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REEVALUATING U.S. POLICY IN CENTRAL ASIA

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BEFORE THE

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH AND CENTRAL ASIAN AFFAIRS

OF THE

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REEVALUATING U.S. POLICY IN CENTRAL ASIA

TUESDAY, DECEMBER 15, 2009

U.S. SENATE,
SUBCOMMITTEE ON NEAR EASTERN AND
SOUTH AND CENTRAL ASIAN AFFAIRS,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The subcommittee met, pursuant to notice, at 10 a.m., in room SD–419, Dirksen Senate Office Building, Hon. Robert P. Casey, Jr. (chairman of the subcommittee) presiding.

Present: Senators Casey, Shaheen, Kaufman, and Risch.

OPENING STATEMENT OF HON. ROBERT P. CASEY, JR., U.S. SENATOR FROM PENNSYLVANIA

Senator CASEY. OK. Thank you very much for being here. The hearing of the Foreign Relations Subcommittee on Near Eastern and South and Central Asian Affairs will now come to order.

Today, the subcommittee meets to examine United States policy in Central Asia, a critical region to United States national security interests.

This hearing will examine why Central Asia is important, what United States policy interests are in the region, and how the United States will implement these policies in the coming years.

The Obama administration has just completed an internal review of our policy toward Central Asia, and we look forward to hearing the results of that review today.

The countries of Central Asia are strategically important to the United States, due in large part to geography. The region shares borders with Afghanistan, Iran, China, and Russia. United States interests in recent years have centered on the role that Central Asia plays in Operation Enduring Freedom, but it is also important that we examine the issues and challenges that face the region in isolation.

On March 10, 2009, Director of National Intelligence Dennis Blair noted in congressional testimony that, "Highly personalized politics, weak institutions, and growing inequalities," in Central Asia make these countries, "ill-equipped to deal with the challenges posed by Islamic violent extremism, poor economic development, and problems associated with energy, water, and food distribution." The political systems of countries in the region are fragile, by virtue of their post-Soviet legacy and varying degrees of instability since their independence.

Some observers have commented that Central Asia is more a geographic identification than a region with common goals, ethnicities, and identities.

The United States should encourage countries in the region to become more fully integrated, to advance their own stability and prosperity, and tackle longstanding issues related to terrorism and national resource allocation.

So, while this hearing will focus on the main issues confronting the region, any examination of United States policy toward Central Asia must start with the conflicts in Afghanistan and Pakistan. In that same testimony, Director of National Intelligence Blair warned that the growing challenges to Central Asia's stability ultimately, and I quote, "could threaten the security of critical U.S. and NATO lines of communication to Afghanistan through Central Asia." Through the Northern Distribution Network—which we know by the acronym NDN—Central Asia plays a key role with regard to transportation of nonlethal supplies for our troops in Afghanistan. With an increase in NATO troops headed to the region, and an increasingly dangerous supply line through Pakistan, Central Asia potentially becomes even more important as we seek to get materiel into Afghanistan.

As these plans move forward, I have concerns about the capacity of the Northern Distribution Network. While the administration made considerable progress in negotiating overland transport rights with Russia during the recent Presidential summit, there is still work remaining on securing agreements with Kazakhstan and Uzbekistan on the transit of military cargo. We need to remain vigilant, to make sure that there is proper oversight and accountability, as it relates to the Northern Distribution Network.

The NDN also provides an important opportunity for local development in the region. As the United States increasingly relies upon Central Asia for logistical support in Afghanistan, opportunities for local development will increase. As our effort in Afghanistan ramps up, the United States should consider the long-term sustainability and implications for the local economies of Central Asia, for when we eventually scale down our Afghanistan presence in the future.

There are reports that Central Asian countries have concerns that the NDN supply routes will result in an increase in extremist attacks on the supply lines. I look forward to hearing how we'll address those concerns today.

The conflict in Afghanistan and increasing violence in Pakistan have threatened to spill over into Uzbekistan and Tajikistan, as both countries contend with Islamic extremist movements. As the United States increases its force presence in Afghanistan, and as Pakistan ramps up efforts against the Taliban, there is concern that these elements could seek shelter across northern borders. I hope our witnesses will address what the increased troop deployment in Afghanistan will mean for the region.

I'm also interested in hearing about cooperation between our embassies in Central Asia and in Kabul and here in Washington.

The administration has taken the correct strategic approach in binding Afghanistan and Pakistan together as we confront threats in the Federally Administered Tribal Areas and along the Durand Line.

Central Asia also is important as part of this equation, and we need an increasingly seamless regional approach. So, while the NDN and Afghanistan are critical elements of our engagement with and in Central Asia, they cannot and should not be the sole focus of our engagement. As we're looking to build long-term relationships with both Afghanistan and Pakistan, we must also enhance our engagement—our broad engagement—with the countries of Central Asia.

I don't underestimate the difficulty of this, but Central Asia poses a policy challenge to United States decisionmakers, and our relationships in the region are complicated by longstanding concerns about undemocratic governance and human rights abuses. These circumstances call for deft engagement, and I am confident that our diplomats are capable of navigating a wide range of issues that reflect our national security and economic interests, as well as our values.

When looking at the region apart from the war in Afghanistan, our primary security concern must be in the realm of nonproliferation. The Obama administration has emphasized that proliferation of nuclear weapons and materiel is one of the most severe threats facing United States national security. Unsecure nuclear weapons and fissile materiel should be a top priority of our policy.

Central Asia plays a key role in global nuclear affairs. Throughout the cold war, nuclear weapons were stored and ready for launch across this region. At the end of the cold war, the international community had limited success in removing the remaining Soviet nuclear arsenal and fissile materiel from newly independent states in the region. Due to courageous leadership in countries like Kazakhstan, as well as here in the United States by visionaries like Senators Lugar and Nunn, the threat of nuclear materiel falling in the hands of terrorists was diminished. While these countries voluntarily relinquished their nuclear arsenals after the fall of the Soviet Union, today the region is still engaged in activities relevant to the proliferation of weapons of mass destruction; namely, uranium mining, plutonium production, and the fabrication and testing of biological and chemical weapons.

So, while there have been positive developments in the region on this issue, there remains a significant cause for concern. On the one hand, countries like Kazakhstan have responsibly upheld and consented to international nonproliferation norms. And in September 2006, the five Central Asian companies—countries, I should say—established a nuclear weapons-free zone. On the other hand, Central Asian countries rank among the worst—the worst and most corrupt countries in the world, according to Transparency International's 2009 report.

Whenever—as anyone who knows this area of our policy knows—whenever there's a nexus of nuclear materiel and corruption, the potential for this materiel to end up in the hands of the wrong people increases, and, I would argue, increases exponentially.

With Kazakhstan's desire to increase its commercial nuclear market share, and its willingness to host an international fuel bank, this issue warrants further and serious examination. We must also recognize that Central Asia faces a host of considerable challenges as it continues to develop as a region.

Tajikistan, which shares a border with Afghanistan, could become, according to some—I'm quoting from some of the reports we'll hear today—could—could become a failed state. A brutal civil war from 1992 to 1997 left Tajikistan with very little infrastructure and a tenuous peace. Swaths of the country remain ungoverned, and drug traffickers, particularly along the southern border with Afghanistan, are able to operate with near impunity. Greater Tajik-Afghan cooperation is needed on border control, counternarcotics, and law enforcement. USAID and other international assistance agencies are performing impressive work to contribute to the rebuilding process. But, also, their resources are limited, and the need is, unfortunately, growing.

Uzbekistan has sought to build closer ties with the United States after the 2005 closing of the K2 military base, which provided support for Operation Enduring Freedom. In 2008, Uzbekistan reportedly began to allow some NATO forces to transit through the country, and in 2009 General Petraeus signed an accord allowing for military education exchanges and training.

These are important developments, but serious governance and human rights concerns remain. The terrible legacy of the Andijan massacre in July 2005, which resulted in the killings of hundreds of antigovernment protestors, colors Uzbekistan's relations with the international community to this day. Unfortunately, Uzbekistan's political opposition has very limited space within which to organize, and civil society groups are closely scrutinized by the government.

After the K2 base closed, many of the activities were transferred to the Manas Base in the Kyrgyz Republic. Earlier this year, the United States signed a new agreement with Bishkek, in which NATO supplies and troops could be run through the Manas Transit Center. So, United States-Kyrgyz relations saw another boost when Under Secretary Bill Burns visited there, last July, to announce the formation of a bilateral commission on trade and investment. These are welcome developments, and we appreciate the Kyrgyz Republic's engagement on these issues. The country has its own history in contending with terrorist threats and the reports of increased religious extremism, particularly in the rural areas of the country.

Turkmenistan is perhaps the least understood country in the region, as the country experienced its first transition to power since the breakup of the Soviet Union. In the transition in 2006, there was hope for a more open and transparent system. While there have been small steps, progress on this front has remained slow. Turkmenistan does have a considerable impact on energy prospects of its neighbors, its pipeline agreements with Russia and Iran, and its increased cooperation with China through a project that would send Turkmen gas through Uzbekistan and Kazakhstan to China. The United States has encouraged Turkmenistan's participation in the Nabucco Energy Project, and I look forward to hearing from the witnesses about this project.

Kazakhstan has grown in wealth, has also sought to play a more prominent role in the international community. In 2010, Kazakhstan will assume its—the chair and office of the Organization for Security and Cooperation in Europe, so-called OSCE. The development of—this development, I should say, has not been without con-

troversy. The OSCE is the premier organization in Europe and the former Soviet Union for election observation, as well as monitoring for human rights violations. According to independent monitoring organizations, Kazakhstan has not fared well in these areas, but did commit to a set of serious reforms in Madrid last year, which would look to reform democratic institutions in the country.

We know that water and energy are central issues in this region. We know that our witnesses today will address those issues, as well.

We should also recognize the central role in Central Asia that Russia is continuing to play. Russia has sought to play an expanded role in the region in recent years, primarily in the field of security cooperation, as well as energy projects. While government is in—governments, I should say—in Central Asia, strive to maintain their autonomy, several have signed basing agreements and military cooperation pacts with Moscow.

In closing, I'd like to commend the work of USAID in the region. As it has sought to address the myriad complex issues with limited resources, from challenges related to water, energy, drug trafficking, food security, and democratic development, USAID certainly has its hands full. I look forward today on how U.S. policy interests overlap with our investments in the region's development.

This overview just begins to scratch the surface of the challenges that countries of this region face, moving forward. The United States has a wide and varied interest in Central Asia as a region, starting with support for ongoing military operations in Afghanistan, as I mentioned before. This cannot be the sole focus, however. Our engagement in the region must be broader than that. From the threats to loose nuclear materiels to the rise of violent Islamic extremism, from the challenges posed by poverty, weak democratic institutions, as well as challenges posed by energy, U.S. engagement in the region requires a strategic and long-term approach. This region does not attract nearly enough attention here in Washington, as we know. Glad to see there's a good bit of a crowd here today to listen to our witnesses. But, I welcome this opportunity.

Before I introduce the panels, I want to say that I cut back my statement and I want to make sure my full statement is made part of the record.

[The prepared statement of Senator Casey follows:]

PREPARED STATEMENT OF HON. ROBERT P. CASEY, JR.,
U.S. SENATOR FROM PENNSYLVANIA

This hearing of the Foreign Relations Subcommittee on Near Eastern and South and Central Asian Affairs will now come to order. Today, the subcommittee meets to examine U.S. policy in Central Asia, a critical region to U.S. national interests. This hearing will examine why Central Asia is important, what U.S. policy interests are in the region and how the United States will implement these policies in the coming years. The Obama administration has just completed an internal review of U.S. policy toward Central Asia, and we look forward to hearing the results of this review today.

The countries of Central Asia are strategically important to the United States due in large part to geography. The region shares borders with Afghanistan, Iran, China, and Russia. U.S. interests in recent years have centered on the role Central Asia plays in Operation Enduring Freedom, but it is also important that we examine the issues and challenges that face the region in isolation. On March 10, 2009, Director of National Intelligence Dennis Blair noted in congressional testimony that "highly personalized politics, weak institutions, and growing inequalities" in Central

Asia make these countries "ill-equipped to deal with the challenges posed by Islamic violent extremism, poor economic development, and problems associated with energy, water and food distribution." The political systems of countries in the region are fragile by virtue of their post-Soviet legacy and varying degrees of instability since declaring independence. Some observers have commented that Central Asia is more a geographical identification than a region with common goals, ethnicities, and identities. The United States should encourage countries in the region to become more fully integrated to advance their own stability and prosperity and tackle long-standing issues related to terrorism and natural resource allocation. So while this hearing will focus on the main issues confronting the region, any examination of U.S. policy toward Central Asia must start with the conflicts in Afghanistan and Pakistan.

In his March 2009 testimony, DNI Blair warned that the growing challenges to Central Asia's stability ultimately "could threaten the security of critical U.S. and NATO lines of communication to Afghanistan through Central Asia." Through the Northern Distribution Network (NDN), Central Asia plays a key role with regard to the transportation of nonlethal supplies for our troops in Afghanistan. With an increase in NATO troops headed to the region, and increasingly dangerous supply lines through Pakistan, Central Asia potentially becomes even more important as we seek to get materiel into Afghanistan. As these plans move forward, I have concerns about the capacity of the NDN. While the administration made considerable progress in negotiating overland transport rights with Russia during the Obama-Medvedev summit, there is still work remaining on securing agreements with Kazakhstan and Uzbekistan on the transit of military cargo. We need to remain vigilant to make sure that there is proper oversight and accountability of the NDN.

The NDN also provides an important opportunity for local development in the region. As the United States increasingly relies on Central Asia for logistical support for Operation Enduring Freedom, opportunities for local development will increase. As our effort in Afghanistan ramps up, the United States should consider the long-term sustainability and implications for the local economies of Central Asia for when we eventually scale down our Afghanistan presence in the future.

There are reports that Central Asian countries have concerns that NDN supply routes will result in an increase in extremist attacks on the supply lines. I look forward to hearing how we will address the security concerns of the host governments in defending the NDN.

The conflict in Afghanistan and increasing violence in Pakistan have threatened to spill over into Uzbekistan and Tajikistan as both countries contend with Islamist extremist movements. As the United States increases its force presence in Afghanistan and as Pakistan ramps up efforts against Tehrik-i-Taliban, there is concern that these elements could seek shelter across their northern borders. I hope our witnesses will address what the increased troop deployment in Afghanistan will mean for the region.

I am also interested in hearing about cooperation between our Embassies in Central Asia and in Kabul and here in Washington. The administration has taken the correct strategic approach in binding Afghanistan and Pakistan together as we confront threats in FATA and along the Durand Line. Central Asia is also an important part of this equation, and we need an increasingly seamless regional approach.

So while the NDN and Afghanistan are critical elements of our engagement in Central Asia, they cannot and should not be the sole focus of our engagement. As we are looking to build long-term relationships with Afghanistan and Pakistan, we also must enhance our engagement with the countries of Central Asia.

This will not be easy. Central Asia poses a policy challenge to U.S. decision-makers—our relationships in the region are complicated by longstanding concerns about undemocratic governance and human rights abuses. These circumstances call for deft engagement and I am confident that our diplomats are capable of navigating a wide range of issues that reflect our national security and economic interests as well as our values.

When looking at the region apart from the war in Afghanistan, our primary security concern must be in the realm of nonproliferation. The Obama administration has emphasized that the proliferation of nuclear weapons and materiel is one of the most severe threats facing U.S. national security. Unsecure nuclear weapons and fissile materiel should be a top priority.

Central Asia has long played a role in global nuclear affairs. Throughout the cold war, nuclear weapons were stored and ready for launch across the region. At the end of the cold war, the international community had limited success in removing the remaining Soviet nuclear arsenal and fissile materiel from the newly independent states in the region. Due to courageous leadership in countries like Kazakhstan, as well as here in the United States by visionaries like Senators Richard

Lugar and Sam Nunn, the threat of nuclear materiel falling into the hands of terrorists was diminished.

While these countries voluntary relinquished their nuclear arsenals after the fall of the Soviet Union, today the region is still engaged in activities relevant to the proliferation of weapons of mass destruction, namely: uranium mining, plutonium production, and the fabrication and testing of biological and chemical weapons.

So while there have been positive developments in the region on this issue, there remains significant cause for concern. On one hand, countries like Kazakhstan have responsibly upheld and consented to international nonproliferation norms and in September 2006, the five Central Asian countries established a nuclear weapons free zone. On the other hand, the Central Asian countries rank among the most corrupt countries in the world, according to Transparency International's 2009 report. Whenever there is a nexus of nuclear materiel and corruption, the potential for this materiel to end up in the hands of the wrong people increases. With Kazakhstan's desire to increase its commercial nuclear market share and its willingness to host an international fuel bank, this issue warrants further and serious examination.

We must also recognize that Central Asia faces a host of considerable challenges as it continues to develop as a region.

A brutal civil war from 1992–1997 left Tajikistan with very little infrastructure and a tenuous peace. Swaths of the country remain ungoverned and drug traffickers, particularly along the southern border with Afghanistan, are able to operate with near impunity. Greater Tajik-Afghan cooperation is needed on border control, counternarcotics, and law enforcement issues. USAID and other international assistance agencies are performing impressive work to contribute to the rebuilding process, but their resources are limited and the need is unfortunately growing.

Uzbekistan has sought to build closer ties with the United States after the 2005 closing of the Karshi-Khanabad (or K2) military base which provided support for Operation Enduring Freedom. In 2008, Uzbekistan reportedly began to allow some NATO forces to transit through the country and in 2009 General David Petraeus signed an accord allowing for military educational exchanges and training. These are important developments, but serious governance and human rights concerns in Uzbekistan remain. The terrible legacy of the Andijon massacre in July 2005, which resulted in the killing of hundreds of antigovernment protestors, colors Uzbekistan's relations with the international community to this day. Unfortunately in Uzbekistan political opposition has very limited space within which to organize and civil society groups are closely scrutinized by the government.

We must also acknowledge that Uzbekistan has faced serious threats of Islamic extremism. As recently as last May, in Khanabad and Andijon the Islamic Movement of Uzbekistan and the Islamic Jihad Group of Uzbekistan both carried out attacks. Illustrating the truly regional nature of the threat we face, both groups have also been active in Pakistan, attacking government targets in reported retaliation for Islamabad's support for the United States.

After K2 closed, many of its activities transferred to the Manas Base in the Kyrgyz Republic. Earlier this year, the United States signed a new agreement with Bishkek in which NATO supplies and troops could be run through the Manas Transit Center. United States-Kyrgyz relations saw another boost with Under Secretary Bill Burns' visit there last July to announce the formation of a United States-Kyrgyz bilateral commission on trade and investment. These are welcome developments and we appreciate the Kyrgyz Republic's engagement on these issues. The country has its own history in contending with terrorist threats and there are reports of increased religious extremism, particularly in rural areas of the country. This all comes alongside mounting reports that the democratic promise of the Tulip Revolution has unfortunately not been fulfilled. As the Kyrgyz Republic faces these growing challenges, I hope that its government will choose a path that respects the important civil liberties of its citizens.

Turkmenistan is perhaps the least-understood country in the region. As the country experienced its first transition in power since the breakup of the Soviet Union in 2006, there was hope for a more open and transparent system. While there have been small steps, progress on that front has been slow. Turkmenistan does have a considerable impact on the energy prospects of its neighbors. Turkmenistan has pipeline agreements with Russia and Iran and has increased cooperation with China through a project that would send Turkmen gas through Uzbekistan and Kazakhstan to China. The United States has encouraged Turkmenistan's participation in the Nabucco energy project and I look forward to hearing from the witnesses on these prospects.

As Kazakhstan has grown in wealth, it has also sought to play a more prominent role in the international community. In 2010, Kazakhstan will assume the chair-in-office of the Organization for Security and Cooperation in Europe. This development

has not been without controversy. The OSCE is the premier organization in Europe and the former Soviet Union for election observation as well as monitoring human rights. According to independent monitoring organizations, Kazakhstan has not fared well in these areas, but did commit to a series of reforms in Madrid last year which would look to reform democratic institutions in the country. Civil society in Kazakhstan has made strides in recent years, particularly as it monitors government reform efforts, but the recent imprisonment of leading human rights activist Yevgeney Zhovtis has had a chilling effect on his colleagues in the country.

Water and energy are continued sources of tension among the countries of Central Asia. Those with energy resources lack water resources and vice versa. There are yearly disputes between downstream countries (Kazakhstan, Turkmenistan, and Uzbekistan) who are heavy consumers of water for agricultural needs and the less wealthy, upstream nations of the Kyrgyz Republic and Tajikistan, which rely on the downstream countries for electricity.

Russia has sought to play an expanded role in the region in recent years primarily in the field of security cooperation and cooperation on energy projects. While governments in Central Asia strive to maintain their autonomy, several have signed basing agreements and military cooperation pacts with Moscow. In 1996, Kazakhstan, Kyrgyzstan, and Tajikistan joined with Russia and China to form the Shanghai Cooperation Initiative, to promote security along the countries' common borders and combat terrorism. Renamed the Shanghai Cooperation Organization, Uzbekistan joined the group in 2001 and now hosts the SCO Regional Anti-Terrorism Structure. Some observers have commented that this focus on counterterrorism is an attempt by Russia and China to displace the U.S. role in the region.

