

# CRS Report for Congress

Received through the CRS Web

## Kyrgyzstan: Recent Developments and U.S. Interests

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### Summary

This report examines Kyrgyzstan's uneven political and economic reform efforts. It discusses U.S. policy and assistance for democratization and other programs. Basic facts and biographical information are provided. This report may be updated. Related products include CRS Issue Brief IB93108, *Central Asia*, updated regularly.

### U.S. Policy<sup>1</sup>

According to the Bush Administration, the United States seeks to help Kyrgyzstan enhance its sovereignty and territorial integrity, increase democratic participation and civil society, support economic reform and development, improve observance of human rights protections, prevent weapons proliferation, and more effectively combat transnational terrorism and criminal activities including trafficking in persons and narcotics (State Department, *Congressional Budget Justification for Foreign Operations for FY2006*).



Source: Map Resources. Adapted by CRS. (08/02 M.Chin)

Cumulative U.S. humanitarian and technical budgeted assistance to Kyrgyzstan for FY1992-FY2004 was \$749.0 million (FREEDOM Support Act and other agency funds), with Kyrgyzstan ranking third in such aid per capita among the new independent states of the former Soviet Union (by comparison, EU grants and loans amounted to about \$250 million). Estimated aid for FY2005 (FREEDOM Support Act and other agency programs, including Supplemental appropriations) was \$50.4 million. The Administration's FY2006 request for \$35.7 million in foreign aid for Kyrgyzstan is planned primarily for

<sup>1</sup> Sources include Foreign Broadcast Information Service, *Daily Report: Central Eurasia*; RFE/RL *Newsline*; *Eurasia Insight*; International Monetary Fund (IMF); the State Department's *Washington File*; and Reuters and Associated Press (AP) newswires.

local and national democratization, judicial reform, and law enforcement equipment and training to combat drug trafficking, organized crime, and terrorist financing. Funding will be provided to assist a newly established Kyrgyz Drug Control Agency (*Congressional Budget Justification*).

## Contributions to the Campaign Against Terrorism

The Kyrgyz government declared its support for the war on terrorism almost immediately after the September 11, 2001 attacks on the United States. President Akayev in late September announced that he had approved a U.S. request to use Kyrgyz airspace for counter-terrorist operations in Afghanistan, in part because the terrorist threat to Central Asia emanating from that country had intensified. In November 2001, it was reported that U.S. combat aircraft were to be deployed in Kyrgyzstan. Reportedly, Uzbekistan's restrictions on flights from its airbases were a major spur to this U.S. decision. The U.S. military repaired and upgraded the air field at the Manas international airport (the U.S. facilities were named after the late New York City firefighter Peter J. Ganci), and war support to Afghanistan began in March 2002. The Defense Department reported in late 2003 that the airbase at that time was the "primary hub" for trans-shipping personnel, equipment, and supplies to Afghanistan. In early 2005, the airbase hosted about 1,200 troops from the United States and Spain, as well as local support personnel. New troop barracks are being built to replace tents.

In mid-2005, after Uzbekistan imposed more limits on U.S. flights at the Karshi-Khanabad (K2) airbase and then ordered its closure, some U.S. flights increased at the Ganci airbase. Although Bakiyev had endorsed a call by the Shanghai Cooperation Organization (SCO; see below) in early July 2005 to close regional bases supporting operations in Afghanistan, he pledged to visiting Defense Secretary Donald Rumsfeld in late July that the Ganci airbase would not soon be shut down. On October 11, visiting Secretary of State Condoleezza Rice announced that new basing arrangements had been worked out that reportedly provide for increased U.S. payments for services. At the same time, Kyrgyzstan pledged that airbase operations could continue until stability was firmly established in Afghanistan.

### Kyrgyzstan: Basic Facts

**Area and Population:** Land area is 77,415 sq. mi.; about the size of South Dakota. Population is 5.1 million (*Commonwealth of Independent States Statistics Committee*, 2004 est.).

**Ethnicity:** 65.7% Kyrgyz; 11.7% Russians; 13.9% Uzbeks, 1% Uighurs; 0.4% Germans, and others (*Kyrgyz Statistics Committee*, 2001 est.). Ethnic Uzbeks are a majority in southern Kyrgyzstan. About 420,000 ethnic Kyrgyz reside elsewhere in the former Soviet Union and 170,000 in China.

**Gross Domestic Product:** \$2.2 billion; per capita GDP is about \$431 (*Kyrgyz Statistics Committee*, 2004 est., current prices).

**Political Leaders:** *President:* Kurmanbek Bakiyev; *Premier (Prime Minister):* Feliks Kulov; *Foreign Minister:* Alikbek Dzhekshenkulovich; *Defense Minister:* Ismail Isakov.

