

CRISIS IN KYRGYZSTAN: FUEL, CONTRACTS, AND REVOLUTION ALONG THE AFGHAN SUPPLY CHAIN

HEARING

BEFORE THE
SUBCOMMITTEE ON NATIONAL SECURITY
AND FOREIGN AFFAIRS
OF THE
COMMITTEE ON OVERSIGHT
AND GOVERNMENT REFORM
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**CRISIS IN KYRGYZSTAN: FUEL, CONTRACTS,
AND REVOLUTION ALONG THE AFGHAN
SUPPLY CHAIN**

THURSDAY, APRIL 22, 2010

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON NATIONAL SECURITY AND FOREIGN
AFFAIRS,
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,
Washington, DC.

The subcommittee met, pursuant to notice, at 10 a.m., in room 2154, Rayburn House Office Building, Hon. John F. Tierney (chairman of the subcommittee) presiding.

Present: Representatives Tierney, Welch, Driehaus, Quigley, Flake, Duncan, Turner, and Fortenberry.

Staff present: Andy Wright, staff director; Boris Maguire, clerk; Scott Lindsay, counsel; LaToya King, fellow; Aaron Blacksberg and Bronwen De Sena, interns; Adam Hodge, deputy CD; Laura Kieler, legislative correspondent for Representative Tierney; Adam Fromm, minority chief clerk and Member liaison, Stephanie Genco, minority press secretary and communication liaison; Tom Alexander, minority senior counsel; and Christopher Bright, minority senior professional staff member.

Mr. TIERNEY. A quorum being present, the Subcommittee on National Security and Foreign Affairs, the hearing entitled, "Crisis in Kyrgyzstan: Fuel, Contracts, and Revolution Along the Afghan Supply Chain," will come to order.

I ask unanimous consent that only the chairman and ranking member of the subcommittee be allowed to make opening statements. Without objection, so ordered.

I ask unanimous consent that the hearing record be kept open for 5 business days so that all members of the subcommittee be allowed to submit a written statement for the record. Without objection, that too is so ordered.

So good morning, everybody, and particularly our witnesses. I want to thank you again for being here today and helping to enlighten us on a region of the world that many Americans have not had an opportunity to study in depth.

Today's hearing will explore the recent revolution in Kyrgyzstan, the causes of the political turmoil there, and Kyrgyzstan's critical role in the supply chain for the United States and NATO's war effort in Afghanistan, although, Ambassador, you make the good point that cannot be the only and the sole focus of our relationship.

In addition, we will examine the political and geopolitical significance of allegations of corruption in connection with U.S. fuel contracts at the Manas Air Base in Kyrgyzstan. That is, of course, a critical transit and re-supply hub for Operation Enduring Freedom.

Last Monday, the subcommittee announced a wide-ranging investigation into allegations that the contractors who supply fuel to the Manas Air Base had significant financial dealings with the family of deposed President Kurmanbek Bakiyev. I understand from press reports that the interim government in Kyrgyzstan has announced its own investigation into allegations of corruption in the Bakiyev regime, including the Manas fuel contracts.

Of course, allegations of corrupt practices among Kyrgyz public officials are an internal Kyrgyz matter. However, some of the present allegations raise serious questions about the Department of Defense's management and oversight of contractors along the Afghan supply chain. Today's hearing will not answer the who, what, and where of the contractual dealings at Manas. It will also not test the veracity of allegations that are swirling in Central Asia. These questions will be answered in due course by the subcommittee's ongoing investigation.

Rather, the purpose of today's hearing is to look more broadly at the recent revolution in Kyrgyzstan, the Kyrgyz-American relations, the history of the U.S. presence at Manas, and the significance of the allegations of corruption at the base as a driver of the revolution.

Since 2001, Kyrgyzstan has been a critical ally of the United States in support of our ongoing military efforts in Afghanistan. The Manas Air Base is a crucial hub for U.S. troops going in and out of Afghanistan, as well as a refueling station for the United States and NATO aircraft operating in the region. Not unexpectedly, Kyrgyzstan's willingness to host a U.S. air base on former Soviet soil has generated some domestic controversy in Bishkek, and even more controversy in Russia, which looks suspiciously at the United States' influence in Central Asia.

As the United States has increased its presence in Afghanistan, our dependence on the Manas Air Base and the Northern Distribution Network—that, of course, is the supply chain to Afghanistan through Central Asia—has also increased. U.S. dependence is particularly acute at Manas; in March 2010 alone, 50,000 U.S. troops transited in and out of Afghanistan through this base.

So let's be honest. At many times throughout our history, the United States has closely dealt with unsavory regimes in order to achieve more pressing policy or strategic objectives. That is realism in a nutshell. But the United States also prides itself on a more enlightened view of our role in the world and our long-term interests in universal respect for democracy, the rule of law, and human rights.

Some suggest that the United States has allowed strategic and logistical expedience in Kyrgyzstan to become a lasting embrace of two corrupt and authoritarian regimes. Regardless of U.S. intent, we are left with the fact that both President Akayev and President Bakiyev were forcefully ousted from office amid widespread public perceptions that the United States had supported the regimes' re-

pression and fueled—I say that without any pun intended—their corrosive corruption.

Meanwhile, the leaders of Kyrgyzstan’s political opposition, the men and women who bravely confronted President Bakiyev for his corruption and oppression, were left in the lurch. Today, many of those opposition leaders are in power and, I expect, the United States will have to work hard to restore our credibility in their eyes, beginning with transparency regarding U.S. fuel contracts at Manas. I wish them the good judgment to transform the art of Kyrgyz governance in a manner deserving of the Kyrgyz people.

Ultimately, it is my belief that only transparency will help Kyrgyz-American relations move forward on a new page. And toward that end, I look forward to our witnesses’ thoughts on the future of this important alliance.

With that, I would like to yield to Mr. Flake for his opening remarks.

Mr. FLAKE. I thank the chairman and thank the witnesses for coming.

Kyrgyzstan is at a turning point, it seems. I think we are all hopeful that political stability will come. We have a vested interest, as the chairman mentioned, certainly with the air base as a supply hub for our operations in Afghanistan. The existence of a U.S. base in a former Soviet territory has been troublesome for Russia and, to make matters worse, there are longstanding allegations that former leadership benefited illegally from Department of Defense fuel contracts, as has been mentioned.

So there is no easy solution here, particularly given the air base and the situation we have there, but I look forward to any light that can be shed on the situation and what we can do as Members of Congress to make sure that we have a secure situation for our war efforts in Afghanistan and also to help lend stability to the situation there.

I yield back.

Mr. TIERNEY. Well, thank you, Mr. Flake.

The Chair recognizes Mr. Turner for a unanimous consent request.

Mr. TURNER. Thank you, Mr. Chairman. I would like to request unanimous consent to make an opening statement.

Mr. TIERNEY. Without objection, so ordered.

Mr. TURNER. Thank you, Mr. Chairman. I would like to thank you and the ranking member for holding this hearing on what is a very important issue, and I would like to pause for a moment to recognize in the back of the room we have Dr. Conroy and her AP Government class from Georgetown Visitation. They are all seniors who are here today participating in the hearing, and they include my daughter, Jessica Turner. So thank you, Mr. Chairman, for allowing me to recognize them.

Mr. TIERNEY. The committee welcomes all members of that class, as well as their faculty. We hope you enjoy your stay in Washington and appreciate, Jessica, your dad’s good work on this committee. He does really in-depth work and has been a leader here, and we appreciate that.

Mr. TURNER. Thank you, Mr. Chairman.

For the last 9 years, Kyrgyzstan has continued to assist the United States with our efforts in Afghanistan. Successive governments in Bishkek have resisted tremendous pressure from some other governments who would prefer the U.S. military bases be evicted from Central Asia. As a member of the House Armed Services Committee, I am frequently reminded of the critical contribution the Manas Transit Center makes to supplying the United States and NATO troops in Afghanistan.

I was further reminded of Kyrgyzstan's strategic location during my visit there several years ago. Manas also plays a vital role in providing security and military assistance to the Afghan people. By doing so, this facility and U.S. presence there helps the Kyrgyz security. We are grateful for Madam Otunbayeva's recent statements that the lease for use of the transit center will continue for another year. This assurance comes at a critical time in the buildup of United States and allied counterinsurgency forces in Afghanistan.

Furthermore, Manas creates other opportunities for the Kyrgyz public, including economic benefits such as jobs, salaries, and good services procured, as well as humanitarian assistance provided by the military personnel base there. For example, the U.S. service members have assisted a local orphanage by donating their time and money.

However, our relationship with Kyrgyzstan and with Central Asia as a whole should not be seen exclusively through the prism of U.S. bases there or as an adjunct of our Afghan policy. Currently, the Defense and State Departments group Central Asia in the same bureaus and divisions as Afghanistan and Pakistan. This organizational structure may act as an enabling factor for administration officials to pigeonhole Central Asian countries as simply a corridor to get to Afghanistan.

We should have in place policies and strategies that look at Central Asian states as countries that have their own unique cultures, challenges, and possibilities. One of these possibilities is helping and encouraging the Kyrgyz people to create economic opportunity. Kyrgyzstan has little economic means today. The Kyrgyz people need economic opportunities and jobs to achieve long-term stability.

Stability is in America's and NATO's military interest. Economic development would help perpetuate stability. Prosperity and stability in Kyrgyzstan is also in America's and Europe's economic interest.

Most of the highways already exist for transportation. There is required investment that should assist the better border management and supporting infrastructure, and border control would also help stem narcotics flow out of Afghanistan, an issue that I am concerned about.

To help the Kyrgyz invite more investment, its democratic friends around the world, including the United States, must help its government to increase transparency. I hope that the administration and nongovernmental organizations, some of which are represented at this hearing, will assist the Kyrgyz Republic in creating ways that provide transparency for commercial transactions. This includes working with the new interim authorities to determine a way forward that eliminates any suspicion of wrongdoing by any

party to remove lingering doubts that the U.S. directly or indirectly condones corruption.

In the near future, I hope we will also be able to hear from administration officials to outline and describe U.S. strategies in the region. We need to ensure that we have a strategy not only to help Kyrgyzstan and its neighbors, but a strategy which continues to build upon and cultivate U.S. relationships in the region.

Again, I want to thank the chairman for holding this hearing.

Mr. TIERNEY. Well, thank you very much, Mr. Turner.

Is there any other Member who would like to ask for unanimous consent for an opening statement? Otherwise, we have the opportunity to place them on the record, of course, as usual.

The subcommittee will now receive testimony from the panel that is before us today. A brief introduction of each of them to begin, starting with Dr. Eugene Huskey. He is the William R. Keenan, Jr. Chair of Political Science at Stetson University in Florida. He also serves as an associate editor for the Russian Review and is a member of the Editorial Board for the Journal of Communist Studies and Transition Politics.

Dr. Huskey's work focuses primarily on transition politics and legal affairs in the former Soviet Union and its successive states of Russia and Kyrgyzstan. He is the author of several books and has published dozens of articles about the political affairs of Kyrgyzstan and other former Soviet states. He has been asked to speak before the CIA, the Department of State, and numerous universities in Kyrgyzstan, Russia, Europe, and the United States. Dr. Huskey received a B.A. from Vanderbilt University, an M.A. from the University of Essex, and a Ph.D. in politics from the London School of Economics and Politics.

Ambassador Baktybek Abdrisaev is a distinguished visiting professor of history and political science at Utah Valley State College. From 1996 until 2005, he served as the Kyrgyz Ambassador to the United States and Canada, and from 1995 to 2000 he was a member of the Kyrgyz Parliament. Prior to that, Ambassador Abdrisaev was appointed director of Kyrgyzstan's International Affairs Department under former President Askar Akayev.

Ambassador Abdrisaev specializes in international relations, diplomacy, and Central Asian comparative politics. He has published dozens of scholarly articles and op-eds on Kyrgyz politics, is the author of *Kyrgyzstan's Voice in Washington, Reflections of the Kyrgyz Ambassador on Bilateral Relations During the Transition Year*. Ambassador Abdrisaev holds a B.S. from the Bishkek Polytechnical Institute, a Ph.D. from the Institute of Electronics Academy of Sciences at Belarus, and a honorary professorship of the International University of Kyrgyzstan.

Ambassador, I want to express the committee's sympathies. I know you had personal losses during this latest uprising over there, lost three close members of your family and friends, amongst others, so we extend our sympathy to you. We know this is difficult testimony for you today and a difficult period of your life, and we thank you for taking time out to share with us your experience and your knowledge of this area, because it was in fact you that first negotiated the agreement with respect to Manas, so you have particular insight for us on that. Thank you.

Dr. Alexander Cooley is an associate professor of international relations at Barnard College at Columbia University and is currently a global fellow with the Open Society Institute. His areas of expertise are the political transformation of post-Soviet Eurasia, the politics of the United States overseas basing, and theories of contracting and organization. Dr. Cooley has written two books, including *Base Politics: Democratic Change in the U.S. Military Abroad*, which examines the political impact of the U.S. military bases in overseas host countries, including Uzbekistan and Kyrgyzstan. He obtained his B.A. from Swarthmore College, a Masters in philosophy from Columbia University, and a Ph.D. from Columbia University.

Scott Horton is an attorney, a lecturer at Columbia Law School, and a contributing editor for *Harper's Weekly*. Mr. Horton is known for his work in emerging markets in international law, especially human rights law and the law of armed conflict. He is a life-long human rights advocate and co-founder of the American University in Central Asia, where he currently serves as a trustee.

Mr. Horton is also a member of the Board of the National Institute of Military Justice and a member of the Council on Foreign Relations. Mr. Horton holds a B.A. from the University of Maryland and obtained a J.D. from the University of Texas following studies at the University of Munich and Mainz in Germany as a Fulbright scholar.

Sam Patten is the senior program manager for Eurasia at Freedom House. From 2008 to 2009, Mr. Patten served as a senior advisor for the Democracy Promotion at the Department of State. Prior to that, he headed the International Republican Institute's Moscow Office and directed its political programming in Baghdad from 2004 to 2005. Mr. Patten has also helped manage democratically focused campaigns in Ukraine, Georgia, Romania, Albania, and Northern Iraq. Prior to his international career, Mr. Patten served as an advisor to Senator Susan Collins and a speech writer to Senator Olympia Snow. Mr. Patten obtained his B.A. from Georgetown University.

So we have a lot of fire power here today. We expect to really learn a lot and, again, we want to thank you for being here, sharing your expansive expertise.

It is, of course, the policy of the committee to swear in witnesses before they testify, so I ask you to please stand and raise your right hands.

[Witnesses sworn.]

Mr. TIERNEY. Thank you. The record will please reflect that all of the witnesses answered in the affirmative.

Again, I remind you that your full written statement will be put into the written record, and I appreciate, as do the members of the committee, how extensive those written remarks were and how helpful they are in getting our background together. We allot about 5 minutes for opening remarks. The light will turn green, with a minute to go it will turn to amber, and when the 5-minutes are up it will turn to red and the floor drops and out you go. [Laughter.]

But basically we won't do that. We are appreciative of your being here. We will have some latitude, but we do want to get to a point

where we can have some questions and answered exchange back from the committee members to the panel.

So, Dr. Huskey, would you please start?

STATEMENTS OF EUGENE HUSKEY, PROFESSOR, STETSON UNIVERSITY; AMBASSADOR BAKTYBEK ABDRIAEV, LECTURER, UTAH VALLEY UNIVERSITY, AND FORMER KYRGYZ AMBASSADOR TO THE UNITED STATES 1996-2005; ALEXANDER COOLEY, PROFESSOR, BARNARD COLLEGE AT COLUMBIA UNIVERSITY; SCOTT HORTON, PROFESSOR, COLUMBIA LAW SCHOOL, AND CONTRIBUTING EDITOR, HARPER'S WEEKLY; AND SAM PATTEN, SENIOR PROGRAM MANAGER, EURASIA, FREEDOM HOUSE

STATEMENT OF EUGENE HUSKEY

Mr. HUSKEY. Thank you, Mr. Chairman, Ranking Member Flake, and subcommittee members, for giving me the opportunity to speak about U.S.-Kyrgyz ties and about the country of Kyrgyzstan, which I have been studying for the last two decades. Much of my testimony today is based on interviews that I conducted with three dozen members of the Kyrgyz opposition during the last 2 years. Many of those interviewees have now assumed prominent posts in the new government and five of them make up the new collective leadership of the country.

We are here today because the United States tried to please a dictator. We all understand that difficult decisions have to be made in wartime, but our embrace of the Bakiyev regime in Kyrgyzstan was far tighter than it needed to be in order to retain our basing rights in that country.

This became clear to me when I began interviewing opposition leaders in July 2008. They complained that for the first time in the post-communist era they were shunned by the U.S. Embassy in Bishkek. In late April 2009, the opposition candidate for president, Almaz Atambaev, told me that neither he nor other opposition politicians had been able to meet with the new U.S. Ambassador, even though she had been in her post for more than 6 months.

Atambaev was by no means a radical politician; he was a former prime minister and a successful businessman. He is now in fact the first deputy leader of the interim government, the No. 2 man in the country.

I heard the same refrain of isolation from the heads of NGO's in Bishkek. They had become untouchables in the eyes of the U.S. Government. These NGO leaders were smart, energetic, and anxious to take their country in a liberalizing direction.

With the U.S. Embassy out of the picture, the Russian Embassy in Bishkek stepped into the breach and, for the first time, Russian diplomats started to cultivate contacts in the western-oriented NGO community. This was the opening gambit in what would become a more balanced Russian policy toward government and society in Kyrgyzstan.

In spite of our numerous concessions to the Bakiyev regime, including the granting of lucrative contracts that is the subject of today's hearing, I would argue that the recently vented anger of Kyrgyz leaders and ordinary citizens over the air base does not re-

flect an inherently anti-American sentiment in the country. It derives instead from a sense that the United States betrayed its own principles and the forces of change in Kyrgyzstan in order to curry favor with a despotic ruler who held the key to the air base.

It also, I should add, reflects popular frustration with a decade-long history of Kyrgyz presidents selling or leasing pieces of the country's territory to the highest foreign bidder. These bidders have included Russia, Kazakhstan, China, Uzbekistan, and the United States.

Let me turn finally to a few of the issues that will shape the future of the air base and U.S.-Kyrgyz relations more broadly. First, it is vital that the interim government in Bishkek consolidate its authority throughout the country. The air base cannot function properly against the backdrop of sporadic civil unrest, never mind a civil war. The country is deeply divided along north-south lines and pockets of resistance to the revolution remain in the south.

Because the revolution was made in the north by northerners, and because the deposed president was from the south, there is great concern in the south that the interest of this historically disadvantaged region will not be fully represented in Bishkek. The interim government has made a good start by including two leaders from the south in its senior ranks, but there is still much work to do.

Second, who rules Kyrgyzstan and how will be determined in the next 6 months by the introduction of a new constitution and the holding of new elections. The new constitution is likely to strip the presidency of much of its power and strengthen the parliament. This should make politics more competitive, but it may also complicate future negotiations over the air base. The U.S. administration may need to gain the support of a coalition of parties instead of a single individual, as in the past.

As elections grow closer, the tensions within the collective leadership will increase because the focus of the rulers will shift from governing to campaigning for their party or for the presidency. It is at this point that the system is likely to be at its most fragile and there will be the greatest temptation for Kyrgyz politicians to use the air base at Manas as a whipping boy in order to advance their own electoral prospects.

It is in the interest of the United States, then, to have a thorough and early airing of our misdeeds with regard to the base and the Bakiyev regime. We do not want the next elections in Kyrgyzstan to be swayed by an October surprise that could reveal embarrassing details of our earlier policy toward the country. I welcome, therefore, your efforts to investigate our policies toward the Bakiyev regime. I also welcome the early signs from the administration that we will be pursuing a new strategy of engagement with governments and societies in Central Asia.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Huskey follows:]

**Written Statement
of
Eugene Huskey
to
The House Subcommittee on National Security and Foreign Affairs
April 22, 2010**

**"Crisis in Kyrgyzstan: Fuel, Contractors, and Revolution along the Afghan
Supply Chain"**

Kyrgyzstan: Country Background

Kyrgyzstan is a small, mountainous country in Central Asia with a population of just over 5 million people. There are several ethnic groups indigenous to the country, the largest of which are the Kyrgyz (65 percent), and the Uzbeks (14 percent). Russians and other Slavic groups moved into the region in the late 19th century with the tsarist conquest of the territory, and a large influx of Russians occurred during the Soviet era, when Kyrgyzstan was one of the 15 republics of the USSR. However, the collapse of the USSR led to a significant exodus of Russians and other Slavs, and Russians now account for about 13 percent of the population.

Although there was considerable inter-ethnic tension in the period of transition from communist to post-communist rule, the most serious conflict in recent years has been between ethnic Kyrgyz living in the north and the south. Separated by towering mountains that are impassable for part of the year, these two regions have developed somewhat different cultures, with the North more heavily influenced by Russia and the West and the South by Uzbekistan and the Islamic world.

During the first 14 years of the post-communist era, Kyrgyzstan was ruled by a northern president, Askar Akaev, but he was overthrown in the Tulip Revolution of March 2005, an event that was led by southerners who believed that they had been excluded from political and economic power. For the first year and half after the Tulip Revolution of 2005, the country was governed by a "tandem," with a president from the south, Kurmanbek

Bakiev, and a prime minister from the south, Felix Kulov. This arrangement broke down, however, at the end of 2006, and the period that followed witnessed a dramatic concentration of power in the hands of Bakiev's family members and other southerners and an unprecedented reliance on repression as a method of rule.

The Enabling Role of the United States in the Bakiev Dictatorship

Difficult decisions have to be made in wartime, but our embrace of the Bakiev regime in Kyrgyzstan was far tighter than it needed to be in order to retain our basing rights in the country. This became clear to me when I began interviewing opposition leaders in Kyrgyzstan in July 2008. They complained that for the first time in the post-communist era, they had been cut off from contact with the US Embassy in Bishkek. In late April 2009, the opposition candidate for president, Almaz Atambaev, told me that neither he nor other opposition politicians had been able to arrange a meeting with the US ambassador, even though she had been in her post for over a year. Atambaev was by no means a radical politician; he was a former prime minister who had a successful career in business. He is now one of the leaders of the interim government.

I heard the same refrain of isolation from the heads of NGOs in Bishkek: they had become untouchables in the eyes of the United States Government. These NGO leaders were smart, energetic, and anxious to take their country in a liberalizing direction. With the US Embassy out of the picture, the Russian Embassy in Bishkek began to step into the breach, and for the first time Russian diplomats started to cultivate contacts in the Western-oriented NGO community.