In closing, I would like to commend the work of USAID in the region as it has sought to address myriad complex issues with limited resources. From challenges related to water, energy, drug trafficking, food security and democratic development, USAID certainly has its hands full. I look forward to hearing today how U.S. policy interests overlap with our investments in the region's development.

This overview just begins to scratch the surface of the challenges that the countries of this region face moving forward. The United States has a wide and varied interests in Central Asia, starting with support for ongoing military operations in Afghanistan. But as I have said, this cannot be the sole focus of our engagement in the region. From the threats of loose nuclear materiels to the rise of Islamic extremism, from the challenges posed by poverty and weak democratic institutions to the possibilities posed by new energy relationships, U.S. engagement in the region requires a strategic and long-term approach. This is a region that does not attract nearly enough attention among policymakers in Washington. Therefore, I welcome this opportunity to discuss some of these issues more in-depth and look forward to hearing from our group of esteemed witnesses.

Senator CASEY. We have two excellent panels today. And these are, of course, panels of experts, not just commentators, to examine all these issues in the allotted time that we have.

From the administration or the first panel, I'd like to welcome Deputy Assistant Secretary of State George Krol. Ambassador Krol has a long history with the State Department, serving as United States Ambassador to Belarus, as well as holding positions in Russia, Ukraine, and India. He has played a key role in the government's effort to reexamine U.S. policy in the region, and we look forward to his overview of these issues.

Ambassador Krol, thank you for your service to our country and for joining us here today.

I also would note—I want to note for the record—Ambassador Krol, is it true you were born in Pittsburgh?—That's good. Well, that's not the only reason you're here, but that's important—pretty important reason to have you here, as well.

I'd also like to welcome Deputy Assistant Secretary of Defense David Sedney. David covers Central Asia, as well as Afghanistan and Pakistan in the Office of the Assistant Secretary of Defense for Asian and Pacific Security Affairs. We appreciate him taking the time to come here today to testify. David has served in several challenging posts for the State Department, as Deputy Chief of

Mission in Beijing, as well as Kabul. He served as Director for Afghanistan at the National Security Council, as well as Senior Advisor to U.S. Ambassador to the U.N., John Negroponte. As U.S. security concerns are front and center in Central Asia, I look forward to hearing from him on the National Distribution Network and other key defense and security initiatives in the region.

Thank you, David, for being here and for joining us this morning.

We're honored to be joined by these two respected experts from the United States Government.

And we may have other comments by other members of the committee. I know that Senator Risch may be joining us soon, and if he has an opening statement, we'll certainly turn to him then.

I just want to turn to our witnesses. If our witnesses could do your best to keep your statements to about 7 minutes, that would help. And even if you can summarize your full statements, the full text of your statement will be made part of the record. Even if you haven't asked for that, we will do that, if that's OK with you.

Ambassador Krol, we'll start with you. We're going to go in alphabetical order. But, we're grateful for your testimony and your presence here today.

STATEMENT OF HON. GEORGE A. KROL, DEPUTY ASSISTANT SECRETARY OF STATE, BUREAU OF SOUTH AND CENTRAL ASIAN AFFAIRS, DEPARTMENT OF STATE, WASHINGTON, DC

Ambassador KROL. Thank you, Mr. Chairman.

I welcome this opportunity today to speak with you regarding United States policy toward Central Asia. Today's hearing is particularly timely, especially after the President's December 1 speech outlining the way ahead in Afghanistan and Pakistan. The Obama administration places a high priority on building principal partnerships in the Central Asia region, in pursuit of our common interests.

You've asked, "Why is Central Asia important to the United States?" and I would say that the United States has an important interest in promoting stability, prosperity, security, human rights, and economic and political reform in Central Asia.

The region's economic growth and democratic political development can produce a more durable stability and more reliable partners for the United States, in addressing common yet critical global challenges, from nonproliferation to counternarcotics to energy security.

The massive energy resources of Central Asia are important for the world economy, ensuring a diversity of sources and transit routes, while also delivering new economic possibilities in the region itself.

Central Asia plays a vital role in our Afghanistan strategy. Just look at a map of the region, and you see that three of the five Central Asian states border Afghanistan. A stable future for Afghanistan depends on the continued assistance of its Central Asian neighbors, just as a stable, prosperous future for the Central Asian states depends on bringing peace, stability, and prosperity back to their immediate neighbor, Afghanistan.

The countries of Central Asia are already contributing much to international efforts in Afghanistan. For example, Uzbekistan is

supplying electricity to Kabul. The Transit Center at Manas Airport in Kyrgyzstan is crucial as a logistical hub for transporting personnel and for refueling operations. Turkmenistan provides humanitarian assistance to Afghanistan. Tajikistan provides overflight clearance. And Kazakhstan provides both humanitarian assistance and it has just announced a new $50 million program to educate Afghan students in Kazakhstan universities. And the Northern Distribution Network is becoming a vital route for getting supplies into Afghanistan for coalition forces.

As for the current U.S. policy priorities in the region, since the early 1990s, the primary United States policy goal in Central Asia has been to ensure that the countries remain sovereign and independent, and to help them develop toward becoming stable, market-oriented democracies. And the events of September 11, 2001, made clear our common security concerns and led to a significant broadening of the relationship.

Now, at a moment when Central Asia is once again at a critical strategic crossroads, we want to expand our cooperation in a wide range of areas. We will seek to work with the governments and the peoples of the region, toward these ends. And we believe that developing more substantive, consistent relationship with these countries in areas of mutual interest will also open room for progress on democracy and human rights.

We have five main policy priorities in Central Asia.

The first is to seek to expand cooperation with the Central Asian states, to assist coalition efforts to defeat extremists in Afghanistan and Pakistan, bring stability and prosperity to the region. This includes expanding the capacity and reliability of the Northern Distribution Network.

Second, we seek to increase development and diversification of the region's energy resources and supply routes. As recent energy crises and price fluctuations have shown, the importance of developing new hydrocarbon resources and distribution routes to meet growing demands is important. Some of the largest hydrocarbon deposits in the world are found in Central Asia, and billions of dollars have already been invested in developing the huge fields in Kazakhstan. And Turkmenistan harbors one of the world's largest reservoirs of natural gas. Global energy security is a key to peace and prosperity, and our partnership with Central Asia in this field has never been more important. And Special Envoy for Eurasian Energy, Ambassador Richard Morningstar, is actively engaged with the countries of Central Asia on this issue.

We also want to encourage the Central Asian countries to draw on the expertise of international energy companies to maximize the safe production of oil and gas, and contribute to the export routes. And diversification of export routes will strengthen the economic security, sovereignty, and prosperity of these states.

We also seek to promote the hydro, renewable, and solar energy resources in Central Asia. And we believe that the prudent development of the region's hydro potential can increase domestic energy supply and, in the future, provide earnings from exports south to Afghanistan and Pakistan. But, the development of hydropower projects must be done in cooperation between the upstream and the downstream countries, to avoid potential conflicts.

Third, we seek to encourage political liberalization and respect for human rights. President Obama has made clear, we don't seek to impose our political system on other nations, but that does not mean that we do not actively promote good governance and respect for fundamental human rights. We believe that an active civil society and unfettered media serve as vital spurs for better governance and political liberalization. We'll continue to be a strong advocate for building democratic political institutions in Central Asia, based on respect for universal principles of human rights, justice, and dignity, to which all these states have themselves committed, as members of the Organization for Security and Cooperation in Europe, as well as members of the United Nations.

We recognize that the pace of change is often slow, and our program should focus on long-term, meaningful results. Policy statements and high-level dialogue should not avoid difficult topics like human rights and democratic institution-building. We foresee human rights issues as an integral part of our renewed bilateral dialogue with each of the Central Asian states. And the dialogue must be with both the governments and the societies. In this context, we see Kazakhstan's upcoming chairmanship of the OSCE in 2010 as an excellent opportunity to highlight the need for more consistent observance of the OSCE's human-dimension principles in Kazakhstan and throughout the region.

Fourth, we seek to foster competitive market economies and encourage economic reform. We are coordinating bilaterally and multilaterally to encourage the economic policies necessary to improve the business investment climates in the region, and support economic growth and job creation, to make the Central Asian countries more competitive. We have a regionwide trade and investment framework agreement through which we want to encourage regional approaches to economic development and cooperation, in reviving the Great Silk Road of trade that can bring prosperity to all the states in the region. And we've also added a bilateral component for each of the countries as part of these trade and investment framework agreement meetings, to promote the discussion of economic and investment issues.

We also hope that the Northern Distribution Network will encourage Central Asian countries to take steps to make it easier to do business along this route.

We seek to promote transportation infrastructure development to improve the capacity and reduce the cost of trade among the Central Asian countries, and promote trade with global markets in all directions.

We are not playing a great game in Central Asia in which promoting regional cooperation and diversification of trade and energy routes harms other existing trade routes and commercial relationships. Diversity and competition encourage security and efficiency in all markets and for all trading partners.

Finally, we seek to prevent state failure. Since the collapse of the Soviet Union, poverty, civil strife, regional drug trafficking have created vulnerabilities in Central Asia that could, if not addressed, lead to state failures. Many states suffer from a lack of capacity in maintaining governance, education, health, and economic standards. And many are plagued by corruption that creates economic

inefficiencies and political weaknesses. We are trying to focus our dialogue and programs to build needed capacities to ward off potential failures. For instance, food security is a growing problem in Tajikistan and Kyrgyzstan, and we're looking to continue and enhance our food security assistance.

And agricultural reform is also sorely needed in the region, and could make the region more food secure, as well as economically diversified, and promote economic and political stability.

Now, what steps are we taking to accomplish the goals? I would say that since the advent of the Obama administration, we have begun a systematic effort to elevate, enhance, and energize our dialogue with the countries of Central Asia. This past July, Under Secretary of State Burns led an interagency delegation to Central Asia to deliver a message from the President and Secretary of State that the United States has an important interest in stability, prosperity, security, and economic and political reform in Central Asia. The delegation found renewed interest among the countries of Central Asia in stronger ties and practical cooperation, based on mutual respect and mutual interests.

And following this visit, we have begun to establish high-level bilateral mechanisms with each country of Central Asia, featuring a structured annual dialogue to strengthen ties and build practical cooperation. And the first of these bilateral consultations will actually take place this week, when Uzbek Foreign Minister Norov leads a delegation to Washington.

And we plan to launch annual consultations with the other four countries of Central Asia in the coming months. These dialogues will focus on practical steps we can take to make realistic progress on a mutually agreed agenda. We want to move from words to actions, across the whole breadth of our relationship.

We also plan to expand our education and professional exchanges, promote people-to-people relations throughout the region, and increase our public diplomacy efforts.

And another program we're working on is to bring the Peace Corps to Tajikistan.

And on the assistant front, we have a range of programs operating in all of the countries, including those that focus on economic growth and health care, respect for human rights, border security, counternarcotics, and developing democratic institutions. But, in order to ensure that the programming supports our strategic goals and is coordinated across all the agencies, we are currently undertaking a whole-of-government review of our assistance strategy in Central Asia.

And, Mr. Chairman, when I speak of "whole-of-government," I mean whole-of-government, and that includes the United States Congress, and this committee in particular. The administration cannot achieve its objectives in Central Asia without the understanding, the guidance, support, and resources provided by the Congress. And I would strongly encourage members and staff to visit Central Asia to enhance the engagement the administration itself is undertaking. There you will see the many outstanding efforts our embassy teams are making to advance our security, our economic and our humanitarian interests. They need your support and encouragement. And when I say "embassy teams," I mean

these are not just State Department people, this runs through all the agencies that are present in our posts.

We also look for partnership and cooperation with nongovernmental organizations and interested Americans who also join us in promoting a more stable, prosperous Central Asia.

Mr. Chairman, in conclusion, this administration does not consider Central Asia a forgotten backwater, peripheral to United States interests. The region is at the fulcrum of key U.S. security, economic, and political interests. It demands attention and respect and our most diligent efforts. And the Obama administration is committed to this very approach.

Thank you, sir. And I look forward to your questions.

[The prepared statement of Ambassador Krol follows:]

PREPARED STATEMENT OF HON. GEORGE A. KROL, DEPUTY ASSISTANT SECRETARY OF STATE, BUREAU OF SOUTH AND CENTRAL ASIAN AFFAIRS, DEPARTMENT OF STATE, WASHINGTON, DC

Chairman Casey, members of the committee, I welcome the opportunity today to speak with you regarding U.S. policy in Central Asia.

Today's hearing is particularly timely, especially after the President's December 1 speech outlining the way forward in Afghanistan and Pakistan. The Obama administration places a high priority on building principled partnerships in the Central Asia region in pursuit of our common interests. In that connection, we are moving to elevate and expand our cooperation with all the countries of Central Asia in a wide range of areas.

WHY IS CENTRAL ASIA IMPORTANT TO THE UNITED STATES?

The United States has an important interest in promoting stability, prosperity, security, human rights, and economic and political reform in Central Asia.

Central Asia's economic growth and democratic political development can produce a more durable stability and more reliable partners for the United States in addressing common yet critical global challenges, from nonproliferation to counternarcotics to energy security.

The massive energy resources of Central Asia are important for the world economy, ensuring a diversity of sources and transit routes, while also delivering new economic possibilities in the region itself.

Central Asia plays a vital role in our Afghanistan strategy. Just look at a map of the region. Three of the five Central Asian states border Afghanistan. A stable future for Afghanistan depends on the continued assistance of its Central Asian neighbors—just as a stable, prosperous future for the Central Asian states depends on bringing peace, stability, and prosperity back to their immediate neighbor Afghanistan.

The countries of Central Asia are already contributing much to international efforts in Afghanistan. For example, Uzbekistan is supplying much-needed electricity to Kabul. The Transit Center at Manas International Airport in Kyrgyzstan is a crucial logistical hub for transporting personnel and for refueling operations. Turkmenistan provides humanitarian assistance to Afghanistan. Tajikistan provides overflight clearance. Kazakhstan provides humanitarian assistance, and it has just announced a new $50 million program to educate Afghan students in Kazakstani universities.

And the Northern Distribution Network is becoming a vital route for getting supplies into Afghanistan for coalition forces.

WHAT ARE THE CURRENT U.S. POLICY PRIORITIES IN THE REGION?

Since the early 1990s, the primary U.S. policy goal in Central Asia has been to ensure that the countries remain sovereign and independent—and to help them develop toward becoming stable, market-oriented democracies.

The events of September 11, 2001, made clear our common security concerns and led to a significant broadening of the relationship.

Now at a moment when Central Asia is once again at a critical strategic crossroads we want to expand on cooperation in a wide range of areas. We seek to work with the governments and the people of the region toward those ends.

We also believe that developing a more substantive, consistent relationship with these countries in areas of mutual interest will open room for progress on democracy and human rights.

We have five main policy priorities in Central Asia:

1. We seek to expand cooperation with Central Asian states to assist coalition efforts to defeat extremists in Afghanistan and Pakistan and bring stability and prosperity to the region.

While acknowledging the significant contributions of the Central Asians to Afghan security, we want to facilitate and encourage broader bilateral and regional support to include cooperation on border security, counternarcotics, trade, and reconstruction.

This also includes expanding the capacity and reliability of the Northern Distribution Network.

2. We seek to increase development and diversification of the region's energy resources and supply routes.

Recent energy crises and price fluctuations have shown the importance of developing new hydrocarbon resources and distribution routes to meet growing demands. Some of the largest hydrocarbon deposits in the world are found in Central Asia. Billions of dollars have already been invested in developing the huge fields in Kazakhstan. Turkmenistan harbors one of the world's largest reservoirs of natural gas. Global energy security is a key to peace and prosperity, and our partnership with Central Asia in this field has never been more important. Special Envoy for Eurasian Energy, Ambassador Richard Morningstar, is actively engaging with the countries of Central Asia on this issue.

We also want to encourage the Central Asian countries to draw on the expertise of international oil companies to maximize safe production of oil and gas and contribute to export pipelines. The expansion of the Caspian Pipeline Consortium (CPC) and development of the Kazakhstan Caspian Transport System project offer the possibility of getting increased oil out of the Caspian Basin into world markets. We're encouraging Turkmenistan to work with experienced U.S. energy companies to develop its gas resources and diversify its export routes across the Caspian. Diversification of export routes will strengthen the economic security, sovereignty, and prosperity of these states.

We also seek to promote the vast hydro, renewable, and solar energy resources in Central Asia. For example, the U.S.-Kazakhstan Joint Action Plan calls for improved industrial energy efficiency auditing, wind resource mapping and sharing information on energy-efficient building materials and standards.

We believe that the prudent development of the region's hydro potential can increase domestic energy supply and, in the future, provide earnings from exports south to Afghanistan and Pakistan. Development of hydropower projects must be done in cooperation between upstream and downstream countries to avoid potential conflicts. Kazakhstan, Uzbekistan, and Turkmenistan need the water for agriculture, but Kyrgyzstan and Tajikistan also need reliable access to gas and oil. And as Afghanistan stabilizes, it too will need to work with its Central Asian neighbors on a fair and equitable sharing of water resources.

3. We seek to encourage political liberalization and respect for human rights.

President Obama has made clear that we don't seek to impose our political system on other nations, but that does not mean we do not actively promote good governance and respect for fundamental human rights. We believe that an active civil society and unfettered media serve as vital spurs for better governance and political liberalization. We will continue to be a strong advocate of building modern political institutions in Central Asia, based on respect for universal principles of human rights, justice, and dignity to which these states have themselves committed as members of the Organization for Security and Cooperation in Europe as well as members of the United Nations. Democracy itself is about more than elections—its development depends on protection of minority rights and freedom of expression, government responsiveness and transparency, and a fair and effective judiciary. Such liberalization can lead to greater domestic and regional stability—and that is in every nation's interest.

We recognize that the pace of change is often slow and our programs should focus on long-term, meaningful results. Policy statements and high-level dialogues should not avoid difficult topics like human rights and democratic institution-building. We foresee human rights issues as an integral part of our renewed bilateral dialogues with each of the Central Asian states. And the dialogue must be with the governments and the societies. In this context we see Kazakhstan's upcoming chairmanship of the OSCE in 2010 as an excellent opportunity to highlight the need for more

consistent observance of the OSCE's Human Dimension principles in Kazakhstan and throughout the region.

We will stress shared goals—highlighting that rule of law and democratic institutions will foster transparent and predictable investment climates and foster economic growth. Providing less restrictive space for media, political opposition, and nongovernmental organizations will give civil society legal outlets and contribute to long-term durable stability.

4. We seek to foster competitive market economies and encourage economic reform.

Competitiveness lags in the region. Kazakhstan—at number 67—is the only country in Central Asia that ranks in the top 100 countries in the World Economic Forum's Global Competitiveness Report. We are coordinating bilaterally and multilaterally to encourage the economic policies necessary to improve the business and investment climates in the region and support economic growth and job creation to make the Central Asian countries more competitive.

We want to encourage the Central Asian countries to improve cooperation on water and energy. Disagreements between upstream (Tajikistan and Kyrgyzstan) and downstream (Uzbekistan, Kazakhstan, and Turkmenistan) countries have increased regional tensions and slowed development initiatives. We seek to work with partners, such as the European Union and the U.N. Center for Preventative Diplomacy in Ashgabat, to improve cooperation on these issues and adopt market-driven exchanges that incorporate international standards for riparian resources.

We have a regionwide Trade and Investment Framework Agreement (TIFA), through which we want to encourage regional approaches to economic development and cooperation—in reviving the great silk road of trade that can bring prosperity to all the states in the region. We have also added a bilateral component for each of the countries as part of our TIFA meetings to promote discussion of economic and investment issues. Efforts to improve the business climate, fight corruption, and improve transparency and predictability will not only create opportunities for U.S. companies, but will attract more reinvestment of Central Asian wealth which has flowed abroad.

We also hope that the Northern Distribution Network (NDN) will encourage Central Asian countries to take steps to make it easier to do business along this route. Operation of the NDN will demonstrate regional trade opportunities and highlight existing impediments. We seek to promote transportation infrastructure development to improve the capacity and reduce the cost of trade among the Central Asian countries and to promote trade with global markets in all directions.

We also seek to promote regional cooperation on border security and regulatory harmonization to reduce the time and added cost of crossing multiple borders in Central Asia.

We are not playing a Great Game in Central Asia in which promoting regional cooperation and diversification of trade and energy routes harms other existing trade routes and commercial relationships. Diversity and competition encourage security and efficiency in all markets and for all trading partners.

5. We seek to prevent state failure.

Since the collapse of the Soviet Union, poverty, civil strife, and regional drug trafficking have created vulnerabilities in Central Asia that could, if not addressed, lead to state failures. Many states suffer from a lack of a capacity in maintaining governance, education, health, and economic standards. Many are plagued by corruption that creates economic inefficiencies and political weakness. We are trying to focus our dialogue and programs to build needed capacities and ward off potential failure.