**Biography:** Bakiyev was born in 1949 in southern Kyrgyzstan and was trained as an electrical engineer. In 1991, he became first secretary of the Kok-Yangak city Communist Party committee, then chair of the soviet (city council), then of the Jalal Abad regional soviet. In 1994, he became chair of the State Property Fund, in 1995 governor of Jalal Abad region, and in 1997 of Chu region. In December 2000, he was approved as premier, but was held culpable in the deaths of protesters and ousted in May 2002. He became leader of the opposition People's Movement. He lost in the legislative run-off in March 2005. He was appointed premier and acting president by the legislature in late March 2005 following protests that led former President Askar Akayev to flee.

Just after U.S.-led coalition forces began ground operations in Iraq in March 2003, Kyrgyzstan's Legislative Assembly (lower chamber) issued a statement calling for the United States to cease "gross violations" of international law. Although Kyrgyzstan's then-Foreign Minister Askar Aytmatov told Vice President Cheney during a June 2003 U.S. visit that Kyrgyzstan was ready to send peacekeepers to Iraq and Afghanistan, in April 2004 the presidential spokesman and the defense minister announced that Kyrgyzstan had no plans to send peacekeepers to either country.

## Foreign Policy and Defense

In his inaugural address on August 14, 2005, President Kurmanbek Bakiyev stated that Kyrgyzstan would not let any one power dominate its foreign policy. Instead, Kyrgyzstan would pursue mutually advantageous relations with other countries, in order to ensure its security and prosperity. Cultivating good ties with China, Kyrgyzstan joined Russia, Kazakhstan, and Tajikistan in 1996 and 1997 in signing agreements with China on demarcating and demilitarizing the former Soviet-Chinese border. Kyrgyzstan's cession to China of a small mountainous border area fueled violent protests in Kyrgyzstan and calls that the government not make the same "mistake" in border talks with Uzbekistan and Tajikistan. Many in Kyrgyzstan are concerned that China's economic and population growth in bordering areas threatens the country. Kyrgyzstan's relations with Uzbekistan have been marked by trade, border, and other disputes. Tension escalated in mid-2005 when Kyrgyzstan permitted U.N. emissaries to evacuate about 450 Uzbek refugees who had crossed the border to flee fighting in Andijon. Uzbek officials maintained that Kyrgyzstan had served as a base of operations for "terrorists" (including citizens of Kyrgyzstan) who invaded and attacked Andijon and as a safe haven after the "terrorists" fled.

Bakiyev has stressed close relations with Russia. Reasons include hoped-for economic and trade benefits and security ties to alleviate concerns about Chinese and Uzbek intentions. While relying on security ties with Russia, Kyrgyzstan has pursued ancillary (and perhaps partly countervailing) security ties with the United States, NATO, and China that former Kyrgyz President Askar Akayev in December 2003 hailed as creating "comprehensive" security. Kyrgyzstan and Russia concluded a Friendship and Cooperation Treaty in 1992, and Kyrgyzstan signed the Commonwealth of Independent States' (CIS) Collective Security Treaty (CST) in 1992 and 1999. These and other agreements call for cooperation with Russia in training and defense.

Several hundred Russian border troops (most reportedly were Kyrgyz citizens) guarded the Chinese border until 1999, when Russia handed over control to Kyrgyzstan, citing costs and other reasons. However, Russia ramped up its security presence in September 2003 with the signing of a 15-year military basing accord with Kyrgyzstan for use of the Soviet-era Kant airfield near Kyrgyzstan's capital of Bishkek. A Russian military publication stated in September 2005 that the base hosts about 10 aircraft and 250 troops (well under announced levels), that the runway needs repairs, and that extra Russian spending at the base will first be devoted to building barracks and other infrastructure. The Russian troops ostensibly also form part of a CST rapid deployment force. The Kant airbase is a scant 20 miles from the Ganci airbase. Although the purpose of the base purportedly is to combat regional terrorism and defend southern CIS borders, Putin stressed that the base "enshrines our military presence in Kyrgyzstan," appearing to underline that the base also counters U.S. and NATO security influence. The CIS Anti-

Terrorist Center (ATC) — a body created at Putin’s urging to facilitate cooperation between Russia’s Federal Security Service and other CIS intelligence bodies — set up a regional branch in Bishkek after September 11, 2001.