The Manas airbase granted President Bakiev a kind of get-out-of-jail free card with the US. Not only did the United States help to enrich his family with lucrative contracts from the base, but in most cases we were willing to overlook the brutality that had driven the opposition and the broader population to the point of desperation. To be sure, the State Department continued to publish its annual human rights report, which contained evidence of wrongdoing by the regime, but this document seemed to go unnoticed in Washington. For Bakiev, the most welcome international

reaction to last summer's deeply flawed presidential election in Kyrgyzstan was the muted and delayed response of the US government. It's important to remember that the elections in Iran were far more competitive last year than those in Kyrgyzstan.

The Manas Airbase and Russian-American Competition over Kyrgyzstan

In February 2009 President Bakiev received a pledge of over \$2 billion in aid from Russia in exchange for a promise to expel Western forces from the Manas airbase. The Russian Government denies that there was a quid pro quo, but Bakiev announced his intent to expel Western forces while he was in Moscow, having just received the grant from President Medvedev. However, American acquiescence to the consolidation of authoritarianism in Kyrgyzstan brought its desired reward a few weeks before the Kyrgyz presidential election of July 2009. In an about-face, the government of Kyrgyzstan agreed to extend the lease on the NATO base for another year. In exchange for this staging point for operations in Afghanistan, it appeared that the United States would pay handsomely. The annual fees for leasing rights were tripled, and the Russians, who already had a military base near the Kyrgyz capital, were promised a new facility, this one an "anti-terrorist center" near the southern city of Osh in the Ferghana Valley region. This center was to operate within the framework of the Shanghai Co-operation Agreement, to which Russia, China, Kyrgyzstan, and other Central Asian states were signatories.

The opening of a base in Osh had the potential to destabilize further the fertile Ferghana Valley, one of the world's most densely populated and explosive regions. Divided among Uzbekistan, Tajikistan, and Kyrgyzstan, the Ferghana Valley has long been an incubator of political and religious radicalism, and it is now a breeding ground for clandestine organizations like the Islamic Movement of Uzbekistan (IMU) and Hizb ut-Tahrir (Party of Liberation). Where the IMU seeks to trigger a popular uprising through armed attacks directed at the government of Uzbekistan, Hizb ut-Tahrir has developed in southern Kyrgyzstan a mass underground party whose alleged commitment to non-violence does not square with its religious intolerance.

Bakiev seemed to believe that a base in the south would serve as a shield for Kyrgyzstan against these militant groups and against Kyrgyzstan's larger neighbor, Uzbekistan, which had shown little respect for Kyrgyz sovereignty over the years. However, before negotiations with Russia could be finalized on the new base, the United States intervened to acquire its own "anti-terrorist center" in the Kyrgyz south. In early March 2010, Bishkek and Washington reached agreement on the opening of an American anti-terrorist facility in the south, near the city of Batken. Within weeks, Russia had thrown in its lot with the opposition. The president of one of Eurasia's smallest countries had played two of the world's great powers off each other, and he paid the price.

The Causes of the April 2010 Revolution

A normally fragmented political opposition in Kyrgyzstan began to unite in 2008 for purposes of self-preservation. Politically-inspired murders, arrests, and physical intimidation encouraged the members of the opposition to advance a unity candidate for president in the July 2009 election and to plan the overthrow of President Bakiev on election day. It was their expectation that the population, frustrated by the harshness of Bakiev's rule and the fraudulent character of elections, would rise up against the leader. Although there were a few demonstrations in northern cities in July 2009, the election passed without serious incident.

Barely nine months later, in April 2010, the opposition planned a similar uprising, this one to coincide with the holding of traditional Kyrgyz assemblies (*kurultai*) in the country's major cities. In the Western city of Talas, the organizers of the kurultai began their meeting a day early, and at this point the authorities stepped in to try to break up the assembly. A battle then ensued between demonstrators and police, with the governor's office in the region changing hands between demonstrators and the authorities over the course of the evening. This event prompted the Bakiev administration to begin rounding up leaders of the opposition in the capital of Bishkek.

The news of these arrests spread to Bishkek and outraged the gathering crowds in the capital, whose numbers and boldness appeared to grow by

the minute. As the crowds sought to break through the iron gates of the presidential palace, the president's brother, Janybek, reportedly gave troops the order to fire. Snipers located on rooftops surrounding Ala-Too Square began to pick off demonstrators, most of them young men with few prospects in life.

Remarkably, the crowds did not disperse. As one colleague relayed to me, young Kyrgyz men simply stared down the bullets like zombies as others were killed and wounded around them. With the dead now numbering in the dozens and the wounded in the hundreds, the crowd seized the less well-defended parliament building north of the main square, and then, after commandeering trucks and armored personnel carriers, began a final assault on the Kyrgyz White House.

Apparently fearful of holding the leaders of the opposition as the battle for the country reached a tipping point, the police released them into the maelstrom that was sweeping through the capital. With the White House burning in the distance, opposition leaders met in the looted parliament building to form a new, interim government led by Roza Otunbaeva, Almaz Atambaev, Ismail Isakov, Omurbek Tekebaev, Temir Sariiev, and Azimbek Beknazarov .

Name	Region of Origin	Professional Background	Portfolio
Roza Otunbaeva (Chair)	Talas (North)	Diplomat	General
Almazbek Atambaev	Chui (North)	Business	Economics
Azimbek Beknazarov	Jalal-Abad (South)	Prosecutor	Law
Ismail Isakov	Osh (South)	Military	Military
Temir Sariiev	Chui (North)	Business	Finance
Omurbek Tekebaev	Jalal-Abad (South)	Teacher/Party Work	Constitutional Drafting

Why did the planned uprising succeed in April 2010 where it had failed in July 2009? It was the same population, the same opposition, the same

tactics, and there was not even a de-legitimizing election in April to mobilize the crowds. Certainly, economic conditions were harsher this year: tens if not hundreds of thousands of migrant laborers had returned home from Russia and Kazakhstan to no jobs; a brutal winter had just ended and given way to the spring demonstration season; and the government had imposed dramatic increases in utility rates on a population that was already living at the margins. Moreover, President Bakiev had granted even more power to his son and seemed to be preparing a dynastic succession.

But the spark for this already volatile mixture was the decision of Russia to destabilize the Bakiev regime. The first overt signal of Russia's support for an insurrection came on March 23, when state-controlled television from Moscow, widely-watched in Kyrgyzstan, broadcast a report that was critical, for the first time, of the cronyism and nepotism of President Bakiev. A week later, Russia imposed a tariff on the export of petroleum products to Kyrgyzstan, which eroded further the already low living standards of the Kyrgyz. It is no surprise, then, that Prime Minister Putin was the first foreign leader to congratulate the Kyrgyz people on their successful revolution.

Putting the Manas Base Crisis in Context

In spite of our numerous concessions to the Bakiev regime, the recently-vented anger of Kyrgyz leaders and ordinary citizens over the airbase does not reflect an inherently anti-American sentiment in the country. It derives instead from a sense that the United States betrayed its own principles, and the forces of change in Kyrgyzstan, in order to curry favor with a despotic ruler who held the key to the airbase. It also reflects popular frustration with a decade-long history of Kyrgyz presidents selling or leasing pieces of the country's territory to the highest foreign bidder. These bidders have included Russia, Kazakhstan, China, Uzbekistan, and the US.

In the case of China and Kazakhstan, unequal treaties involving land transfers have helped to undermine the authority of the Kyrgyzstani regime itself. In 1999, Kyrgyzstan lost 250,000 acres to China in a new delimitation of the Sino-Kyrgyz border, a concession that was attributed by some members of the opposition to the acceptance of bribes from Beijing by

President Akaev and a senior member of his cabinet. The outrage following this deal would ultimately lead to the jailing of a prominent critic, Azimbek Beknazarov, who is now a member of Kyrgyzstan's Interim Government. A subsequent attack by police on Beknazarov's supporters was one of the bloodiest confrontations in the post-communist era.

Only slightly less unpopular was the ceding of four tourist resorts on the northern shore of Lake Issyk-Kul', well inside Kyrgyzstani territory, to the government of Kazakhstan in order to pay off debts. There was also an attempt by the Kyrgyz government in the early 2000s to cede strategically important territory in the Ferghana Valley to neighboring Uzbekistan in order to reduce tension with its authoritarian leader, Islam Karimov. However, this concession, negotiated by Kurmanbek Bakiev when he was prime minister, had to be shelved because of a popular backlash. As noted earlier, Kyrgyzstan has also granted a long-term lease on a military base to Russia, which has troops near the city of Kant, on the other side of the capital from the Western base in Manas.

Thus, the granting of base privileges at Manas to Western forces must be seen in the framework of this unsavory tradition of Kyrgyz presidents selling and leasing territory to enrich themselves or to advance narrow foreign policy goals. From the perspective of many Kyrgyz leaders and citizens, this selling of the state, and auctioning off of Kyrgyz bases to the highest bidder, has led to a kind of "de-sovereignization" of the country. As a result, in a more democratic environment, one can expect very difficult negotiations over the future of the airbase at Manas.

The Future of US-Kyrgyz Relations and the Manas Airbase

The Interim Government in Kyrgyzstan faces numerous challenges, including the most basic one of restoring order to a country where power had been in the streets only two weeks ago. It is vital that the interim government consolidate its authority throughout the country. The airbase cannot function properly against the backdrop of sporadic civil unrest, never mind a civil war. The country remains deeply divided along north-south lines, and pockets of resistance to the revolution remain in the south. Because the revolution was made in the north by northerners, and because

the former president is a southerner, there is great concern in the south that the interests of this historically disadvantaged region will not be fully represented in Bishkek. The 6-person interim government has made a good start by including three leaders from the south in its ranks.

Second, "who rules Kyrgyzstan and how" will be determined in the next six months by the enactment of a new constitution and the holding of new elections. The new constitution is likely to strip the presidency of much of its power and strengthen the parliament. This should make politics more competitive, but it may also complicate future negotiations over the airbase. The US administration may need to gain the support of a coalition of parties instead of a single individual.

As elections grow closer, the tensions within the collective leadership will increase because the focus of the rulers will shift from governing to campaigning for their party (or for the presidency). It is at this point that the system is likely to be at its most fragile, and there will be the greatest temptation for certain Kyrgyz politicians to use the airbase at Manas as a whipping boy in order to advance their own electoral prospects. Already, Omurbek Tekebaev has harshly criticized the United States for its "double standards" in the Bakiev era with regard to human rights in its own country and in Kyrgyzstan. Another member of the Interim Government, Azimbek Beknazarov, stated on April 17 that he finds the stationing of Western forces on Kyrgyz territory "unjustified," though he noted a final decision about the airbase had not been taken.

It is in the interest of the United States to have a thorough and early airing of our misdeeds with regard to the base and the Bakiev regime. We do not want the next elections in Kyrgyzstan to be swayed by an October surprise that could reveal embarrassing details of our earlier policy toward the country. I welcome, therefore, the committee's efforts to investigate our policies toward the Bakiev regime. I also welcome the early signs from the administration that we will be pursuing a new strategy of engagement with governments **and** societies in Central Asia.

Eugene Huskey is William R. Kenan Jr. Professor of Political Science at Stetson University in DeLand, Florida. He received a B.A. from Vanderbilt University, an M.A. from the University of Essex, and the Ph.D. from the London School of Economics and Political Science. Professor Huskey is the author or editor of four books and he has written 50 articles on politics and legal affairs in the Soviet Union and the successor states of Russia and Kyrgyzstan. He has conducted field research in Kyrgyzstan six times since 1992, and during the last two years he spent five weeks interviewing leaders of the opposition, several of whom are now leaders of the Interim Government. Professor Huskey's current research on Kyrgyzstan is supported by a grant from the National Council on Eurasian and East European Research (NCEEER).

Recent works by Eugene Huskey on Kyrgyzstan

"If You Want to Understand Kyrgyzstan, Read This," *Salon*, April 9, 2010 [5500 word essay on Kyrgyzstan's path to the April 2010 Revolution]
http://www.salon.com/news/kyrgyzstan/index.html?story=/news/feature/2010/04/09/guide_to_kyrgyzstan_uprising

"Kyrgyzstan Uprising an Indictment of U.S. Policy," *St. Petersburg [FL] Times*, April 9, 2010.
<http://www.tampabay.com/opinion/columns/kyrgyzstan-uprising-an-indictment-of-us-policy/1086074>

"Pushing the 'Reset' Button with Russia's Neighbors," *St. Petersburg [FL] Times*, July 23, 2009.
<http://www.tampabay.com/opinion/essays/article1020813.ece>

"Foreign Policy in a Vulnerable State: Kyrgyzstan as a Military *Entrepot* between the Great Powers," *China and Central Asia Forum Quarterly*, no. 4 (2008), pp. 5-18.
<http://www.chinaeurasia.org/images/stories/isdp-cefq/CEFQ200811/fpvskmegp2008115-18.pdf>

"Eurasian Semi-Presidentialism? The Development of Kyrgyzstan's Model of Government," in Robert Elgie (ed.), *Semi-Presidentialism Outside Europe* (Routledge, 2007).

"Kyrgyzstan's Tulip Revolution: An Interview with Roza Otunbayeva," *Demokratizatsiya: The Journal of Post-Soviet Democratization*, vol. 13, no. 4 (Fall 2005), pp. 483-489.

"Why Don't Opposition Elites Co-operate with Each Other in the Post-Communist World? The Evidence from Kyrgyzstan," *Post-Soviet Affairs* (forthcoming).

Mr. TIERNEY. Thank you, Doctor. We appreciate your remarks. Ambassador.

STATEMENT OF AMBASSADOR BAKTYBEK ABDRISSAEV

Mr. ABDRISSAEV. Dear Mr. Chairman, dear Ranking Member Flake, dear members of the subcommittee, ladies and gentlemen. First of all, I would like to express my sincere gratitude for inviting me to testify before your committee on the recent change of government in Kyrgyzstan and its impact for U.S.-Kyrgyz relations.

When the upheaval of April 6th and 7th happened in Kyrgyzstan, I was teaching my students in Utah at Utah Valley University. This time, in comparison with the events 5 years before, a regime of the deposed President Bakiyev, as he promised, used live ammunition against protesters, and soon, like many others in Kyrgyzstan, I felt a great pain from this.

Among those who fell, struck by the two bullets in the head was my nephew, 35 years old, Rustan Shambetov, and one of my wife's cousins, Mirlanbek Turdaliev, 29 years old, who was raised as an orphan in Jalalabad, the same city from which the deposed President Bakiyev also came. Then one more person, Joldoshibek Kудaybergenov, 36 years old, journalist, who was just witnessing the process and tried to await some news about that. He was struck by a bullet.

So this is also the proof that there were so many people there involved, not just the crowd and mob, but just many people who are sincerely, genuinely trying to witness the changes that was going on.

So the upheaval caused 85 people so far and hundreds and hundreds still are there in hospitals. And now the Kyrgyz people there want, first of all, accountability for the government which was undermined by corruption and nepotism, and also a government which authorized the use of lethal force against protester citizens. But they also want a new government, and they have high expectations from the people who are now in the interim government who would restore democratic freedoms, ensure free access to the market, and the system of corruption and patronage.

They also are asking questions. Most important, is America truly our friend? And if so, then, first, America should demonstrate its commitment to democracy and the values of an open society with more than just words. Second, America should also remember that Kyrgyz society, despite the questions quite sharp and not pleasant about the procurement contracts, etc., still continues to view America as a model worth emulating.

Third, America should remember that its support, for example, for education in Kyrgyzstan has had a far more positive impact on our country than the Transit Center. U.S.-founded American University in Central Asia is now among the most prestigious universities in Central Asia and the region, and America can show it cares about our country by continuing such generous support for education that is shaping our country's future.

And as far as the air base, Manas, is concerned, I would like to remind you, first, that its major aim was, and still continues to be, to support U.S. military operations in the war in Afghanistan and,

as a result of that, to maintain security for the Kyrgyz public against external threats that originate in that country.

Therefore, from the beginning, the air base operation, the issue of payment was never our primary concern. The Kyrgyz government was focused on the threat of its own population originating from Afghanistan starting from 1999 when, for the first time, we experienced incursions of al Qaeda on our soil and, as a result, 3 years before 9/11 we experienced such attacks and we lost 55 lives of our people in uniform and citizens.

So, therefore, when the United States came with such a proposal, we welcomed it and said, as President Akayev mentioned in 2002 during his visit to Washington, DC, at CSIS, that Kyrgyzstan will make its own contribution to fight with this great evil terrorism. We are not asking for the money because this is our own fight for the triumph of democracy and the right to enjoy its fruits, to live in peace and prosperity.

I am really grateful to you for, again, having this hearing. So many of you talk why and how the issues from such kind of strategic importance now shifted to the issue about the so-called corrupted practices from both sides, and I know that my colleagues have a lot to offer.

But my main message is that we have to restore our cooperation on a wide-range of issues, and the issue of the base is extremely important to us, to continue to keep its presence as a strategic asset for us against a strike from Afghanistan and, at the same time, to pay attention to other areas—education, political, and economic reforms—which could help the country continue to advance itself in Central Asia, which deserves its own right and place in the international community.

Thank you very much.

[The prepared statement of Mr. Abdrisaev follows:]

**TESTIMONY BEFORE THE U.S. HOUSE OF REPRESENTATIVES
SUBCOMMITTEE ON NATIONAL SECURITY AND FOREIGN AFFAIRS:
“CRISIS IN KYRGYZSTAN: FUEL, CONTRACTORS AND REVOLUTION
ALONG THE AFGHAN SUPPLY CHAIN”**

**Baktybek Abdrisaev, Distinguished Visiting Professor, Utah Valley
University**

Room 2154, Rayburn House Office Building

April 22, 2010

Dear Mr. Chairman, dear Ranking Member Flake, dear members of the subcommittee, ladies and gentlemen,

I would like to express my sincere appreciation to you all for inviting me to testify before your committee on the situation in Kyrgyzstan, and particularly the consequences of the recent change of government for U.S.-Kyrgyz relations. As Kyrgyzstan's ambassador to the United States from 1997-2005, this topic has consumed much of my life's work. Indeed, one of my major accomplishments as ambassador was to represent my country in the process surrounding the opening of Ganci Air Force Base—what is now known as Manas Transit Center.

Why the Present Situation in Kyrgyzstan is not a Tulip Revolution

When the small Central Asian nation of Kyrgyzstan experienced its second upheaval in five years, I was on the other side of the world teaching my government students in Utah. Still, I followed the events with a great sense of anxiety. In some ways, the developments of April 6-7 resemble the events of March 2005 during the so-called Tulip Revolution – government office buildings were stormed by angry mobs, looting occurred in the capital city of Bishkek - but in a very tragic way, the events were different. This time, as was promised by the deposed President Bakiyev, his people used live ammunition against protestors and my family and friends were caught up in the tragedy that ensued. And soon I felt great pain from it. Among those who fell, struck by two bullets to the head fired by security forces, was my nephew, Rustan Shambetov, 35, who worked as a conductor and was then expecting his third child. One of my wife's cousins, Mirlanbek Turdaliev, 29, who was raised as orphan in Jalal-Abad, was also killed, as was Joldoshbek Kudaybergenov, 36, from the information agency “Zamandash,” who was working with me and my colleagues at Utah Valley University on an academic project.

The 2010 upheaval has cost 84 lives so far. That number may not seem large, but Kyrgyzstan is a small country that prides itself on its extended family networks, so the loss has been broadly felt. This loss has filled the Kyrgyz with anger and hope. They want accountability for a government which was hopelessly undermined by corruption

and nepotism and which authorized the use of lethal force against citizens who protested against it. But they also want a new government which will break free from the sorry path trod by its predecessors: restoring democratic freedoms, assuring free access to the market, and ending the system of corruption and patronage that characterizes Central Asia in the eyes of many.

Former President Bakiyev fled the country after attempts to find refuge among his kin in the Jalal-Abad region of southern Kyrgyzstan, and he challenged the power of the interim Government by refusing to resign. Crisis was averted through joint efforts of Kazakhstan, the Russian Federation, and the United States. I speak for many of my countrymen in saying thank you to President Obama and his team for their assistance with this problem, but I will have to hasten to add that much more help is necessary if a tragedy is to be averted in my country.

The faces of the new authorities are familiar to us from events of five years ago. This causes confusion and raises many questions in the minds of the Kyrgyz population as well as the U.S. Administration.

What are the differences between this new upheaval and the so-called Tulip Revolution? How will the new government handle its domestic policy as well as the international agenda? It is very important to take a careful look at the root causes of the so-called Tulip Revolution in order to understand the situation more clearly.

According to conventional wisdom, the explanation for the events of 2005 was simple: the corruption of the President's family, its interference in governmental affairs, such as rigging Parliamentary elections, and so forth. But there was another reason – Akayev, who was originally considered a reformer but was embattled with problems of corruption and backsliding from his pro-reform course, attempted to improve his own and the nation's reputation by having Kyrgyzstan undergo a transition of power – the first of its kind in Central Asia – in a legitimate way.

In August 2001, when I accompanied a U.S. congressional group to Kyrgyzstan, President Akayev announced to the delegation that he would obey the tenets of the Kyrgyz constitution and not run for office in 2005. For the West, this was a natural move, but it had never been tried in Central Asia. By making this announcement, Akayev created a dangerous precedent for the next rulers of the nation as well as for the entire region. In Kyrgyzstan, it triggered processes which ultimately would lead to the upheaval of 2005.

During the recent Kurultay (Peoples' Assembly), deposed President Bakiyev described how in 2002, in a meeting of the Kyrgyz elite, he had pursued his goal to become the next head of state, representing the interests of his constituency in the South of Kyrgyzstan. In response to complaints by the Southern constituency that Northerners (Akayev for instance) had held power in Kyrgyzstan for too long and that it was time to give Southerners a chance to rule, an agreement for the transition of government was forged by both sides. Two years before those events, in 2000, when we met with Almaz Atambayev, a Northerner and now among the leaders of the new government, he

reiterated in my presence that the Northerners would obey such a rule. Therefore, during those years the United States were quick to state and reiterate on a number of occasions that they support a democratic process in general, not a certain personalities.