For instance, food security is a growing problem in Tajikistan and Kyrgyzstan, and we are looking to continue and enhance our food security assistance.

Throughout the region Soviet-era practices and cotton and wheat monoculture have increased poverty and corruption, and infringements on human rights in the forms of forced and child labor, and led to serious environmental damage. Agricultural reform is sorely needed throughout Central Asia and could make the region more food secure, economically diversified, and promote economic and political stability.

WHAT STEPS IS THE UNITED STATES TAKING TO ACCOMPLISH ITS GOALS?

Since the advent of the Obama administration, we have begun a systematic effort to elevate, enhance, and energize our dialogue with the countries of Central Asia. This past July Under Secretary of State Burns led an interagency delegation to Central Asia to deliver a message from President Obama and Secretary Clinton: The United States has an important interest in stability, prosperity, security, and economic and political reform in Central Asia, and we want to work with the govern-

ments and people of the region toward those ends. What this delegation found was a renewed interest among the countries of Central Asia in stronger ties and practical cooperation based on mutual respect and mutual interests.

Following this visit we have begun to establish high-level bilateral mechanisms with each country, featuring a structured, annual dialogue, to strengthen ties and build practical cooperation. The first of these Annual Bilateral Consultations will take place later this week, with Uzbekistani Foreign Minister Norov leading a delegation to Washington. We plan to launch similar Annual Consultations with Kazakhstan, Kyrgyzstan, Tajikistan, and Turkmenistan in the coming months. These dialogues will focus on practical steps we can take to make realistic progress on a mutually agreed agenda. We want to move from words to actions across the breadth of our relationship.

We also plan to expand our educational and professional exchanges and promote people-to-people relationships throughout the region as well as increase our public diplomacy efforts to tell America's story.

Another program we're working on is to bring the Peace Corps to Tajikistan.

On the assistance front we have a range of programs operating in each of the five countries of Central Asia, including programs focused on promoting economic growth, quality health care, advancing respect for human rights, strengthening border security, counternarcotics, and developing democratic institutions. In addition, for 2010 the United States will begin a comprehensive assistance program to address food insecurity in Tajikistan and Kyrgyzstan designed to increase agricultural productivity, bolster farmers' income, and reform unfair land regulations. Sustained funding over the next 3 years will help ensure that this now food security assistance program will have a sustainable impact.

The United States Agency for International Development takes the lead in providing assistance. Other U.S. Government agencies also play a role. In order to ensure that programming supports our strategic goals, and is coordinated across agencies, we are currently undertaking a "whole of government" review of our assistance strategy in Central Asia.

Mr. Chairman, when I speak of whole of government I mean whole of government—and that includes the U.S. Congress and this committee in particular. The administration cannot achieve its objectives in Central Asia without the understanding, support, and resources provided by Congress. I would strongly encourage Members and staff to visit Central Asia to enhance the engagement the administration itself is undertaking. You will see the many outstanding efforts our Embassy teams are making to advance our security, economic and humanitarian interests. They need your support and encouragement.

We also look for partnership and cooperation with nongovernmental organizations and interested Americans who also join us in promoting a more stable, prosperous Central Asia.

Mr. Chairman, in conclusion, this administration does not consider Central Asia a forgotten backwater, peripheral to U.S. interests. The region is at the fulcrum of key U.S. security, economic, and political interests. It demands attention and respect and our most diligent efforts. The Obama administration is committed to that very approach.

Senator CASEY. Thank you very much.

Mr. Sedney.

STATEMENT OF HON. DAVID S. SEDNEY, DEPUTY ASSISTANT SECRETARY OF DEFENSE, AFGHANISTAN, PAKISTAN, AND CENTRAL ASIA, DEPARTMENT OF DEFENSE, WASHINGTON, DC

Mr. SEDNEY. Chairman Casey, Senator Risch, thank you very much for this opportunity to speak with you today about Department of Defense policy in Central Asia.

The Department of Defense's primary goal in Central Asia is to support the war in Afghanistan. We provide this support in two ways. First, we are using a network of air and ground routes, known as the Northern Distribution Network, to ship increasing amounts of supplies through Central Asia to our troops in Afghanistan. Second, we continue to, as we have for years, assist the sov-

ereign countries of Central Asia in maintaining their own security, in ways that they find acceptable.

When announcing the troop surge—the troop increase in Afghanistan—President Obama noted that the status quo was not sustainable. And that's also true in Central Asia. Senator Casey, in your opening statement, you mentioned concerns about the capacity. I would say that, from our perspective, the capacity, in terms of road routes, rail routes, and air routes, is underutilized. There can be a lot more done, in terms of utilizing that capacity, through Central Asia, toward Pakistan—I'm—toward Afghanistan.

I draw your attention—I apologize for the lateness; we just got them clear—to the two slides I added to my presentation; one of distribution networks, in heavy green, of the routes that we use through Central Asia and also through Pakistan that bring supplies into Afghanistan; and the second is a graph that shows the number of—the amount of supplies we've used—that we've moved into Afghanistan through the Northern Distribution Network, both the total amount and the rolling average of numbers of containers moved. However, we believe that amount has a potential to increase, and our partners with the Central Asian states, in doing so, are partnerships that we value very greatly, and we look forward to that.

To achieve this success, we have to increase our engagement with Central Asia on all levels, not just a military, working in the short term to expand these logistical flows, and in the longer term, to expand and deepen our relations. Obviously, from the Department of Defense perspective on the security sector, my colleague Ambassador Krol has laid out in many other areas, where the United States Government has interests in Central Asia.

We believe that this kind of intensive engagement—increased engagement with Central Asia is important to help give our troops the support that is necessary to disrupt, dismantle, and defeat the al-Qaeda—the core goal that the President has laid out for us.

The Northern Distribution Network, as I said, is the center for that. These commercial air and ground routes through which we ship supplies to Afghanistan represents a major accomplishment of interagency and intergovernmental cooperation. Since November 2008, in cooperation with the State Department, and especially the embassy teams, we've worked with Central Asian governments to build a robust transit network that supports our shared fight against the threat of extremism. We are, as I said, steadily increasing, and look to increase even more, the traffic on the NDN, overcoming impediments. This has not been an easy process, over the last year, to build up this network. But, we have been doing so, again, with the cooperation of Central Asian governments, decreasing impediments and increasing the amount and speed of the flow. From 20 containers a month in January, we now are in the position to be able to ship 350 containers per week, and as I said, expect this figure to increase further.

I want to stress here that that increase is especially important, given the President's commitment to add 30,000 United States troops to Afghanistan, that comes on top of 33,000 additional troops that we have already sent to Afghanistan in calendar year 2009, and the concomitant increase in our allies and partners send-

ing troops so far; we have commitments of over 7,000 from—troop—NATO and other troop-contributing nations at ISAF, to increase their presence. So, all of this increase is going to be putting a greater demand on all of these routes, both through Pakistan and through Central Asia.

Additionally, we support infrastructure projects that will help expand the NDN's capacity—a concern you raised, Senator Casey. The recently begun Hairatan/Mazar-e-Sharif Railroad, the first railroad that will extend into Afghanistan—$170 million joint Uzbek-Asian development project—will connect Afghanistan to the former Soviet rail system, and serve as the only direct rail line into the country. That project was approved by the Asian Development Bank at the end of September and will, we hope, be completed within the next 12 to 18 months.

As part of the Northern Distribution Network, we are also stressing local purchasing in Central Asia. We want to thank the Congress for the provisions in this year's National Defense Authorization Act that allowed that local purchasing in Central Asia to proceed. We think that's important, both for the cooperation of the local governments, benefits to the local economy, and it's also a way to more economically address some of the needs we have in Afghanistan. This local purchasing process helps illustrate one of the benefits—and you, Senator Casey, in your opening statement, mentioned that—the ancillary economic benefits for Central Asia, bringing together the economies of Central Asia, not just with each other, but also with their neighbors in a broader world, as we are putting a lot more additional throughput into this system, where you're going to get a lot more benefit out of that.

But, most importantly, the Northern Distribution Network is an effective means to supply our warfighters, and provides capacity and redundancy to complement our already heavily burdened lines in Pakistan.

The expansion—the actual expansion in number of containers, is something we're still looking—our logistics experts are still looking at how much expansion the Northern Distribution Network will be able to support.

In addition to the Northern Distribution Network, we also conduct overflights. And Senator, you mentioned in your opening statement, the Manas Airbase. I want to express my appreciation to the government and people of Kyrgyzstan for their support for the transit center in Kyrgyzstan. Our negotiations this year have come up with an agreement that is acceptable to both sides, and I want to echo my colleague Ambassador Krol in inviting you to visit Central Asia, and urge that if you visit Central Asia, you stop in Kyrgyzstan and visit the transit center. Under the leadership of an exceptional Air Force officer, Col. Blaine Holt, the transit center serves thousands of soldiers going into Afghanistan every day. Some of the initial troops that are going there will be passing through the transit center this week. The relationships with the local people and with the Government of Kyrgyzstan have improved, I think, quite dramatically over the past several months, through a joint effort through our Embassy, our Ambassador and our military forces on the ground in Kyrgyzstan. Again, I invite you

to go and see that transit center. I think it's really an exceptional success story.

As you mentioned, Senator, as my colleague Ambassador Krol mentioned, the threat of Islamic extremism is once again rising in Central Asia. In 2009, the Islamic Jihad Union conducted a suicide bombing in Uzbekistan. Throughout the summer, local governments fought with suspected extremist cells in the Fergana Valley. Local governments—the governments in the region share our concern about extremism. In our discussions with our counterparts from Central Asia, this issue has figured much more strongly this year than—at the end of this year, than it did at the beginning. This is very clearly a concern that we share with them. We need to cooperate with them to address this shared threat.

Our cooperation with the governments of Central Asia comes in two areas: security assistance and humanitarian assistance. Our security assistance focuses on the professionalization of local militaries' border guards, counternarcotics forces, and counterterrorism forces. So far, we've seen some really great progress. The George Marshall Center has trained almost 1,000 Central Asian security professionals. Our National Guard State Partnership Programs, which are really a key to our efforts in Central Asia, use citizen soldiers to teach civil-military relations. With training that we've been able to provide, with the assistance of funds provided by Congress, we are helping to improve the counterterrorism, peacekeeping, and demining capabilities of governments that are eligible for this funding, and help them move beyond the Soviet-era history. Through this engagement, we work together to create stable governments, peaceful societies, and a secure zone to the north of our most important war effort.

We also, in some areas, have been able to carry out humanitarian efforts, humanitarian assistance to enhance the capacity of local governments.

We also have a very active high-level engagement with the Central Asian governments. Our CENTCOM commanders have visited Central Asia seven times in the last 3½ years. TRANSCOM—our TRANSCOM commander has visited the region three times in the last 2 years. And we are also looking forward to participation in the annual bilateral consultations, described earlier by Ambassador Krol. We think these broad efforts are important to building a regional area.

As President Obama said, this is not just America's war. Russia, China, Turkey, and even Iran share our desire to disrupt, dismantle, and defeat al-Qaeda. That's why they support our efforts in the region, such as Russia's recent decision to allow us unrestricted both lethal and unlethal—lethal and nonlethal military transit. It's why our assistance packages often overlap in Central Asia, often to mutual benefit. A container traveling on the Northern Distribution Network may travel on Russian-built rails, on Chinese-built roads, through an Iranian-built tunnel, and over an American-built bridge, before reaching Afghanistan. Regional powers increasingly recognize that cooperation is necessary to defeat violent extremism.

This is particularly true of Pakistan. Just as success in Pakistan drives success in Afghanistan, it is also key to a stable Central

Asia. The IMU fighters captured in Central Asia this summer did not only come from Afghanistan, they also came from areas in Pakistan where they operate.

However, while Pakistan can export instability, it can also export wealth. Central Asians know that a stable, prosperous Pakistan means increased trade through Central Asia, and it is for this reason—among these reasons that they support our efforts to stabilize Pakistan.

As Ambassador Krol has outlined, our strategy in Central Asia, a strategy that for 20 years has been remarkable in many ways in its consistency and success, our engagement in the Department of Defense, we believe, has enhanced security, diplomatic ties, and trade, and helped accelerate the achievement of our long-term goals. Even as some of our goals are short term, we believe their benefits will be longer lasting.

In Afghanistan, President Obama has asked the Department of Defense to use the instruments of war to preserve the peace. Central Asians understand that they will be the first benefactors of this strategy, and we see them as eager to help win the—help the United States, our allies, and our partners win the war in Afghanistan. We must take advantage of their interest in closer cooperation, work together to defeat violent extremism, and help establish a stable peace. In logistics, security assistance, political support, we must come together to succeed.

Thank you for your time, and I look forward to your questions.

[The prepared statement of Mr. Sedney follows:]

PREPARED STATEMENT OF DAVID SEDNEY, DEPUTY ASSISTANT SECRETARY OF DEFENSE, AFGHANISTAN, PAKISTAN, AND CENTRAL ASIA, DEPARTMENT OF DEFENSE, WASHINGTON, DC

Chairman Casey, distinguished members of the committee, thank you for the opportunity to speak with you today about Department of Defense policy in Central Asia.

The Department of Defense's primary goal in Central Asia is to support the war in Afghanistan. We provide this support in two ways. First, we use a network of air and ground routes, known as the Northern Distribution Network, to ship supplies through Central Asia to our troops in Afghanistan. Second, we assist the sovereign countries of Central Asia in maintaining their own security in a way they find acceptable.

When announcing the troop increase in Afghanistan, President Obama noted that, "the status quo is not sustainable." This is also true in Central Asia. To achieve success we must increase our engagement with Central Asia at all levels—working in the short term to expand logistical flows and in the long term to expand and deepen our relations, from a DOD perspective particularly in the security sector. Such intensive engagement will help give our troops the support they need to disrupt, dismantle, and defeat al-Qaeda.

SHIPPING AND TRANSIT

The Northern Distribution Network (NDN)

The NDN is a network of commercial air and ground routes through which we ship supplies to Afghanistan. It represents a major accomplishment of interagency and intergovernmental cooperation: Since November 2008, in cooperation with the State Department and especially their embassy teams, we worked with Central Asian Governments to build a robust transit network that supports our shared fight against the threat of extremism.

With the help of our Central Asian partners we are steadily increasing traffic on the NDN and overcoming impediments that hinder the network's efficiency as they arise. In both the air and on ground we are increasing shipments while decreasing processing time. From 20 containers per month in January, we now ship 350 containers per week, and expect this figure to increase further. Additionally, we sup-

port infrastructure projects in the region which expand the NDN's capacity. For example, the recently begun Hairaton-Mazar-Sharif railroad, a $170 million joint Uzbek-Asian Development Bank project, will connect Afghanistan to the vast former Soviet rail system, and serve as one of the few direct rail lines into the country.

As part of the NDN we are also implementing the Central Asia local purchasing program. This program works with Central Asian businesses to purchase local materials for use in Afghanistan, to the benefit of both sides—we save money on shipping, while local economies benefit from increased trade. In the process we help drive greater economic cooperation, as local governments cooperate to keep transnational transit routes open and local economies rise to meet international purchasing standards. I would like to note that we could not have implemented this program without Congress's addition of the necessary provisions to the National Defense Authorization Act. We thank you for this critical support.

The local purchasing program also demonstrates a potential benefit that the NDN holds for Central Asia—the ability to reconnect the region to the global economy. By expanding trade linkages the NDN helps reconnect Central Asia to India, Pakistan, and other formerly closed markets, while opening a direct land route from the heart of Asia to the heart of Europe. For instance, the most direct route from Lahore to Berlin cuts directly across Afghanistan and Central Asia. Ancient traders knew this. So do today's airlines, who fly this route every day. With the NDN we can help ground transit do the same.

Most importantly, the NDN is an effective means to resupply our warfighters and provides capacity and redundancy to complement our heavily burdened lines through Pakistan. This is particularly important in light of President Obama's decision to send 30,000 more soldiers to Afghanistan, and the commitment by our allies for another 7,000. Since its inception 11 months ago, we have shipped almost 5,000 containers along the NDN. We will expand this number in 2010 to meet the new demand, and will continue to support our effort to defeat al-Qaeda.

Military Transit Routes

In addition to the NDN, which is purely commercial, DOD conducts military overflights of most countries in Central Asia. We have close relationships with each transit country, and are working to increase overflights and open new flight paths.

Importantly, we also have access to the Manas Transit Center in Kyrgyzstan, through which the majority of our combat troops transit on their way to Afghanistan. We greatly appreciate the willingness of the Kyrgyz Government to continue its support in our common struggle, and look forward to maintaining this important link in our logistical network.

STABILIZING LOCAL GOVERNMENTS

The threat of Islamic extremism is once again rising in Central Asia. In 2009 the Islamic Jihad Union (IJU) conducted a suicide bombing in Uzbekistan, and throughout the summer local governments fought with suspected extremist cells in the Ferghana Valley. Local governments share our concern about extremism, and we cooperate with them to address this shared threat in two areas: security assistance and humanitarian relief.

Security Assistance

Our security assistance focuses on professionalization of local militaries, border guards, counternarcotics forces, and counterterrorism forces. So far we have seen great progress. For example, to date the George Marshall Center has trained close to 1,000 Central Asian security professionals, creating a cadre of Western-oriented professionals predisposed toward reform. Similarly, our National Guard State Partnership Program uses citizen—soldiers to teach Western-style civil-military relations.

With the help of DOD training our partner governments are building modern counterterrorist, peacekeeping and demining capabilities, and continue to engage us for help moving beyond Soviet-era military norms. Through this engagement we work together to create stable governments, peaceful societies, and a secure zone to the north of our most important war effort.

Humanitarian Assistance

Our humanitarian assistance seeks to enhance the capacity of local governments. We work closely with our partners in the State Department, USAID, and the NGO community to implement programs that improve government-civilian interactions, removing incentives for extremist support.

DIPLOMATIC ENGAGEMENT

DOD carries out regular high-level consultations with our Central Asian partners. For example, CENTCOM commanders visited Central Asia seven times in the past 3½ years, while the TRANSCOM commander visited the region three times in the past 2 years. In addition, we participate in the Annual Bilateral Consultations (ABC's) described earlier by Deputy Assistant Secretary Krol. These efforts help build the stable, cooperative relationships necessary to achieve our goals in Central Asia.

REGIONAL ACTORS

Regional powers realize that, as President Obama recently said, "this is not just America's war." Russia, China, Turkey, and even Iran share our desire to disrupt, dismantle, and defeat al-Qaeda. This is why they support our efforts in the region, such as Russia's recent decision to allow DOD unrestricted transit. It is also why our assistance packages often overlap in Central Asia, often to mutual benefit. For example, a container traveling on the NDN may travel on Russian-built rails, Chinese-built roads, an Iranian-built tunnel, and an American-built bridge before reaching Afghanistan. Regional powers recognize that cooperation is the best way to defeat the threat of violent extremism.

This is particularly true in Pakistan. Just as success in Pakistan drives success in Afghanistan, it is also key to a stable Central Asia. The IMU fighters captured in Central Asia this summer did not only come from Afghanistan—they also came from Pakistan. However, while Pakistan can export instability, it can also export wealth. Central Asians know that a stable, prosperous Pakistan means increased trade through Central Asia, and it is for this reason that they support our efforts to stabilize Pakistan.

LONG-TERM STRATEGY

Deputy Assistant Secretary Krol has already outlined America's long-term strategy in Central Asia—a strategy that, for 20 years, has been remarkable in both its consistency and its success. DOD's engagement in Central Asia has enhanced security, diplomatic ties, and trade, and accelerated the achievement of our long-term strategic goals. Even though some of our actions are driven by short-term concerns, their benefits will be long lasting.

THE WAY AHEAD

In Afghanistan, President Obama has asked the Department of Defense to "use the instruments of war to preserve the peace." Central Asians understand that they will be the first benefactors of this strategy and are eager to help America win the war in Afghanistan. We must take advantage of their interest in closer cooperation, and work together to defeat the violent extremism and establish a stable peace. In logistics, in security assistance, in political support—we must come together in order to succeed.

Senator CASEY. Thanks so much.

I will begin the questioning. We'll try to do 5 to 7 minutes. We'll do a couple rounds, I guess.

But, I wanted, Mr. Sedney, to go back to the Northern Distribution Network. And I know your statement provided an overview. I just wanted to highlight a couple of questions.

On the question of infrastructure, if you could design it or plan any and all improvements to the line, what would you change? Where are the defects or the shortcomings of the NDN?

Mr. SEDNEY. Well, the biggest shortcoming of the NDN, as with our transit through Pakistan, is actually the entry into Afghanistan, because of the legacy of history, where Afghanistan's king, in 1905, declared that there will be no railroads into Afghanistan; the fact that there are no current rail links into Afghanistan. And once you get in Afghanistan, of course, there's no rail among the different cities. Similarly with roads, while there's been a lot of construction of roads in Afghanistan, the roads and the—both the entry points into Afghanistan and roads after that are huge lim-

iting factors in our ability to deliver supplies throughout Afghanistan. So, really it's that interface along the border that would be most important.

