition soldiers in the civil war that tore apart Tajikistan from 1992 to 1997.

For the leaders of this region's wobbly and young democracies, the rebels — and their goal of carving an Islamic state from the territory of some Central Asian countries — cast a large, menacing shadow.

"This is the most serious type of threat, and we will continue to face this danger for many years," said President Askar Akayev of Kyrgyzstan, a mountainous country of 4.5 million people.



Stanton R. Winter for The New York Times

Stubborn poverty in villages like Kara-Bak, in Kyrgyzstan, has residents frustrated and impatient with the lack of government aid.

Estimates of the guerrillas' strength range from a few hundred to several thousand. There are sketchy but widely circulated stories that the militants are trained by the Taliban and receive money from drug traffickers and from Osama bin Laden, the exiled Saudi accused of leading an international terrorist group.

For now the biggest fear is that expanded fighting will create thousands of refugees, increasing ethnic tensions among Kyrgyz, Tajiks and Uzbeks who live side by side in this border area and further straining the limited resources of the governments.

"There is a serious threat here," said Kathleen Samuel, the political officer for Osh, in southern Kyrgyzstan, for the Organization for Security and Cooperation in Europe.

"There is a belief that the fighting will be stronger" this year because the rebels need to build support, she



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Central Asia Is Bracing For Attacks By Militants

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said. "Last year," she explained, "the fighting was contained in sparsely populated areas. If it moves into more populated areas it will be dangerous to stability."

While taking the danger of Islamic insurgency seriously, Western diplomats suspect that the Central Asian governments exaggerate the present danger to justify harsh restrictions on religious freedom in a part of the world where democracy has barely taken root. The repression may well feed extremism in future.

In the Soviet era, religion was strictly controlled until the more relaxed policies of Mikhail S. Gorbachev made the creation of small Islamic groups possible. After independence in 1991, the five Central Asian countries tried to maintain control over the revival and prohibited Islamic political parties.

By the late 1990's, thousands of people had been beaten and imprisoned in Uzbekistan, where the government imposed tight restrictions on unofficial religious groups, saying they advocated creating an Islamic state.

The Islamic Movement of Uzbekistan came into public view in August 1999 when its members kidnapped four Japanese geologists in the Pamir Mountains. They were freed after the Japanese government paid a reported \$6 million ransom.

The insurgents are demanding the overthrow of the Uzbek government and creation of an Islamic state in the fertile Fergana Valley, which covers territory in Uzbekistan, Kyrgyzstan and Tajikistan.

Last summer the insurgents entered the valley from several directions and clashed with soldiers in Kyrgyzstan and Uzbekistan, resulting in 100 or more deaths. Fighting came within 60 miles of the Uzbek capital, Tashkent.

The State Department put the Islamic movement on its list of international terrorist organizations last year and stopped up military assistance to Central Asian states.



Photographs by Staton R. Winter for The New York Times

Central Asian nations, fighting Islamic rebels, are tightening security. Soldiers checked visitors' papers in southwestern Kyrgyzstan last week.



Matraim Moido Sapparov, the leader of the mosque in the impoverished, sleepy village of Samarkandyk in southwestern Kyrgyzstan, says the local people do not support insurgents who are fighting to establish an Islamic state. "Muslims do not take up arms against Muslims," he said.

Uzbekistan, the region's most populous country with 24 million people, called up more troops in March and is trying to develop a better-equipped, more mobile force to counter rebel incursions. "If they make another attempt, they must be tracked down and eliminated," Defense Minister Kadyr Gulamov said last month.

Kyrgyzstan increased its military budget this year and now spends 13 percent of its national budget on defense. But its 12,000-man army still suffers from low pay, low morale and poor equipment. Three soldiers lounging in an orchard near the Tajikistan border the other day wore surplus uniforms from the United States and Russia.

Mr. Akayev said an elite force had been trained for mountain combat and provided with communications and night-vision equipment from the United States.

But observers do not regard the Kyrgyz and Uzbek armies as a match for the Islamic insurgents. "Namangani did not go further in 1999 and 2000 because he didn't plan to," said a foreign government official in southern Kyrgyzstan.

The rising tension offers Russia an opportunity to regain a foothold in territories where its influence declined as the independent states aligned themselves with the West.

Russian military officers and members of its internal security force took part in anti-terrorist exercises throughout April in southern Kyrgyzstan. In Tajikistan, Moscow is setting up a military base and stationing 12,000 Russian troops to patrol the border with Afghanistan.

So far, Moscow's offers to send soldiers to combat the insurgency have been rejected by Uzbekistan and Kyrgyzstan and spurned by Kazakhstan, which has remained free of fighting so far but doubled its military spending to \$171 million this year and dispatched the bulk of its troops to the southern border with Uzbekistan this spring.

After years of relative tolerance, Kazakhstan and Kyrgyzstan have responded to what they perceive as the Islamic threat by drafting legislation to impose new controls on religious activities.

The measures provide broad latitude to ban religious organizations and impose criminal penalties, prompting Western diplomats to object strongly in private to government officials of both countries.

The diplomats say they are warning that the steps could lead to a backlash, increasing discontent and building support for the extremists in regions where, so far, there is little outward sympathy for the insurgency.

In Samarkandyk, a village not far from some of the fighting of the last two summers, the mud-brick mosque has been under construction for three years. The village is poor and there is no money to finish the work, said the mosque's leader, Matraim Moldo Saparov.

Mr. Saparov, a leather-faced man with a wispy beard, was reluctant at first to speak with visitors, noting

that the government had ordered religious leaders not to speak to outsiders without permission and advising the visitors to return at Friday Prayers when policemen and officials would be present.

Eventually Mr. Saparov relented and, sitting cross-legged on the mosque floor, outlined his view of the Islamic fighters.

"We understand that these rebels want to establish an Islamic state," he said, "but this is not the way to do it. Muslims do not take up arms against Muslims. There is no support here for these rebels."

Fighting and the threat of renewed violence, he said, cut off access to mountain pastures and trade routes and thus make life even harder for shepherds and farmers in a country where international organizations say 80 percent of the people live in poverty.

Uzbekistan, which accuses Tajikistan of harboring Islamic terrorists and asserts that Kyrgyzstan is too weak to stop rebel movements, has built a barbed-wire fence and placed Russian-made land mines along its southern borders. Neighboring countries tightened their own border controls in response.

While there is no evident fervor for Islamic rebellion here, there is a sense that people are running out of

patience in the face of stubborn poverty and the inability of their governments to help.

Rumors are rife that many young men from the area have joined the Islamic Movement of Uzbekistan. Their motives are economic or religious, depending on who is describing them.

An official with an international agency said six young men had left one village near Batken. But no one admits knowing anyone who has joined the rebels, despite the noticeable absence of young men in many villages.

"My husband went to Bishkek to look for work, and sometimes he sends money home," Zarakan Koshoeva, a 25-year-old mother of two, said as she sat with several other women at a roadside stand in the village of Kara-Bak, 50 miles east of Samarkandyk.

"There are no jobs, and no one helps us," Mrs. Koshoeva said, to the affirming nods and murmurs of the crowd.

Someone said they had heard that a Frenchman had offered small loans to residents. They are called microcredits, another person said.

"Yes," Mrs. Koshoeva agreed. "We missed him, but we heard he might come back some day."