Following the ancient tradition of rule by a family/clan and constituency, despite the agreement between the elites, President Bakiyev capitalized on the opportunity to install a government dominated by his clan (totally ignorant of political processes) and caused a regression in all areas of development of Kyrgyzstan despite his verbal pro-reform statements. Bakiyev was never pro-West, pro-reform, he was rather pro-his-own-kin, where the interests of his family, followed by tribal and regional ones, were in the forefront of his agenda. It was not a surprise that Bakiyev gave the orders to shoot people. His rise to power in 2005 was associated with acts of civil disobedience and protest, but also by acts of criminality—such as the looting the Jalal-Abad branch of the National Bank of Kyrgyzstan in February. A significant amount of Government money passed into Bakiyev's hands; he and his followers disrupted the functioning of the Jalal-Abad airport when they put loads from trucks on a runaway. It was therefore not remotely surprising to me that when the upheaval took place, he fled to hide among his kin in the area around Jalal-Abad. But these facts are vital to understand the failure of the so-called Tulip Revolution of 2005. Much of that revolution was led by principled individuals who believed in reform, but in the succeeding years they were gradually driven from power as the circle surrounding Bakiyev became smaller and smaller and ever more reduced to his own clan.

Akayev's efforts to manage the first transition were a terrible challenge for him. These were years filled with growing instability, and the lame-duck incumbent desperately witnessed even his close associates switching sides in attempts to find new bosses to whom they tried to endear themselves in order to remain in positions of power. December 2004 marked the apex of this trend, when nearly all the members of President Akayev's cabinet, fearing for their future, decided to run for Parliamentary seats. Upon the insistence of the U.S. Ambassador in Bishkek, the head of state was forced to reiterate on every occasion U.S. dignitaries visited Kyrgyzstan, that he was not going to run for the presidency in October 2005. This proved to be a suicidal act, in light of local traditions and customs, that further undermined his authority; he lost the respect and support of his own constituency.

By March 2005, when some of Akayev's family members and close associates were desperately attempting to find ways to extend their influence and power, the president had already lost both. It then behoved the international community to seal his fate by finding reasons why he fell out of grace with the country's citizens as well as the West. Despite the fact that all the reasons were legitimate ones, such an approach worked in the best traditions of the Soviet, totalitarian past, and satisfied many both inside and, most probably, outside the country. Akayev became a scapegoat for all past wrongdoings, and almost all the revolutionaries and the rest of the society suddenly found themselves represented as an enlightened society which would now start to do things correctly from scratch. The collective memory of the nation did not absorb the important lessons from the transition when a part of the nation's elite had to adapt to life outside of power.

But the problems my country faces cannot simply be laid at the feet of Kurmanbek Bakiyev and Askar Akayev. In 2005, many of the nation's political leaders understood the need for reform and had a clear vision of the specific steps that were needed. But they failed in the resolve to act on that vision. Today it is much clearer who among our political class is committed to serious reform and who is connected to the corrupt ways of the prior regimes. The country is therefore unlikely to make the same mistakes that occurred in 2005-06.

For the Kyrgyz people, it is a time to evaluate their recent past in a very thorough and objective way. We have to identify a proper place for each President in our history with both their contribution to the development of nation and their shortcomings. Secondly, we need to understand what separate us and joins us to the rest of Central Asia and the CIS. We are a traditional, conservative society, and yet the passion for freedom burns very deeply within us—unlike many of our neighbors. And notwithstanding our instinctive conservatism, we do have a strong consensus for political and economic reforms. Our people really believe in democracy as a concept—they are ready to fight and die for it—and we have a shared commitment to the market economy as a replacement for the command economy of the Soviet era and the nomadic agrarian economy that our ancestors practiced. Thirdly, Kyrgyzstan has to fight for its position among the community of nations and disprove those who say our two revolutions show we're a failed state. We're a very poor country, and we have to recognize that our struggles in the post-Soviet era haven't been entirely successful. But while some of our neighbors may mock us for our poverty and our rebelliousness, we can respond with a question—who among the people of our region, save Kyrgyzstan, has shown that democracy means something? In what other country are the people prepared to take a stand when a leader behaves arrogantly and subverts the rights of the people? Yes, the Kyrgyz people may be unruly. But that is an insult that British aristocrats hurled at the American colonists of the 1770s, too.

President Askar Akayev taught me that it is vitally important to nurture balanced and multi-vectored approaches for Kyrgyzstan. We are a small country and we cannot afford to have enemies. Moreover, our country naturally needs to count the great powers, especially the United States, Russian Federation and China, as its friends. Akayev's recent comments about the United States' involvement to the current events, I suppose, are driven more by his previous unpleasant memories than by the facts. But it is important for President Akayev to put aside his bitterness and allow love and concern for his country to drive his remarks. He has wisdom and advice to offer, and he can and should contribute to the healing process.

The United States also has some lessons to learn from the recent experiences. One is that America's efforts to nurture "an Island of Democracy" during first 10 years of nation's independence were not in vain. A passion for democracy has taken hold in our country. And yet, this drive for democracy has not had precisely the consequences that our American friends envisioned.

In the international arena, many theories abound which talk about responsible and predictable policies peculiar to democratic regimes. Perhaps it is time to witness how

those theories are now relevant on Central Asian soil as well. We see so many new faces anxious about the worsening of their daily lives among the crowds in the streets and among those who sacrificed their lives in the hope for reform. The people are anxious about their new leaders. Specifically, they are anxious about whether they will be betrayed in an orgy of corruption and cynicism as took hold after 2005.

A Clean Slate for Kyrgyzstan

The revolution has brought forward new faces on the international stage, but the faces are not new to the Kyrgyz. Roza Otunbayeva and Omurbek Tekebaev are the first names mentioned in the new interim government. Otunbayeva, in addition to being Minister of Foreign Affairs and Ambassador of Kyrgyzstan to Britain, was also my predecessor as Kyrgyz ambassador in Washington. Therefore, she may well have been tapped because of her extensive experience and skills in statehood and diplomacy. Her re-appointment as a head of the government interim also demonstrates deep roots of democratic traditions existing among the nomadic Kyrgyz and affirms again that a woman could be a leader of a conservative and Muslim society, continuing traditions, established during reign of a legendary Kurmanjan Datka, Queen of the southern Kyrgyz at the end of the 19th – beginning of the 20th century. Tekebayev, the head of Kyrgyzstan's oldest party "Ata Meken," began his career as a physicist. Both were deeply involved in the Tulip Revolution of 2005. Both quickly had a falling out with President Kurmanbek Bakiyev over corruption and nepotism issues. Both have a reputation for integrity that is not so common in Kyrgyzstan. That reputation is perhaps the greatest asset of the new government.

Two years ago I met Tekebaev in the Utah, when he, together with his fellow party members Bolot Sherniyazov, Erkin Alymbekov and Ravshan Jeenbekov, came seeking advice and assistance. I can say with confidence that he is neither pro-western, nor pro-Russian—he is a very pro-Kyrgyz. Tekebayev still sometimes quotes Lenin, and during the meetings in Washington, D.C., and Utah, his American counterparts were quite surprised by that, but it is a way that he and many of us were raised. At the same time, because of his real dedication to the democratic ideals and his party cause, Tekebayev managed to gather support among so many people over the whole of Kyrgyzstan, and to demonstrate the very qualities, which, unfortunately, were lacking in some of the Kyrgyz graduates from the western universities. Many of them are well educated and well spoken. They know what was right and they breathed the free air of Western democracies. But faced with a rapacious and autocratic regime, they made a pact with it.

Is America truly our friend? If so, then the Obama Administration must demonstrate that Kyrgyzstan means more than simply the Manas Transit Center. It needs to show appreciation for our struggle in the face of bullets and scorn for democracy. America should demonstrate its commitment to democracy and the values of an open society with more than just words. Tekebayev has announced the text of a new constitution. Otunbayeva spoke for many of her countrymen, and for me, when she said that the Kyrgyz were "tired of" the system of authoritarian presidents, which has demonstrated its ability to breed corruption and incompetence. Kyrgyzstan now seems headed towards a new system in which a checks-and-balances system will be introduced to

assure more accountability from those who hold power. America's support in this bold new venture will be essential. America should also remember that Kyrgyz civil society—which may ask a lot of pesky and intrusive questions about base procurement contracts—is still the natural ally of democratic government, and it continues to view America and Europe as models worth emulation.

While military affairs have gotten more attention, American support of education in Kyrgyzstan has had a far more positive impact on our country than the Transit Center. American taxpayers helped found the American University in Central Asia (AUCA), which is now among the leading and most prestigious centers of higher education in the Central Asian region, attracting students from far away. Many prominent people from the United States helped to do that. I have to name here, first Vice President Al Gore, who laid the ground for the school by agreeing to work on the project of joint Kyrgyz-U.S. department as a part of the National Kyrgyz State University, when President Akayev made such proposal to him during his visit to Bishkek in December 1993. Among other Americans who contributed to the creation of this school are such individuals as George Soros, Chairman of the Open Society Institute in New York; Robert Livingston, former Chairman of the U.S. House Appropriations Committee, whose tireless efforts helped the university secure its endowment. As ambassador, I watched as Democrats and Republicans, liberals and conservatives, have trekked to this university and given it their support. It showed me how Americans unite in appreciating the power and importance of higher education, and the promise it holds of a better future for both our countries. When American officials make their trip to Kyrgyzstan in the future, I want to offer them some practical advice: go to the university and be seen there. That institution is visible, lasting evidence that America's interests in Kyrgyzstan don't begin and end with the base at Manas. Kyrgyz citizens need to be reminded of that.

The United States also strengthened the country's primary and secondary schools, and they enabled many hundreds of Kyrgyz to pursue their studies in the United States. One of the important projects is related to the creation of a national testing system, which evaluates high school graduates objectively and gives the talented ones a chance to enter prestigious universities in Bishkek with tuition waivers. This project experienced a lot of trouble under the Bakiyev regime, because it was aimed at reducing a corruption and red tape in the universities. More than anything else, these efforts have formed the basis for warm feelings between our countries. America can show it cares about our country by continuing this generous support for education that is shaping our country's future.

Secretary Clinton and President Obama may have been somewhat slow to react to the developments in Kyrgyzstan, but their first steps after the revolution show that they have paid careful attention to what transpired, and they recognize some of the missteps taken by the United States in past years. In particular, they are to be lauded for avoiding the temptation to view all these developments as a Russian-American conflict by proxy. Instead, they have worked jointly with the Russians and with the Kazakhs to diffuse the situation by helping to secure Kurmanbek Bakiyev's resignation. This is a promising first step. But assistance from both the United States and Russia will be vital if

Kyrgyzstan is to turn the corner. This is an opportunity to support a model democracy in Central Asia which stood up for America in her time of need, and which promises a lasting friendship. Such a valuable opportunity must not be squandered.

In the past there were many examples of how the United States and Russian Federation worked together and provided benefits to Kyrgyzstan. I will name here just two of them. One was related to the support from the United States to a project on monitoring earthquakes in the mountains of Central Asia and beyond with the Russian Academy of Sciences and the Kyrgyz Academy of Sciences. Another project was related with the joint U.S.–Russian space program. On January 22nd, 1998, I was invited to visit Cape Canaveral for the launch of the Space Shuttle *Endeavor*, Mission STC-89, which carried out to the orbit an international crew with our countryman, Salijan Sharipov, aboard as a team member. During my speech before the audience there at the moment before launch, I said that we need more projects of cooperation between the United States and the Russian Federation, which benefit other nations in Central Asia. The symbolism of that was very great: a citizen of Russia, born in Kyrgyzstan, an ethnic Uzbek, flying aboard the U.S. Space Shuttle *Endeavor*, Salijan Sharipov had become the embodiment of the new spirit of unity, cooperation and friendship between different nations, which happened due to mutual understanding and willingness to work together between Washington, D.C., and Moscow.

The Airbase “Manas” and Its Place in Bilateral Kyrgyz–U.S. Relations

For American commentators, discussion of Kyrgyzstan circles around whether the United States will be able to keep a base to support its military operations in Afghanistan. The Kyrgyz understand America’s concern about its young men and women sent into harm’s way, and we share America’s goal of a stable and peaceful Afghanistan. Ms. Otunbayeva has announced that the base arrangements will be “rolled over” for a further year in July. At the same time, some members of a new interim Government, such as Azimbek Beknazarov, do not agree with her and are stating the opposite.

In order to understand the current situation with the base and its peculiarities, it would be good again to look at the history of the airbase’s appearance on Kyrgyz soil.

Airbase at the beginning named “Ganci” after New York Fire Department Chief Peter J. Ganci, Jr., who was killed in the 9/11 attack, appeared on Kyrgyz soil in December 2001 as a result of an agreement signed between the Government of Kyrgyzstan and the United States, which was represented by the Ambassador of the United States to Bishkek, H.E. John O’Keefe. Its major aim was and still continues to be to support U.S. military operations in the war in Afghanistan, and, as a result of that, to maintain security for the Kyrgyz Republic against external threats that originate in that nation. Much of the debate I have seen misses this essential point, namely, the Manas Transit Center and its critical supply function serves the national security interests of Kyrgyzstan every bit as much as it serves American national security interests.

Therefore, from the beginning of the airbase's operation, the issue of payment was never our primary concern. The Kyrgyz government was focused on the threat to its own soil and population originating from Afghanistan. Starting from 1999—the year of the first incursion of the Al Qaeda affiliated Islamic Movement of Uzbekistan onto Kyrgyz soil in their attempts to reach the territory of neighboring Uzbekistan—and till 9/11, Kyrgyzstan had military engagements with units of the IMU and paid dearly: more than 50 Kyrgyz soldiers and civilians died in the IMU assaults.

In a speech he gave in Washington at CSIS, President Akayev explained why Kyrgyzstan had made the base arrangements available at Manas. “Kyrgyzstan will make its own contribution in the fight with this great evil [terrorism],” he said, because it is our fight “for the triumph of democracy and the right to enjoy its fruits, to live in peace and prosperity.”

After the initial success of the U.S. military operations in Afghanistan, the IMU was decimated, Al Qaeda and the Taliban were driven to the far-away border zone between Afghanistan and Pakistan, and the threat once so acute to the Kyrgyz seemed to fade away. Moreover, the Bush Administration switched its focus to Iraq in 2003, pursuing a war effort which was difficult for my countrymen to understand. At this time contracting operations at the airbase came under the scrutiny of our very lively civil society and independent media. They asked persistent questions and focused attention on the contracts. The economic conditions in Kyrgyzstan were then becoming weak. For more than five years the country had been experiencing economic hardships due to the economic blockade and a rising wave of protectionism in Central Asia starting from 1998. The civil society organizations quickly came to focus on the fuel contracts and the role played by companies controlled by President Akayev's son and son-in-law in the process. They portrayed this as corruption—a foreign power was involved in corrupt contracts with our president's family. The disclosures were extremely embarrassing and damaging to the government.

These disclosures helped fuel the Tulip Revolution in 2005. But the backlash against the base that these disclosures triggered probably peaked in February 2009, when the Kyrgyz Parliament voted 79:1 to close Ganci Air Force Base. This vote was, however, orchestrated by former President Bakiyev, who was then engaged in an effort to simultaneously shake down both the U.S. military and the Russian Federation. Observing this process, it was apparent to everyone that no concern for our national security drove the behavior of Bakiyev and his friends; no respect for the lives we lost fighting the IMU. Instead Bakiyev's conduct and that of his closest lieutenants seems to have been driven by pure greed.

The U.S. forces deployed at the base have tried to build bridges to the local population through numerous gestures: by helping to improve and repair social, cultural, educational and other types of institutions in the areas around Bishkek. As the BBC in March 2009 wrote: “The Manas air base outreach society” created by Jim Carney, representative of the National Guard of Montana in Kyrgyzstan and programme co-ordinator, have collected money donated by military personnel.... and sponsored 129 heart surgeries for children in Kyrgyzstan as well as small remodelling projects in

orphanages and schools.” Another example of such generous and heartfelt assistance from the U.S. military to the Kyrgyz people have become a not so well-known story, described on March 28, 2010, by the *Washington Post* about Lyudmila Sukhanova, who was brought to the Manas airbase seven years ago almost dead because of mishandling by local Kyrgyz doctors. She was revived through the heroic and sustained efforts of doctors at the airbase and then at the Walter Reed hospital in Maryland. She still lives in Walter Reed, and, because of her inability to sustain herself without special treatment which could be provided in the United States only, she can’t go back to Kyrgyzstan. The U.S. taxpayers are paying millions of dollars annually in order to sustain her health. I met with her during the first year of her treatment at Walter Reed.

As these hearings demonstrate, the problems with the airbase persist, and again, the same issues are raised about complicated relationships between the local rulers and those who are responsible for logistical support. I am sure that my other colleagues will make suggestions about how to improve the situation in that area.

Connecting the Kyrgyz and the U.S. People

Now I am in my fifth year of teaching at Utah Valley University (UVU), and I am strongly convinced of the necessity for the Kyrgyz people to develop their ties with the United States and its people. One of my goals, when in 2005 I decided to go to Utah, using a kind invitation from than UVU, was to preserve the potential the Kyrgyz Republic created during my Administration and, if possible, to expand it. Here, I would like to share some knowledge about experience acquired during that time in building new ties between this educational institution and my country as one of potential areas of further bilateral cooperation.

Kyrgyzstan, since independence, has developed several quite diverse ties with such mountainous states of the Rockies, like Colorado, Montana, Utah and Wyoming that share with Kyrgyzstan the common feature related to their natural conditions and a challenging, mountainous way of life. Cooperation between Kyrgyzstan and Montana has focused on building ties between military, Wyoming concentrated more efforts on strengthening cultural ties and helping Kyrgyz handicrafts to find niches in the U.S. market, and Utah was developing ties between educational institutions.

The invitation from UVU gave us a chance to connect all of those efforts regionally and capitalize on that potential. Also, because of the support from so many of my friends and colleagues at UVU, starting with our old friend, Dr. Rusty Butler, Vice-President for International Affairs and Diplomacy; his wife Danielle Butler, the Honorary Consul of Kyrgyzstan; Kat Brown, the Chief of the Department of History and Political Science; and Alex Stecker, my senior colleague and my teacher at the department; and many others, a number of ideas that we didn’t accomplish during my tenure as the Ambassador were materialized at UVU—and even went beyond our expectations.

The idea with expansion of the agenda of sustainable mountain development, which now the United Nations promotes as one of its priorities because of the Kyrgyz initiative to celebrate the International Year of Mountains in 2002, found a strong support in a number of states of the Rocky Mountains. Now together with our colleagues at UVU we are getting closer to a creation of a regional network of all interested in that area of activities institutions and individuals. Then, it will be linked to the global electronic Mountain Forum, with special emphasis on cooperating with mountainous nations in Central Asia and Kyrgyzstan in particular. UVU and the Kyrgyz partners hosted the International Conference, “Women of the Mountains,” in 2007, and this fall UVU plans to organize a second one, which would help to sustain all those above-mentioned plans. This initiative, in part, coincides with a new vision of the Obama Administration about emphasizing the promotion of sustainable development globally as its major foreign policy priority.

Efforts of UVU in advancing those goals were praised by the Secretary General of the United Nations in his presentation on sustainable mountain development before the General Assembly of the United Nations on August 3rd, 2009.

Utah Valley University also helped to publish a manuscript of the 11th century, *Kutadgu Bilig*, which means, “Wisdom of Royal Glory” and is famous among Turkic-speaking people, project which we tried to accomplish long ago but without success. It is considered to be a Magna Carta by them. It was written by famous philosopher Yusuf Balasagun, who lived at the territory of modern Kyrgyzstan almost one century before that treasure trove of western political thought emerged. Series of the conferences, dedicated to the content of the book and lessons about the rule of law and good governance in Central Asia, helped the students and faculty of UVU and John’s Hopkins University in Washington, D.C. to gain a greater understanding about the roots of the good governance among the nations of Central Asia. This event was noticed in Kyrgyzstan, when a special presentation of the published book took place at the Kyrgyz–Turkish (Manas) University as a part of the International Conference, dedicated to that topic.

UVU works closely with independent information agency Zanandash in Kyrgyzstan on promoting critical thinking among the people in that nation as well as in Central Asia by disseminating in particular translations into Russian of the articles from Western media. Students and faculty of UVU contribute to this project, which exist during two years already. As I mentioned before Joldoshbek Kudaybergenov, who was a part of the team at the agency was killed during attack of the White House on April 7th, 2010. He was very determined man, hungry for knowledge and education and in parallel with working at the agency Zamandash was enrolled as a student of the Diplomatic academy.

Little by little, we are already creating around Utah Valley University a hub of Central Asian activities. In addition to a growing number of students and faculty of UVU interested in exchanges with Central Asian counterparts, a whole group of Utah legislators, led by the Utah State Senator John Valentine, are building their own ties with the members of the Parliaments of Kyrgyzstan and Tajikistan. After the visits to Bishkek and Dushanbe in 2007 and 2008, they are now planning a trip to Ashgabat.

Change of regime in Kyrgyzstan now creates a new momentum in strengthening cooperation between that country and Utah and other states of the Rockies. Therefore, as it is evident from this development that we are not only making recommendations about what to do for the Obama Administration in relation to Kyrgyzstan, but we are already creating a constituency and new resources to that end and as a result will be glad to contribute to its efforts both in Central Asia and in Kyrgyzstan in particular.

We need to develop such relationships between Kyrgyzstan and the United States. We need to work on joint ideas of promoting a better life based on such types of mutually beneficial initiatives.

Mr. TIERNEY. Thank you very much, Ambassador.
Dr. Cooley.

STATEMENT OF ALEXANDER COOLEY

Mr. COOLEY. Thank you very much, Chairman Tierney, Ranking Member Flake, distinguished members of the subcommittee, for this privilege of addressing you today. I am a political scientist who has studied the Manas Air Base since its establishment in 2001 and studied in a comparative context, viewing developments related to the base in comparison to other bases that we have in places like East Asia, Southern Europe, and other post-communist states.

Regrettably, it is not surprising that the U.S. military presence has become intertwined with allegations that the U.S. supported of the repressive and corrupt regime of President Kurmanbeck Bakiyev. At the same time, I do believe we have the opportunity now, if we act I think with some foresight and we act aggressively, to salvage the base.

I think it is important at the outset to understand that the base has come to mean different things for Kyrgyzstan and the United States. For us it is, naturally, this important, vital hub to support the mission in Afghanistan. And for the Kyrgyz, when it was first established, this was also the security purpose.

However, the base's role within Kyrgyzstan has evolved since its establishment, and during the Bakiyev regime and, I would argue, the latter stages of the Akayev regime, the base became viewed primarily as a domestic source of rents, income, and patronage. So this is why the United States has to pay quid pro quo to establish its presence in Kyrgyzstan. It otherwise lacks the authority, just from of this vital international mission, to keep the base.