Similarly, again, the real bottleneck in getting supplies into Afghanistan is really Afghanistan, in terms of the infrastructure there. So, if we could expand rail access, improve road access, expand bridges and other infrastructure, that would be of great assistance in moving our supplies more effectively to Afghanistan.

Senator CASEY. Just so we don't leave our audience in the dark—I know this map is hard to see, even from on the chart, but even from a distance, you can tell there's a good bit of information. Would you mind just kind of walking through what's depicted here, what it means for the NDN. For those who can't see from the back, it says, "NDN the First Year," and then we have a graph along both ends here, which I'd better not try to describe, because I need you to do it. But, I think it's important to walk through—this is a graphic depiction of the NDN the first year. Will you tell us what this graphic outlines.

Mr. SEDNEY. Certainly, Senator. What this is is a graphic illustration of the—of, essentially, a—the expansion of the NDN, going from nothing to something. So, the blue bars are the total TEU's which are 20-foot containers—the 20-foot container you see in a truck where we've moved 4,769 of those, as of the end of November. So, the blue line just shows the total we've moved, so each month is cumulative.

Senator CASEY. So, the acronym TEU equals a container of some kind?

Mr. SEDNEY. Right, it equals a 20-foot container.

Senator CASEY. OK.

Mr. SEDNEY. It's a logistics term. I—but, if you think of a 20-foot container, that's what it is.

In the—moving down on the graph, there's a dark line followed by a dotted line that shows the numbers of containers we've moved per week. And you'll see that that gets up to 300—there's a dotted line—to 350 a week in November, and that's actually what we're at in November and for the first week of December. I just got the figures, from last night.

Senator CASEY. So, just——

Mr. SEDNEY. So, that shows how many we're moving per week.

Senator CASEY. Just so we're clear. June 2009, we're talking about——

Mr. SEDNEY. Right.

Senator CASEY [continuing]. You were moving 108 of these containers per week.

Mr. SEDNEY. Right.

Senator CASEY. That—the number per week went up to 134 containers per week in July; 200 between, I guess, August and September; then there was a little dip——

Mr. SEDNEY. Dipped.

Senator CASEY [continuing]. And then it's going up—as of November, 350 of these containers moving per week, through the NDN, is that accurate to say?

Mr. SEDNEY. That's correct, Senator. And the NDN—I want us to just go back to the map for a second—is several routes. So, we

have routes coming across the Caucasus, across the Caspian Sea, and then through Kazakhstan, Uzbekistan, and also through, actually, Estonia—we don't see it here on the map—and then through Russia, and then again through Kazakhstan, and then Kyrgyzstan, and then through Tajikistan into Afghanistan. And the railroad actually allows us to deliver it through Kazakhstan, then Uzbekistan, to Afghanistan. So, there are several—there's different routes that we're using. The main route is the one that goes into Afghanistan from Uzbekistan. The numbers through Tajikistan are significantly smaller.

Senator CASEY. Can you help us with——

Mr. SEDNEY. But, we're using all these different routes to have multiplicity of routes.

Senator CASEY. Can you help us with the miles, here; give us a sense of the distance from end to end? And also, within that, where is the threat—what part of that route would be the most—at least, based upon recent history, the most dangerous?

Mr. SEDNEY. In terms of the most dangerous, I'd say the—it's most dangerous once you get into Afghanistan. We haven't had any security incidents on the route itself, outside, that I'm aware of. So, really, the danger begins once you get into Afghanistan. Does that mean that the Taliban and their allies haven't thought about—wouldn't consider that? I'd have to actually discuss that with you in a classified setting.

Senator CASEY. OK.

Mr. SEDNEY. But, so far, there have been no security incidents on that, and the problems have been inside Afghanistan, on this—in this case.

Senator CASEY. I'm a little bit—or, close to being over my time. I want to just ask one more question, but let me come back to that.

I want to get one question in to Ambassador Krol, before I wrap up, on nonproliferation. We have, obviously, an unstable geopolitical condition in the region. Ambassador, any indications that Kazakhstan or one of its neighbors is particularly vulnerable right now to extremists trying to obtain fissile radioactive materiel? That's a concern we all have, not only in these nations in this region, but, of course, even in Pakistan itself. That's one of the main threats that we're worried about. And I guess, (a) do you think there's a real threat now?—I know there's limitations on what you can say and we understand that—but, what strategy do we have in place to minimize that threat, as it relates just to extremists getting fissile or other nuclear materiel in this region, in these nations?

Ambassador KROL. Right, Mr. Chairman. I think what I can say, in this format, is that it's very much a high priority for our government to monitor this and to work closely with the governments in the region. And we have a very robust program with Kazakhstan, which has been a many years duration, under our Cooperative Threat Reduction Program, in ensuring the safety and as well as the lack—denying access to materiels that might be of some use and of concern. And this is a major issue that we work with cooperatively with Kazakhstan.

And I could note that President Nazarbayev is actually going to be coming to Washington for the Global Nuclear summit, in April

of this year, because of—naturally, it is a country that, as you've noted in your own statement, has offered to host a fuel bank on its territory and the like, as well, and we work with great cooperation with Kazakhstan.

In the other countries in the area that matter is also trying to develop border controls and infrastructure so that the law enforcement agencies in these countries have the capability to interdict and to identify, if there were to be any movements of materiels. And this is something that, actually, we've been working on and building and equipping border posts throughout Central Asia. And I've visited several of these and have seen the equipment that is put in, which is—has x rays and things of this nature, in order to monitor the situation. So, it is an ongoing part of our dialogue with each of these countries, but also something that we're actually taking action on, and continues.

Senator CASEY. Mr. Ambassador, thank you very much.

Senator Risch.

Senator RISCH. Thank you, Senator Casey. And thank you for holding this hearing on this very important region of the world. I think just a cursory glance at the map tells us how important the real estate is in this part of the globe.

Ambassador Krol, you made reference, and sort of a passing reference, to the words "failed state," which I think bring considerable caution to all of us, because of what we've seen happen in places like Somalia, Yemen, and other places. On these—on the five countries in issue here, how do you rate that danger—on a scale of clear and present danger being at the top, to relatively stable at the bottom, how do you—how would you rate the countries?

Ambassador KROL. Senator, as I mentioned in my statement, that we see deficiencies in capacities in practically all of the countries in the region. There are some that have greater problems of capacity because of their history, the difficulties that they face. Tajikistan is the most immediate one, as you know, that they suffered from a terrible civil war for many of the years in the nineties—the effort to try to establish good governance in the region, also in controlling their borders, particularly that have the border with Afghanistan, and developing an economy and a political system that is responsive to the people, in meeting the needs, the food needs, the security needs of the people. And we are working very closely in our relationship with Tajikistan to address these capacity issues, as well.

These are—in Kyrgyzstan, is also a very—it's a poor state, as well. Many of these issues are related to poverty, as well as efforts to, again, try to build up good governance, build up infrastructure and the economies of these countries so that they can meet the needs of the people, as well as working with their law enforcement agencies to ensure that they are protecting people, but protecting people with a view to also protecting and respecting their human rights.

I think that these are also, similarly, issues in Uzbekistan and in Turkmenistan and in Kazakhstan.

But, the ones that concern us the most are—because they are the poorest countries in the region, are Tajikistan and Kyrgyzstan.

Senator RISCH. Mr. Sedney, I'm looking, here, at the map, and I assume the green that's on here are the main routes that we're talking about. What are the yellow and the red?

Mr. SEDNEY. The yellow lines are road lines and the red lines are rail lines—other rail lines that we're not using. That's my understanding, sir. Yes.

Senator RISCH. You mentioned that you've jumped—and you gave us the chart here that goes from 20 containers a week up to 350 containers a week. And these are inflow into Afghanistan. Is that what you're telling us?

Mr. SEDNEY. That's correct, Senator.

Senator RISCH. And, where do these start from?

Mr. SEDNEY. Some of them start from the United States, and some of them start from Europe, some of our logistics centers in Europe. Some of them directly from the United States, others are things that are sent to Europe, and then we have some distributions centers there. But, it's both.

Senator RISCH. And are they ship-delivered, or air-delivered?

Mr. SEDNEY. The Northern Distribution Network is ship and rail, until it gets to Afghanistan, when they're transferred to trucks for onward delivery in Afghanistan. So, they're ship—for example, the ones that through the route here are ship-delivered to Georgia, go by rail across the Caucasus, then shipped across the Caspian to Kazakhstan, and then rail through Kazakhstan and Uzbekistan. The green line up here actually terminates in Estonia, and so it goes by ship to Estonia, then gets on the rail network in Estonia, goes through Estonia, and then into Russia, then on into Russia and the rest of the way. But, the containers are—the Northern Distribution Network right now—and that's because of the cost efficiencies of moving things by rail, as opposed to truck.

Senator RISCH. The—you mentioned Russia be allowing us to cross—and obviously you have it on the map here, where we are crossing Russia with these containers. Has that situation changed any, or was there a—when was there a change in Russia's agreement to do this?

Mr. SEDNEY. We began the Northern Distribution Network effort a year ago, and at that point in time, Russia and NATO had a transit agreement, and we used that transit agreement as part of—as a member of NATO, to begin that. Last—this past summer, when President Obama was in Moscow, he and President Medvedev agreed on unrestricted lethal and nonlethal transit, including through air, with the Russians. And so, that was a major change. So far, we have conducted two flights, I believe. Secretary Clinton, in her visit to Moscow in—September was it, George?—in September, announced the first flight, and we've had a second flight. We continue to work with Russia and Kazakhstan to try and make that a route that we're able to use on a regular basis.

Senator RISCH. What—how would you characterize the safety of the transportation across these routes? And I'm particularly interested in the ones that come from the west—from the north and west, and come into Afghanistan. Are—have you had incidents of attacks there, or what—how would you characterize that?

Mr. SEDNEY. So far, the record has been exceptional. We've had no incidents. We've had no incidents relating to attacks, or any-

thing of the kind. There has been—the speed has continued to increase, as I mentioned. The comparison we would draw with the—is with the routes coming up from the south, through Pakistan, where we do have—have had, over the last several years, a number of attacks. Although the actual success rate for containers getting through Pakistan is very high—in the high 90 percent—in the high 90 percents, coming—in the Northern Distribution Network, it's basically 100 percent.

Senator RISCH. Finally, if I could get both of you to comment on this, how would you characterize the various countries—their governments' commitment to suppressing radical fundamentalists operating within their territories?

Mr. Sedney, could we start with you and——

Mr. SEDNEY. Sure. I would say that all the governments of all the countries involved are concerned about radical extremism, both as in terms of their own country's internal situation, and also their concern about Afghanistan. And my discussions, and our discussions at the Department of Defense with the governments of the region, they're very concerned with either a return to the Taliban or some other extremist elements controlling Afghanistan, because they see that as, long term, destabilizing to the region and their country. At the same time, they have concerns about their own internal security. And I would say that, as I mentioned in my testimony, that concern is focused on the Fergana Valley, which is actually shared, pretty much, among three of the states. Uzbekistan, Kyrgyzstan, and Tajikistan all have access to the Fergana Valley. And that center of extremist activity in the Fergana Valley affects those three countries, I would say, in a very—in a reasonably significant way.

Senator RISCH. And do all five of the countries have about the same level of enthusiasm for controlling the radical movements?

Mr. SEDNEY. I would say, in terms of their interest in doing it, they're all concerned. I wouldn't—I have a hard time drawing a distinction among them about how concerned they are. The level of threat varies by countries, and so the countries with the greater threat and the more activity spend more time on it. But, in terms of their concern, your closest question, I think they're all pretty much concerned equally about that.

Senator RISCH. Ambassador Krol.

Ambassador KROL. Senator, I would agree with my colleague, David Sedney, that in my travels in the region and discussions with the governments, it's quite clear that they are quite concerned about the impact or the possible growth of religious extremism in their own countries. And it is a matter that we discuss with them, and it's also something that they try to—take measures to try to monitor, themselves. I think a lot of it is also due to the concerns that they have about their own governance and poverty issues, too, in order to meet the needs of the people, but also to respect the human rights of people and their—and respect for religions, and not to view that all religions and religious groupings are extremist, but to make a considered division as to those that preach terror or preach intolerance and those that are in, as one would say, the mainstream of religious beliefs and practices.

And so, it's a sensitive issue for all of these countries, because they are secular; they come out of the Soviet experience of looking in a particular way about religion, but they are looking and grappling at ways to be, as it were, respectful of the growth of religiosity and of the religious rights of their citizens, as well, while trying to balance it with their concerns that there may be certain groups that may try to use this for extremist purposes in their own countries. But, it's certainly an element of our bilateral discussions with them, and it is a very important one.

Senator RISCH. Were they secular governments when they originally went into the Soviet orbits?

Ambassador KROL. Well, they—as the—the history of the region would show that they were originally, as it were, part of the Russian empire. And then, when the Soviet Union was created, they were, basically, in many respects, forced, under the Soviet system, to be communistic and atheistic, too. So, there were many efforts that were made, in that past and over the 70 years, to suppress religious feelings as well as religious groups throughout this particular region. And since they've become independent and the Soviet Union had—has disappeared, there is somewhat of a resurgence, there's been, of religious belief in these countries, and—which is an understandable one. But, it also has created certain concerns as how that religious fervor will be directed, and what kind of organizations and individuals are involved in it.

Senator RISCH. Thank you, Ambassador.

Thank you, Mr. Chairman.

Senator CASEY. Thank you, Senator Risch.

Senator Kaufman.

Senator KAUFMAN. Mr. Chairman, I want to thank you for holding this hearing. This is a very important part of the world that many times goes overlooked.

And I think in answer to Senator Risch's question, the good news is, these governments repress terrorists; the bad news is, they repress everybody. And so, you know, this is an area where, if you look at it from the context of political rights and civil liberties, you are in a very bad neighborhood.

But, I want to focus in on freedom of the press. And when you look at freedom of the press, using the Freedom House ratings, Turkmenistan is 193rd in the world, Uzbekistan is 189th in the world, Tajikistan and Kazakhstan are tied at 168. Ambassador Krol, what are we doing in order to try to promote a free press in these four countries?

Ambassador KROL. Senator, you're quite right. The picture of media freedoms is a particularly disturbing and sad one in Central Asia. But, it's not one that's a landscape that is devoid of hope. If you take, for instance, Turkmenistan, which you had noted, too, that since the coming to power of President Berdymukhamedov, there has been somewhat of an opening to—at least to the United States—to engage in some programs of training people in the media. And there have been, actually, visits of people from—that I've met here in Washington and talked with about in Turkmenistan—of a generation of people who are involved in journalism and in media, who, through our programs, are coming to the United States to see how we and how our media operates. And although

when they go back they haven't yet been able to, sort of, use some of this in order to, you know, change dramatically, it's a beginning. And this is something that's important and that, as we are working with these people and these governments to use these openings of engagement, to show them that having a free media is not something to be feared, but it's something that can strengthen a state and strengthen a society, and how it's vitally important for democratic development.

And this is throughout the region, where we are developing constructive programs of trying to work with the local governments and societies to develop a media and an understanding of the role of the media in these societies that is not one of hostility. And it's a long process, and there's been, sort of, the ups and downs of it, because, most of these countries, there is a desire to control the media from the state. But, to have an independent media that can be actually critical, and play a role in accountability and things of this nature, is very difficult, in the political cultures of these countries, to accept. But, we keep trying to work on this with people in civil society and in the governments, to try to persuade them of the benefits to—and for the outcome of stability in their societies, by having a free media.

Senator KAUFMAN. Do we have any leverage in this? I—you know, I think trying to convince these leaders that it's in their interest to have a free media is a—at the best, an uphill battle. Is there anything—do we have any leverage—the United States of America—to try to promote these values, which we feel are important for stability?

Ambassador KROL. Right, well I think that they—for these countries to know when they want a good relationship with the United States, which they all would like, that this is an important issue for the United States. And it's not just for our own interests, but because of the broader interests we see for themselves. And, as you said, it's difficult for them to understand that. But, I think there is some leverage that they know that when they hear this from us consistently—and it's not simply preaching, but it's that we're offering constructive programs and things of that nature—that it has, in some respects, led to some openings and some cracks in their view on how to deal with the media. But, it's something that demands, you know, commitment and constant—and a consistent message to them.

Senator KAUFMAN. I totally agree. I absolutely totally agree.

Now, Kyrgyzstan is a little bit better. Is there anything we can learn from that?

Ambassador KROL. Well, it has had a reputation of being—having a rather freewheeling press, but I would have to say, Senator, there have been some disturbing signs of—where journalists have been beaten up, and there's been some pulling back in the media, if you want to call it self-censorship, and things of this nature. And this is something, again, that we speak about with the Kyrgyz authorities, who are quite proud of their, sort of, being a—as they would view, an example of a free—more free society in the area, that they really need to address these issues, because they're becoming increasingly disturbing and need to be addressed. And I know it's disturbing to many people within Kyrgyzstan, as well. So,

it's an issue that we deal with; it's right in our bilateral discussions with them. And unfortunately, it's one that we have to keep raising with great consistency.

Senator KAUFMAN. Good, I encourage you to do that.

Can both of you comment on the extent that Afghanistan's narcotics problems spill over into Central Asia?

Ambassador KROL. Senator, the growth of narcotics trade, and even the usage of it, is increasing, is our understanding in Central Asia. And in my travels in the region, speaking with the governments on it, they see this, as well. And it's an area where they want, and we work cooperatively with them, to increase their counternarcotics programs and their own capacity to deal with counternarcotics in the region. I don't have the figures, but I know that our sense is that it is growing, and not just the trade, but also the usage of narcotics in these countries. So, we're working with them on their own health issues, first, to recognize that there's a problem, but then, also how can we work with them to thwart it.

And this is also a cooperative effort with regional actors, such as Russia and organizations like the European Union, the United Nations, and elsewhere, because it's a global scourge.

Senator KAUFMAN. I have one last thing. You mentioned Russia and their involvement. We talked about freedom of the press, political rights, civil liberties. Are Russia and China actors to help these issues move forward, or are they actors to try to discourage these leaders from getting involved in political rights, civil liberties, and a free press?

Ambassador KROL. Well, I think that they—China and Russia have more interests that are from the economic standpoint and from their—and their security standpoint in the region, less so in what they would view as interfering in the domestic or internal affairs of these countries. So, I think that they are interested, and their view of stability is, you know, is ensuring that there are strong governments in the area on it too.

But, it's an issue that we have discussed, I think, with Russia, as well, about why it's also in their interest, too, to see that these—having these societies and their own societies develop these institutions—democratic institutions and a free press and everything, is something that we can all benefit from.

Senator KAUFMAN. Great.

Thank you, Mr. Chairman.

Senator CASEY. Thank you, Senator Kaufman. Thanks for being here today. It's a busy time for the Senate. We're grateful when our members are at a subcommittee hearing like this.

I know we're just about out of time. We're almost at 11:15. I know we have a second panel, and we're trying to keep this within the hour-and-45-minute timeframe. We've been here an hour and 15, so we have to move.

Just one quick question—and I know there are many, many more that we could ask, and we'll submit those questions for the record, but, Mr. Sedney, before we wrap up this first panel, I wanted to ask you about the bilateral military cooperation between the United States and these Central Asian countries. What can you tell us about that, the nature of it, the extent of it, what kind of training is done, any kind of joint military exercises, especially in light

of what's happening to the south, with our engagement in Afghanistan?

Mr. SEDNEY. Certainly, Senator. We have a range of military activities with each country that reflects each country's, essentially, own perceptions of its needs and their willingness to engage in those activities.

I'll start with Kazakhstan. We have a very broad range of military cooperation with Kazakhstan. I'd highlight the fact that the Kazakhs sent troops to help participate in Iraq. The—we have provided, actually over the whole—almost 20 years, since the independence of Kazakhstan, a wide range of training with Kazakhstan, both, I mentioned before, the Marshall Center, but also through the NATO Partnership for Peace. We have been helping with the Kazakhs to help to train up a battalion of peacekeeping forces—the KAZBRIG—using different sources of funding for that. There have been—there are areas, in terms of military sales, that we are having—we've moved forward with. And under the FMF program, there's a program to supply Kazakhstan with Huey helicopters. We've had some discussion about some other military supply issues. So, there's a really wide range of activities with Kazakhstan.

With Uzbekistan, we did have a wide range of activities, but, following the incident at Andijan, the massacre at Andijan that you mentioned, the Uzbek Government cut off our military-to-military ties, to a large extent, so our military ties with Uzbekistan are very limited now, and—but, we believe that with—there's a possibility of doing more of the recent language, that I believe has been included in legislation, that allows for the—for IMET and some other programs from Congress—we think is a good step forward.

In terms of Kyrgyzstan, obviously a smaller military, but we've had a range of cooperation, including in the border areas, in—training in borders and training units where we—in terms of assisting in the struggle against terrorism.

Tajikistan, the focus has been much more on military education and exchanges there.

And in Turkmenistan, similarly, we've had some exchanges as well as some border activities.

But, I can get you a more inclusive list, and will do so, sir.

Senator CASEY. Thank you very much.