Kyrgyzstan’s armed forces numbered about 12,500 ground, air force, and air defense troops. There are also about 5,000 border guards (*The Military Balance 2004-2005*). Most of the troops are ethnic Kyrgyz conscripts, though some officers are Russians. Many or most Kyrgyz officers have received training in Russia. A defense development plan approved in 2002 called for creating a small and mobile army trained in mountain warfare to combat terrorists. Kyrgyzstan joined NATO’s Partnership for Peace (PFP) in 1994 and has participated in several PFP exercises in the United States, Central Asia, and elsewhere. In late 2005, the Russian military transferred two helicopters to Kyrgyzstan (which had none) and announced other military aid.

A reported 800 guerrillas belonging to the terrorist Islamic Movement of Uzbekistan (IMU) and to rogue groups from Tajikistan invaded Kyrgyzstan in July-August 1999, taking Japanese geologists and others as hostages and occupying several Kyrgyz villages. They allegedly aimed to create an Islamic state in south Kyrgyzstan as a springboard for jihad in Uzbekistan. Kyrgyzstan received urgent air support from Uzbekistan and Kazakhstan and expelled the invaders in October 1999. The incursion illustrated ties between terrorists in Central Asia, Russia (Chechnya), and Afghanistan, and the need for Kyrgyzstan to bolster its defenses. A reported 500 IMU and other insurgents again invaded southern Kyrgyzstan (others invaded Uzbekistan) in August 2000, taking U.S. tourists as hostages and causing thousands of Kyrgyz to flee. Uzbekistan provided air and other support, but Kyrgyz forces were largely responsible for defeating the insurgents by late October 2000.

The State Department designated the IMU as a Foreign Terrorist Organization in September 2000. According to the State Department, the IMU did not invade Central Asia in 2001, in part because Al Qaeda had secured IMU aid for Taliban fighting against the Afghan Northern Alliance. Although much of the IMU was decimated by U.S.-led coalition operations in Afghanistan, the IMU has restored some of its presence in Kyrgyzstan. In 2002 and 2003, the IMU set off bombs in Bishkek and Osh. Kyrgyzstan arrested the bombers in May 2003, allegedly before they were able to carry out a plan to bomb the U.S. Embassy. Kyrgyzstan reportedly has arrested others who allegedly have targeted U.S. interests. Kyrgyzstan has jailed dozens of members of the Hizb ut-Tahrir Islamic extremist group and of the Eastern Turkestan Liberation Organization, which calls for independence for China’s Xinjiang region.

## **Political and Economic Developments**

Former President Akayev orchestrated frequent constitutional changes that enhanced his power, while the new leadership has pledged changes to restore a greater balance among executive, legislative, and judicial power. Dissatisfied with the balance of power under a constitution that went into effect in 1993, Akayev held an October 1994 referendum to weaken the legislature. He argued that the constitution was too “idealistic” since “people are not prepared for democracy,” and that a “transitional period” was needed. The amendments created a bicameral legislature called the Jogorku Kenesh (Supreme Assembly), consisting of a Legislative Assembly that served continuously and represented “all people,” and an Assembly of People’s Representatives that met in regular

sessions and represented regional interests. Akayev spearheaded another constitutional referendum in February 1996 to give him greater power to veto legislation, dissolve the legislature, and appoint all but the prime minister without legislative confirmation, while making impeachment more difficult, along the lines of Russia's Constitution. Despite these restrictions on its power, the legislature increasingly asserted itself in law-making and oversight. Moving to further weaken it, Akayev held a referendum in October 1998 to restrict its influence over bills involving the budget or other expenditures, limit a legislator's immunity from removal and prosecution, increase the size of the Legislative Assembly to 60, and decrease the size of the Assembly of People's Representatives to 45. Despite these successive limitations on its power, the legislature continued to display a degree of independence by overriding presidential vetoes, criticizing government policies, and voting on confidence in the prime minister and cabinet.

Still another referendum on changes to the constitution in February 2003 was deemed "highly flawed" by the State Department, because of multiple voting, manipulated ballot counting, and forged results. These latest amendments boost presidential power even more at the expense of the legislature. Also as in Kazakhstan, former presidents were given immunity from prosecution, detention, searches, and interrogations. The amendments create a 75-member unicameral legislature (Jogorku Kenesh) and eliminate party list voting, a provision many of the 43 registered parties feared threatened their ability to gain seats and hence to survive politically.