Now, this quid pro quo has been official, in the form of rental payments that have gone from \$2 million to \$17 million to the current \$60 million, but some of the quid pro quo is also tacit; and this is when we get into the business of base-related service contracts and fuel contracts. Unfortunately, both these official and these tacit payments have tended to accrue to Kyrgyz elites and have not benefited Kyrgyzstan and Kyrgyz's development as a whole. So the base means very different things to each side.

As you mentioned in your opening remarks, Mr. Chairman, the base also became a symbol of the U.S.'s indifference to regressions in Kyrgyzstan's human rights and democracy. Also, the base itself was viewed not only as a symbol, but as an actual site of Bakiyev's greed and cronyism. It functioned as a daily reminder of what this regime had become.

The point I want to make in my remarks to you is that we learned actually the wrong lessons about the relationship between political authoritarianism, stability, and basing rights. Many DOD and State Department officials I talked to pointed to the example of Uzbekistan as a cautionary tale of what can go wrong; where, in 2005, after the crackdown of Uzbek security services against demonstrators in the eastern city of Andijon, there was a wave of international criticism, including from the U.S. State Department.

The Uzbek government became very concerned about our political commitment to them. This was also in the middle of the colored revolutions. And this led to a series of events that resulted in the

eviction of the U.S. military from the Karshi Khanabad K2 facility in the summer of 2005.

So the lesson seems to have been learned: don't push Central Asian governments on human rights and democracy; otherwise, you will jeopardize the base. But the fact of the matter is that Uzbekistan and Kyrgyzstan have very different political cultures. Kyrgyzstan is considerably more open; has a better civil society; and its security services are not as repressive and never have commanded the loyalty of the regime as they have in Uzbekistan.

And you saw that; in both 2005 and 2010, the security services did not go to the mat for the Kyrgyz regime. So that is one thing, that we sort of thought there was this one Central Asian political culture that fits all.

A second point I would make is that we started viewing Bakiyev's authoritarianism as, in and of itself, evidence of political stability, when in fact it was popular protest against electricity rate hikes and against the greed and corruption of the regime that led to its destabilization.

So I would just make those two points.

Recommendations going forward. We do have to mend fences with the Kyrgyz government, and quickly. I think we can offer financial support for very specific goals that we can agree with, for example, helping them finance this upcoming Presidential election that will be so open.

Second, I think U.S. officials should publicly declare their willingness to cooperate with any Kyrgyz investigation to Bakiyev-era base-related business practices and open these transactions to public scrutiny. I realize these are going to inconvenience certain parties, but the symbolism is important. This has to be treated as a political crisis, not as a legal matter. And one suggestion I would have is look at ways in which base-related contracts can accrue into the Kyrgyz national budget, as opposed to private entities with offshore registrations.

Finally, I think both the President and the Congress should recommit to supporting Kyrgyzstan's democratization and support the appropriate programs.

My final point, yes, the base was extended for a year, and we are all grateful for that, but we are entering a campaign cycle now where this will become a political pinata for populous politicians to really link the base to U.S. support of an unpopular dictator. So as Professor Huskey mentioned, it is imperative that we take these actions now, and not in October when the campaign is in full swing.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Cooley follows:]

UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
SUBCOMMITTEE ON NATIONAL SECURITY AND FOREIGN AFFAIRS

“Crisis in Kyrgyzstan: Fuel, Contractors and Revolution Along the Afghan
Supply Chain”

Hearing on April 22, 2010

Room 2154 – Rayburn House Office Building

PREPARED REMARKS OF

ALEXANDER COOLEY

ASSOCIATE PROFESSOR
BARNARD COLLEGE, COLUMBIA UNIVERSITY
AND
OPEN SOCIETY INSTITUTE GLOBAL FELLOW

Chairman Tierney, Ranking Member Flake and distinguished members of the Subcommittee, thank you for the privilege of addressing you today. I am a political scientist at Barnard College, Columbia University, who has followed the politics of the Manas airbase since its establishment in 2001. Manas has been the subject of several of my academic and policy-oriented articles about the U.S. military presence in Central Asia and was also a major case study in my book *Base Politics* that compared the local politics surrounding overseas U.S. military bases in East Asia, Southern Europe and the post-Communist states.¹

Regrettably, it is not surprising that the U.S. military presence has become intertwined with allegations that the U.S. supported the repressive and corrupt rule of former President Kurmanbek Bakiyev; the current political backlash against the base is a familiar – and recurring – pattern in U.S. relations with base hosts, both historically and in contemporary Central Asia. However, I also believe that the U.S. military presence in Kyrgyzstan can be salvaged and even put on a more secure footing if we candidly assess what has transpired politically and take proactive steps to change the way that we approach securing our overseas basing presence. Moreover, events in Kyrgyzstan raise broader concerns about the long-term political impact of a U.S. military presence abroad and suggest that policy planners need to pay greater attention to the political side of managing U.S. overseas deployments, even in lighter so-called “lily pad” facilities.

Manas and the Evolution of US-Sponsored Basing Rights Packages

To understand why an important military facility such as Manas faces recurring political controversy and legal jeopardy, we must first understand how the base is received within Kyrgyzstan. Simply put, the United States lacks the authority to establish an enduring military presence in Central Asia. Unlike the U.S. military presence in Japan, Korea or Germany, the United States did not acquire Manas as a result of a successful military campaign or wartime occupation. And unlike our NATO bases in countries such as Italy, Portugal or Turkey, Manas is not part of the efforts of a mutual security organization with a common defense purpose.

As a result of this lack of authority, the United States must negotiate on a *quid pro quo* basis with Central Asian governments to guarantee its basing and access rights. In the Kyrgyz case this has taken the form of economic incentives, both formal and tacit. As a result, the base has brought different types of benefits to the U.S. and Kyrgyz sides. Kyrgyz authorities publicly have claimed to strongly support the U.S. campaign in Afghanistan. But for the Kyrgyz government, the base’s primary function has been not as a key component of a vital international security effort, one from which the Kyrgyz state

¹ Alexander Cooley, *Base Politics: Democratic Change and the U.S. Military Overseas*. Ithaca, NY: Cornell University Press, 2008. I conducted field interviews on the Manas issue during separate research trips to Kyrgyzstan in 2005, 2008 and 2009. Previously, I lived in Kyrgyzstan in 1998 when I conducted field research for my dissertation on the effects of international aid flows on Kyrgyz domestic political structures and taught at the American University in Kyrgyzstan (now the American University in Central Asia).

also stands to gain, but rather as a source of rental payments and service contracts that have tended to serve the private interests of powerful Kyrgyz elites. This distinction between private and public benefits from the base has been a persistent problem in connection with Manas.

When the base was established in 2001, the formal rent paid by the United States to the Manas International Airport, a company controlled by then President Askar Akayev's son Aydar Akayev, was relatively small at \$2 million annually. However, U.S. officials also agreed to upgrade the airport's facilities and adopt a civil aviation fee structure under which military take-offs and landings were billed according to weight, amounting to payments of \$6,000 to \$7,000 each. The U.S. also agreed to pay extra for *ad hoc* parking fees beyond the originally agreed upon slots. The overall economic contribution of the base during the tenure of President Akayev (2001-2005) has been estimated at about \$40 to \$60 million a year, a not insignificant sum for a country whose official GDP in 2001, according to the World Bank, was only about \$1.5 billion.²

In addition to the landing fees, the Akayev ruling family reportedly benefited privately from the service contracts for the base. Of these, by far the most lucrative, and controversial, were the fuel contracts. These were secured by the airport-run Manas International Services Ltd., a separate legal entity from Manas International Airport, and Aalam Services Ltd., another legally independent fuel company, which was owned by Adil Toiganbayev, President Akayev's son-in-law. A *New York Times* investigative story in November 2005 revealed that out of a total of \$207 million sent by U.S. Department of Defense on fuel contracts during the Akayev era to the Western contractors Avcard (2002) and Red Star (2003-2005), Manas International Services and Aalam Services received \$87 million and \$32 million, respectively, in subcontracts from these companies.³ The amounts and structure of these payments were kept opaque and were not reported in the Kyrgyz media, which failed to draw attention to base-related arrangements and contracts before the collapse of the Akayev regime. A subsequent FBI investigation found that the Akayev clan had embezzled tens of millions of dollars of these base-related revenues through a network of foreign banks, including two based in New York.

After the collapse of the Akayev regime in the Tulip Revolution, the details of these contracts and base-related payments, predictably, became a major political issue in domestic Kyrgyz politics. From the outset of his Presidency in 2005, Kurmanbek Bakiyev thrust Manas into the political spotlight, claiming that base-related payments had lined the pockets of the Akayev family and had not benefited the Kyrgyz country as a

² Estimates of the net economic impact are provided in Roger McDermott, "Reflections on Manas," *Eurasia Daily Monitor*, June 30, 2008; and Alexander Cooley, "Depoliticizing Manas: The Domestic Consequences of the US. Military Presence in Kyrgyzstan." PONARS Policy Memo 362, February 2005.

³ David Cloud, "Pentagon's Fuel Deal is Lesson in Risks of Graft-Prone Regions," *New York Times*. Nov. 15, 2005.

whole. But despite promises to reform the nature of base-related contracting, Bakiyev seems to have quickly replaced the previous regime's web of contracts and influence with his own.⁴

Since his election in July 2005, Bakiyev also demanded ever-increasing formal rental sums from the United States for the use of Manas. Initially, the Kyrgyz President held out for a hundred-fold increase in rent, from \$2 million to \$200 million, a figure at which U.S. officials balked, and insisted that the United States provide \$80 million in compensation to the new Kyrgyz government to make up for funds that were allegedly embezzled by the Akayev regime.

After nearly a year of contentious negotiations, the two sides in July 2006 signed a new five-year accord governing Manas. But the terms of this agreement were ambiguous and only served to heighten Kyrgyz dissatisfaction with the base-related economic package that the United States offered. The Kyrgyz interpreted the agreement as establishing an annual \$150 million base rights package, including a \$17 million rental payment. For their part U.S. officials viewed the pledge as a long-standing commitment to provide payments and bilateral economic assistance to the Kyrgyz Republic and denied that this agreement represented any formal *quid pro quo* for basing rights.

But such legal nuances annoyed officials in Bishkek, who quickly became frustrated that more of the \$150 million was not being given in cash. In my own interviews with Kyrgyz National Security Council members and base negotiators in 2008, it was clear that the Kyrgyz side was frustrated, and even irate, that U.S. programs such as the Peace Corp. or USAID were considered to be part of the \$150 million package. Beyond these financial considerations, the Kyrgyz side showed little interest in developing other forms of cooperation with the United States, even when U.S. negotiators offered these.

From this frustration with the implementation of the economic aspects of the 2006 accord, Bakiyev initiated a bidding war in 2009 between Moscow and Washington over Manas. In a February 2009 joint press conference with Russian President Dmitry Medvedev in Moscow, Bakiyev announced that he would be closing Manas, even though the agreement was supposed to run until 2011. At the same conference, it was announced that Russia would provide Kyrgyzstan with a \$2 billion assistance and investment package – including \$450 million in grants and soft loans and a promise to invest \$1.7 billion in the Kambarata hydroelectric project (in exchange for 50% equity in the project). The Kyrgyz president called a vote in parliament, which passed with only one deputy voting against the proposed closure.

Ever the hard bargainer, Bakiyev waited on Moscow's initial payment of \$300 million in the spring of 2009 and then proceeded to renegotiate with U.S. officials a new one-year extension of the base, which was renamed the Manas Transit Centre. Under these new terms, the formal rent was more than tripled to \$60 million, while the United States

⁴ Andrew E. Kramer, "Fuel Sales to U.S. at Issue in Kyrgyzstan," *New York Times*. April 11, 2010.

retained its commitment to provide \$118 million in economic aid and assistance. With these new financial flows secured from Moscow and Washington, Bakiyev appeared to weather the financial crisis and successfully navigated his re-election in July 2009. The fact that the Kyrgyz leader had moved up presidential elections by a year at the same time as his Manas gambit suggests that he carefully orchestrated the episode with this specific domestic political goal in mind.

In addition, the United States, as a result of these 2009 negotiations, also agreed to provide \$30 million to upgrade infrastructure and \$36 million to upgrade air traffic control facilities at Manas.⁵ It is unclear whether any of the new military-to-military cooperation programs with CENTCOM, such as the opening of the U.S.-financed anti-terrorism training center in the southern city of Batken in early 2010, were part of these renewed basing rights, but the origins of this and other initiatives warrants further investigation.

Although many U.S. commentators interpreted the successful Manas renegotiation as a diplomatic triumph over Russia, it also sowed the seeds for the subsequent rapid deterioration in Russian-Kyrgyz relations that ultimately contributed to Bakiyev's collapse. It is important to recognize that unlike in post-Soviet Georgia or the Baltic States, most Kyrgyz citizens have always favored maintaining close relations with Moscow. Indeed as much as 40 percent of Kyrgyzstan's GDP is comprised of external remittances from Kyrgyz migrants working in Russia, and Bakiyev's public spat with Moscow did not ingratiate him to the Kyrgyz public.

Manas as a Symbol of Bakiyev's Authoritarian Excesses and Corruption

Despite the intentions of U.S. base commanders or the U.S. Embassy in Bishkek, the perception among the Kyrgyz public and the political opposition was that the United States supported the authoritarian and corrupt rule of Bakiyev in order to maintain access to Manas.

After the Tulip Revolution of 2005 Bakiyev quickly reneged on his pledges to enact Constitutional reforms and tackle corruption. Instead he quickly established a criminal state, promoting family members to key government positions, and launched an assault on political opponents and the media, especially investigative journalists. This year the NGO Freedom House rated Kyrgyzstan as "Not Free" for the first time since the Tulip Revolution.

U.S. policymakers claimed that the presence of the base allowed for the United States to engage the Kyrgyz government on a variety of issues, including governance and human rights. However, members of the Kyrgyz opposition counter that U.S. authorities muted their criticism when faced with threats from the Kyrgyz government over the status of the base and that U.S. officials avoided meeting with members of the opposition. Kyrgyz

⁵ Jim Nichol, "Kyrgyzstan and the Status of the U.S. Manas Airbase: Context and Implications." Congressional Research Service Report, July 1, 2009, p. 4.

civil society and opposition figures were particularly disappointed that President Obama personally courted President Bakiyev last year in an attempt to save the base, while the United States remained silent following Bakiyev's highly flawed presidential re-election in July 2009, which took place just weeks after the new basing agreement was announced in June. Once vocal defenders and staunch supporters of Kyrgyzstan's democratic development, the United States stopped publicly criticizing the country's growing democratic shortcomings.

The U.S. reluctance to criticize Bakiyev stands in stark contrast to how Moscow, and the Russian-backed press in Kyrgyzstan, launched a protracted media onslaught in recent months against Bakiyev's repression, corruption and nepotism. This critical media coverage owed less to a genuine concern by the Kremlin for human rights and governance in Kyrgyzstan and more to a desire to punish the Kyrgyz leader, but Russia's critical bombardment resonated with the Kyrgyz public and provided a striking contrast to U.S. official silence on these same domestic issues.

Beyond tempering U.S. criticism of Bakiyev's authoritarian excesses, many Kyrgyz also viewed the base itself as an actual site for the greed and corruption of the Bakiyev regime. As in the case of his presidential predecessor, base-related service and fuel contracts were perceived as directly lining the pockets of the Bakiyev family. Of special interest has been the company Mina Corp., which in recent years has managed the Manas fuel contracts, and the possible ties that its subcontracted fuel providers may have had to the Bakiyev regime. In July 2009, Mina Corp signed an annual agreement with the Department of Defense to provide up to \$239 million worth of fuel.⁶ Given that the Bakiyev family had acquired private stakes in every money-making sector in the country, including the Kumtor gold mine, the banking and electricity sectors, Kyrgyz analysts and the Kyrgyz public took it as a given, despite the lack of public details concerning these associations, that the Bakiyev family also privately benefited from these fuel sales.

Political Stability and Basing Rights: Drawing the Wrong Lessons?

As U.S. officials observed the Bakiyev regime's excesses, I believe they drew the wrong comparative lessons about the relationship between authoritarianism, political stability, and the status of the base. Many pointed to the recent U.S. experience with Uzbekistan and the loss in 2005 of the airbase at Karshi-Khanabad (K2) as cautionary. After the Uzbek government violently cracked down on a group of protestors in the eastern city of Andijon in May 2005, the international community, including the U.S. State Department and members of the Congress, criticized its actions and called for an international investigation of these events. U.S.-Uzbek relations rapidly deteriorated and in late July, when Washington announced that it would back a United Nations plan to resettle a group of Andijon refugees to Europe rather than return them to Uzbek authorities for

⁶ Deirdre Tynan, "Kyrgyz Contracts to Face Scrutiny," *Eurasianet* April 8, 2010. <http://www.eurasianet.org/departments/insight/articles/eav040810c.shtml>

interrogation, the Uzbek government evicted the United States from K2.⁷ The lesson drawn from the Uzbek experience by U.S. defense officials seemed to be that any criticism of Central Asian host governments for human rights violations or lack of democratization would jeopardize military access.

The flaw in this thinking was two-fold: First, Uzbekistan's political structure and post-independence development has differed significantly from that of Kyrgyzstan. Uzbekistan's authoritarian-patrimonial rule has been ironclad from the early 1990s, with political power concentrated in the Presidency and reformers gaining very little traction or space for maneuver. President Islam Karimov, through his powerful internal security services, has persistently cracked down on all forms of political opposition, earning his regime the reputation as one of the most repressive in the world.

By contrast, Kyrgyzstan's political culture has remained significantly more open, despite its dysfunctional bouts, as the small Central Asian country has retained a civil society, some independent media, and political space for national power struggles among competing elites and regional power factions. Moreover, in Kyrgyzstan the Tulip Revolution of 2005, during which President Akayev was deposed following popular protests, provides recent evidence of the fragility of ruling regimes in Kyrgyzstan. Unlike the Uzbek case, Kyrgyz security services, when confronted with waves of street protests and demonstrations, did not intervene to support either the Akayev or Bakiyev regimes. Thus, there never was one standard "Central Asian" political culture that was true of all countries in the region.

Second, the Kyrgyz case also demonstrates that the often-posed trade-off between supporting "political stability" in authoritarian governments and promoting good governance and democracy, is often a false choice. U.S. officials mistakenly came to accept Bakiyev's authoritarianism as evidence, in and of itself, of Kyrgyzstan's political stability, yet the cumulative effects of his repression and corruption clearly both impoverished and destabilized the country. Tellingly, it was popular dissatisfaction with the high levels of corruption and mismanagement, especially in the electricity sector, that triggered the anti-government protests across the northern cities of Naryn and Talas that toppled the regime so suddenly. Clearly, the regime's excessive corruption and mismanagement contributed to its swift demise.

Recommendations and Comparative Lessons

If they wish to guarantee Manas's future, U.S. officials need to take seriously the rise in anti-American attitudes in Kyrgyzstan. The interim government's decision to proceed with the automatic lease renewal for another year is a welcome development and one that gives U.S. policymakers a few months to reassess and implement a new set of policies that, if managed carefully, can put Manas on a firmer legal and political footing. But it is imperative that U.S. officials not fall into the trap of thinking that access to Manas can be

⁷ Alexander Cooley, "Base Politics," *Foreign Affairs*. Vol. 84, No. 6. November/December 2005.

guaranteed by merely rerouting the same murky base-related payments to the new interim government or its successor. If a new agreement is not quickly concluded with interim leader Roza Otunbayeva's government, the status of the base will become a major issue in the next Kyrgyz presidential campaign in six months time. A number of candidates, such as the head of the Communist Party and new Speaker of the Parliament Ishak Masaliev, will campaign on an anti-base platform, presenting themselves as pro-Moscow candidates, anti-Bakiyev democrats, or the new guardians of Kyrgyzstan's compromised sovereignty.

First, the United States needs to take bold and decisive steps to rehabilitate its battered public standing within Kyrgyzstan. With only \$80 million reportedly remaining in the Kyrgyzstan state budget at the moment, a good first step would be to provide humanitarian assistance and respond positively to Kyrgyz requests to support priority issue areas, including funding the upcoming election. Russia has already pledged \$50 million in emergency support and the United States would do well to match or exceed this figure. Lingering instability and the collapse of the interim government would serve neither the interests of the Kyrgyz people nor the United States.

Second, U.S. officials should publicly declare their willingness to cooperate with any Kyrgyz investigation into Bakiyev-era base-related business practices and open these transactions to public scrutiny. Such investigations will no doubt inconvenience base officials, but it is critical that the base and the embassy be perceived publicly as cooperative during this politically sensitive time. U.S. officials also should explore ways in which they can turn Manas-related payments and service contracts into a public benefit for Kyrgyzstan as a whole, rather than a private revenue stream for connected insiders. One possibility might be to ensure that revenues from service-related contracts flow directly into the Kyrgyz general budget, not to private entities with offshore registrations.

Third, U.S. officials should use the situation in Kyrgyzstan to develop more cooperative ties with their Russian counterparts. Putting an end to the competitive "Great Game" dynamics surrounding Manas – and perceptions on both sides that Russia and the United States are locked into zero-sum struggle for influence in Central Asia – is critical to the stability of any future Kyrgyz government. For sure, there are factions in the Russian defense community that will never accept the legitimacy of a U.S. military presence on former Soviet territory, whatever its stated purpose. But it is also clear that, if consulted, the Kremlin can be persuaded to play a constructive role. To this effect, the recent deliberations involving Presidents Obama, Medvedev and Nazerbayev that facilitated Bakiyev's flight from Kyrgyzstan is an example of how important it is for Washington to maintain open lines of communications and, when possible, to coordinate its policies with the other important regional players.

Fourth, both President Obama himself and the U.S. Congress should mend fences as soon as possible with the Kyrgyz public by committing to renewed broad-based U.S. economic, political and social engagement with the impoverished Central Asian country. Already, Assistant Secretary of State Blake's pledge to double assistance for

Kyrgyzstan's civil society and democratic development is a welcomed step that should be supported by the Congress.

Finally, it is important that we understand that what has happened in Kyrgyzstan is one example of a recurring historical pattern concerning the political reception of U.S. overseas bases. Time and time again, we have seen how new governments in democratizing overseas host states can quickly sour on the U.S. military presence by tying it to U.S. support of a previous authoritarian regime. Events in Kyrgyzstan echo similar political developments in the Philippines, Thailand, Greece, Spain, Turkey and Korea, where new governments, as part of an anti-U.S. democratization backlash, either contested the legality of the U.S. presence or actually evicted the United States from important facilities.