I know we have to move to our second panel, but I do want to thank both Deputy Assistant Secretaries for their presence here, for their testimony, and for your public service, especially at this time in our Nation's history. We're grateful that you were able to join us today.

And we'll move to our second panel. As we transition to the second panel, I'll begin to do a quick overview of our two panelists' biographies. It won't—as we always do in these hearings—the overview doesn't do justice to their whole careers.

First I wanted to introduce Dr. Martha Brill Olcott, who is a senior associate at the Carnegie Endowment for International Peace. Dr. Olcott has followed interethnic relations in Russia in the states of the former Soviet Union for more than 25 years, and has traveled extensively in these countries and in South Asia. In addition to her work in Washington, Dr. Olcott codirects the Carnegie Mos-

cow Center Project on Religion, Society, and Security in the former Soviet Union.

Dr. Olcott, we're grateful for your presence here, and for your scholarship in these areas.

Dr. Olcott is joined today by Dr. Stephen Blank. Dr. Blank has served as the Strategic Studies Institute expert on the Soviet Bloc and post-Soviet world since 1989. The Strategic Studies Institute is housed at the Army War College in Carlisle, PA.

Dr. Blank, we wanted to note that for the record, about Pennsylvania.

Dr. Blank's current research deals with the—with proliferation, and the revolution in military affairs, and energy and security in Eurasia.

I'm proud that the Army War College is represented here today; as I mentioned, located in Carlisle, PA. I was also glad to hear that Dr. Blank is a graduate of the University of Pennsylvania.

Is that correct? Did I get that?

Dr. BLANK. Yes, sir.

Senator CASEY. Another highlight.

Despite all of that Pennsylvania background, I'm going to start with Dr. Olcott. [Laughter.]

We'll go in that order.

Thanks, Doctor.

STATEMENT OF MARTHA BRILL OLCOTT, SENIOR ASSOCIATE, RUSSIA AND EURASIA PROGRAM, CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE, WASHINGTON, DC

Dr. OLCOTT. Thank you. I lived in Philadelphia for a year, so——

Senator CASEY. All the more reason why you should go first.

Dr. OLCOTT. Thank you. OK. It's a privilege to be here today, and I will enter my full testimony into the record, and just try to hit the highlights of what I've sent in.

Senator CASEY. For the record, both statements will be——

Dr. OLCOTT. Thank you, very much.

Senator CASEY [continuing]. The full statements will be in the record.

Dr. OLCOTT. OK. We've heard the priorities of U.S. policy in the previous panel, and so I don't want to spend my time on them. I would just note that these priorities, with the exception of adding the NDN, have been largely unchanged since 2001.

In my testimony, I want to look at what's changed in Central Asia since 2001, and then make some very brief policy recommendations.

I would argue that U.S. engagement in Central Asia is going on against a very different backdrop than was the case in 2001, and what we've seen is, first, that the Central Asian states are much more actively engaged as international actors than previously. There are lots of examples of it. The most notable, I would say, is Kazakhstan's forthcoming chairmanship of the OSCE, which begins in 3 weeks.

Second, the next most profound change is the rise of China in the region. The Chinese Central Asian pipeline was inaugurated yesterday, in the presence of the President of China, Kazakhstan, Turkmenistan, and Uzbekistan. China is rapidly becoming the

largest foreign owner of oil and gas resources in the region, and a critical source of developmental loans for that region.

Third, I would say that the limits of Russia's ability to reassert its economic and military power in the region have been reached, and though the Kremlin itself may not recognize this. I would say that the Collective Security Treaty Organization has as yet been unable to turn its proposed Rapid Reaction Force into an effective regional multinational force that is able to engage in anywhere like the range of activities that NATO pursues in the countries of its engagement.

Second, with regard to Russia, I would say that the new customs union between Russia, Kazakhstan, and Belarus, set to be introduced in the first half of 2010, is more a sign of a competitive weakness of Russia's economy than of that country's economic strength.

And third, with regard to Russia, their relations to these states has been done great damage by the drop in the price of gas, and the drop in demand for Russia's gas in Europe.

The fourth set of international factors that have changed are the influences of leading actors in the Islamic world, which have increased in Central Asia in recent years. Despite the efforts of the United States and European Union to isolate Iran, this regional nation continues to play a visible role in Central Asia. Trade with the Arab world is increasing, especially with the states of the gulf. This is going on in an environment in which Turkey's influence has remained relatively unchanged. And this is not to say that these countries have a—had a pro-Islamic policy. Several of the countries in the region are very close to Israel. And this has not changed at all.

Fifth—and I think this is really important—the United States and Central Asian security interests, which have been so overlapping for the last 8 years, could soon begin to diverge, as the United States activity in Afghanistan could be entering its final stage. Now, for the first time, Central Asian states have to begin to worry about how they're going to protect their borders, and their security more generally, when Washington departs.

Point two. There have been a variety of changes in the economic and political environment in the region. While a host of regional problems remain, the countries of Central Asia are becoming increasingly more differentiated, one from the other. Although none in the region can be considered to be a democracy, each is developing a distinct political system, and some come much closer to democracies than others. The stability of these systems have not yet been tested by succession in either Uzbekistan or Kazakhstan, and all five countries still face the challenge of bringing a post-Soviet generation of leaders to power.

I'd like to make a few comments about Kazakhstan's political system, which I think is relevant, because the Kazakhs are becoming chairman of the OSCE. And I have detailed comments about the other systems in the text, but for now let me make a few comments about Kazakhstan. Despite some disturbing recent events in Kazakhstan, the seemingly politically motivated handling of the Zhovtis case, which involved a vehicular death while he was behind the wheel; the new Internet law; the treatment of independent

media, more generally; the increasing use of criminal courts to try to settle political and business infighting—nonetheless, Kazakhstan is a country in which vigorous political debate is still possible, including in at least some forms of media, where NGOs—where many NGOs—are able to function in public space, and where private space is almost entirely free of government interference. And I distinguish private space from public space.

The United States has considerable leverage in Kazakhstan, given that country's desire for an OSCE summit to be held in Astana in summer 2010. But, this leverage and our criticism of Kazakhstan's system should be applied in a systemic fashion.

OK, I'm not going to talk about the others, with regard to politics.

Second, economically, the region has become much more differentiated, divided into rich and poor countries. Let me talk briefly about the poorer ones. Again, I have, in the text, about everybody.

The economic challenges that the region's two poorest countries face—Kyrgyzstan and Tajikistan—have increased. Chronic energy shortages have hampered the development of both countries, and in atypically cold winters, this reaches crisis proportions, which was the case in 2007–08.

We've now had the breakup of the regional electricity grid. This creates new short-term challenges, but it could prove to be positive for each country's development if it leads to more rapid reform of their respective electricity sectors. This will not be possible without substantial international guidance, including by the United States, and funding from the IFIs. Without careful management, it could lead to an exacerbation of regional tensions because of the shared water system.

I'm almost out of time, so I'm going to skip the next part.

Third, I think that there has been increasing differentiation of the countries themselves. Again, with the exception of Kazakhstan, there has been a process of retraditionalization, which has become the dominant social factor in all the other countries. This has been accelerated in places where the quality of education has declined most markedly, such as Turkmenistan, Tajikistan, and rural areas of Kyrgyzstan. Islam is a growing factor everywhere in Central Asia.

Let me go to my four recommendations, very, very briefly, because I'm out of time.

First, I think the United States should expand military assistance to the Central Asian countries, especially assistance that is geared toward enhancing their capacity to maintain effective border controls for the time in which we will have left the region.

Second, I think it is time to visit the old—revisit the U.S. multipipeline strategy. The new Turkmen-China pipeline has given Central Asia realistic alternatives to Russia. Europe has other ways it can reduce its vulnerability to trade disruptions from Russia; details in the text. And Turkey is not always a more commercially attractive option. They need to get good prices from Turkey, as well. The key, for me, is getting commercially attractive terms of trade, and this should be what our priority is. I can come back to that, if there's interest.

Third, U.S. policy must look more creatively at the challenge of building democracy in the region, and be more sensitive to the differences between countries and to the effects of generational change. More focus has to be placed on working with the IFIs to improve both the physical conditions and content of education at the primary and secondary levels, as well as access to the Internet. These societies will not remain secular ones unless educational conditions in rural areas improve.

And finally, the United States has to redouble its efforts to enhance coordination of assistance from the IFIs and other forms of bilateral assistance to be able to better leverage the kind of Western assistance that goes into these countries, to help these states deal with—and to relieve their short- and medium-term energy shortages, as well as address their long-term challenges in the energy sector.

Thank you very much.

[The prepared statement of Dr. Olcott follows:]

PREPARED STATEMENT OF MARTHA BRILL OLCOTT, SENIOR ASSOCIATE, RUSSIA AND EURASIA PROGRAM, CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE, WASHINGTON, DC

Thank you very much for the opportunity to testify before you today.

In my allotted time I will provide a brief summary of my written testimony, which was submitted to you.

Although congressional focus on the region has increased, U.S. priorities in Central Asia have changed little over the past 8 years, since 9/11 and the launching of the ISAF operation in Afghanistan.

With that Central Asia became an area of direct security concern for the United States first to help launch the attack on Afghanistan, and now with the growing security challenges within Pakistan, as a critical supply route. Second, U.S. interest in increasing direct Western access (through Turkey) to Central Asia's energy resources also increased, especially since our allies in Europe experienced energy shortages caused by Russian cutoffs of gas to Ukraine. Third and finally, of course, U.S. policy continued to press for the advancement of rule of law, the spread of democratic values, the expansion of civil society and the development of market economies in the region.

While the first set of concerns, those relating to the participation of the Central Asian countries in ISAF efforts, is of greatest immediate moment for U.S. policymakers, there remains a widespread belief that without attention to the third set of concerns, the long-term stability of the region will not be insured. And for the past 10 years, U.S. support for multiple pipelines, especially those that bypass Russia by transiting Caspian gas across Turkey, has become something of a mantra of U.S. policies in the region, supported by three U.S. administrations and both political parties.

U.S. policymakers have generally been reassured by Central Asian policymakers that they share the first and third set of goals—support for ISAF and for multiple pipeline routes—but it is on the third set of policies that they have required constant reassurance. While these countries vary in the openness of their political systems as well as the market-based nature of their economies, all of the leaders in the region remain unconvinced that their populations are suited for Western style democracies, each believing that stability is best guaranteed by a "strong hand."

Because of this there has been very little systematic reexamination of U.S. policies in Central Asia, just a discussion of how best to advance these interests; i.e., what modifications should be made in the policies that are being applied to advance these goals. Major increases in funding are rarely on the table, so mostly in recent years, in particular, the discussion is on how to spend money more effectively, and how to shift resources from country to country in the region.

But as the war in Afghanistan begins to enter a new, and hopefully now final phase in which the focus on making the Afghan Government more competent to ensure domestic security, it seems worthwhile to reexamine some of the premises of U.S. policy in the region, from the perspective of whether the conditions in the region have changed in these last 8 years, making these policy objectives more difficult to attain, or no longer as relevant.

WHAT HAS CHANGED IN CENTRAL ASIA?

U.S. engagement in Central Asia is going on against a very different geopolitical backdrop that was the case 8 years ago.

First the environment has increased in size and scope, with all of these countries being more engaged in the international community, at various levels, than they were previously. There are numerous examples of this, from Kazakhstan's forthcoming chairmanship of the OSCE, only days away now, or Turkmenistan's effective redefinition of its doctrine of positive neutrality to allow for far greater international engagement than was true under its late founding president. Just looking at the travel schedules of these five leaders is enough to make anyone exhausted, not to mention how many heads of states and Foreign Ministers that they receive. But to date no U.S. President has visited Central Asia, with visits by U.S. Vice Presidents and Secretaries of State few and far between.

The second big change is the rise of China in the region. This week the Presidents of China, Kazakhstan, Uzbekistan, and Turkmenistan have all gathered in Turkmenistan to mark the opening of the new gas pipeline which links gas fields in these three countries with markets in China. When this pipeline is completed and filled to planned capacity these Central Asian countries will be able to ship to China roughly two-thirds the volume that currently goes to Russia. Most of this will come from Turkmenistan, which took a $3 billion loan from Beijing in June, to help Ashgabat compensate for its loss of income following its cutoff of gas sales to Russia in April 2009. That same month (April) China has also offered Kazakhstan some $10 billion in financing, part as loans and part for shares in MangystauMunaiGaz, which will make Chinese companies the largest single foreign owner of on-shore oil and gas assets in Kazakhstan. China also substantially increased its share of trade with both Kyrgyzstan and Tajikistan, and is responsible for many of the major road projects in the latter country.

Third, the limits of Russia's ability to reassert its economic and military power in the region seem to have been reached, although the Kremlin itself may still be having difficulty accepting this. Moscow has tried to expand the functions of the CSTO (Collective Security Treaty Organization) to make it parallel to NATO in importance, but has not been able to turn its proposed Rapid Reaction Force into a regional multinational force able to engage in anything like the range of activities that NATO is capable of pursuing. While Kazakhstan, Tajikistan, and Kyrgyzstan all participate in the CSTO, Tashkent has effectively frozen its membership, by passing legislation which bars the Uzbek military from participating in military activities outside the borders of the country. The reason for this, Tashkent's conviction that Russia plans to use its new CSTO base in Osh to regulate the internal developments in CSTO Member States, rather than the mutual defense functions that the organization was designed to regulate.

Russia's economic position in the region has also been weakened largely because of the global economic crisis, which brought with it lower oil and gas prices, and tough choices for the formerly cash rush Russian Government. The new customs union between Russia, Kazakhstan, and Belarus, set to be introduced in the first half of 2010, is more a sign of the competitive weakness of these economies rather than their economic strengths. While Moscow has set up a fund for helping its CIS partner states cope with the global financial crisis, some major investment projects, like Kambarata hydroelectric station have been slow to materialize and many of the loans offered have been for the purchase of Russian manufactured goods, albeit on low-interest long-term notes. Most damaging of all has been the drop in demand for, and price of, Russia's gas in Europe, which meant that Gazprom needed less Central Asian gas and was willing to pay less for it.

Fourth, the influences of leading actors in the Islamic world have increased in Central Asia. Despite years of U.S. and EU efforts to isolate Iran, this regional nation continues to play a visible rule throughout Central Asia. Turkmen gas exports to Iran are set to double, and with the boycott of Uzbek cotton (because of their child labor practices) Iran is buying more and more of their crop. Trade with the Arab world is increasing, especially with the states in the gulf. They are becoming a source of influence for Uzbekistan's small- and medium-size entrepreneurs and will be visible public presence in Tajikistan is building the world's largest mosque, set to open in 2014, built by funds from Qatar and UAE. While this is going on Turkey's influence has remained relatively unchanged. It is also important to note here that this has not been a pro-Islamic policy, as these governments are as close to Israel as they were previously and Kazakhstan and Uzbekistan in particular remain very solicitous of these Jewish communities

Fifth, the Central Asians know that the United States is now thinking about going home. For the last 8 years Washington has been able to argue that U.S. and

Central Asian security interests in Afghanistan were almost entirely overlapping. Now however, the Central Asian states have to begin worrying about how they are going to protect their interests when Washington departs, both to protect their borders from possible incursions by armed groups and illegal trade (such as drugs and arms) and refuge flows, and to try and maintain good relations with whomever may come to power in Afghanistan. Tajikistan has already provided refuge for several thousand ethnic Tajik refugees from Afghanistan, and Uzbekistan is pressing for international dialogue with all political elements in Afghanistan (through the revival of a variant of the 6+2 formula). In fact, in each of the countries of the region there is wariness about the potential stability of the Karzai government or a formula what might occur if a broader social consensus is not achieved there, especially given the increasing social fragmentation in Pakistan.

WHAT HAS CHANGED WITHIN CENTRAL ASIA: INCREASING POLITICAL SOCIAL AND ECONOMIC DIFFERENTIATION

For certain questions it still makes sense to talk about Central Asia as a distinct region, with shared historic influences, ethnic communities that are dispersed across new international borders, a largely shared water system, and transport linkages that are at least partly the product of natural geographic divides (mountains) as much as the legacy of three generations of Soviet planners. Yet the countries of Central Asia are becoming increasingly more differentiated from one and another, making it necessary.

First, while none of the countries in the region can yet be considered to be democracies, each is developing a very distinct political system, whose stability has not yet been fully tested by succession (in the case of Kazakhstan and Uzbekistan) or by the transfer of power to a post-Soviet generation of leaders (in all five countries). In general the United States has found few effective levers to use to try and speed up the process of democracy-building in the region, which overall has had at least as many setbacks as successes in the past 8 years. Let me quickly review developments and prospects here:

Kazakhstan: Despite some very disturbing recent developments (the seemingly politically motivated handling of Evgenii Zhovtis' case involving a vehicular death that occurred while he was driving, the new Internet law and the treatment of independent media more generally, and the increasing use of criminal courts to try to settle political and business infighting) Kazakhstan is a country in which vigorous political debate is still possible, including in at least some forms of media, where NGOs are able to function in public space and where private space is almost entirely free of government interference. In general the new constitution is a step in the right direction, allowing for enhanced parliamentary power, and a larger degree of judicial independence. But for it to have meaning subsequent parliamentary elections will need to be much freer from top-down management, opposition political parties will need to become more competent, and the reform of the legal system will need to be carried out with greater vigor. The United States has considerable leverage in Kazakhstan given that country's desire for an OSCE summit to be held in Astana in summer 2010, but criticism is best applied in a systemic fashion.

Kyrgyzstan: The Bakiyev government has not made good on many of the promises to liberalize the political system that were made during the "Tulip" revolution. It is not clear what leverage the United States has, given fears of losing access to the airport at Manas, and that Bakiyev's people have decided that Russia's "political engineers" are more to their likening than American style NGOs.

Tajikistan: More and more power is being concentrated in the hands of President Rahmon and his family, and the role of opposition parties and NGOs has diminished substantially.

While public space has been reduced, private space remains largely unchanged, with the exception of a much more aggressive effort by the state to modify Islamic traditions and teachings in order to emphasize an albeit more modest (in how weddings, funerals, and other rituals are carried out) but strictly Hanafi school of Islamic law. Here, too, U.S. leverage is extremely limited, unless we want to cut out much-needed economic assistance in order to teach the Tajik Government a political lesson. Such a practice would further endanger regional stability as it could lead to popular unrest with unpredictable outcomes.

Uzbekistan: I have argued elsewhere (in Central Asia's Second Chance) that had a more robust financial assistance package (from the IFIs and not just bilateral U.S. assistance) been offered to Tashkent in the aftermath of 9/11 the

process of both economic and political reform could have been speeded up in that country. Since Andijian the security capacity of the Uzbek Government has been enhanced, but there has also been, albeit very slow, some improvement of the country's legal system, and at least one prominent political prisoner has been released. U.S. leverage here is limited, especially given the kinds of financial limitations on the assistance side of the equation, but Tashkent is more eager for a close relationship with the United States than has been true for several years.

Turkmenistan: There has been something of a political opening since Niyazov's death, but public and private space remain quite limited in the country, especially given how little contact most Turkmen are able to have with the larger global community.

Second, economically the region has become much more differentiated, divided into rich and poor countries, as well as countries with largely open, and those with largely closed economies. Once again Kazakhstan is in a largely "stand alone" situation, with the strongest and largest economy in the region. The government made use of its National Fund to stabilize the country's economy during last year's global crisis, and although the fundamental causes of the weakness of Kazakhstan's banking system have yet to be addressed, the corner seems to have been safely turned at least for the moment.

Uzbekistan and Turkmenistan were largely insulated from last year's crisis by the insulated nature of their economies, which are still largely state owned or (save for Uzbekistan's small and medium business sector) largely state managed. Uzbekistan dealt with its population's loss of remittance income (from Russia and Kazakhstan) by launching a massive public works program, but the long-term economic stability of both countries will not be assured without substantial reform, especially of the agricultural (and water intensive cotton) sector.

The economic challenges that the region's two poorest countries face, Kyrgyzstan and Tajikistan, have increased. Chronic energy shortages have hampered economic development in both countries and led to a serious deterioration of social and economic conditions in rural, and especially in remote rural communities. As winter 2007–08 demonstrated, in atypically cold years the situation becomes one of humanitarian crisis, where the international community is called upon to provide food and warm shelter. The breakup of the old Soviet-era centralized regional electricity grid (with Uzbekistan and Kazakhstan's withdrawal) is likely to create new short-term challenges, but will prove to be a positive step for each country's economic development if it leads to more rapid reform of their electricity sectors (production, distribution, and tariffs). This will not be possible without substantial international guidance, including by the United States and funding from the IFI. Without careful management, it could lead to an exacerbation of regional tensions, especially if upstream users precipitously cut water to downstream users to generate electricity. Kyrgyzstan has proved an amenable environment to work in to try and alleviate the challenges energy shortages particularly through the use of alternative sources of energy. Working with Tajikistan is more challenging, in part because of the more endemic corruption in that sector there.