The February 27, 2005, legislative election (and March 13 runoff) resulted in opposition candidates winning less than 10% of seats, although there reportedly were many close races where they "lost" only by a few votes. The U.S. State Department judged the race as marking some progress from previous elections but still falling seriously short of democratic standards. According to the OSCE, serious irregularities included the questionable exclusion of several opposition candidates from running, biased state-controlled media, and heavy government use of other administrative resources and even alleged vote-buying. Opposition party-led demonstrations in support of holding a new election and calling for Akayev's resignation took place throughout the country in March 2005, with protestors occupying several regional or district government buildings, including in the southern city of Osh. When demonstrators stormed government buildings in Bishkek on March 24, 2005, Akayev fled the country. Some observers hailed this coup as a third instance of a so-called "democratic revolution" in Eurasia, like those in Georgia and Ukraine, and the first in Central Asia. During her October 2005 Kyrgyz visit, Secretary Rice stated that "Kyrgyzstan now has an opportunity to build a stable democracy. It is a long path, but ... it is a path on which, I believe, Kyrgyzstan has definitely begun." (See also CRS Report RL32864, *Coup in Kyrgyzstan*.)

Opposition politician and acting president Kurmanbek Bakiyev received 88.71% of 2,002,004 votes in a 7-person presidential election in Kyrgyzstan held on July 10, 2005. The OSCE stated that "fundamental civil and political rights were generally respected," but it raised concerns about the "problematic" vote count. Bakiyev's main competitor, Feliks Kulov, pulled out of the race after the two agreed that if Bakiyev won, he would nominate Kulov as premier. The "tainted" legislature was retained — purportedly because Bakiyev feared that another election would exacerbate political instability — although a petition drive to hold a referendum to force a new election may prove successful. Although declaring that the fight against corruption was a primary goal, he fired Prosecutor General Azimbek Beknazarov on September 19, 2005, for "over-

zealousness.” Beknazarov and some other observers claimed that he was ousted for investigating officials linked to the president. Two days later, a prominent businessman was killed, leading the legislature on September 22, 2005, to raise concerns about corruption in the executive branch. Bakiyev admitted that many police and security officials were corrupt but rejected deputies’ calls to summarily fire them and other officials. He accused the deputies of hypocrisy, since “among you [are those] often at odds with the law, tax evasion being the least offense, [and] many of you bribe police.” The legislature approved Kulov as premier and other cabinet ministers in late September 2005, after rejecting a few former opposition nominees. A constitutional commission headed by Bakiyev is studying proposals that include increasing legislative power. Some observers view Bakiyev as less committed to a balance of power now that he is president.

Kyrgyzstan’s human rights record was poor, although there were some improvements during 2004, according to the State Department’s *Country Reports on Human Rights Practices for 2004*. However, compared to other Central Asian states, Kyrgyzstan has a less objectionable record, some observers argue. Security personnel at times beat or otherwise mistreated persons with impunity, and prison conditions remained poor. There were cases of arbitrary arrest or detention. There were several independent newspapers and television and radio stations. Government control over publishing and distribution at times was used to harass print media. Reporters suffered fewer instances of physical harassment or libel suits for violating the “honor and dignity” of officials (a criminal offense). The government permitted a private printing press supported by the U.S. Administration and Congress to begin operating in November 2003 (however, the government cut off its electrical power in the run-up to February 2005 legislative election). Human rights groups were generally allowed to work freely, and a government Ombudsman’s Office advocated for individual rights. The government sometimes harassed Christian groups or Islamic groups viewed as extremist. Kyrgyzstan continued to have problems with trafficking for prostitution and labor, but the government took some moves to discourage such trafficking, such as legislating criminal penalties and setting up an anti-trafficking police unit in May 2004.

Foreign assistance has been a significant factor in Kyrgyzstan’s budget, contributing by 2004 to public foreign debts of \$1.77 billion. The Paris Club of government lenders eased Kyrgyzstan’s debt payment burden in 2002 and 2005. The IMF in early 2005 praised Kyrgyzstan for solid economic growth in recent years, low inflation, accumulating foreign reserves, and a significant decline in poverty levels from about one-half of the population to about one-third. It called on the government to reduce foreign debts and continue to constrain budget expenditures. Kyrgyz GDP stopped declining in 1995 and grew 5.5% in 2004, led by gains in mining (particularly coal and oil extraction), agriculture (cotton growing and animal husbandry), and forestry. Inflation in 2004 was 4.5%. Gold production still is the most significant industrial source of GDP and export earnings. Production at the Kumtor gold mine is declining, but other mines are being developed. Agriculture accounts for the largest portion of GDP and employs much of the workforce. Crime and endemic corruption stifle economic growth and private foreign investment. Kyrgyzstan leads Central Asia in the privatization of most farms, industries, housing, and retail outlets. Kyrgyzstan has surplus hydroelectric energy, rare earth mineral reserves, and tourism potential that could aid its development; it is a major wool producer. U.S. technical assistance contributed to Kyrgyzstan’s admission into the World Trade Organization in late 1998.