These lessons are all the more important now that U.S. defense planners continue to maintain a global network of facilities in new regions, including Central Asia and Africa, where the United States has traditionally not maintained an onshore military presence. The Kyrgyz case is not unique. Just a couple of years ago, the United States failed to secure the renewal of a basing facility in Manta, Ecuador, due to an unanticipated domestic political campaign by civil society and its allies in the Ecuadorian parliament that questioned the legal standing and political legitimacy of the base. If we are to maintain an extensive global network of military facilities, it is imperative that U.S. planners think more strategically about how a basing presence interfaces with local political conditions and anticipate, rather than block, democratic political change in these host countries.

Mr. TIERNEY. Thank you very much, Dr. Cooley.
Mr. Horton.

STATEMENT OF SCOTT HORTON

Mr. HORTON. Chairman Tierney, Ranking Member Flake, and distinguished Members, it is a great honor for me to appear before you today and talk about the situation in Kyrgyzstan.

I want to start by noting my colleague, Alex Cooley's comment. He says we need to look at this as a political matter, rather than a legal matter, and I will submit we have to look at it both ways. I submit that principally because I am a lawyer and it is my duty here to look at the legal issues; and that is what I have done. But I also feel that is a fundamental aspect of the political controversy in Kyrgyzstan today.

This revolution, reduced to one word, was about corruption. Now, all the political leaders that I have talked with agree, and in the wake of the revolution there is a great deal of talk about the rule of law and transparency. And the question I hear thrown at me as an American, when I talk with them, over and over again is what is your commitment to the rule of law and transparency? You talk about this all the time and we don't see it in your conduct in our country.

And I am ashamed to say I think they have a valid point. So I looked with some care at the publicly available information concerning the fuel contracts that were written relating to Manas, and I note in my remarks that we don't have the quality of information that a prosecutor could use to bring a case, but I think we can draw some conclusions from this information.

And the first is that there are numerous red flags of the sort traditionally used by our Department of Justice when looking at bribery cases relating to public contracts, which suggests strongly that we may be looking at a violation of the Foreign Corrupt Practices Act and other anti-bribery statutes. And certainly there are sufficient red flags to merit the opening of a formal and detailed inquiry into what transpired.

The second thing is looking at the structure of these contracts and looking particularly at Red Star and Mina Corp., the two entities which received in excess of \$1 billion in fuel supply contracts. They are very disturbing questions concerning these companies. They appear to have come out of nowhere with no prior track record of involvement in this sector; the individuals involved with them have copious connections to the U.S. Government, but not really very much to the fuel supply industry; and the contracting relationships themselves are, in a word, extraordinary, not consistent with traditional contracting rule and approaches.

In fact, yesterday, in an article by Aaron Roston, he secured and released and published a Memorandum of Agreement between the Department of Defense and Red Stas, which I examined, and I have to say I was just shocked by it. It is nothing like a traditional contracting document.

All this together shows the absence of an arm's length relationship between Red Star and the Department of Defense, and I think that is quite troubling because, of course, it is Red Star and Mina Corp. that historically did do contracts with President Akayev's

family—I think that information is really quite well established—and are accused of having concluded similar contractual arrangements with entities controlled by President Bakiyev. In any event, that accusation is out there, presented very sharply by the Kyrgyz government, and it is incumbent upon us to operate transparently, get to the bottom of the facts, and admit we made a mistake if in fact we did.

I also am concerned about the role the U.S. Department of Justice has played in this, because after the 2005 revolution, the Justice Department did come in, did conduct an investigation, and appears to have given a wink and a nod to these arrangements involving Red Star and Mina Corp., and I think that raises serious questions in my mind about their understanding of this contract corruption issue, particularly because this occurs at a time when our Justice Department is telling us that procurement contract fraud is a priority for the Department of Justice. Indeed, they say it is a national security issue. And I don't see how we can reconcile the way they have behaved in this case with those sorts of statements.

In the end, how our Defense Department contracts for services at Manas makes a statement about how we view Kyrgyzstan. Is this a fellow democracy that shares our values and the rule of law and transparency, or do we view this country as congenitally corrupt and governed by competing bands of kleptocrats, where we have to use walking-around money to accomplish goals and we define the relationship only in short-term ways, because we are really not looking for a long-term relationship?

The simple truth is that Kyrgyzstan is not a well established, stable democracy, but it is also is not some sort of Hobbesian nightmare. The people in Kyrgyzstan have very, very high aspirations. And the question is what is the path forward? How are we going to proceed? Are we going to work with the Kyrgyz and support their aspirations for a modern democracy that lives up to the values that we both articulate, or are we going to continue dealing with them in a way that shores up corruption in the country and autocratic rule? And I think the approach of the last few years is not worthy of the United States and is not worthy of Kyrgyzstan.

Thank you.

[The prepared statement of Mr. Horton follows:]

UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM
SUBCOMMITTEE ON NATIONAL SECURITY AND FOREIGN AFFAIRS

“Crisis in Kyrgyzstan: Fuel, Contractors and Revolution Along the Afghan
Supply Chain”

Hearing on April 22, 2010

Rm. 2154 – Rayburn House Office Building

PREPARED REMARKS OF

SCOTT HORTON

Chairman Tierney, Ranking Member Flake, esteemed members, it is an honor for me to be able to appear before you today to address how U.S. government contracting has affected the situation in Kyrgyzstan and to suggest a few conclusions Congress may be able to draw from the recent developments. In March 2005, and then again on April 6-7 of this year, the Kyrgyz government fell as a result of a popular uprising. In 2005, the police and military refused to use lethal force to stop the uprising. In 2010, 84 fatalities resulted from efforts to suppress the uprising—but it again appears that a substantial part of the police and the military refused orders to use lethal force, some of them going over to the opposition when the orders issued. There are some remarkable differences between the so-called “Tulip Revolution” of 2005 and the one that just transpired, but there are also a number of similarities. One of the strongest similarities is directly relevant to today’s hearing: Allegations of corruption targeting the president and his immediate family figured prominently in the case the opposition made against the government both times—and both times the president’s family was accused of having enriched itself with U.S. government contracts.

One lesson from these experiences is clear: The *perception* of corrupt U.S. government contracting undermined the legitimacy of the governments of Askar Akayev and Kurmanbek Bakiyev and contributed to the fall of each. I stress the word “perception,” because it is not a legal process but rather public opinion, formed through rumor and innuendo as much as fact, that drives this process. One opposition figure explained to me that he viewed the questions surrounding the Manas Transit Center in general, and the fuel contracts written to supply the base in particular, as a sort of Achilles heel for Bakiyev. The Kyrgyz people were prepared to accept that their leader would use his office for personal gain up to a point, he said, but they would be far more concerned about corruption involving a foreign power because of the risk that national interests and sovereignty might be betrayed. In both 2005 and 2010, this perception was effectively exploited by the opposition to mobilize demonstrations against the government.

I want to stress two things at the outset. *First*, there is little reliable information now in the public sector that would legally establish that Bakiyev or members of his family profited from U.S. government contracts. The claims that circulate to this effect are red flags that justify a careful investigation, but they do not constitute the sort of evidence that a prosecutor would need to bring a case. On the other hand, the absence of information points to the lack of transparency surrounding the entire contracting process, and the use of shadowy offshore companies with little historical record in furnishing the services they are now providing the United States on a large scale. In this setting, people are prepared to expect the worst, and they may well be right.

Second, there is no reason at this point to believe that the U.S. government officials who were involved in this contracting were motivated by any corrupt purpose – least of all personal financial gain – in authorizing any of the contracts that were issued. Their purpose appears simply to have been to secure fuel for the base and for U.S. military operations in Afghanistan. That purpose is not only legitimate but essential to the safety and well being of Americans now serving in Afghanistan. But the lingering question is whether they consciously wrote contracts that benefited members of the president’s family, or whether they closed their eyes to the involvement of the president’s family in the deal. Moreover, all the evidence I see concerning these dealings suggests to me that if a conscious decision was taken to make these payments, that decision was

reached at a very high policy-making level in the government, not by low-level contract administrators.

The current developments in Kyrgyzstan present a sort of acid test for the decision to anchor the base on business dealings with the president's family. These developments suggest that doing sweet deals from which political leaders benefit may make the process of procurement and relationship building easier in the short term, but in the longer run it will impede the United States' effort to build a positive relationship with the host. Officials of the new government are unanimous in stating that the United States closed its eyes to corruption and human rights abuses under Bakiyev in order to protect the base, for instance. That criticism finds broad popular resonance. These criticisms match our own historical experience—and I say this as someone who spent a good part of his life living on American military installations overseas—that our interests are best served by a long-term perspective, in which we support democratic development, the rule of law, transparency and education in the nations we pick as our security partners. American installations abroad generally survive and gain acceptance when they are well integrated into the larger community. Economic relations are an essential aspect of this process. When the surrounding community recognizes the military base as a source of business and employment, it views the base not as something hostile but as an asset. But when contracts are awarded through a non-transparent process to political insiders, the base will be viewed not as a source of economic opportunity but rather as a corrupting wound on the body politic.

This raises important questions that I want to examine from the perspective of the law and legal policy. Does the law allow Department of Defense procurement officers to write contracts that personally benefit foreign government officials? And is that a wise thing, even if it does?

We should start this process by noting that the presence of the American logistical center at Manas grew out of shared interests between the United States and Kyrgyzstan. Long before 9/11, Kyrgyzstan was the constant target of attacks by terrorist groups—especially the Islamic Movement of Uzbekistan—which were organized and trained by and formally affiliated with Al Qaeda, and which operated out of a safe haven furnished by Taliban-controlled Afghanistan. Between 1999-2001, for instance, fifty Kyrgyz soldiers and security personnel died in clashes with Al Qaeda-linked forces in the nation's south, mostly in Batken Province.¹ Kyrgyzstan had therefore identified its top national security priority as stemming this terrorist violence. When the United States decided to respond to the events of 9/11 by launching a military campaign to destroy Al Qaeda in Afghanistan and stop the use of Afghan territory as a haven for terrorists, few countries were as supportive of this effort as Kyrgyzstan. In much of the current discussion of developments surrounding the base, this fundamental basis of shared interest is largely disregarded.

Notwithstanding their shared objectives, the Kyrgyz also extended the invitation to the United States with an expectation that it would have some economic benefits. They did not initially press for a lease or rent, but they did expect to get a significant upgrade at the Manas Airport and some income from the added traffic. And they expected that the economy would get a lift

¹ Abdrisaev, "Last Flight out of Kyrgyzstan," *Washington Post*, Feb. 20, 2009.

from U.S. procurements to support the base. Contracts were therefore an important part of the formula from the outset, and the subject of a good deal of public attention and discussion. But this process accelerated after the focus of U.S. military operations turned from Afghanistan to Iraq. The decision to invade Iraq was less popular in Kyrgyzstan than it was with the U.S. public; moreover, it severely undermined the sense of shared purpose in pursuing security on which the base deal was built. After March 2003, the Kyrgyz government came under increasing pressure, led by opposition political parties and the country's vibrant civil society, to justify the continuing presence of the base in which of America's claims of success in Afghanistan and refocus on Iraq. The Kyrgyz government was forced to justify its decisions economically. Hence the role of supply and service contracts, landing fees and lease payments became far more prominent in the Kyrgyz domestic political scene.

The information we have about the contracts written in the wake of the 2005 revolution is highly fragmentary. We have a good deal more information about the contracts in place at the time of that revolution, and it's interesting that by far the most detailed information was furnished by Kyrgyz criminal investigators who were looking into the possibility of bringing criminal charges concerning the contracts in 2005 and 2006. This information tended to show, and Kyrgyz prosecutors with whom I conferred believed, that a number of contracts were written that benefited the Akayev family and that these contracts did not reflect market terms. They viewed these contracts as *sub rosa* payments designed to incentivize the Akayev government to keep the Manas operation, then called Ganci Air Force Base, in place because the Akayev family itself had a "stake in the game."

There were two principle prongs to the arrangements concerning the Akayev family. The first involved Manas International Airport ("MIA"), the private operating company for the airport, which was then controlled by Aydar Akayev, the president's son. MIA collected \$2 million annually in lease payments, as well as landing fees set at \$7,000 per takeoff. MIA also was held a significant share of the base-related service contracts. This income was given a privileged position because it does not appear to have been taxed as other corporate income would have been. Kyrgyz criminal investigators believe that a substantial part of this money was moved offshore by the Akayev clan through an elaborate system of transfers involving banks in Russia and Latvia as well as the Netherlands and the United States and companies maintained in typical shelter jurisdictions such as the Isle of Man and the British Virgin Islands. Manas International Services Ltd. and Aalam Services Ltd., which appear to have been controlled by Adil Toiganbayev, Akayev's son-in-law, netted a still more significant catch. A *New York Times* investigative story by David Cloud revealed that out of a total of \$207 million spent by the U.S. Department of Defense on fuel contracts during the Akayev era, Manas International Services received \$87 million and Aalam Services received \$32 million in subcontracts.² The *Times* report also notes that the possibility that the two companies had engaged in money laundering at two New York banks was also studied by the FBI. NBC News, which states that it secured a copy of the FBI report, claims that over \$100 million in fuel contracts were steered to the Akayev family's fuel supply companies. It also quotes economist Anders Åslund estimating that the Akayev family siphoned

² Cloud, "Pentagon Fuel Deal is Lesson in Risks of Graft-Prone Region," *New York Times*, Nov. 15, 2005.

off between \$500 million and \$1 billion from the Kyrgyz state during Askar Akayev's tenure as president,³ an astonishing figure considering the nation's poverty and the size of its annual budget.

It's very significant that Red Star Enterprises, which plays an essential role in the Manas contract relationship today, was involved before the Tulip Revolution. In its October 2006 story, NBC News explained,

In 2002, when the Pentagon had a competitive bidding selection to choose a new contractor, a company named Red Star Enterprises won. It received a total of more than \$240 million over the next several years, and tells NBC News it paid \$120 million to the two firms. In an e-mail to NBC News, a company official said: "These companies were used because DESC [the defense agency handling fuel contracts] directed all bidders to use them since they were the only registered companies to provide services."

After the Tulip Revolution, Red Star has continued to manage fuel supply to the Manas operation and it holds a substantial fuel supply contract for Bagram as well. While we know little about Red Star, its face in Kyrgyzstan is a retired Army intelligence officer who previously served as defense attaché to the U.S. Embassy in Bishkek, Lieutenant Colonel Charles "Chuck" Squires.⁴ A graduate of the Russian studies program at Harvard University,⁵ Squires appears to enjoy excellent rapport with American diplomats and military officers and good relations with senior figures in Kyrgyzstan, including President Bakiyev's son Maksim, in whose company I have previously observed Squires at Bishkek's Hyatt Regency Hotel.

While the Bakiyev government requested FBI assistance in investigating the Manas contracts and threatened to bring enforcement actions, ultimately no prosecutions were brought. A prosecutor who spoke with me off the record stated that the president's office had directed that the effort to prepare a criminal case stand down. He stated that no reason was given for the decision, but said that it was widely understood that the Bakiyev family had simply stepped into the shoes of the Akayevs with respect to the fuel supply contracts. Last week, the *New York Times* reported similar facts,⁶ citing an unidentified independent investigator who assisted the Kyrgyz authorities in their study of the matter:

[The] outside investigator met with Mr. Bakiyev to present the initial findings, and characterized his responses as: "Thank you very much for your job. Your services are no longer needed." The investigator said he suspected the new president was in fact taking over the same business model. "They changed the names of the companies but the scheme remained the same," he said.

³ Roston, "A Crooked Alliance in the War on Terror," *NBC Nightly News*, Oct. 30, 2006.

⁴ Tynan, "Manas Contracts Could be Re-Bid," *Eurasianet*, Apr. 15, 2010. Colonel Squires can be seen on p. 27 of the October 2008 issue of *Fuel Line*, a publication of the Defense Energy Support Center, surrounded by uniformed soldiers at the Bagram base.

⁵ *Novosti*: Newsletter of the Davis Center for Russian and Eurasian Studies, Harvard University, Summer 2008, p. 10. (Squires advises his fellow alumni that he is managing "fuel supply contracts for U.S. forces in support of Operation Enduring Freedom.")

⁶ Kramer, "Fuel Sales to U.S. at Issue in Kyrgyzstan," *New York Times*, Apr. 11, 2010.

I was able to confirm independently that lawyers with a major Washington-based law firm in fact conducted an independent investigation of the Manas contracts, and presented their conclusions in a meeting with Mr. Bakiyev, as reported by the *New York Times*.

These reports are all red flags suggesting that Bakiyev family-controlled entities had assumed critical supply arrangements with Red Star respecting the Manas contracts. The precise details of this relationship remain to be developed—but some evidence has emerged concerning pulse points. The Akayev family’s approach to rent-seeking in connection with the American presence at Manas seems to have started with its privatization and control of MIA. MIA exercised a monopoly over services provided at the airport, and this monopoly seems to have been extended to the American operation across the way from the civilian air terminal. In this way, the Akayevs were apparently able to exclude competition for many supply arrangements. There is evidence that the Bakiyev family followed the same approach, and by reputation the airport was controlled by Maksim Bakiyev. There is some formal documentation of this take over, including the public announcement in 2009, that Eugene Gourevitch, a financial consultant to the Bakiyev family, was elected to the MIA board. Incidentally, an Italian investigating magistrate issued a warrant for Gourevitch’s arrest in connection with a major telecommunications fraud in March.⁷ The matter was considered so sensational and damaging to the Bakiyev regime that it blocked Internet traffic for several days in an apparent effort to obscure reporting of the fact.⁸ The interim government has now opened its own criminal investigation into Gourevitch and his business dealings.⁹

When questions are raised about the legality of these relationships, the Department of Defense responds that its contracts have been issued following proper contracting guidelines. “There is nothing per se improper about relatives of a foreign leader having an ownership interest in a company that is a U.S. government contractor or subcontractor,” a spokesman for the Defense Energy Support Center told the *New York Times*.¹⁰ A Pentagon spokesman made a similar statement to NBC News in 2006:

“We are aware of the allegations of the current Kyrgyz government,” said Lt. Col. Joe Carpenter. . . , “that former Kyrgyz regime leadership may have misappropriated funds from U.S. payments for goods or services,” and added any “misappropriation of funds is an internal Kyrgyz matter. All DoD contracts for goods and services in Kyrgyzstan were negotiated in accordance with U.S. laws and DoD contracting regulations.”

When pressed on these questions in public settings, David Samuel Sedney, Deputy Assistant Secretary of Defense for Afghanistan, Pakistan and Central Asia, has simply stressed the need

⁷ Silverstein, “Two Former Senators Find Themselves Out of Board Positions with Kyrgyz Revolution,” *Harper’s Magazine*, Apr. 9, 2010.

⁸ Carr, “Microsoft Denial on Kyrgyzstan Censorship Conflicts with the Facts,” *Forbes*, Apr. 14, 2010.

⁹ “General Prosecutor’s Office launches Criminal Probe against Maxim Bakiev, Alexey Eliseev, Eugen Gurevich in connection with misuse of Russian Loan,” AKIPress, Apr. 16, 2010.

¹⁰ Cloud, fn. 2 supra.

for flexibility in the contracting process and the importance of doing whatever it takes to maintain the vital supply chain to U.S. forces in Afghanistan.

Obviously, however, there are very serious questions under U.S. law surrounding these dealings. The political accusations in Kyrgyzstan boil down to a claim that American officials made corrupt payments to Kyrgyz government officials in order to secure the Manas base arrangements. American criminal law contains a number of anti-bribery rules, including provisions that prohibit a U.S. person from providing consideration, directly or indirectly, to a foreign government official to secure or retain business. This prohibition is contained in the Foreign Corrupt Practices Act, 15 U.S.C. §§ 78dd-1, et seq.

To understand the application of this statute, let's assume that a U.S. corporation was seeking to operate a private commercial cargo shipping concession at Manas as an expansion of its global shipping services. The shipping firm would need a number of licenses and permits as well as physical facilities, the use of Manas's 14,000-foot runways and the right to park, maintain and refuel its aircraft at the airport. It would have to secure these things from several government agencies, and it would have to obtain the airport authority's permission to use the runway and its storage facilities. This bundle of rights could also be viewed, under Kyrgyz law, as a concession, subject to a strict regime of transparency and competitive bidding before an award is made.¹¹ Now let's suppose that the shipping company, hoping to get or retain that concession without the formal competitive process dictated by the Concession Law, decides that its best bet is to insure that the president's family benefits from its business operation. Being a public company, it's very troubled by the prospect of having any direct commercial dealings with the presidential family. The shipping company therefore awards a series of contracts to support the operation at Manas to a company which it claims is independent, but actually has a suspiciously close relationship with the shipping company and is headed by a former shipping company officer. That contractor then concludes support contracts worth tens of millions of dollars with companies controlled by the presidential family. The president then decides to grant the concession to the shipping company. These facts present a *prima facie* violation of the Foreign Corrupt Practices Act that could easily lead to prosecution of officers of the shipping company, the intermediary contractor and the local government officials (or their family members) who solicited and secured the contracts. If the Justice Department were to launch a serious investigation, it would likely not be impressed by the shipping company's claims that its contractor, not it, was dealing with the presidential family for the supply arrangements. Nor would it give much credit to claims by the shipping company executives that they knew nothing about the involvement of government officials or members of their immediate family. Consider this passage from the Justice Department's brochure for businessmen about the FCPA:

To avoid being held liable for corrupt third party payments, U.S. companies are encouraged to exercise due diligence and to take all necessary precautions to ensure that they have formed a business relationship with reputable and qualified partners and representatives. Such due diligence may include investigating potential foreign representatives and joint venture partners to determine if they are in fact qualified for the

¹¹ Law of the Kyrgyz Republic On Concessions and Foreign Concessionary Enterprises ("Concession Law") dated March 6, 1992.

position, whether they have personal or professional ties to the government, the number and reputation of their clientele, and their reputation with the U.S. Embassy or Consulate and with local bankers, clients, and other business associates. In addition, in negotiating a business relationship, the U.S. firm should be aware of so-called “red flags,” i.e., unusual payment patterns or financial arrangements, a history of corruption in the country, a refusal by the foreign joint venture partner or representative to provide a certification that it will not take any action in furtherance of an unlawful offer, promise, or payment to a foreign public official and not take any act that would cause the U.S. firm to be in violation of the FCPA, unusually high commissions, lack of transparency in expenses and accounting records, apparent lack of qualifications or resources on the part of the joint venture partner or representative to perform the services offered, and whether the joint venture partner or representative has been recommended by an official of the potential governmental customer.¹²

The transactions surrounding the Manas contracts raise a significant number of red flags, starting with the presence of Red Star, a company which appears out of nowhere to administer hundreds of millions of dollars in supply contracts and which appears to have no significant customers besides the Defense Department. If this were a commercial setting, an investigator would probably start by studying whether there is really an arm’s-length relationship between Red Star and the Pentagon contractors. If not, investigators might quickly conclude that it is a shell interposed to provide a buffer between the procurement officers and companies controlled by the president’s family. This concern would be fueled by the fact that the principal officer now managing Red Star’s business was formerly an intelligence officer with the Department of Defense, and as military attaché at the U.S. Embassy, a person whose core function was attending to the needs of the Manas operation. Indeed Colonel Squires appears in a Department of Defense Energy Support Center (“DESC”) publication postured as if he were a member of the extended family.¹³ At least one other figure involved in the London management of Red Star has close ties to the U.S. intelligence community. Moreover, the carefully obscured ownership of Red Star, its Gibraltar registry, its lack of business activities other than cash management, the lack of transparency surrounding the contracts, and the absence of records showing its payment of taxes—in Kyrgyzstan or anywhere else—raise troubling questions. The Justice Department also insists that we consider Kyrgyzstan’s reputation for corruption. It ranks as number 162 of 180 nations in Transparency International’s 2009 Corruption Perceptions Index.¹⁴

The Defense Department’s statement that there is no prohibition *per se* on doing business with relatives of a foreign government leader is of course correct. The prohibition is on awarding such contracts as consideration for securing or retaining business. And that suggests that awarding contracts to members of the family of a foreign head of state as he is making a decision about a base concession is, indeed, presumptively corrupt and probably also unlawful.