Third, the populations of the Central Asian countries are becoming more distinct, in part because of different educational and cultural influences. Within a generation there will no longer be a common language uniting most of the citizens of this region, and neither Russian nor English will be able to fill this role.

Kazakhstan's population has been most influenced by global forces, through the education of thousands of young people in the West each year (who are required to return home for at least 2 years and placed in government service), extensive contact with Asian countries, and for another sector of the population, a growing influence from the Islamic world (through seminaries in Egypt, Saudi Arabia, the gulf states and Turkey). While these trends could produce social tensions (especially since here, too, there is a retraditionalization going on in rural areas) the polity that is emerging is quite complex.

In all of the other countries the process of retraditionalization is the dominant social factor, and its pace has been accelerated where the quality of education has declined most markedly, such as Turkmenistan, Tajikistan, and in rural areas of Kyrgyzstan. Islam is a growing factor everywhere in Central Asia. Despite the efforts of all of the states to control its practice (and the Western press tends to exaggerate the amount of religious repression that exists) religion is a dynamic force everywhere in the region.

WHAT LESSONS SHOULD BE DRAWN?

First, the United States should expand military assistance to the Central Asian nations, especially assistance that is geared to enhance their capacity to maintain effective border controls. This is the most valuable assistance we can provide them with in the short term.

Second, it is time to revisit the old U.S. multiple pipeline strategy. The new Turkmen-Uzbek-Kazakh-China pipeline has given the Central Asians a realistic alternative to Russia. Europe can reduce their vulnerability to trade disruptions from Russia by adding more LNG into their energy mix, and creating more interlinkages within the EU as well as a EU-wide strategic reserve. Policies toward this end are already under debate in the EU. The priority of the Central Asian states must be on getting commercially attractive terms of trade. Opening new pipelines through Turkey go only partway toward achieving this, especially if Turkey's gas lobby keeps transit fees high and purchase prices at the Turkish border low (the reason why Azerbaijan has just signed a small gas deal with Russia). The gas trade has to become on a commercial footing.

Third, U.S. policymakers must look more creatively at the challenge of democracy building in the region, and become more sensitive to the differences between countries and the generational change that is occurring at the societal level. There should be more attention to in-country projects that improve the physical conditions of education, so that children will go to school. Access to the Internet is critical, but projects must be designed that provide energy as well as Internet access. These societies will not remain secular ones unless conditions in rural communities improve, for that is where the overwhelming majority of the population lives, and unless this occurs there will be no "home" to go back to for Western-educated Central Asian youth. They will simply be unwelcome, or at best alien.

Fourth and finally, the United States should redouble efforts to enhance the coordination of the IFIs and other bilateral assistance providers to work with the Central Asian states to help them relieve their short- and medium-term energy shortages, as well as addressing the long-term challenges. This requires bottom-up and not just top-down engagement, but the former is easier to achieve local government support for and ownership of than the latter. While the format of bilateral consultations that have been developed by the Obama administration reflects the reality of five increasingly more differentiated countries developing, there are a host of regional problems that much be addressed in concert.

Senator CASEY. Dr. Olcott, you are one of the few that observed the time pretty closely here. Doing a lot better than most of the folks around here, Senators and non-Senators alike. I know I went over my time. I think our other witnesses did, too, but we won't talk about that.

Dr. Blank.

STATEMENT OF STEPHEN J. BLANK, PROFESSOR, STRATEGIC STUDIES INSTITUTE, UNITED STATES ARMY WAR COLLEGE, CARLISLE, PA

Dr. BLANK. Thank you, Senator Casey.

Senator Casey, Senator Shaheen, it's a great honor to testify before this committee. and my remarks reflect my views, not those of the Army or the Defense Department, or of the great State of Pennsylvania, even though Martha and I actually went to graduate school together in another State. But, we'll leave that aside.

Senator CASEY. Don't talk about that today.

Dr. BLANK. Yes.

Central Asia is of pivotal importance, not just because of Afghanistan. The urgency of the war in Afghanistan colors our thinking about the region, but there are multiple security issues and threats there that could impact upon international security in general, and United States foreign policy and security interests in particular. Many of them are domestic in origin.

These countries, to varying degrees, suffer from what a colleague of mine, Max Manwaring, calls "illegitimate governance." They are authoritarian states in which we see manifestations of despotism, clan, familial rule, nepotism, suffocation of the autonomous space for political action, and in most cases they believe that all opposition is inherently extremist, terrorist, and fundamentalist, which leads to the self-fulfilling prophecy that, as a result of this, all opposition generally tends to crystallize around an Islamic radical vocabulary, because that's the language that's available to them, and all other opportunities have been snuffed out.

Beyond that, succession is the Achilles' heel of all the governments in the region. When President Niyazov died suddenly in 2006, about 3 years ago exactly, there was widespread anxiety, throughout the region and in Russia, that a war might break out or the internal upheaval might break out. That was not the case, but the perception that this was a very likely possibility underscores the weakness of the succession mechanisms in all of these authoritarian cases, and the fact that political disputes cannot necessarily be resolved peacefully by these local governments.

Furthermore, the chance of any genuine regional security cooperation from within—organizations like the Shanghai Cooperation Organization or the Collective Security Treaty Organization—is very slim. Both of these are externally generated. The idea did not come from the region themselves. They are, first of all, vehicles for the major great powers, Russia and China in particular, to assert their interests, and then, second, opportunities for Central Asian governments to assert their interests, vis-a-vis Russia and China. But, they are untested. It is unclear whether or they could adequately respond to new challenges; and what's more, the CSTO, which is the military arm of this, has explicitly said it will not intervene in the domestic affairs of the Central Asian states, which is precisely where challenges may come about.

Furthermore, within the region, there are rivalries among the states. Kazakhstan and Uzbekistan are notorious for being contenders and rivals for regional leadership. And Kazakhstan, because of its outstanding economic success, is in a position to try and advance its claim to regional leadership, which only exacerbates the rivalry with Uzbekistan further.

Martha has alluded to the problems of water. Water and electric energy, and energy use in general, are extremely sensitive issues that have led to, already, political clashes and rising security tensions among Uzbekistan, Tajikistan, and Kyrgyzstan. And, beyond that, Uzbekistan has a long history of being at odds with all of its neighbors and habitually waging economic warfare by closing borders or restricting energy shipments and so on.

So, we have a region which has extremely diverse security challenges and rather few instruments with which to meet them, and which is growing in importance, because not only of the war in Afghanistan, but because, first of all, of its proximity to major international actors, like Russia, China, Iran, and the Indian subcontinent, and because European energy security depends, ultimately, on Europe's ability to gain unfettered or free competitive access to Central Asian energy. And to the extent that Europe can't do so, it becomes dependent on Russian gas, in particular.

However, in that situation, what we find is that, despite the growing importance of Central Asia, there is no discernible United States strategy for Central Asia. There is a strategy for the Northern Distribution Network, but there is no strategy that ties together the energy, Afghanistan, domestic issues, and no commensurate investment of United States resources, either private or public, in these states, to the degree that its importance is growing. And as a result, our influence, sad to say, is diminishing. And after 2011, assuming that the administration follows through on President Obama's announcement that we will start withdrawing troops from Afghanistan, our credibility in the region will decline even further, unless there is alternative forms of United States presence on the ground, commensurate with the requirements of victory in Afghanistan and stability in Central Asia.

Under those circumstances, we face a very significant situation, because, as Martha has pointed out, we are at about the limit of where Russia can go, in terms of influencing the region, and we're only at the beginning of Chinese economic power, as manifested throughout Central Asia. The Chinese are now investing, in very large numbers in Central Asia, in major projects worth billions of dollars; the pipeline that was opened yesterday is only one of them. Reports say that they will not invest in projects for anything less than $5 billion. So, this gives you an example about the scale of Chinese thinking.

Furthermore, there are reports from the region—unconfirmed, but nonetheless they came to me—saying that the Chinese Government told Kyrgyzstan, during the negotiations over Manas, that if the United States couldn't give them the money they wanted, China would make up the difference, indicating China's willingness to play a major security role in Central Asia through, first of all, economic leverage. But, ultimately, economic leverage will not be the only manifestation of Chinese presence.

Therefore, the United States has to reconsider Central Asia, in strategic terms. We must continue the Bush administration's emphasis on integrating Central Asia with South Asia, to the extent that it's possible, and overcoming Indo-Pakistani rivalry, in general—and, in particular, in this region—so that both of these states can help Central Asia, rather than compete against each other there.

Furthermore, there must be a sustained strategic perspective within the government—as Ambassador Krol said, a whole-of-government perspective—to bring together all the relevant agencies to work together toward a common aim in Central Asia.

Third, there must be much greater high-level—not ambassadorial, but high-level—Cabinet, Vice President, Presidential—attention paid to the region, visits both to and from the region at those levels, and a tremendous integration with Europe on the issue of opening up pipelines so that states like Kazakhstan and Turkmenistan can feel free to build the Nabucco pipeline or other pipelines to Europe without fear of retaliation from Russia, and gain genuine economic independence.

Thank you.

[The prepared statement of Mr. Blank follows:]

PREPARED STATEMENT OF DR. STEPHEN J. BLANK, PROFESSOR, STRATEGIC STUDIES, U.S. ARMY WAR COLLEGE, CARLISLE BARRACKS, PA

Central Asia's importance to the United States is rooted in the following three facts: its proximity to Afghanistan and thus the seat of the Taliban and al-Qaeda that have attacked us and will do so again; its proximity to key states like Russia, Iran, China, and the Indian subcontinent; and its large energy deposits which are becoming critical for Europe. These facts have led every administration since 1993 to advance the following broad geostrategic goals for Central Asia. First it is critical that the threat posed by the Taliban and its allies in al-Qaeda and other associated terrorist groups be eradicated. Second, we seek to preclude the rebirth of any Eurasian empire and thus guarantee that Central Asian states retain their full sovereignty to choose their own path in world affairs without being subordinated to any one state. Third, we seek equal access for Central Asian states to global energy markets rather than dependence upon one exclusive intermediary like Russia. Therefore we correspondingly seek equal access to their markets, including energy, for our own companies. Last, in practice, despite rhetoric to the contrary, democracy promotion has always come in fourth behind these objectives and that remains the case today.

Those objectives and interests are at risk today from a combination of factors that place the security of Central Asian states at risk. Security and the threats to it in Central Asia are both multidimensional. The most urgent of the threats to regional security is, of course, the war in Afghanistan. But that war itself comprises multiple threats to the region while it exacerbates the risks posed by all the other existing threats to Central Asia. In some respects the threats posed by Afghanistan are classical or old-fashioned ones: e.g., the threat of a war spilling over Afghanistan's boundaries to engulf neighboring countries or should the Taliban and its allies win, the threat of terrorism spreading into Central Asian countries. In that event these terrorist movements would no doubt soon try to overthrow the ruling Governments of Central Asia, most likely in Uzbekistan since the Islamic Movement of Uzbekistan (IMU) is an already existing organization. But Uzbekistan would likely not be the only state in which we would see such action as terrorist and insurgent groups would also probably try to incite hostile action against the other Governments in Central Asia.

Indeed, all the Central Asian Governments have acted consistently upon the belief that all opposition to them is by definition Islamic, fundamentalist, and/or terrorist, and have therefore harshly repressed those phenomena whether that assessment is true or not. As a result the field has been left open only for such opposition movements to thrive. Therefore should the Taliban win in Afghanistan there would be, so to speak, ample dry timber lying around for them to ignite in their quest to spread their message and their politics. Thus the long-established threat of a revolutionary movement supported from abroad but finding sources of replenishment in neighboring states could become a genuine threat to regional security. But the threat potential embodied in this quite possible outcome becomes more likely by virtue of the existing shortcomings in these states' security systems.

If we look at their domestic politics it becomes clear that only Kazakhstan is relatively (and I emphasize relatively) secure and likely to flourish in the near future. But it suffers from an ever-growing democratic deficit and its economy greatly depends on the price of energy and other commodities. Nonetheless under these conditions of autocracy and widespread corruption it is creating an educated middle class and striving to bring authentic prosperity and sustainable economic growth to the country. Given its proximity to Russia and China we can also assume that they would react quite vigorously to any genuine threat to Kazakhstan's security. Nevertheless its democratic deficit, uncertain succession picture, and the fact that its politics, like that of its Central Asian neighbors, is dominated by familial, clan, and factional politics are all negative signs concerning its prospects for future stability. Moreover, because Kazakhstan also aspires to a degree of regional leadership in Central Asia, it cannot stand aloof from regional issues and could be well drawn into potential future conflicts of the type discussed below.

Turning from Kazakhstan, we find that the situation everywhere else is nowhere near as promising as in that case and in some cases much worse. Kyrgyzstan and Tajikistan are either failing states or perilously close to it. Turkmenistan is a repressive autocracy (if not quite as much as under Sapirmurad Niyazov who died in 2006) with a limited state capacity and a virtually complete dependence upon gas. Uzbekistan is no less repressive and has been dominated by President Islam Karimov since it became independent in 1991. It too depends heavily upon commodity prices for energy, gold, cotton, and Karimov has repeatedly brutally stifled any sign of opposition. In all four of these states, and possibly to a greater degree

than Kazakhstan politics are largely those of family, faction, and clan leading to highly corrupt regimes even if it were not for the influence of the pervasive problems caused by the huge importation of narcotics from Afghanistan. In Tajikistan President Ermomali Rahmonov has built himself a $300 million palace worth about half as much as the country's annual budget of $700 million and appointed his daughter to be Deputy Minister of Foreign Affairs. Similar phenomena are also visible in Kazakhstan and Uzbekistan where the President's daughters exercise enormous powers.

Similarly in Kyrgyzstan President Kurmanbek Bakiyev has just appointed his son to be head of the Central Agency for Development, Investment, and Innovation. The Government of Kyrgyzstan is also shot through with criminality and corruption and like all the other Central Asian states has been relentlessly snuffing out all possibilities for liberal or democratic politics. Like Tajikistan, Kyrgyzstan has been hard hit by the current economic crisis and suffers from serious energy shortages. In all these states as well the scourge of narcotics has grown to alarming proportions following what appears to be an iron law that states through which drugs traverse as they go to market invariably end up by becoming havens for large-scale use of drugs as well. Apart from the wasted lives and huge social and health costs by this epidemic of drug use, the drug trade only adds to the pervasive corruption in these countries.

Thus in all these countries misrule, nepotism, corruption, clan, faction, and family-based politics, a high degree of poverty, difficult economic conditions, and political repression are pervasive and the stuff of daily life. This lethal cocktail of security challenges offers the Taliban and al-Qaeda numerous opportunities for recruitment, especially as Islam is the only credible language of sociopolitical expression if all others are repressed. Should they win in Afghanistan their ability to exploit regional security challenges will grow commensurately. But the security deficits of the region go beyond this list of pathologies. There is no basis for regional security cooperation, quite the opposite. Uzbekistan is at odds with all of its neighbors and has repeatedly waged economic warfare against them or closed its borders. Neither is there any serious effort at regional economic cooperation so most countries compete with each other rather than seek ways to cooperate with each other for their mutual benefit. Indeed, Kazakhstan and Uzbekistan are quite openly rivals for leadership here and that rivalry only mirrors the greater absence of regional cooperation that we find here. Every security organization set up that involves Central Asia was initiated by an outside power or powers like the Russian-led Collective Security Treaty Organization (CSTO) or the Russian and Chinese-led Shanghai Cooperation Organization (SCO). But it is quite uncertain what degree those organizations can actively maintain security in Central Asia should a determined challenge emerge.

And we should understand that sooner or later such a challenge will emerge, for example through a possible succession crisis, a highly plausible scenario. When Niyazov died the regional and Russian expectation was that such a crisis could break out leading to military conflicts. Thus a new crisis could evoke that same expectation or actually become a conflict and it is by no means clear how well prepared anyone is for such a contingency. The CSTO is a defense pact but it is hardly truly collective as Russia provides most of the troops and it is mainly an organization that can allow Russia to maintain bases in Central Asia. Although it claims it will not intervene in members' domestic affairs, it is quite possible that it is there precisely to quell local insurgencies or opposition movements since it is very doubtful that Russia could fight off a terrorist movement successfully based upon its utter failure in the North Caucasus or that it has the manpower and quality of forces needed to do so.

Similarly the SCO is explicitly not a defense or hard security organization. Rather it is a means for regulating Russo-Chinese relations in Central Asia, resolving earlier border problems, working together to counter democratic ideas and the U.S. presence where it insists upon democratic reforms. It also is an organization that allows Central Asian states to voice their collective needs of a material nature in regard to security to both China and Russia and induce them to transfer resources to those governments to provide for such security as such actions are seen as being in everyone's common interest. Its cohesion is untested and Uzbekistan periodically breaks with the SCO and CSTO to insist upon going its own way. So its potential as a security provider is untested and probably limited. Thus all regional security mechanisms are untested and could easily turn out to be unreliable.

This factor, on top of regional domestic problems listed above, is of considerable significance since it makes regional cooperation and conflict resolution much harder and such conflicts are already brewing. The states possessing energy deposits lack water and vice versa. Therefore water usage issues, particularly as many actors

have continued disastrous Soviet environmental practices relating to water, irrigation, and the use of water for hydroelectric power have become a source of constant friction and could yet lead to conflicts among these states in the absence of any kind of regional or international supranational authority. We see this in the constant rivalries among Uzbekistan, Kyrgyzstan, and Tajikistan that have led to a breakdown of previously existing regional accords. But it also is the case that China and Russia have also pursued beggar-their-neighbor water policies relating to waters of importance to Central Asia that have or soon will have disastrous environmental impacts upon the region. As the issue of climate change and the melting of ice from the mountain ranges in Central Asia become more critical issues, those trends could even aggravate the already profound threats from the erosion of the Aral Sea and local rivers and the selfish and misguided water policies of states leading to conflict over basic issues of water and electricity. Arguably Central Asia is one of those regions where a war breaking out over resource and environmental issues is quite conceivable.

All these issues should engage us because this region's importance is growing. This growing importance is not only due to the consequences of Afghanistan's war but also because of the significance its energy resources has for Europe and Asia. Moscow has shown that it will do whatever it can to keep these states from selling energy independently to Europe or at high prices to Russia. Moscow's openly neocolonial policies here are crucial to maintaining its autocratic economic-political system at home and frustrating reform of its own energy and overall economic policies and thus the political system. Those policies of controlling these states' pipelines and supporting their antiliberal regimes is equally crucial to the prospect of Moscow's preserving an exclusive sphere of influence here and of dominating European economies and politics by control over the provision of gas and to a lesser degree oil. Control over Central Asian energy and politics is critical to Russia's larger strategic goal of forestalling European integration along democratic lines both in Central and Eastern Europe and with regard to Georgia and Ukraine, and thus the Caucasus, if not Central Asia itself.

Russia has made clear that while it talks a good game about cooperation in Afghanistan its government is not really ready to provide it, having allowed just one flight to date under the terms of its agreement with the administration. Otherwise its bureaucracy has obstructed all other attempts to get more flights going. Similarly, Moscow tried to bribe Kyrgyzstan and threaten it at the same time to kick the United States out of its air base at Manas, hardly signs of a desire for genuine cooperation. But Russia also wants to control Central Asia in order to prevent China from supplanting it as a customer for energy and/or a major economic power and security provider there. That effort goes on for despite the rhetoric of cooperation a Sino-Russian rivalry for influence continues there with Russia seeking to limit Central Asian states' ability to sell China energy directly through pipelines from the area built by them and China. However, Chinese economic power is proving to be too much for Russia under the conditions of the present crisis and Moscow even had to say it welcomed Chinese investment there. But we should also understand the magnitude of Chinese efforts here.

To give a few examples, recently it lent members of the SCO $10 billion and has also recently announced major energy and infrastructural initiatives in Kazakhstan, Turkmenistan, and Tajikistan. China granted Turkmenistan, $3 billion for developing a new gas deposit at Yuzhny Iolatan. China also announced its intention to invest over $1 billion in hydroelectric energy, power transmission, and transport projects in Tajikistan that will tie Tajikistan's infrastructure much closer to China. Finally, China's Export-Import Bank is lending the state-owned Development Bank of Kazakhstan $5 billion, and CNPC is lending Kazmunaigaz, Kazakhstan's state-run gas company, another $5 billion. Moreover, China National Petroleum Corporation is buying a 49-percent minority holding in Kazakhstan's company AO MangistauMunaigaz from Kazmunaigaz National Co. And we can expect further deals of this magnitude.

According to some members of U.S. nongovernmental organizations, China also told the Kyrgyz Government that if the United States did not offer it enough money to keep the Manas air base (now a transit center) open, China could furnish the money, demonstrating its willingness to play a broker's role and gain leverage with both Washington and Bishkek. These sources also quoted German diplomats who noted that China is now committed to truly big investment projects and will not invest in Central Asia for less than $5 billion. Neither do these deals exhaust China's ongoing and prospective investments in Central Asian energy and infrastructure.

This capability flows directly from China's huge cash reserves and willingness to spend in a time of economic crisis to gain political leverage globally and not just in Central Asia. Since the United States will not invest such sums and in many

cases, especially those tied to support of the war in Afghanistan, is legally debarred from doing so, and Russia will promise but not deliver the goods; China, who will deliver without strings concerning recipients' democratic credentials stands poised to reap an enormous geopolitical harvest in Central Asia.