In the wake of the Tulip Revolution, an FBI investigation was launched into the Manas contracts and related matters, with the involvement of Betsy Burke, a counsel in the Criminal Divi-

¹² U.S. Department of Justice, *Lay Person’s Guide to the Foreign Corrupt Practices Act*, p. 4.

¹³ See p. 27 of the October 2008 issue of *Fuel Line*, a publication of the Defense Energy Support Center

¹⁴ http://www.transparency.org/policy_research/surveys_indices/cpi/2009/cpi_2009_table

sion's Office of International Affairs, at Main Justice. Individuals I interviewed who met in Washington with the government on these matters on several occasions reported that up to fifteen government officials were present at the meetings, including representatives of the FBI, Justice Department and Treasury Department. The investigation appears to have focused on the Akayev-controlled companies and how they moved money obtained under these contracts, with the objective of assisting the new Kyrgyz government in their efforts to recover assets. My interlocutors also state that the federal investigators displayed extraordinary reticence to disclose information about or discuss Red Star, its principals and its operations, even when pressed on these points. There is no suggestion that these investigations considered whether the transactions violated anti-bribery restrictions of American law, even though the FBI apparently concluded that the contracts did channel money into the coffers of the president's family. It also appears that the task force arranged to freeze assets at both Citibank and the ABN-Amro Bank branch in New York. Moreover, it is particularly striking that notwithstanding these disclosures, Red Star continued to manage the supply arrangements and it introduced Mina, a company it seems to control, perhaps to create the illusion of a change in the contract.

What should we make of this Justice Department investigation, particularly in the face of its apparent decision not to inquire into the role played by Red Star or to bring any charges notwithstanding its apparent conclusions about Red Star's dealings with the Akayev family? The Justice Department clearly gave a "wink and nod" to the Defense Department about the Manas arrangements. In my mind that suggests less a conclusion by prosecutors that the arrangements were lawful than that whatever arrangements reached were approved at very high levels within the government. The Justice Department's conduct in investigating the Manas contracts is troubling, seems starkly at odds with the Department's announced policy of battling bribery and corruption in overseas contracting, and merits some probing questions by Congressional oversight.

Has the Justice Department concluded that the FCPA's anti-bribery provisions do not apply to Defense Department contracting? That seems improbable, because a large part of the prosecutions brought under the FCPA have historically related to military contractors. On the other hand, it is possible that Justice Department lawyers concluded that the base arrangements at Manas are not what the FCPA means when it talks about "obtaining or retaining business." But as I noted, if this were a commercial business seeking the same arrangements, that conclusion would be impossible to justify.

Alternatively, it could be that the Justice Department decided that national security concerns trump an application of the FCPA to these facts or that an exemption applicable to intelligence operations applies. The FCPA does contain a limited national security exception,¹⁵ included at

¹⁵ Section 78m(b)(3) of the FCPA provides: "With respect to matters concerning the national security of the United States, no duty or liability under paragraph (2) of this subsection shall be imposed upon any person acting in cooperation with the head of any Federal department or agency responsible for such matters if such act in cooperation with such head of a department or agency was done upon the specific, written directive of the head of such department or agency pursuant to Presidential authority to issue such directives. Each directive issued under this paragraph shall set forth the specific facts and circumstances with respect to which the provisions of this paragraph are to be invoked. Each such directive shall, unless renewed in writing, expire one year after the date of issu-

the outset at the insistence of the CIA.¹⁶ This provision relieves a U.S. business from its reporting obligations in certain circumstances. There is, however, no explicit provision stating that government contract officers may pay bribes when it is in the interest of national security for them to do so. However, in Britain, which has recently adopted an anti-bribery law which tracks the FCPA in large measure, the attorney general has attempted to fashion a national security exception where none exists on the face of the statute, using it to block the criminal investigation of two senior government officials by the Crown Prosecution Service in connection with the sale of aircraft by British Aerospace to the Saudi Arabian Air Force. His efforts have drawn sharp criticism from the British judiciary.¹⁷

Moreover, the Justice Department puts the national security concern on a different public footing. Mark Mendelsohn, the last head of the FCPA section at Main Justice, recently stated that “corruption is a national security issue and an impediment to stability in places like Iraq and Afghanistan.”¹⁸ The Justice Department claims that it is substantially increasing its efforts to enforce the FCPA and other anti-corruption and fraud statutes in connection with government contracts relating to military operations. This action is at least to some extent a response to this committee’s press for closer contract oversight and is moved by published reports of staggering contract fraud connected with the contingency operations in Iraq and Afghanistan. It’s hard to understand how the Justice Department can make such a claim credibly while taking no enforcement action with respect to hundred million dollar transactions that appear to benefit foreign heads of state, just as they are poised to decide critical concessions for the entity that awarded the contracts. It invites the suggestion that the Justice Department has decided to hold government officials to a lower standard of conduct than it applies to U.S. businesses.

In any event, the Defense Department’s indirect award of substantial contracts to businesses controlled by the president’s family—done at the same time that high-level political decisions are being taken about the future of the base rights—contributes to a culture of corruption both in Kyrgyzstan and in the United States. This makes it much more difficult for U.S. businesses to avoid rent-seeking by government officials by sending a conflicted message about U.S. policy. After all, if the Pentagon is willing to enter into such arrangements in the face of the FCPA, why can’t a commercial entity do the same thing?

And even if the FCPA and other American anti-bribery laws don’t apply to the deals cut with the families of the Kyrgyz presidents, of course, the contractors should still be concerned about Kyrgyz criminal law. Articles 311-314 of the Kyrgyz Criminal Code make it a crime to pay a

ance.” One obvious question would therefore be whether any directive has been issued which is relevant to contracting at Manas.

¹⁶ Kaikati et al., “The Price of International Business Morality: Twenty Years Under The Foreign Corrupt Practices Act,” 26 J. BUS. ETHICS 213 (2000)(noting that CIA activities continue to be a carefully disguised exception to the FCPA.)

¹⁷ Horton, “Mirror Image,” *The American Lawyer*, Oct. 2008 (discussing the parallel use of a claimed national security exception to block criminal inquiry into government dealings in the United States and the United Kingdom).

¹⁸ Hechler, “Roided Up Enforcement: DOJ Unit that Enforces FCPA to Bulk Up,” *Corporate Counsel*, Feb. 25, 2010.

bribe to a government official in order to secure some benefit or forbearance. These provisions specifically contemplate that the bribe may be paid using one or a series of intermediaries in order to conceal the bribe. Kyrgyz prosecutors apply the same group of “red flag” tests that American prosecutors use to ascertain whether a services contract is actually a disguised bribe payment.

In the end how our Defense Department contracts for services at Manas makes a statement about how we view Kyrgyzstan. Is this a fellow democracy that shares our values in the rule of law and transparency? Or do we view this country as congenitally corrupt and governed by competing bands of kleptocrats, the sort of Hobbesian nightmare where “walking around money” should be generously doled out to get what we need for the short-term—and the long-term is irrelevant, because America sees no need for a long-term relationship. The simple truth is that Kyrgyzstan falls into neither category—it is a country with high aspirations and an unpleasant current reality. But the choices that we and the Kyrgyz make will move the country forward on the road to a democracy that offers hope to its citizens—or down the path trod by delegitimized and failed states where might makes right and power is wielded by the kleptocrat of the moment. Over the last seven years, the rhetoric of diplomats has suggested the former approach, but the government’s actual conduct has pointed to the latter. And that approach is as unworthy of the United States as it is of Kyrgyzstan.

The solution to this problem is the one I understand that Kyrgyzstan’s interim leader Roza Otunbayeva put to Assistant Secretary of State Robert Blake in their recent meeting: “Clean up your act at Manas.” The United States doesn’t need new laws or rules. It simply needs to abide seriously by the laws that are now on the books. Blake promised to introduce transparency to contract process,¹⁹ but there’s no evidence of any action on this promise so far. And this Committee’s request for information from the Defense Department, State Department and FBI furnishes an important opportunity to the Obama Administration to make good on that promise.

The United States also needs to avoid repeating the mistake it made in the wake of the 2005 revolution, when it dithered for months avoiding engagement with the new government and making its anxiety about the airbase painfully obvious. The United States should embrace the new government and help it fulfill its promise to restore democracy, human rights and free elections in Kyrgyzstan. The United States should also demonstrate its commitment to transparency by putting its supply and service contracts at Manas up to rebid, open to all qualified providers, on terms that focus on the bidder’s ability to perform or supply quality on the best economic terms rather than their connection to those in power. The democratic process and the competitive bidding of public contracts may not appear to be the easiest route forward at first glance, but to paraphrase Winston Churchill, we’ve tried the other options and they’re even worse.

¹⁹ “What’s Next for Kyrgystan: An Interview with Roza Otunbayeva,” *Washington Post*, Apr. 16, 2010.

Mr. TIERNEY. Thank you, Mr. Horton.
Mr. Patten.

STATEMENT OF SAM PATTEN

Mr. PATTEN. Thank you. Thank you, Chairman Tierney, Congressman Flake, and other Members, for the opportunity to speak on behalf of Freedom House to this subcommittee.

In his novel *The Last Tycoon*, Scott Fitzgerald wrote that there are no second acts in American lives.

In view of recent events, a fitting question for this hearing, and for those who are concerned about Kyrgyzstan's future, is whether there is indeed a second act in store for Kyrgyzstan, the far-distant mountainous Soviet state that is little known to the American people.

I would argue that there is if we learn the correct lessons from the recent experience. Those lessons would be the first application of such lessons in the former Soviet Union. In no instance since the color revolutions between 2003 and 2005 have any of the former dictators been brought to account for their crimes against their people.

Unfortunately, Mr. Bakiyev's exit from Kyrgyzstan denies the Kyrgyz people the opportunity to hold him and his regime to account for the crimes that he committed. However, hopefully the full investigation that other witnesses have talked about and alluded to will be conducted and there will be an opportunity to bring the Bakiyev family to account for the crimes that no other former Soviet leader has to date been called to account for.

Freedom House is probably best known for the rankings that we produce each year of *Freedom in the World*, *Nations in Transit*, taking a look at all of the countries of the former Soviet Union and indeed the world. This year, for the first time, we downgraded Kyrgyzstan to not free in January for a variety of reasons having to do with the Bakiyev government's relationship with the media, its increasing censorship, the violence with which it dealt with journalists, and its increasing political repression.

In the spirit of fairness, I took our report to the then Kyrgyz Ambassador in Washington, Zamira Sydykova, who is a relatively thoughtful woman and a former journalist, much in the same spirit as the interim leader, Rosa Otunbayeva, to have a conversation and to explain to her why Freedom House downgraded Kyrgyzstan to not free.

She listened to the reasons that I laid forth and that were in our reports, and at the end of our discussion she asked, "why is it that the State Department no longer talks to us about democracy? It used to be that every sentence the State Department would say to us would include the word democracy; now they only talk to us about trade. If your State Department does not care about democracy, why should we?"

I was stunned by her reaction to the report and, indeed, there is an important responsibility. Much blame has been put on the Department of Defense for the recent events that have happened in Kyrgyzstan. I think it is important to look at the role in a whole government approach that the State Department also needs to play.

We have seen in the New York Times the fairly apocryphal account of an opposition leader, which has been mentioned here today, visiting the U.S. Embassy and saying that the revolution begins on Wednesday, and the diplomat with whom he spoke said, "oh, yeah?" Other opposition figures, as we have heard, were not received at the U.S. Embassy and, in fact, Congress passed the Advanced Democratic Values Act in 2006. There is a law on the books requiring senior U.S. diplomats to actively outreach and engage opposition figures, human rights activists, and others in all countries where the United States conducts diplomatic relations. Kyrgyzstan should be no exception; the other countries of the former Soviet space should be no exception.

The recent incident in Kyrgyzstan and the ongoing tumult that comes from the events of the last 2 weeks puts the regional situation, particularly with Kazakhstan, as the chairman of the OSCE, in a unique perspective. Kazakhstan's becoming the first chairman of the OSCE east of Vienna is a historic precedent.

The events of the last 2 weeks presented the first opportunity in Kazakhstan's chairmanship of the OSCE to actively engage in a constructive way to diffuse violence, to put monitors on the ground, and work in the process of healing the country of Kyrgyzstan. They failed. They failed to deploy ODIHR, which had the monitors and the resources necessary to engage, and, instead, reverted to old-style former Soviet diplomacy, in effect whisking Bakiyev off through Kazakhstan to Belarus, where he safely sits today.

I think that is an important lesson looking forward about just the role of multilateral institutions in the OSCE in particular and how it was intended to be used in situations like this and how, perhaps in the balance of Kazakhstan's chairmanship, it can do a better job.

Looking also in the regional perspective, there are lessons to be learned here with respect to Uzbekistan in particular. And the case was raised that Uzbekistan and Kyrgyzstan are not similar in many circumstances; however, the lessons are the same. The lesson that we have learned in Kyrgyzstan is that backing up a single dictator does not put us in a very good position when a revolution happens.

The question with Uzbekistan is not if the revolution will happen, but when it will happen, and do we want to be in the same position sitting here at this table, wondering what happened, when things do change in Uzbekistan, as we are today. A careful look and review of the situation and how Kyrgyzstan got to where it is hopefully will put us in a better position when that comes.

Thank you.

[The prepared statement of Mr. Patten follows:]

**Testimony of Sam Patten, Senior Program Manager for Eurasia at Freedom House
Before the National Security and Foreign Affairs Subcommittee of the U.S. House of Representatives
Committee on Oversight and Government Affairs
Hearing on "Crisis in Kyrgyzstan: Fuel, Contractors and Revolution along the Afghan Supply Chain"
April 22, 2010**

Chairman Tierney, Ranking Member Flake and members of the Subcommittee, thank you for the opportunity to speak to you today on behalf of Freedom House about the recent tumult and tremendous challenges now before the people of Kyrgyzstan. In his novel "The Last Tycoon," F. Scott Fitzgerald wrote that "there are no second acts in American lives." In view of recent events, a fitting question for this hearing, and for those who are concerned about Kyrgyzstan's future, is whether there is indeed a second act in store for this mountainous and remote former Soviet republic. Given adequate vision, focus and commitment, it is my belief that there is indeed a chance to correct past mistakes through a 'second act' in Kyrgyzstan. It will not be easy, but it is in the long-term national security interests of both the United States and the regional states in Central Asia, that we all –collectively – do a better job this time around. Doing so begins with acknowledging Kyrgyzstan's cycle of corruption and repression, which has now twice undermined governance to the otherwise unprecedented extent in Central Asia of fomenting regime change. If this "second act" is to usher in greater stability in Kyrgyzstan, it will require the kind of transparency and accountability that can only be achieved by breaking that cycle and strengthening democratic practices.

Freedom House is perhaps best known for its annual surveys – such as *Freedom in the World* – which offers an annual metric of how each country in the world ranks in terms of democracy and the protection of its citizens' fundamental rights and has assessed freedom in Kyrgyzstan since the country's independence in 1991. Other Freedom House publications take a more in-depth look at countries' progress as they work to expand freedom or, as is unfortunately often the case, restrict liberties. Since 1995, *Nations in Transit* has taken a more textured look at the former communist countries of Eastern Europe and the former Soviet Union, including Kyrgyzstan and its neighbors. In addition to this analysis, Freedom House also has conducted democracy and human rights programs on the ground in Kyrgyzstan for over seven years. It is from the standpoint both of analysis and on-ground experience that I am pleased to share with you this morning some observations and suggestions about how Kyrgyzstan reached its current situation, what it faces on the road ahead.

Regression, Repression and Revolution

Earlier this year, in our 2009 *Freedom in the World* ranking, Freedom House downgraded Kyrgyzstan to "Not Free," a categorization it now shares with many of its neighbors. Shortly after this report was issued, I called on Zamira Sydykova, then the Kyrgyz ambassador in Washington, to explain to her how the report's authors reached the conclusions they did and what steps could conceivably reverse this downward trend. She listened carefully, and as I was leaving her office she stopped me on the stairs with a question: "It used to be the State Department would talk to us all the time about democracy; now they never mention it and only talk to us about trade. If your State Department doesn't care about

democracy, then why should we?" Clearly it was a rhetorical question posed by a thoughtful woman, but I was nonetheless at a loss for words on how to respond.

Our basis in downgrading Kyrgyzstan at the end of last year had multiple elements. Freedom of expression was under assault throughout 2009, well before two Kyrgyz journalists investigating corruption cases were murdered in Almaty, Kazakhstan. Criminal and civil charges were regularly imposed against journalists throughout 2008, and that year President Bakiyev pushed through amendments to the media law that essentially comprised state censorship. The Bakiyev government's ban on broadcasting U.S. Government-funded radio as well as that of the BBC earlier this year was preceded by a state-imposed interruption of these broadcast outlets in December 2008. It is worth noting that throughout this period, the popularity of Russian broadcasting in Kyrgyzstan increased, including, surprisingly enough, Russian programming that makes fun of migrant workers in Russia – many of whom are Central Asian. One of the clearest signals of impending change in Kyrgyzstan that analysts point to following the events of April 6-8th was a full-scale assault on Bakiyev's corruption in the Russian press.

The trajectory of political repression in Kyrgyzstan over the past several years is similarly bleak. While the parliament elected after the Tulip Revolution of 2005 is considered one of the strongest in the country's history, President Bakiyev systematically stripped away parliamentary power, first by a referendum in 2007 and later by "diktat." The chairwoman of the Central Election Commission resigned prior to local elections in late 2007, citing intimidation and threats from the President's son, Maksim. Opposition party leader Edil Baisalov – who now serves as interim president Roza Otunbayeva's chief-of-staff – was forced to flee the country after being charged with purported crimes connected to his posting a sample ballot on his website. Two years later, Medet Sadyrkulov, a former head of President Bakiyev's administration who left power to go into opposition, was killed in a suspicious car accident, lending to a mounting sense of conspiracy and fear. The conviction and sentencing to prison of former Minister of Defense Ismail Isakov late last year was certainly one indication of the Bakiev regime's tightening grip. The arrest of Omurbek Tekebayev earlier this month was seen by many as one catalyst for the intensification of the protests in Bishkek.

While there is a clear pattern of increasing repression, the facts do not necessarily support the conclusion that the events of April 6th-8th were simply a popular pushback against an ever more authoritarian executive. When I was in Kyrgyzstan late last month, demonstrations in the regions were focused on the doubling of electricity and gas prices, not about political repression, though public frustration at the ever-more-limited "pressure release valves" in society was clear. First-hand accounts of the violence that came later were chilling. A *Reuters* camera man was badly beaten by the mob in Ala-Too square because he was wearing a flak-jacket and therefore mistaken for a security officer. There were many reasons for the crowds to be angry. The net effect of this outpouring of passion, however, more closely approximated mob rule. "People have tasted blood and learned they could get things if they push hard enough," a friend in Bishkek told me in the midst of that tumult. This sobering characterization was recalled on news of the violence earlier this week that saw ethnic minorities killed over property disputes. The impression, and concern, is that recent events are more Hobbesian than Jeffersonian in nature.

On a television talk show in Moscow earlier this week, former Kyrgyz President Askar Akaev, ousted by the bloodless revolution five years prior, said the difference between recent events and those of the Tulip Revolution was simple and clear. “I told security services then under no circumstances to open fire on the crowd.” Determining precisely what happened earlier this month will require continued investigation, as well as a public, fair and transparent review of the investigation’s findings. The more dispassionate that review is, the better the chance Kyrgyz society has to properly heal these still searing wounds.

Potential Openings for Democracy and Human Rights

The first concerns of the interim government relate to the basic security of the Kyrgyz state. One long-time observer of events in the former Soviet Union wrote on Tuesday about an editorial exchange in Russia’s *Komsomolskaya Pravda* about whether Kyrgyzstan should continue to exist as a country or be absorbed into Russia. The restoration of public order – beyond the necessity of “shoot-to-kill” instructions for security forces in order to prevent looting – follows closely on this. A realistic plan to quickly replenish the state coffers Bakiyev looted on exit will be needed in order to meet the demands of those who demonstrated for change and were more concerned with economic as opposed to political needs. But not far behind these emergency measures, basic democratic institutions are also needed to fill the vacuum of lawlessness in a sustainable way.