RECOMMENDATIONS FOR THE OBAMA ADMINISTRATION

All of the aforementioned factors should normally impel the U.S. Government to regard this region as a whole as one of growing importance for the United States. But it appears that our interest remains almost exclusively focused on the Northern Distribution Network (NDN) through Central Asia that has been set up to relieve logistical pressure on our forces in Afghanistan near Pakistan. Of course, the establishment of the NDN has also led the Taliban to start moving north and attacking it, not surprisingly since so many of its successful attacks have been directed against our other logistical networks through the Khyber Pass. But those attacks against the NDN have contributed to mounting anxiety in Central Asia about the war spilling over into their territories and attacks by homegrown insurgents encouraged by, or otherwise supported by, the Taliban and al-Qaeda. Yet while we must defend the NDN we seem to have overlooked the importance of other issues in Central Asia. High-level visits do not occur unlike the case in Russia, China, etc. The administration has apparently opted to forgo public discussion of the region's democratic deficits as it has also done with Russia and China, in my opinion, a wrong decision even if it is an understandable one.

Likewise, there does not seem to be any strong push by senior officials above the ambassadorial level to get Central Asian energy moving through Nabucco or other pipeline plans offered by the EU. Even if the EU and not the United States is the author of the Nabucco pipeline, surely the stakes involved here are such that we should be moving openly and vigorously to support it, line up financing for it, and convince Central Asian Governments to commit to it by giving them assurances that they will not suffer negative consequences for so doing. Also there is no public sign of awareness of the seriousness of the region's energy, water, and environmental issues or any truly strong push for enhanced U.S. trade and investment programs to counter the Russian and Chinese quests for lasting influence here. In other words our Afghanistan strategy appears to remain incomplete, an AfPak (Pakistan) strategy rather than an overall regional strategy that embraces the entire region and sees all of its dimensions in their true strategic importance.

As I have previously written, Central Asian Governments' interest in maintaining the maximum amount of flexibility and independence in their foreign relations coincides neatly with both U.S. capabilities and interests. It obviously is in Washington's interest that its logistical rear in Afghanistan be stabilized especially at a time of prolonged economic hardship in the region and mounting conflict in Afghanistan. The intended supply road can and hopefully will provide a major boost to local economies by giving contracts to local companies and hopefully provide employment to some of the unemployed in these countries. But the Obama administration should not stop there. America, especially with European support, can leverage its superior economic power to regain a stronger position in the region and help prevent these embattled states from falling further prey to Russia and/or China who cannot compete at that level with the United States or with the United States and Europe together. In any case Russia's answers to Central Asian issues consists of maintaining the status quo against all changes, leaving these states as backward states dependent on their cash crop and with little or no possibility of cooperating amongst themselves. In other words, the Russian approach over time enhances their vulnerability to challenges stemming either from the Taliban, the global economic crisis, or a confluence of the two phenomena.

Meanwhile the business community is playing a bigger role in Central Asian states besides Kazakhstan, the regional economic leader. And that role is going beyond energy investments. Although Washington cannot offer state-backed loans and elaborate project credits, as does Beijing, it supports WTO membership for all Central Asian states and has established a U.S.-Central Asia Trade and Investment Framework Agreement. Accordingly there is an opportunity here for the Obama administration to enlarge upon this foundation with a considerably larger and multidimensional program of trade, aid, and investment throughout Central Asia to accomplish the standing U.S. objectives of enhancing these states' economic independence, economic security, and opportunities for their independent participation in the global economy without a Russian or Chinese filter.

Scholars have long realized that it is the construction of infrastructural projects that can overcome Central Asia's centuries-long isolation from major international trade routes and provide not just lasting economic growth but also access to new

possibilities for political action and integration, not just into regional blocs but into the wider global economy. Meanwhile, changes in transport facilities and communication devices that began in Soviet times and that have continued since then to the present are exercising a decisive influence upon emerging geostrategic and economic realities in Central Asia. Specifically the 19th century vision of an integrated network of rail lines connecting the former Soviet and Tsarist empires, Iran, India, and Europe is becoming a reality. Equally importantly market access varies inversely with transport cost. To the degree that Central Asian energy costs more to transport to world markets the less access it will have. But conversely to the extent that roads and other forms of travel, transport, and communication are built into Central Asia that lower the cost of transporting people, goods, and services it can be more integrated with the broader global economy. Surely such ideas lie behind various Russian and Chinese projects for such developments as well as the rivalry over pipelines to send Central Asian energy to Europe and Asia. Thus the NDN project falls squarely into that category of exemplary infrastructural projects that may serve purposes other than economic stability and global or regional integration but which ultimately can facilitate those objectives and outcomes. Therefore our investment policies should build upon the NDN to invest in further large-scale infrastructural projects to help develop the region, create jobs, generate progress, and advance regional economic integration.

Beyond that, the necessity of supplying troops with large amounts of potable water suggests a second benefit from this road. Perhaps it can galvanize greater cooperation among Central Asian states, if not to increase the amount of water they consume, then at least to upgrade their quality for the benefit of all of its users. There is no doubt that water shortages are a real threat to the stability of some of these societies and a cause for unrest in them.

Therefore such infrastructural and environmental projects could provide a spur for a much needed but still obstructed regional economic integration or at least enhanced cooperation. There is no doubt that at least some, if not all these states are receptive to the idea of greater cooperation against the Taliban. Shared participation in a major logistical project that brings mutual benefit while supporting the war effort could lead to spillovers that foster still more cooperation in other areas like water. While it is true that the U.S. budget is strained and has many claimants upon its resources, this is a region where relatively small sums given the totality of U.S. budgetary outlays could make a substantial geopolitical difference. Moreover, it might be possible to arrange matters so that the budget is not busted here while redirecting existing programs toward a more holistic and integrated, i.e., multidimensional understanding of regional security needs and thus toward greater effectiveness. Certainly neither Russia nor China could compete with a truly serious investment of U.S. resources and time here.

But we should not think that we can do this on the cheap. The lessons of Manas are clear: If the United States seeks a policy position in Central Asia commensurate with the requirements of victory in Afghanistan then it will have to pay for it by investing the resources necessary to do the job. Otherwise its regional credibility will steadily diminish. We cannot pretend that a geopolitical struggle is not occurring in this increasingly critical region of the world. Since "power projection activities are an input into the world order," Russian, European, Chinese, and American force deployments into Central Asia and the Caucasus and economic-political actions to gain access, influence and power there represent potentially competitive and profound, attempts at engendering a long-term restructuring of the regional strategic order.

SPECIFIC RECOMMENDATIONS

Specifically the U.S. Government under President Obama should consider and act upon the following recommendations and policies in order to facilitate the aforementioned strategic goals of victory in Afghanistan and the enhanced independence of Central Asian states.

- First it must continue the Bush administration's emphasis upon regional integration of Central Asia with South and East Asia in regard to energy electricity, and other commodities. But it should also expand its horizons to foster greater U.S.-European cooperation so that these states can trade more openly with Europe and the United States as well. Greater involvement by the EU that parallels NATO involvement would therefore contribute to this latter enhancement of existing U.S. policies. And it should invest in capabilities that can help overcome regional energy and water issues, perhaps by encouraging Army Corps of Engineers and private engineering firms to work in the region with local governments.

- Second, it must build upon that foundation and conceive of the road it now seeks to build for logistical purposes to supply U.S. forces as also being a powerful engine for regional economic development and integration. This aspect of the policy called for here as part of the overall strategy for winning the war in Afghanistan and stabilizing Central Asia must be a multilateral project with as many local and other key partners (NATO, Russia, and China) as possible.
- Third, it must not detach the NDN from other parts of U.S. policy. Instead the administration should see it as the centerpiece of a coordinated policy and policy actions to integrate together existing programs for trade, investment, and infrastructural projects, particularly with regard to water quality and increasing water supplies for all of Central Asia in order to lay a better foundation for the lasting economic and thus political security of Central Asian states, and indirectly through such support, for their continuing economic-political independence and integration with Asia and the global economy.
- Fourth the United States should offer much more overt and vigorous economic and political support to the Nabucco project either with the EU or directly to Central Asian states who might wish to take part in it in the form of investment, exploration assistance, building pipelines, providing insurance and financing, etc. A policy that neglects this has directly negative repercussions in both Central Asia and Europe and only strengthens a Russia that by both word and deed has indicated its disinterest in genuinely serious policy cooperation in Central Asia.
- Fifth it must, at the same time, reform the interagency process which was universally regarded as broken, in order to pursue security in this region and in individual countries in a holistic, multidimensional, and integrated way that enhances all the elements of security, not just military security. While we do not espouse any particular course of reform of the interagency process, there are several points that can and should be made here. First, the strategy and policy outlined here is not purely or mainly military. Second, it therefore should optimally not be led by the U.S. military but include them under civilian leadership as an important, but not dominating element in that strategy for Central Asia. While in Afghanistan actual hostilities requiring a military strategy are required, it is also accepted that an important component of our policy and strategy there must be to improve governance and economic conditions for the population. The overall strategy must shun the previous procedures and lack of integrated planning for both hard and soft power elements of U.S. strategy in Afghanistan that has led to "stovepipe efforts that do not achieve full and efficient results and effects in areas of operations."

  Instead as one recent paper on the subject of reforming this process notes, if the U.S. system is to address the ever increasing level of complexity in providing security at home and abroad, "indeed if it is to operate as a system at all rather than a collection of separate components—then security reform must stress unity, integration, and inclusion across all levels." And this new process must take a long-term view of the problems with which it will grapple, especially in the light of our own financial crisis. Within that call for reform there are several common themes in recent works and statements on this subject that emphasize as well the need for multilateral support for such programs.

  Furthermore, in all our efforts, whether they are regional or within a particular country, experience shows the absolute inescapable necessity that the operation to provide such multidimensional security must be organized along lines of unity of command and unity of effort to succeed. Whether the format is one of a country team led by the ambassador that pulls all the strings of U.S. programs together or a Joint Integrated Task Force (JIATF) is almost a secondary question. The paramount need is for well-conceived plans that can be implemented under the principle of this unity of command leading to a unity of effort.
- Sixth, a key component of an expanded, integrated, and holistic approach to security in both Afghanistan and Central Asia must entail a vigorous effort to combat narcotics trafficking. This is not just because it is a scourge to both Afghanistan, and the CIS, but also because it is clear that the Afghan governments either incapable or unwilling to act and is more concerned with blaming others for its deficiencies here. Furthermore, such action will convince Central Asian states and Russia that we take their security concerns seriously and facilitate their cooperation with our policy and strategy.

CONCLUSIONS

Arguably it is only on the basis of such an integrated multidimensional and multilateral program that a strategy to secure Central Asia against the ravages of economic crisis and war can be built while we also seek to prosecute the war in Afghanistan in a similarly holistic way. It has long since been a critical point or points in U.S. policy for Central Asia that we seek to advance these states' independence, security, and integration both at a regional level and with the global economy. U.S. experts and scholars have also argued for such a perspective as well. Thus the NDN project could and probably should serve as the centerpiece of a renewed American economic strategy to help Central Asia fight off the Taliban and cope simultaneously with the global economic crisis. An integrated program of economic and military action in Central Asia is surely called for given the scope of our growing involvement and the stakes involved in a region whose strategic importance is, by all accounts, steadily growing. Especially as we are now increasing our troop commitment to Afghanistan and building this new supply road, challenge and opportunity are coming together to suggest a more enduring basis for a lasting U.S. contribution to Central Asia's long-term security. In effect the present crisis has brought matters to the point where the United States has obtained a second chance in Central Asia even as it is becoming more important in world affairs. It is rare that states get a second chance in world politics. But when the opportunity knocks somebody should be at home to answer the door.

Senator CASEY. Dr. Blank, thank you very much.

You're both very good on time. We appreciate it. You'll be invited back, for several reasons.

I'll start, and I know we're limited on time, but I'll start just with one broad question, and then I want to make sure that Senator Shaheen has a chance to ask questions. She's a faithful attendee at all of the committee hearings, but also at subcommittee hearings, as well. We're grateful she's here.

Dr. Blank, I wanted to focus on an issue that we're all concerned about in different parts of the world, but especially as we go forward with the President's new strategy in Afghanistan, and that's Islamic extremism. In particular, I was struck by a line—as well as many parts of your testimony, but one in particular on the fourth page of your testimony—you say, and I quote, "This lethal cocktail of security challenges offers the Taliban and al-Qaeda numerous opportunities for recruitment, especially as Islam is the only credible language of sociopolitical expression if all others are repressed." In light of that statement, as well as others you've made, and in light of the obvious threat that Islamic extremism plays in this region and around the world, what do you think our strategy should be, going forward, and what are your greatest concerns about that threat?

Dr. BLANK. I think that we need to find more creative ways, as Dr. Olcott suggested, to make clear our enduring interest in democracy. I would tie it to the fact that all of these states are signatories of the final act, which gives us an international legal platform to say that, "You have all signed the Helsinki Accords and therefore, you know, we feel that, if you signed this treaty, you should be held to account, just as we should be, and are." But, beyond that that, therefore, there needs to be a commensurate investment by the United States in the economies of these countries, in order to strengthen their economies and create social and economic conditions which will foster internal and indigenous autonomous political participation by groups.

I mean, one of the, sort of, eternal truths of political science is that, to the extent that economic prosperity develops in a country,

more and more citizens and social groups form to advance political and social interests that they have. Now, it's a long-term process; it doesn't happen in 1 year or 5 years. But, it's a process that would over time help to stabilize the situation.

In many of these states—for example, in Tajikistan and Kyrgyzstan—we face the possibility of these states being failing states, and particularly if there should be a succession crisis which deprives the government of its ability to lead at a crucial moment.

We have an instrument to foster investment on a large scale through the Northern Distribution Network and accompanying infrastructural projects associated with it. Now, if we were to use those—that lever—or those levers—to craft out of that an economic strategy to increase investment and create jobs, so that migrants don't have to go to Russia and return when conditions in Russia deteriorate or face racially motivated attacks against them, as is increasingly the case in Russia, then we would be able to strengthen those economies and give them a more solid economic basis for security at home and greater economic independence abroad.

There are economic mechanisms available; there are investment mechanisms through the Asian Development Bank and other international financial institutions, as well as through American private investment. And we need to push all of those. And we also need to push American investment in energy in these states, along with our European allies, through the Nabucco pipeline so that energy-holding states will not be afraid to invest in such a pipeline, for fear of retaliation. They will have diversified alternative means of economic independence and growth, because that's the only long-term basis on which you can build a truly secure foundation for democracy, and an alternative to Islam. If we're going to promote an alternative to Islam, we have to show that it works.

Senator CASEY. I'll move to Senator Shaheen. But, Dr. Olcott, do you want to add anything to that before we move on?

Dr. OLCOTT. Thank you. I think that it's important not to exaggerate the threat that Islamic extremism poses in these countries. There's a clear return to Islam in all these places. I think Islamic extremism is something we face everywhere, now, as a risk.

The key, though, is enhancing the capacity of these states to deal with situations on their borders. And, for me at least, as somebody who's been traveling to the area for 30-some-odd years already, I think we really have to be concerned, as I say in my testimony, about the risks to secularism being transformed or simply not going into the next generation. That, I think, has to be one of our focuses. As think about democracy, we have to be aware of how different these states have become over the 20 years since independence. And our tactics and strategies have to reflect that.

Education—and relating to Steve's point about migrants—I think that there has to be more job creation. I think we also can't overestimate what we're going to do with the money we are now spending—for example, in relation to the Northern Distribution Network is not—if we're going to be out of there in 2, 3, or 4 years, by itself, it's not going to create enough economic opportunities to transform these economies.

So, I think, again, the administration should be held to having some sort of new strategy, and it should be something that is implementable, and it should be something that takes U.S. intellectual capacity and puts the United States in driver's seat, working with other international actors, to have a more coherent view of what it takes to get these weaker states to become stronger.

But, Islam is going to be part of the picture. I think the key is that we have to strengthen secular society. And I agree entirely with Steve—economic stakeholders, in my opinion, are what makes these systems more democratic; it creates in-country supporters for rule of law.

Senator CASEY. Thank you very much.

Senator Shaheen.

Senator SHAHEEN. Thank you, Mr. Chairman. It's nice to be here this morning.

I'm sorry I missed the first panel, so I may have missed some of the comments, relative to some of my questions.

But, Dr. Blank, I want to go back to your talking about the human rights and extremism, because Kazakhstan, as has been pointed out, is about the take over the chair of the OSCE, and this provides us an opportunity to try and encourage them in the area of doing more to address some of its potential reforms in the country. Are we doing anything, or the European community doing anything, to encourage them to make some positive moves on human rights and freeing up more internal discussion within the country before it takes over the chairmanship?

Dr. BLANK. I believe that we are doing things. I—actually, I was a member of a task force that were—actually participated in drafting an analysis of this issue, and there was meetings—there were meetings in Astana in October, and there was the Annual Review Conference in Warsaw in September, where the United States participated.

So, we are doing things, but I suspect we're not doing things in public, which I think is effective when it's combined with private representation, because Kazakhstan made all sorts of promises, in 2007 at the Madrid conference, as to what it would do once it became chairman of the OSCE, since it's the first non-European state to hold that position, and the promises have not been kept. The Internet law, the media law, the Zhovtis affair that Dr. Olcott referred to, where a leading human rights activist found himself in a tragic situation because he hit somebody with his car while he was driving, and killed him, and then was then sentenced to a much greater time than, say, inadvertent vehicular homicide would normally have brought—these kinds of things, the use of the criminal courts to criminalize political and business differences—all these phenomena are going on in violation of the promises made at Madrid. So, there needs to be both private representations made to Kazakhstan and public representations made to Kazakhstan. And also, I think, since the government in Astana is eager to hold an OSCE summit for 2010, that the human rights issue must be squarely addressed and at the forefront of this summit, because it would make no sense for heads of state to travel to a faraway place, whether it be Astana or Helsinki, in—with the 35th anniver-

sary of the Accord, if the chairman of the OSCE is not living up to its promises with regard to human rights and security.

Senator SHAHEEN. Would you go as far as to suggest that they shouldn't take over the chairmanship?

Dr. BLANK. Well, it's far too late to make that kind of suggestion. That horse left the barn at Madrid, 3 years ago. There's no way you could deprive Kazakhstan of the chairmanship, and I think it would be foolish and futile to try, at this stage, to say so. I think what you need to do, though, is to hold them to account. We, as a leading democracy in the world, are held to account every day, in the world media, for our shortcomings. It used to be civil rights 40 years ago; it's Guantanamo today, or other kinds of things. The Government of Kazakhstan is a mature, enlightened government. They have exceptional political leadership. They understand the issues involved, and there's no reason why they should be exempt from that kind of criticism, based on their past promises, and based on the fact that they've signed the Helsinki Accords and promised to be bound by them.

Senator SHAHEEN. Thank you.

Dr. Olcott, I was particularly interested in your testimony, because you talked about education, something that we don't often hear here, surprisingly enough. And I happen to agree that education is one of the best ways in which we move countries toward democracy and help them, assuming that it's education that is available to all and is not biased in favor of fundamentalism. And I'm curious, because, as I think about this part of the world and its former domination by the Soviet Union, I would have thought that education would have been engrained as part of that, and that that would be a part of the society. Has that changed since they have left the Soviet bloc? And what are the forces that are driving that? And are we seeing an occurrence of the madrassas that we've seen in other parts Central Asia?

Dr. OLCOTT. Thank you for the question.

The situation in Central Asia is distinct from other newly independent areas. These countries started with virtually 100 percent literacy. The challenge now is to maintain the quality of education, especially in rural areas. And that's one that none of these governments has had enough resources to do. Kazakhstan's done a much better job than everybody else. But, in all the other cases, it's very uneven.

Turkmenistan is a separate case, because the higher education institutions were closed, effectively, at the last years of Niyazov's life, and now they're being open. So, they have particular challenges.

But, everywhere else what's happened is—especially in the poor countries—as it's gotten more expensive to heat schools, to repair schools, it's been hard to keep teachers, that the percent of kids going to school has begun to drop, especially in Kyrgyzstan and Tajikistan and the rural areas. And the electricity shortage means that schools have no electricity, in most rural areas in those two countries, from October until almost May. Imagine sending your kid to walk 2 miles each way, to sit in an unheated school that has no electricity.

So, the challenges of maintaining a highly educated population are really ones that these countries are going to have trouble meeting entirely on their own.

Specialized technical education, which was a great boon of the Soviet system, has also almost entirely died out in much of the region. So, technical expertise is beginning to decline. I'm not against people going to Russia to work at all. I think migration is a great way to enhance economic recovery of places that have excess labor, if your neighbor has labor shortages. But, the whole question of having technical training is where, again, EU and the United States can be a help, is really critical. So, the opportunities of growing a new generation that has basic skills—women's education is only a family challenge; there's no access denial for women—and specialized technical education, so people can get—have jobs, both at home and in Russia, where there's a huge labor shortage, I think are really critical things and could be building blocks in any move to a more democratic next generation.