Policy-makers in friendly nations can best help this process by supporting processes over personalities. It was, after all, the willingness of some in the U.S. Government to turn a blind eye to Bakiyev’s hardening authoritarianism over the past five years that has put America in such an embarrassing position in the aftermath of recent events. Following my most recent visit to Kyrgyzstan, I traveled to Georgia where I was impressed to learn that many of the embassies there regularly meet with opposition parties to listen to and discuss their concerns. This is one small way of alleviating mounting political pressure and certainly a stark contrast to the account one Kyrgyz opposition figure relayed to *The New York Times* of his visit to the U.S. Embassy in Bishkek immediately preceding the events of earlier this month. “The revolution begins on Wednesday (April 7th),” the opposition figure reportedly told an American diplomat who, the story continues, responded “Oh yeah?” Other opposition figures have complained that the U.S. Embassy found little time for them altogether. The Advance Democratic Values Act, which Congress passed in 2007, calls on senior diplomats to engage with opposition figures and human rights activists. Kyrgyzstan serves as a good wake-up call to embassies where such outreach is not, regrettably, a matter of priority.

A new social contract is on demand, and the draft of a new constitution has already been written. Since one of the fundamental concerns of the interim government is legitimacy, the acceptance of this draft constitution by a public often circumvented in recent years is a priority. That means the interim government must explain the draft to the public and accept the input it hears in the process of doing so. Civil society can be a powerful ally in this process. The Independent Public Commission is an umbrella group of more than a dozen non-governmental organizations – a number of whom Freedom House has

worked closely with over the years – that stepped into the fray over the past couple weeks, first to defuse tensions and more recently to draft legislation for police reform, access to information and electoral reform. These pieces of draft legislation were endorsed at a large meeting this past weekend and referred to the interim government for consideration. During the period of the interim government, the active involvement of civil society groups will remain indispensable.

In looking back at the “color revolutions” in Georgia, Ukraine and Kyrgyzstan from 2003-5, one consistent fact is that no deposed leader was held to account for his crimes. This also follows on the trend of no one being held to account for the crimes of the Communist regime after the collapse of the Soviet Union in 1991. While neighboring Kazakhstan, the current Chair-in-Office of the Organization for Security and Cooperation in Europe (OSCE), is credited for helping avert a civil war by whisking Bakiyev out of the country, at no time during the crisis did it deploy the resources of the OSCE’s Office for Democratic Initiatives and Human Rights (ODIHR), which arguably could have played an important role both in monitoring the evolving situation on the ground and working with all parties towards a peaceful and more orderly transfer of governing authority. It would appear that the Kazakhs view their OSCE chairmanship more as a source of prestige than as the crisis mitigation tool it was designed to be by the architects of the Helsinki Accords in the late 1970s. More important than this unfortunate under-utilization of a time-honored diplomatic institution, however, is the result that the Kyrgyz people will, for the time being, be denied their understandable demand for justice that could best be achieved by holding Bakiyev and the members of his regime to account for their alleged crimes, most notably massive corruption. The difficult job of playing watchdog to judicial procedures in this uncertain environment will fall on the shoulders of civil society, human rights defenders and a vigilant, and hopefully unfettered, media.

Legitimacy will require free and fair elections held at a higher standard than those which, since independence, have been marred by widespread falsification and manipulation. The Kyrgyz people must reasonably believe that they have a greater stake in the outcome of this exercise than any one particular family, clan or region. Public anger at the intertwined repression and corruption was clearly visible in the faces of demonstrators two weeks ago. At a pivotal moment, when it came under the fire of snipers, the crowd surged forward into government buildings because it was then less dangerous to do so than to fall back. That sense of momentum must be harnessed with an eye on the ballot box, and it is commendable that the interim government has committed to elections soon. The Kyrgyz must be able to credibly believe that new elections will constitute a step forward to placing those tendencies towards corruption and autocracy in check. It is a tall order precisely because corruption is so deeply rooted in the governing elite’s sense of entitlement.

In the late Nineteenth Century, Russian Tsar Nicholas II exercised the same civic responsibility that many Americans are doing presently – he filled out his census form. In response to the question of what his occupation was, he replied “Owner,” in reference to the property of the Russian Empire. So long as this mentality persists, as the Bakiyev family demonstrated it does, democratic governance in the former Soviet Union will remain an abstraction. The process of supporting democracy and human rights in countries like Kyrgyzstan requires first and foremost that the ‘owners’ trade in their entitlement for the urgently needed responsibility of ‘stewards.’

Policy Recommendations for a More Durable Engagement in the Region

Others on this panel are better suited to address the history of the Manas Air Station and speak more generally to the question of what effect U.S. military bases have on the development of the countries where they exist. Certainly there are multiple instances of American diplomacy becoming hostage to the whims of authoritarian regimes because of our security imperative to maintain military bases in non-democratic countries. By the same token, however, it is worth reviewing what options diplomatic and defense planners can creatively conceive to free both the U.S. government and the citizenry of the countries in which there are military bases from the perceived cycles of dependence that lead to situations like we have most recently seen in Kyrgyzstan.

The example of South Korea is not necessarily similar to the circumstances in Central Asia, but there a vibrant democracy has grown and flourished alongside American military presence. It is worth the investment of time and energy to conduct a thorough review of "lessons learned" across the board that can be applied in future cases.

The most immediate example of a red flag that the Kyrgyz events raise can be seen in our current relationship with Uzbekistan. Following Uzbek President Islam Karimov's brutal crackdown on demonstrators in the city of Andijan in 2006, the United States was vocal in its criticism of the human rights abuses that had clearly occurred. Shortly thereafter, the United States was asked to remove military support facilities in the country. As various potential routes for a Northern Distribution Network to supply operations in Afghanistan are discussed by policy-makers in the U.S. Government today, the example of our recent relationship with Kyrgyzstan's Bakiyev looms darkly. Does indulging a tyrant advance U.S. interests, even in the short run? Are we more motivated by fear of Moscow's embrace of regional strongmen – traces of which could be seen in a meeting between Karimov and Russia's President Dmitri Medvedev earlier this week – than the longer-term investment towards stability?

Having participated in democracy building in Iraq and elsewhere, I have every reason to believe that the United States military sincerely wishes to do the right thing and the heavy burden of civil affairs work often falls involuntarily on their shoulders. Blaming the Department of Defense is short-sighted, and its contribution to a "whole of government" approach is too often out-sized only because other government entities – including the Department of State – lack either the resources or the will to be as vocal as necessary from their seat at the table.

The medium to long term success of what America does in Afghanistan is linked to the relationships we foster in Central Asia. A stable and secure Afghanistan can only be achieved by practicing the same values in the Central Asian states that we ultimately wish to see take root throughout the region. Certainly, it is a challenge fraught with contradictions, but the countries throughout the region will look to us, if not for inspiration, than for weaknesses to exploit. Throughout much of the 1990s, Central Asian states looked towards Washington as a hedge against Moscow's designs on regional dominance. Uzbekistan's courtship of Washington over the period shows this trend in its most pronounced sense. Now it appears the worm has turned and the despots in the region view the United States essentially as

a hostage to their demands. It is difficult to see how fostering this view any further could be in American interests.

That is why it is necessary to be straightforward, and consistent, about what is on offer, whether in foreign assistance or military cooperation. While Moscow may tell the despots of the region that its support comes without strings attached, the dictators of the region –formerly functionaries in a larger Communist regime – know better. Karimov may appear categorical in his demands that any strategic relationship with Washington come without meddling interference on questions of human rights or rule of law. The cost of abiding by such demands, as Kyrgyzstan clearly shows, is too high. We are fortunate that the interim government in Kyrgyzstan is, for now, willing to talk with us, given what they justifiably perceive as a betrayal. When Karimov's iron-fisted rule over Uzbekistan comes to an end, as it invariably will, what credibility will the United States have with the successor government if we were never seen as being able to effectively challenge the tyrant while he was repressing his people?

By keeping channels of communication open with the opposition, calling on governments to honor free expression and upholding an example of human rights protection do we stand a greater chance of not falling victim to the cycle of dependence on regimes that, due to their kleptocracy and cruelty to their own citizens, have expiration dates we too often see only after they have come to pass. The U.S. energy strategy for the Caspian region in the 1990s came to be known by the slogan "happiness is multiple pipelines." Our consideration of political development scenarios should be equally broad-sighted, and that begins by talking regularly with multiple groups in each country with whom we engage. Rhetoric in this sense also requires resources.

One tangible measurement of our commitment to these values lies in the budget resources we make available to pursuing them. The President's proposed budget this year calls for significant reductions in funds for Governing Justly and Democratically in Uzbekistan, Kazakhstan and Turkmenistan. This may well be an example of being penny-wise and pound foolish. More importantly, it sends the wrong message to autocrats in the region. By viewing the region only as an accessory to the more immediate challenges it borders, America short-changes its chance for a more lasting and stable engagement with the peoples of Central Asia. Today there is an opportunity in the region, though it is easy to see that window quickly closing. In Kyrgyzstan, time is short in which to substantively engage in a process where we can lend value. We must recognize and move on this opportunity before it is too late.

Thank you for the opportunity to share these thoughts with you this morning.

Mr. TIERNEY. Thank you, Mr. Patten.

Thank all of our witnesses for your testimony, both written and oral; it has been informative on that. We are going into a question and answer period here, about 5 minutes per Member, and we will go around more than one cycle if that is amenable to all the witnesses and the Members desire it.

Mr. Patten, it is not unusual for the United States, if we go back in our history, unfortunately, and find out how often diplomatically we have chosen to support somebody who was authoritarian in nature or convenient to moving our priorities forward, as opposed to keeping those open contacts with opposition leaders as well, and playing a different role. Pakistan comes to mind, General Musharraf, as a more recent thing, but it goes on and on.

Let me ask first, though, to all the witnesses here. I am hearing that it is a good idea to do this investigation, it is a good idea to do it early on, it is a good idea to be as inclusive and thorough as we can be. Yet, on the other hand, I am hearing that doing that may give fodder to sort of a pinata sort of situation in the elections coming up in that country. So can you weigh or balance for me the pros and cons of that? In any order people want to speak up.

Dr. Cooley, you have been nodding away. Do you want to speak first?

Mr. COOLEY. Yes, Mr. Chairman. I think the base is going to be a pinata whether we have the investigation or not. I think candidates are positioning themselves. They have all the fodder that they need to make these connections. And, again, this operates in Kyrgyz political space. This is regardless of what the intentions may or may not have been on the part of the State or DOD. The base will be an issue. That is why having an investigation, being contrite about some of the arrangements, all of this is important to give domestic political support to those factions, to those candidates that want to maintain the base and have good relations with the United States.

Mr. TIERNEY. Sure, Mr. Horton, go ahead.

Mr. HORTON. I would just add that I think investigations are occurring because the Kyrgyz side is conducting an investigation. And while we talk about transparency, actually, I think all of us who have tried to look into the issues surrounding these contracts have discovered very quickly we can get much more detailed information much more quickly in Bishkek than we can get it in Washington.

There are prosecutors out there right now doing detailed investigations. Information is circulating about the pricing of the fuel contracts right now. Copies of the documents are circulating. It is out there. And, frankly, it would behoove us to conduct our own investigation and be out there with conclusions ahead of them. We have to view it in that context.

Mr. TIERNEY. Mr. Horton, as long as you are on that, I take note of your comment that there are U.S. individuals connected with some of these companies, like Red Star and Mina. So tell me a little bit about that, why we should be cautious of that and what you know so far.

Mr. HORTON. Well, again, I viewed this from a perspective of traditional analysis of the FCPA as it will be applied in a commercial setting and I said, if we viewed this as a commercial contract—

Mr. TIERNEY. The FCPA being the Federal Corrupt—

Mr. HORTON. Foreign Corrupt Practices Act. And one thing the prosecutors do applying this is they look to these sorts of contract and subcontracting relationships and test is there really an arm's length relationship between the original company and the first tier contractor.

In applying those tests, we come to a conclusion very quickly there is no such arm's length relationship, and that using the traditional factors—who are the officers, who are the people who are working in the company, what is its tradition, what is its business history, has it operated in this sort of business in the past, what volume of business did it have before, how are the contracts concluded, was there open bidding for it—you apply all these tests and it flunks every single test, which means, using the traditional Department of Justice analysis, not arm's length.

Mr. TIERNEY. Ambassador, what do you say about the Akayev regime when it was in power? Do you believe it was corrupt as well as the Bakiyev? Do you take no position on that or what information do you want to share?

Mr. ABDRIAEV. Mr. Chairman, I would like to say, first of all, about the previous question, I think that such an investigation will be quite important for a fellow democracy, an emerging democracy, to learn lessons from the leading democracy in the world. It will demonstrate how some of the problems must be resolved in a legal framework. It would be really great.

Second, about the corrupt practices, I think this is an issue where we have to now admit that during Akayev's regime, when I was an ambassador, in 2003 I was at—University and I was grilled on the same issue 7 years ago, and I admitted that probably, yes, because the president's family is involved in that business.

But how do we have to regulate it? What kind of legislation and framework do we need, because it is an issue that our country has to admit and then resolve. And probably this investigation will help for us to not to allow for the rulers to do something, which people view as against their benefits and for their wealth.

But second, also, it would help for us to understand how the base changed its status from being of strategic importance for protection from external threats to now becoming such a source of controversy. Because we have another example in Kyrgyzstan of the famous company Kumptor Gold Mining. It experienced the same kind of problems during 2 or 3 years, and we have just couple of such projects. Why are we in such a bottleneck when people now view the U.S. base as just a source of money? And it is quite an important question which I think this investigation also would help to resolve.

Mr. TIERNEY. Thank you very much.

Mr. HUSKEY. Mr. Chairman, could I speak to the comparison of President Akayev and Bakiyev on this point?

Mr. TIERNEY. There being no objection, sure, go right ahead.

Mr. HUSKEY. It is true that both were corrupt, both regimes were corrupt, but the degree of corruption in the most recent regime of Bakiyev was far greater, bringing his son right into the central core of the executive branch. The other difference, however, didn't have to do with corruption, but it had to do with the level of repression. In Akayev it was still possible to have a relatively vibrant civil society. That was being destroyed since 2007.

We had a criminalization of the state in Kyrgyzstan, where law enforcement authorities were intermingled with criminal groups, where the former chief of staff of the president was incinerated in his car because he dared to flirt with the opposition, we had journalists and opposition politicians being killed, members of the parliament being killed. This kind of thing didn't happen under Akayev. So I think there was a qualitative difference between the Akayev and the Bakiyev eras.

Mr. TIERNEY. Thank you. Thank you for that.

Mr. Flake, you are recognized.

Mr. FLAKE. We have spoken about the air base, Dr. Cooley, the air base being used politically.

Dr. Huskey, if you could elaborate how will this be used in a political campaign? Is there popular support in the population for the air base? Does the population simply want the revenue to trickle down a little more freely? Or what kind of politics are going to be used with the air base? If you could elaborate.

Mr. HUSKEY. Again, as I was suggesting, the air base has to be seen as a part of a decade-long history of Kyrgyzstan either selling or auctioning its territory. It began at the end of the 1990's with the Chinese border delimitation, where Kyrgyzstan lost 250,000 acres to China. There are lots of rumors about the president at the time taking money and other members of the cabinet. Kazakhstan was given territory; Uzbekistan was on the verge of getting a very sweet deal.

Unfortunately, Manas is a part of that tradition, and I don't think we can say that in the Kyrgyz population the base is terribly popular. They, I think, have forgotten what happened in 2001; it is almost a decade beyond that point. And, as Ambassador Abdrisaev was saying, the incursion of people from Afghanistan through southwestern Kyrgyzstan at the end of the 1990's, alarmed the population and the government. But now I think the base is not a terribly popular idea.

The only thing I would say is that it is possible that some of the parties that are now separate will come together before the election. If they do, one could imagine a moderate stance on this, an accommodational stance. The danger would be that kind of fused party would be outflanked by a party willing to, again, hit the pinata, as Professor Cooley says, with the air base issue.

Mr. FLAKE. Dr. Cooley.

Mr. COOLEY. The base will certainly be an issue in the campaign, but it is not going to be the only issue, and I would argue it wouldn't be the prime issue. What drove the events of the last 2 weeks were anger about, as was stated, the increase in electricity and gas tariffs, which is a result of corruption and the accelerating pace of corruption, which has been pointed out that in the Bakiyev

government, the level of corruption, the depth of corruption intensified tremendously.

Really, by focusing on corruption and coming up with concrete ways of being more transparent in the way in which funds are provided for rent and other aspects of the base, the United States can best represent itself and put the base issue to rest and address the focus on the real issue in Kyrgyzstan, which is corruption and its affect on government, which is entirely corrosive.

Mr. FLAKE. Did you have something to add there?

Mr. COOLEY. Just very quickly. The base faces a very negative media environment, and always has, in Kyrgyzstan from the Russian language press, and a lot of the stories that they run are untrue; they are rumors, they are meant to delegitimize it, accuse the base of doing all sorts of things that they are not doing. So the media terrain is very difficult and issues like this just keep stacking up on top.

Now, the transit center does have a Web site; it is much more proactive than it was a year ago, and I would commend the base for taking some good PR steps. But a lot of the images in the Kyrgyzs' mind about the base have been set.

I think our best case scenario, a pro-base politician, if we want to use that word, I think will only be able to run on the promise that they will keep the base, but renegotiate some of its legal provisions. I think that is the political space. I think the sort of time for business as usual, no one is going to get behind that.

Mr. FLAKE. Mr. Ambassador, first, I am glad to see you at UVU. My kids are at BYU next door. I am wondering, there was as much as \$8 million a month, it was thought that might have been skimmed off these fuel contracts. Is there any effort or was this money seized somewhere in these campaigns that will come out? Are politicians claiming that they can recoup some of this money and is that a way that they can, through transparency and what-not, legitimize the existence of the base, at least? Is there an effort to seize the money that has been skimmed? Or is that money just gone now?

Mr. ABDRIAEV. I think it requires a serious investigation from the Kyrgyz side and U.S. side as well. But, first of all, hearings and transparency in this process I think would help us maybe to recover part of that money. But the difference with the previous regime, now people would at least know how that money would be spent with the current ones for a couple more years. I think there is no feeling with the new people there will be such problems like before because now we have a plurality.

So many people with different opinions, they will liberate some decisions which benefit society in a more positive way than the previous regime. The previous regime, everything was so clouded and secret and, therefore, as a result, of course, such problems. But now I think it is worth to do it.

And, by the way, my guess is if you would do that, we would ask also the economic conditions and question the presence of another base which exists and also a Russian one. And, by the way, when we signed the agreement with both the United States and Russia in 2001, the reasons were the same, and it is quite important for

us to see how, in this case, society would benefit politically, strategically, economically from both cases. So don't be afraid.

Mr. FLAKE. Thank you.

Mr. HORTON. [Remarks made off mic.]

Mr. FLAKE. If that is OK with the chairman; I am out of time.

Mr. TIERNEY. Sure. Go ahead.

Mr. HORTON. [Remarks made off mic.]

Mr. FLAKE. Can you put the mic on?

Mr. HORTON. I am sorry. So \$200 million they say has been transferred out. They are trying to trace that money and freeze it right now. So there is an ongoing effort to specifically identify the counter-parties and freeze and secure the funds, just hold it while they then deal with the question of liability and whether it can be recovered.

Mr. FLAKE. OK. Thank you.

Mr. TIERNEY. Thank you.

Mr. Driehaus, you are recognized for 5 minutes.

Mr. DRIEHAUS. Thank you very much, Mr. Chairman, and thank you for holding this hearing.

Dr. Huskey, you had talked about the actions of the U.S. Embassy and our treatment of opposition leaders leading up to the change in government, and I am curious as to your opinion as to whether or not, structurally, at the embassy, folks have recognized the failure of their actions and what we have done to address that.

Or are the same people in place? We talk a lot about this investigation and looking at the air base, but I am wondering if we are also looking internally at the decisionmaking process at the embassy and whether or not we have learned anything from that and are outwardly expressing signs that, yes, we recognize what we failed to do and we are adjusting for that.

Mr. HUSKEY. Last week I spoke to people in the State Department and the administration. I think there is a recognition that changes have to be made in the embassy. The previous Ambassador who left—it would have been right about when I arrived in July 2008, had had a fairly active agenda with opposition members, and the new Ambassador, Ambassador Gefeller, adopted a very different policy.

I understand, again, simply from secondhand accounts, that there was some disagreement with that policy in the embassy itself, and I am afraid you will have to go elsewhere to find more detail about this, but obviously an ambassador would not, it seems to me, on her own be able to make such an important decision as to stand aside from the opposition of the democratic change-oriented forces in a country. That would have had to have been something known and approved in Washington.

Mr. DRIEHAUS. So it is your understanding that the policies that were being pursued were being instructed or driven by the State Department in Washington, not necessarily driven by the Ambassador?

Mr. HUSKEY. I would so assume.

Mr. DRIEHAUS. Have there been outward signs at the embassy to the government? There has been mention of the way in which we could help fund education, how we could pay for the elections. We talk about the path forward, as Mr. Horton suggested. The inves-

tigation is important, but are there other things that the embassy could be doing to show that we have learned our lessons, to show that, in fact, we are working cooperatively with the government, we are rooting out some of the corruption that has been identified and we are on a new path? Have there been outward signs to that effect from the embassy?

Mr. HUSKEY. The embassy has certainly been talking to the interim government, and very actively. It is probably early days to re-engage with NGO's, but I would assume they would do that and they would do that, again, very actively. There are a number of projects that the United States probably ought to get involved in in that region, some of them infrastructural projects that would assist them in hydroelectric production.

Russia has gotten involved in a very big way with a kind of demonstration project, a huge scale project that is now somewhat uncertain as to when it is going to be finished. But there are a lot of small scale hydroelectric things that we could do in the United States that I think would bring terrific economic and political benefits to both sides.

Mr. DRIEHAUS. Mr. Ambassador.

Mr. ABDRISSAEV. I would like just to add maybe the view of the outsider, because for 5 years I was out of the decisionmaking in Bishkek, also dealing with the U.S. Embassy. I think it will be difficult to blame just the Ambassador for such changes in policy. My guess is that the opinion of [indiscernible] is quite important. The United States probably already decided not to treat our country as a fellow democracy, but just a regular case of a corrupted and failed state.

And we could see so many opinions not only among the State Department people, but also among the [indiscernible] experts. In 2005, I was surprised by the fact that President Nazarbayev used the case of Kyrgyzstan as mocking in order to be reelected for the next time, and it was surprising that neither the United States or experts in the west, they just looked at that case as something which is indifferent for them.

Our country was used as a case of, again, a violent one and failed one, and here we already started to lose its connections based with respect to the values and shared values as well. And Bakiyev we have to also take into account, he did all of the efforts in order to cut ties with the United States. He never ever expressed his desire to come to Washington, DC. During his time, four diplomats were expelled from Kyrgyzstan. It is unimaginable. It is unimaginable to expel for almost nothing.

And I can understand the Ambassador, when she came to her new position, there was already a whole trend. Now it is necessary to change, again, to restore our attention based on the multidimensional cooperation—educational, people's diplomacy exchanges and other things that could restore the credibility and will be a different attitude.

Mr. DRIEHAUS. Thank you, sir.

Mr. TIERNEY. Mr. Turner, you are recognized for 5 minutes.

Mr. TURNER. Thank you, Mr. Chairman.

Mr. Patten, you had mentioned that perhaps they weren't hearing the word democracy enough from us, so my question is about

democracy. I would like each of you, if you would, to give us your thoughts on what does the transition look like. Is it possible for them to transition to democracy? And what can we do to help?

Mr. PATTEN. Of all the—

Mr. TURNER. I am sorry, Mr. Patten, before you begin, because I have a feeling that may take up most of my time for you to each give your thoughts on democracy.

I want to ask unanimous consent from the chairman. I have an article that is “Regardless of Who Is in Power, We Have an Ally in Need,” by Eric Stewart, former U.S. Department of Commerce Deputy Assistant Secretary for Europe and Eurasia, which just sounds many of the themes that I know you are going to be telling us.

Mr. TIERNEY. Without objection, that will be put in the record.

Mr. TURNER. Thank you.

Mr. Patten.

Mr. PATTEN. Thank you, Congressman. Kyrgyzstan has, for some time, been seen among all the Central Asian states as the most pluralistic, with the most opportunities for citizen participation. And certainly during the Akayev period that was seen to a far greater extent than in Kazakhstan or Uzbekistan or obviously Turkmenistan.

The repressions increased over the Bakiyev term, but there is an experience in Kyrgyzstan of civic entitlement that does not exist elsewhere in Central Asia, and for that reason there is an opportunity, particularly in this next 6 months and the 3-months leading up to the constitutional referendum, and then in the fall elections.

The key issue is really going to be the legitimacy of the interim government. This is an unelected government, whereas Bakiyev was elected, albeit by a rigged election. So the best way that they can approach that from a standpoint of democracy is to engage civil society, which is reasonably strong in Kyrgyzstan relative to other Central Asian countries.

There is an independent public council of strong civil society groups that has played a very constructive role in the last 2 weeks. They have engaged in an effort to try and ease tensions between Bakiyev, before he left the country, and the interim government, and they have offered draft legislation already to be considered, issues such as freedom of the media and reform of police and law enforcement.

So encouraging and supporting civil society is probably the best thing we can do in the next 3 to 6 months.

Mr. HORTON. Well, I agree with Sam Patten on every single point he made; they are exactly right up and down the list. And I think acting decisively, vocally, and with funds to support these elections, to support the constitution process is extremely important. Enabling civil society, ensuring that it plays a vibrant role, as I am sure it can, in this process is critical.

And I think Kyrgyzstan is a standout in this entire region; it is a country where there are, in fact, millions of people who deeply care about democracy and civil liberties. They are willing to take to the streets for it, to stand up and die for it. They have overthrown two governments over this. It is a unique opportunity and it is something that forms the basis for a bond with the United

States that can be lasting and it can serve our mutual security interests.

Mr. COOLEY. Yes, I would just underscore that I think the focus should be on encouraging political pluralism, be it in media or civil society. Yes, the technical stuff is important in terms of democracy, but it is really creating spaces for the rich political pluralism and diversity of viewpoints and external affiliations that the Kyrgyz have. I think that should be the focus.

Mr. ABDRISSAEV. I would like also to mention here, as an addition, that now it is time to work with the political parties, and during my couple of years last time with the opposition, I could see a couple of really great hopes with several parties. So that is why if we would embolden them, help them, especially not only with creating the party structures, but also some of the bodies which help them to develop programs, analytical research, etc., and they will quite quickly adjust to that, it will develop quite a sound, long-lasting programs and would have an impact.

One such party I would say [indiscernible]. I was impressed. He is the person during the 2-years was trying to push the process of engaging the people, using his grassroots level support and with quite impressive developments.

Mr. HUSKEY. Just quickly. I think we have heard about two pre-conditions that are in place for democracy, one is culture and one is leadership with Tekebaev, the Ambassador just mentioned Atambayev Suriev.

But I think the other issue is institutions and what kinds of rules are going to be established in the constitution drafting. It is my feeling that a parliamentary republic for Kyrgyzstan will be preferable. It will prevent the concentration of power; it will be less likely that we will have a winner take all type election with the presidency. And we see already in the draft that Mr. Tekebaev has put forward, he has the idea of the legitimacy of the opposition, which we take for granted in this country, but which we only developed in the early 19th century in the United States.

And Kyrgyzstan and many other countries in the world are trying to do that. He is trying to institutionalize this by actually giving the opposition the chairmanships of the two key committees in the next parliament; that would be the budget committees and the defense committees. Frankly, I am not sure that will work, but at least there is the idea of creating institutions that are going to prevent a concentration of power.

Mr. TURNER. Thank you, Mr. Chairman.

Mr. TIERNEY. Thank you. You can pretty much bet that wouldn't work around here. [Laughter.]

Mr. Welch, you are recognized for 5 minutes.

Mr. WELCH. Thank you.

I really appreciate your testimony, but I want to ask the question about what appears to me to be an unresolvable conflict, and get your thoughts on that. On the one hand, the necessity for the American military is to have a secure supply line, and that obviously is to protect our troops. And that need suggests, to accomplish it, a partner that they can deal with, corrupt or not, and that urgency of supplying our troops is going to take precedence, I would think, over any other goals.

What you have been describing are, in effect, pro-democracy goals that I certainly support, but in the real world, particularly with the pressure that is on our troops, is going to be considered a luxury. So how do you do both, or do we have to face the fact that we can't do both?

I will start with you, Dr. Huskey.

Mr. HUSKEY. It is going to be very difficult to do both, but the reality is that if they elect a government that isn't willing to extend the air base lease, there is not much we can do about it except offer a lot more money. And I think money will speak in a country that has a very small GDP, struggling budget, economic crisis. I think there are ways, therefore, that even if we have a very negative outcome in the fall, that we may be able to counterbalance that, but I think it is going to be a very heavy price we would have to pay.

Mr. WELCH. Ambassador.

Mr. ABDRIAEV. Thank you for asking such a question. I think now we have more hopes with this second upheaval that society and political structures which we are creating would be more receptive to the variety of opinions, and I think that no one need here to be afraid that if the ruling party will make such a decision. Now we have more voices in order to oppose.

You can see, for example, I have an opinion. This is a base which has a strategically important meaningful [indiscernible]. I know several opposition leaders, hardliners who are saying the base is necessary to keep there. Why? Because we already sacrificed 55 lives and the situation now in Afghanistan is worse than it was in 1999. Therefore, it is something where will be no decision like Bakiyev; money in pocket and that is it.

Mr. WELCH. Thank you. Let me keep going. Thank you very much, Ambassador.

Dr. Cooley.

Mr. COOLEY. No, I mean, I think this is the dilemma. I would make two points. One is because of the different things that the base meant to us and to the Kyrgyz, I think threats that the Kyrgyz should somehow evict the United States were not credible. In other words, I think we had considerable more leeway for maneuver on the political issues than we thought at the time, No. 1. No. 2, planning for political change, especially in an important overseas base host, that has to be part of the strategic planning effort.

Hedging our bets, reaching out to potential future political leaders, it is not an all or nothing proposition, because we have a lot of historical cases here. The Philippines, we didn't manage the opposition well there; Thailand; Spain; Greece; Turkey; Okinawa; even the backlash in Korea that you see. All of these have to do with sort of democratizing forces coming in and reexamining basing relationships because somehow they were linked to sort of the past. So I would make that strategic planning part of the way we think about the base in an everyday sense.

Mr. WELCH. Thank you.

Mr. HORTON.

Mr. HORTON. I would say I think we have to start by recognizing there will be situations where imperative concerns of national security will justify a departure from normal procurement rules. I will

put that mildly. But I am not sure, in fact, I believe that Kyrgyzstan was not such a case, and where the appropriate effort to do it the right way needed to be made and wasn't made.

And I think there is also another really fundamental point that I think Alex just made, but I will put it in slightly different terms. It is a question of whether we are focused on the short-term or a long-term relationship. If it is a short-term, well, corners will be cut and we don't care.

If we want to have a long-term relationship with this country, we want to have a facility there for the long term—and that is a politically very hot issue, of course—then we have to modulate our behavior accordingly, and we have to respect them and show respect for their institutions, their aspirations for rule of law and democracy. We haven't done that. That, I think, was a serious error in Kyrgyzstan. And now it is up to us to draw conclusions about it and try and straighten the situation up.

Mr. PATTEN. Congressman, your question is really central in terms of whether or not we can do both, and I believe we can do both on the basis of accumulated experience and looking at where we have been successful and where we haven't been successful. As Ambassador Abdrisaev mentioned in his opening remarks, having served the Kyrgyz government at the time the base was initially opened, it is in the Kyrgyz national security interest to have an American presence there. The tide seems to have shifted in Central Asia where, in the 1990's, when the Americans first showed up in Central Asia, all of the states understood that there was a strategic value in having the United States present.

Now that we are in the position of appearing to be blackmailed by a dictator, other dictators are looking at that and seeing possible opportunities. We have to shift back to the strategic questions while applying the lessons learned.

Mr. TIERNEY. Thank you, Mr. Welch.

So, Mr. Horton, at this juncture is there any information that you are aware of that suggests that the Department of Defense purposely designed the fuel service contracts to enrich the first families?

Mr. HORTON. It seems to me that the Department of Defense absolutely accepted that might be the most expedient way to proceed.

Mr. TIERNEY. You should have been a diplomat.

Mr. HORTON. That is the perception, the very broad perception inside Kyrgyzstan. We see that charge being made dramatically by the chief of staff, Edil Baisalov, a number of other people. I, frankly, looking at the details of how these contracts were structured, who was involved with them, I find it very difficult to refute that.

I think it is likely that we are going to see the Defense Department say, well, at the end of the day, we got the fuel, we got it on time, and we got it for a reasonable price, so who cares. And the answer to that has to be, two governments fell in part because of this, so it really does make a big difference and it really has disturbed our relationship with this country, which at one point was clearly the most pro-American country in Central Asia and today may no longer be that.

Mr. TIERNEY. So it begs the question or the answer, I guess, that certainly they could have taken steps to steer those contracts away

from the private interested companies and to another government type of entity or something a little more national in nature on that, how would that have looked?

Mr. HORTON. I think they could have gone through a transparent public bidding process for the contracts, and they should have—what you would have seen, probably, was an effort by Kyrgyz authorities to rig the process so that only one company would be available as a possible provider or bidder.

But I think the United States would have come out of this much better if it went through a public process and procurement, set it up for bids, and awarded it. At the end of the day, if it wound up going to a company that was controlled by the president, if that happened as a result of an open public process because that was the only company that was capable of fulfilling the contracts, we would be a lot better off.

Mr. TIERNEY. Well, I think we already have evidence that was not the case.

Ambassador, let me ask you. For a country the size of Kyrgyzstan, and now the \$64 million lease number people bandy around, what would that money have meant to Kyrgyzstan if it had not been dissipated into other corrupt bodies? What would it do for a country like Kyrgyzstan to have the use of that money?

Mr. ABDRISSAEV. I think it is this question of the government, and probably they would be in the process of open bidding, they will see how, through the taxes, it will be redistributed to different needs for the people, and they could explain it. But with the government of the Bakiyev, probably this was not the case; they were interested in different things.

You mean not about additional to the oil? I think, again, through the budget they could show the true use for the paying of the salaries and sustain some of the other projects. But my guess here is base issue is not—the problem that now we have a bottleneck in Kyrgyzstan and the base is becoming just one of the few projects, and we need here more diversity. Still, the problem will continue further in the future, and we have to work on that issue as well.

Mr. TIERNEY. Thank you.

Dr. Huskey, how does that number relate to the overall GDP of Kyrgyzstan?

Mr. HUSKEY. I think it is something like 3 percent. I mean, this is not high. It is a significant amount of money and it clearly could have been put to very good use for the Kyrgyz people if this money had not been syphoned off. It is a trick, because even if you have open tender, you need to have a competitive bidding process.

It is possible in a Bakiyev-like environment for people surrounding the family, after the fact, to come in and horn their way into these legitimate businesses. This has happened one time after another in Kyrgyzstan and other parts of the post-communist world. But at least the original bidding should be competitive and above-board.

Mr. TIERNEY. Thank you.

Mr. DrieHaus, would you care to ask any more questions?

Mr. DRIEHAUS. I would just like to ask one final question, if we could run through the panel. Clearly, the United States has suffered a blow in terms of its legitimacy in Kyrgyzstan with respect

to the long-term interests of the United States in the region and the country, and I think we have discussed some of this, but what are your one or two things that you believe we should be focusing on that would support the long-term interests not just of Kyrgyzstan, but also of the United States—which I believe would also benefit us in the short-term—with regard to the base?

Dr. Huskey.

Mr. HUSKEY. Well, I think something that hasn't been talked about is the role of Russia in this. Russia has been a very important player in bringing about the revolution, in trying to expel the United States in the first place, so this is not just a U.S.-Kyrgyz issue.

There is a triangular aspect to this, so I think we have to frame it in that way. Russia is trying to expand its sphere of influence, understandably, after the difficult decades for them of the 1990's, and why it wanted to expel the United States. Was that simply a sphere of influence issue? Was it trying to have a bargaining chip with the United States on other perhaps larger issues of bilateral matters between the two countries? Let me just stop there and I will let my colleagues add.

Mr. ABDRIAEV. I think it is an issue about investments, which were already mentioned, quite an important one, and I planned at the beginning not to raise that issue, but probably it is time. Kyrgyzstan, from 1998, is the only country from the WTO in the region, and from that time during all of the 12 years, it is the only WTO member in the whole region, and China just during 2000.

So you could imagine that 12 years ago 200 percent of [indiscernible] against all our goods, and this is a factor that has contributed to the poverty, unemployment, and desperation. So we need more investments. And the people would be happy. And Kazakhstan, who is teaching us about many things, they are also contributing to our poverty as well.

Why? Two hundred percent. I would like to say, like President Reagan said in a famous speech, Mr. Gorbachev, please, tear that wall down. And then it will be a miracle. Our people know how to handle it.

Mr. TIERNEY. Thank you.

Mr. COOLEY. I think one lesson here is that we need to get out of the sort of competitive mind-set that our competition with Russia, some type of great game, that zero sum for influence in Central Asia. I think this is potentially quite destructive because it also leads the Russians to behave in that kind of way, where they think any kind of blow that they can strike against our presence there is a gain for them.

So I think part of it has to be recalibrating the mind-set, being very clear as to what our goals are in Central Asia. Are they access to the base? That is not the same thing as undermining Russia, and working, I think, in a more consultative way with Moscow would behoove us.

I see three-way competition in Central Asia between Russia, the United States and China. China did more trade with Central Asia in 2009 than Russia. So in this relationship Central Asia is not our backyard; Afghanistan's backyard. We need to have a distinct

brand. What do we stand for that China doesn't stand for and that Russia doesn't stand for.

So this is why we get back to the importance of things like transparency and investment, engaging on a range of sort of social democracy issues. Things that the two other regional powers don't do, I think that will be part of our brand in Central Asia moving forward.

Mr. HORTON. I think the path to our retention of our position with this base starts with our demonstration that this relationship is not just about the base; that there is a broader foundation for it, that we care about democracy, we care about human rights, but especially that we care about education.

When you press Kyrgyz when they say you really don't care about anything in the base and you press them, is that really true, frequently they will sort of grudgingly say, oh, well, of course we recognize you did do all these things in the education sector; there is the American University that was set up, there was support for secondary education, there was English language training, there were scholarships.

Frankly, the best invested money we put into Kyrgyzstan easily has been in the education sector, and it has been the basis for popular support in Kyrgyzstan for the broader security relationship. It is students from Kyrgyzstan who go to high schools in the United States, who go to colleges, who get masters degrees. Those are the people who say this isn't a bad idea; we need to sustain that relationship. We need to learn that lesson and we need to continue that investment.

Mr. PATTEN. I would put forth that Kyrgyzstan is the only country in the region where there has been regime change since independence. You could argue that in Turkmenistan, Turkmenbashi died and he was succeeded by his doctor, but it is essentially the same thing. There have now been two rounds of regime change in Kyrgyzstan, and the second round has been more violent than the first.

So I think our strategic interest is in institutionalizing a way for regime change according to a democratic procedure in Central Asia that will serve as a model for the other countries, because this is the looming question for Uzbekistan, for Kazakhstan, for the other countries: how does succession happen, and I think Kyrgyzstan presents an excellent opportunity to look at better models for succession, and that could really be America's legacy in the region. As Dr. Cooley said, it is really a question of having the American brand be one of values, and that is what the people of Central Asia are looking toward.

Mr. TIERNEY. Thank you very much.

Mr. Fortenberry, you are recognized for 5 minutes.

Mr. FORTENBERRY. Thank you, Mr. Chairman, and thank you all for coming today. I am sorry I have missed the balance of your testimony, and I apologize if some of this is a bit repetitive.

I think, Mr. Ambassador, you may be best suited to answer this first question. Culturally speaking, what is the disposition of the people of Kyrgyzstan toward the United States as we look toward some of what was just discussed here, longer-term relationships, empowering governance capacities, particularly in terms of peace-

ful transfers of power and long-term stability in the country for the well-being of the people, but also clearly to secure interests that we have, such as our own base?

Mr. ABDRIAEV. According to the poll which was made public last year by the IRA, in Kyrgyzstan we have quite a negative trend toward the United States. Feelings are not good, and probably because of some of the promises which were not fulfilled. But partly also this process was inflamed by the transfer of the Russian Federation into the policies from the regime, which was now changed.

In general, if we would implement suggestions which my colleague just made—education, grassroots level education and support more to those forces, which we have already there, civil society, NGO's, media—they could start flourish, then we will change the tide dramatically and, parallel also, the base would continue to exist. It is my opinion that people could understand how to balance that together. It is time for us just to very, very [indiscernible] and people of Kyrgyzstan would understand that clearly.

I agree also with the opinion of my colleague from Freedom House that it is the second change of regime in Kyrgyzstan. Unfortunately, we lost the time during 5 years in order to do that in an orderly way, and now it is time to show how it is possible to do in Central Asia something which, by the way, happened quite successfully in Mongolia. Same thing; country, small size, but five, six times changes of the regime, and now it is a full-fledged democracy. Something we have to look at the lessons and to try to work quite actively.

Mr. FORTENBERRY. Mongolia, by the way, is a partner country with the House Democracy Partnership Commission on which I serve, one of the early recipients of this opportunity to be in dialog with us on an ongoing basis as to how we build their technical capacity in their parliament, their legislature. So you are right, that is a good example in the region there.

Does Russia actively connive at fomenting this anti-American spirit, or is it just part of the broader organic movement in the area at this point in time?

Mr. ABDRIAEV. Russia now is trying to regain its influence in the region and in Kyrgyzstan as well, and we have to admit that Russia has a legitimate right to be there in that territory, and pro-Russian sentiments are quite great.

I think it is time also for us to see how to work together with Russia, and even if Russia was involved in the change of the regime, probably it is also a sign that Russia has quite high stakes in promoting the regimes which are not so looking toward feudalism like previous government or Bakiyev tried to create. I have plenty of examples which before Russia and United States tried to implement in Central Asia to the benefits of the Kyrgyz Republic, so it is time also to find the common goals.

Mr. FORTENBERRY. Well, somebody made the point that to convict the people that it is not necessary to pick a side here, but to actively engage in their own well-being by active engagement, constructive engagement with the United States, constructive engagement with Russia is a potential outcome that is beneficial to them particularly, but would also help stabilize our relationship, I assume.

Dr. Cooley, did you want to—

Mr. COOLEY. No, I would just also make the point that ever since the apparent double-cross of Bakiyev against Putin last year, when Russia offered a \$2 billion package of investments and assistance to close down the base, the base closure was announced and then was walked back, relations between Moscow and Bishkek really deteriorated to an all-time low and Russia really launched an all-out soft power blitz in the media that really undermined the Bakiyev regime, calling him corrupt and nepotistic, drawing attention to these aspects of his rule.

It was an onslaught and it put us in an embarrassing position where it was the Kremlin, for its very own cynical political purposes, that was drawing attention to these governance issues that we were relatively silent on. So Russia, through its soft power, through these cultural influences, also through the fact that Kyrgyz workers live and work in Russia and send home remittances which comprise anywhere from 30 to 40 percent of Kyrgyz GDP, for all these reasons Kyrgyzstan's connections with Russia are quite close, and we need to take that into account.

Mr. FORTENBERRY. There is a certain irony in what you just said, though.

Thank you, Mr. Chairman.

Mr. TIERNEY. Thank you, Mr. Fortenberry.

Let me thank all of the witnesses for giving up your time today and sharing your expertise. You can't get rid of us very easily, so I am hoping that you all are available for us to call on at some point in the future if we want to take advantage of your knowledge and your understanding and your expertise.

So I will take those little nods of your head as assent to that, and I appreciate it. You have been a tremendous help to us in setting the table for what I think are going to be some pretty extensive hearings, and I think you have let us have some context to where we ought to go.

So I want to thank all of you. Ambassador, thank you especially through your difficult times that you are experiencing. It is our hope that this investigation does serve the purpose of lending some transparency and accountability to the situation for the United States and for people in Kyrgyzstan, and that we just find out what happened, who the players were, what they did, and we can then determine whether it was good, bad, or indifferent and act accordingly from there to make sure that we build a stronger relationship and take a good path forward.

I do want to just say that I note one thing that is a common thread on this, that we can't always have just a military priority solely and lead with the military, put that as our foremost priority, treat it as if it is the only one or whatever. We have to have a more whole-of-government approach, as somebody mentioned earlier, and reach out diplomatically, as well. Rule of law issues, democracy, all those things are important, and in that context I think that we may get more cooperation out of friends and allies if we show a deeper interest and a longer-range interest in their well-being, and then that should encompass some of our mutual priorities as well.

So thank you all for being here and for all that you have done for this committee. We appreciate it. I thank the members of the panel as well.

Meeting adjourned.

[Whereupon, at 11:45 a.m., the subcommittee was adjourned.]