Senator SHAHEEN. Thank you.

My time is up, Mr. Chairman.

Senator CASEY. Thank you, Senator Shaheen.

That may have to be our last word. I have to go, and I know that we're trying to get close to keeping this to the hour, unfortunately. We could spend, not just another 20 minutes, but another 20 hours.

But, we're grateful, Dr. Olcott, for your testimony, and Dr. Blank, for yours, as well.

And we will be submitting questions for the record, which will be further development of these issues, and more of an opportunity for you to give us the benefit of your expertise.

And I'd love to get together again and talk more about the strategy, going forward, in terms of what the administration's doing. I think it's important, especially as we're coming to the end of a new administration, that we try to do everything we can to get this right.

Thanks very much.

The hearing's adjourned.

[Whereupon, at 11:49 a.m., the hearing was adjourned.]

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

RESPONSES OF DEPUTY ASSISTANT SECRETARY GEORGE KROL TO QUESTIONS SUBMITTED BY SENATOR JOHN F. KERRY

Question. Stability and Extremism.—In your written testimony, you wrote that one of the five main policy priorities is to "expand cooperation with Central Asian states to assist coalition efforts to defeat extremists in Afghanistan and Pakistan and bring stability and prosperity to the region."

On December 17, the Washington Post published an article describing how Tajikistan has become the "front line between the [Taliban] insurgency and Central Asia" as the Taliban advance north into Kunduz. According to this article, more than 3,600 Afghan refugees have fled to Tajikistan since January 2008, and "security forces in Tajikistan, Uzbekistan, and Kyrgyzstan have reported clashes with Islamist terrorists, opposition warlords, and drug traffickers in Afghanistan." There seems to be a tension between our ongoing efforts to defeat extremists in Afghanistan and the destabilizing effect it has on Central Asia.

- As the administration's efforts to defeat extremists in Afghanistan and Pakistan continue, are the Taliban and/or other extremist groups moving north into Central Asian countries? If so, please describe.

Answer. We are concerned about possible relocations of extremists to Central Asia as efforts to defeat them in Afghanistan and Pakistan prove successful. In Central Asia, the United States provides a range of security-related assistance, including programs focused on strengthening border security. Improved border security will minimize the chances of extremist groups moving north from Afghanistan. In addition, U.S. assistance programs promote stability by fostering economic growth. We are engaged with the countries of Central Asia on strategies to diversify economies and ensure sustainable growth, including programs to improve business practices, particularly in agriculture, and promote economic reform.

Regarding Afghan refugees in Tajikistan, the State Department and the U.S. Embassy in Dushanbe are monitoring closely the situation, and we do not anticipate that the increase in the number of asylum seekers from Afghanistan will threaten Tajikistan's social and political stability. The Office of the United Nations High Commissioner for Refugees (UNHCR) has provided the Tajik Government training and technical assistance to register and protect asylum seekers and refugees, and UNHCR provides assistance directly to refugees. In 2009, the U.S. Government, through the State Department's Bureau for Population, Refugees, and Migration, contributed $1.2 million to UNHCR for programs in Central Asia and awarded grants to renovate several schools in mixed Tajik-Afghan refugee communities and to increase the capacity of a hospital to serve Afghan refugees.

Question. Does the administration have a strategy to help defeat extremist groups in Central Asia that flee Afghanistan and Pakistan? If so, please describe.

Answer. The United States continues to provide considerable security-related assistance to the countries of Central Asia. Programs focus on border security, counternarcotics, and counterterrorism, including training for security and border personnel, provision of equipment, and investment in infrastructure such as modern border posts. In addition, the U.S. Government has extensive assistance programs in Central Asia that promote stability by helping the countries to address conditions of poverty that could create an environment conducive to development of extremism. USAID has programs which help strengthen the region's energy markets, promote agriculture and trade, and implement economic reform—all of which is aimed at improving economic growth. We also assist the Central Asian states with programs that "invest in people" by improving the quality of and access to basic education and protecting human health.

Question. Is there a destabilizing effect for countries in Central Asia from our policies to defeat extremists in Afghanistan and Pakistan? If so, please explain.

Answer. No. Each of the countries of Central Asia has a strong interest in seeing extremists in Afghanistan and Pakistan defeated, and each of the countries has provided significant assistance to coalition efforts to bring stability and redevelopment to Afghanistan. Assistance from Central Asia ranges from supplying electricity to Kabul, to providing food and medicine, to building schools and hospitals. We also rely on our Central Asian partners and Russia to move coalition military supplies through the region to Afghanistan.

Question. Please clarify how the administration will help support stability in Central Asia? What type of assistance will the United States extend to Central Asian states?

Answer. The United States supports development and stability in Central Asia through a full range of assistance programs, including programs focused on promoting economic growth, quality health care, advancing respect for human rights, strengthening border security, counternarcotics, and developing democratic institutions. In addition, for FY 2010 the United States will initiate assistance programs to address food insecurity in Tajikistan and Kyrgyzstan by increasing agricultural productivity, bolstering farmers' incomes, and reforming unfair land regulations.

Question. Please explain how the Obama administration's approach to Central Asia differs from that pursued by the Bush administration.

Answer. The Obama administration has begun a systematic effort to elevate, enhance, and energize our dialogue with the countries of Central Asia. We seek to work with the governments and people of Central Asia to promote stability, prosperity, security, and economic and political modernization. We aim to do so with a focus on mutual interests, building on common ground wherever it exists, but not shying away from dealing plainly with our differences. To promote stronger ties and practical cooperation, we have launched an effort to construct high-level bilateral mechanisms with each Central Asian country. Led by Assistant Secretary of State Robert O. Blake, Jr., these "Annual Bilateral Consultations" will feature a structured dialogue to address the full range of bilateral issues.

Question. Northern Distribution Network.—During his testimony, Dr. Stephen Blank of the Army War College's Strategic Studies Institute said that while the United States has a strategy for the Northern Distribution Network (NDN), "there is no strategy for [Central Asia] that ties together . . . Afghanistan and [domestic] issues, and no commensurate investment of U.S. resources, either private or public, in these states to the degree that it is growing."

Please respond to this comment.

Answer. The Northern Distribution Network (NDN) is part of an overall strategy to support efforts in Afghanistan, and expanding cooperation with the Central Asia states to support efforts in Afghanistan is part of our overall strategy for Central Asia. Our Central Asia strategy includes other integrated priorities: we seek to promote development and diversification of the region's energy resources; we are working to encourage greater political liberalization and respect for human rights; we aim to help develop competitive market economies and promote economic reforms; and, we seek to address problems of poverty and food security. These issues are interconnected, and progress in one area can help reinforce progress in another area.

The administration requested, and Congress appropriated, a significantly increased level of development and security assistance resources for Central Asia in FY 2010.

Question. The administration will need to increasingly rely on Central Asian states for military supply routes for our efforts in Afghanistan. How will the administration balance U.S. interests in Afghanistan that increasingly rely on authoritarian and repressive Central Asian states with the administration's stated goals of encouraging political liberalization and respect for human rights?

Answer. We can and are pursuing both of our objectives to promote stability and development in Afghanistan as well as to encourage greater political liberalization and respect for human rights in Central Asia. The Annual Bilateral Consultation framework gives us a new mechanism to address the full range of bilateral issues with each of the countries of Central Asia.

Each of the consultations covers interconnected issues, such as energy, economic and political modernization, security, and people-to-people contacts. We aim to make progress in our relations with the countries of Central Asia in all of these areas. We understand that positive steps in one area can reinforce forward movement in others. For example, sound energy policies contribute to long-term prosperity, which is also underpinned by strengthening the rule of law. Healthier and more prosperous societies are better able to sustain their own security, and contribute to regional security—just as security against violent extremist groups buys space for the development of modern economic and political institutions. And increasing people-to-people exchanges will highlight that enduring relationships are not only about connections between governments, but also about connections between individuals and societies.

Question. Tajikistan.—Please describe the latest status of State Department efforts to bring Peace Corps to Tajikistan.

Answer. The State Department recently met with officials in the Government of Tajikistan and Peace Corps to discuss the prospect of bringing Peace Corps to Tajikistan. The Government of Tajikistan is currently considering whether to ask the United States to prioritize startup of a new Peace Corps Program in Tajikistan.

Question. English Language and Educational Exchanges.—Does the State Department have a strategy to invest in English language programs in Central Asia? If so, please describe, including the amount of money we have spent and will spend for FY 2010.

Answer. The State Department has an effective and well-coordinated continuing strategy to promote English language programs and improve the competency of teachers of English in the five nations of Central Asia. This strategy relies on a network of specialists in the United States, Central Asia, and elsewhere in the region.

The Public Affairs Officer in each U.S. Embassy coordinates closely with other American diplomatic and local staff members on a range of English language programs. A Regional English Language Officer based in Astana, Kazakhstan, advises posts in the region about English language programming. There is also typically at least one Foreign Service National (FSN) employee in each embassy dedicated to promoting English language initiatives that assist teachers of English in the host nation.

In Washington, the Office of English Language Programs in the Bureau of Educational and Cultural Affairs coordinates daily with U.S. diplomats in Central Asia

in efforts to engage English language professionals and students abroad by teaching English, supporting U.S. Embassy-sponsored English language programs, developing curricula and materials, facilitating teacher-training workshops, and consulting with Foreign Ministries of education, universities, and NGOs.

Following are key elements and individuals in support of English language initiatives in Central Asia. FY 2008 funding for activities in Central Asia is included for reference. FY 2009 funding data are not yet finalized but should be available in the next month. FY 2010 program figures are not yet available.

Regional English Language Officers (RELOs)

Regional English Language Officers (RELOs) organize and participate in teacher-training seminars and workshops, advise posts on questions pertaining to English teaching, conduct needs assessments, and offer guidance on all aspects of an academic program. RELOs consult with host-country ministry, university, and teacher-training officials, as well as lecture and present workshops on English as a Foreign Language (EFL) methodology and practices. RELOs work closely with English Language Specialists, English Language Fellows, and U.S. Embassy-related English Language Programs.

FY 2008 Funding: $341,000.

The English Language (EL) Fellows Program

The EL Fellow Program sends talented, highly qualified U.S. educators in the field of Teaching English to Speakers of Other Languages (TESOL) on 10-month fellowships to overseas academic institutions in all regions of the world. The Program promotes English language learning and enhances English teaching capacity abroad. Through U.S. Embassy projects, Fellows share their expertise, hone their skills, gain international experience, and learn other cultures.

FY 2008 Funding: $420,000.

The English Language (EL) Specialist Program

The English Language (EL) Specialist Program recruits U.S. academics in the field of Teaching of English as a Foreign Language and Applied Linguistics to support U.S. Embassy short-term (2-to-4-week) projects abroad. Project topics may include curriculum design and evaluation, teacher training, textbook development, or English for Specific Purposes.

FY 2008 Funding: $37,072.

English Access Microscholarship Program

The "Access" program provides a foundation of English language skills to talented 14-to-18-year-old students from disadvantaged sectors through after-school classes and intensive summer learning activities in countries worldwide. Students' improved English language skills lead to greater mutual understanding, better job and educational opportunities and the ability to compete for and participate in exchanges in the United States. Students gain insights into U.S. culture from American educational materials and an emphasis on active learning. "Access" is the first step in ECA's continuum of educational and exchange opportunities to reach disadvantaged young people around the world.

FY 2008 Funding: $283,726.

The "E-Teacher" Scholarship Program

Under the E-Teacher Scholarship Program, five distance education courses are conducted by U.S. universities for foreign English language teachers nominated by U.S. embassies. Courses have included "Teaching Critical Thinking," "Assessment for English as a Foreign Language," "Teaching English to Young Learners," "English for Business" and "English for Law."

FY 2008 Funding: $34,972.

English Language Programs Materials

ECA's English Language Programs Materials Branch provides a variety of specialized materials to aid in the teaching and study of English. They include "English Teaching Forum," a quarterly, peer-reviewed journal for teachers of English as a foreign language that has been published since 1962. Over 77,000 copies of the journal are distributed each year by U.S. embassies in more than 100 countries.

In addition, more than 80 titles of English language materials for teachers and learners are available in multiple formats: print, video, audio, and online. New materials include the innovative "Shaping the Way We Teach English," a 14-part teacher-training video series, and "Celebrate! Holidays in the U.S.A.," a full-color reference text describing 24 U.S. holidays and celebrations.

Online Resources for English Language Teachers, including journals and magazines, online publications, reference materials, and English Teaching Forum magazine are available on the Office of English Language Programs' Web site: www.englishprograms.state.gov.

English Language Instruction via TV in Turkmenistan

An innovative English Language instruction program was initiated by the U.S. Embassy's Public Affairs Section in Turkmenistan. Embassy Ashgabat worked with a local TV station to develop an introductory English language learning program for a Turkmen audience. Through a grant and collaboration with a local television station, the Embassy produced 23 thirty-minute episodes of "Salam Dostlar" ("Hello Friends"). The program was broadcast during prime time on Turkmenistan's Channel 4 TV once a week. The Embassy issued a grant for $13,340 to cover the filming, production, DVD production, and fees to the local TV studios. That price tag, however, doesn't reflect the true costs of the program, because U.S. Embassy staff wrote the scripts, starred in the shows, and worked tirelessly to get the TV studio to broadcast the programming.

FY 2008 Funding: $13,340.

Training of English Language Instructors in Hyderabad

Two programs for teachers of English in Central Asia are provided under separate U.S. grants to The English and Foreign Languages University (EFLU) in Hyderabad, India, and the American University of Central Asia (AUCA).

Under the first grant English teachers from Central Asia travel to the Hyderabad institute to improve their language skills and learn updated teaching techniques. Under the second grant, specialists from Hyderabad will travel to AUCA in Bishkek, Kyrgyzstan, to conduct English classes for AUCA faculty to enable them to improve their English speaking competency.

Funding: First grant (phase 1 and 2; 4 years total) EFLU: $681,430. Second Grant EFLU and AUCA: $350,000. (Program will commence in FY 2010 using FY 2009 Funds).

Question. What types of educational exchange programs do we have in Central Asia? Please describe the different programs, the number of students involved, and how much money we spend on these programs. Which programs are the most effective? Which programs are the least effective?

Answer. The Department of State sponsors a wide range of educational exchange programs for teenagers and adults in the five countries of Central Asia: Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan, and Turkmenistan.

Below are descriptions of Department of State-sponsored educational exchange programs with the FY 2008 amounts spent on each and the approximate number of participants in each program. Each program model has its unique target audience and all are models that have proven effective worldwide and in the region. Also included is the International Visitor Leadership Program (IVLP). Although not strictly defined as an educational exchange program, IVLP is an important component of U.S. exchange initiatives in Central Asia.

Future Leaders Exchange (FLEX) Program

The FLEX Program provides opportunities for high school students (ages 15–17) to spend a year in the United States, living with a host family and attending an American high school. The FLEX Program was established in 1992, under the FREEDOM Support Act. Program participants learn about the United States firsthand by participating in family life, school study, and extracurricular activities. They take part in activities in their local communities and have the opportunity to share their own culture with Americans.

FY 2008 Funding: $4,518,673.

FY 2008 Participants: 291.

Edmund S. Muskie Graduate Fellowship Program

The Muskie grant program provides opportunities for Eurasian graduate students and professionals for 1-year nondegree, 1-year degree, or 2-year degree study in the United States. Eligible fields of study are: business administration, economics, education, environmental management, international affairs, journalism and mass communication, law, library and information science, public administration, public health, and public policy.

FY 2008 Funding: $2,931,000.

FY 2008 Participants: 50.

Hubert H. Humphrey Fellowship Program

Founded in 1978 in honor of the late Senator and Vice President, the Hubert H. Humphrey Fellowship Program brings mid-career professionals from developing and transitioning countries to the United States for 1-year nondegree programs that combine graduate-level academic work with substantive professional affiliations.

FY 2008 Funding: $555,960.

FY 2008 Participants: 8.

Junior Faculty Development Program

This program provides 1-year fellowships in the United States for early-career university faculty from Eurasia to develop curricula, acquire new teaching skills and to upgrade knowledge in specific fields.

FY 2008 Funding: $402,793.

FY 2008 Participants: 19.

Fulbright Program

Created in 1946, Fulbright is the flagship international educational exchange program sponsored by the U.S. Government. The program provides opportunities for Americans and citizens of more than 155 countries, who are chosen for their academic achievement and leadership potential, to study, teach or conduct research abroad and develop ties that build mutual understanding.

FY 2008 Funding (Scholars and Students, U.S. and Foreign): $1,677,304.

FY 2008 Participants (Scholars and Students, U.S. and Foreign): 46.

Study of the U.S. Institutes for Scholars

Scholar Institutes are designed to strengthen curricula and improve the quality of teaching about the United States overseas. These Institutes host multinational groups of university faculty or secondary school educators. Each institute is thematically focused on a field or topic of U.S. studies. Participants interact with American scholars, meet with experts in their disciplines, visit civic institutions, and explore the diversity and culture of the United States. Scholar Institutes typically take place during the months of June, July, and August, with the exception of U.S. National Security which occurs in January and February.

FY 2008 Funding: $137,004.

FY 2008 Participants: 8.

Teaching Excellence and Achievement Program

The Teaching Excellence and Achievement Program (TEA) brings secondary teachers of English as a Foreign Language from Central Asia and other world regions to the United States for 6-week institutes at university schools of education to further develop their subject area expertise and enhance their teaching skills. U.S. teachers make 2-week reciprocal visits to these regions to strengthen linkages between U.S. and foreign schools.

FY 2008 Funding: $408,000.

FY 2008 Participants: 28.

Critical Language Scholarship (CLS) Program

The CLS Program provides fully funded, group-based intensive language instruction and structured cultural enrichment experiences for 7 to 10 weeks for U.S. citizen undergraduate, Master's and Ph.D. students. The CLS Program is part of a U.S. Government interagency effort to expand dramatically the number of Americans studying and mastering critical-need foreign languages.

FY 2008 Funding: $273,765.

FY 2008 Participants: 15.

Global Undergraduate Exchange Program

The Global Undergraduate Exchange Program offers scholarships for a semester or a full academic year of nondegree study in the United States to undergraduate emerging student leaders from underrepresented sectors of selected countries in different world regions. The program also includes community service activities and internships.

FY 2008 Funding: $1,498,553.

FY 2008 Participants: 50.

Global Connections and Exchange (GCE)

Through linkages between overseas and U.S. schools, the Global Connections and Exchange Program offers teachers and students specialized training and facilitation for interactive online projects to enhance educational transformation, English acquisition, computer literacy and access to resources within a student-centered learning

environment. Projects are currently being conducted in the Middle East/North Africa, South and Central Asia, and the Caucasus. The program currently provides travel to the United States by a small number of teachers from Central Asia.

FY 2008 Funding: $304,978.

FY 2008 Participants: Hundreds of students receive GCE training in Central Asia; 3 Central Asian teachers travel to the U.S.; 10 Americans travel to Central Asia.

FORTUNE/State Department Global Women's Mentoring Partnership

Launched in 2006, this program provides approximately 35 emerging women leaders from around the world with the opportunity to develop their leadership, management and business skills while gaining experience in the U.S. business and nonprofit environments, where they are mentored by FORTUNE's Most Powerful Women leaders. Project activities include a 3-4-day orientation program in Washington, DC, a mentorship assignment for approximately 3 weeks at a U.S. host company, and a final wrap-up session in New York City.

FY 2008 Funding: $5,714.

FY 2008 Participant: 1.

International Visitor Leadership Program (IVLP)

The IVLP brings established or potential foreign opinion-makers to the United States for 2-to-3-week programs to gain firsthand knowledge about U.S. policies, politics, society and culture through carefully designed visits that reflect the participants' professional interests and support U.S. foreign policy goals. Participants are selected by U.S. embassies. The programs are established for next generation foreign leaders in government, politics, media, education, the arts, science, labor relations and other key fields.

FY 2008 Funding: $2,466,150.

FY 2008 Participants: 118.

National Security Language Initiative for Youth (NSLI–Y)

NSLI–Y is part of a multiagency U.S. Government initiative launched in January 2006 to improve Americans' ability to engage with people from around the world who speak Arabic, Chinese, Hindi, Korean, Farsi, Russian, and Turkish. Through NSLI–Y, U.S. citizens, ages 15–18, receive full merit-based scholarships to participate in summer, semester, and academic-year language programs in countries where the seven NSLI–Y languages are spoken. While on the program, participants are immersed in the cultural life of the host country to afford them invaluable formal and informal language practice and to spark a lifetime interest in foreign languages and cultures. In Tajikistan, students have the opportunity take part in a summer program to study Farsi.

FY 2008 Funding: $201,825.

FY 2008 Participants: 15.

RESPONSES OF DEPUTY ASSISTANT SECRETARY GEORGE KROL TO QUESTIONS SUBMITTED BY SENATOR ROBERT CASEY

Question (a). Northern Distribution Network.—The Northern Distribution Network (NDN) provides an opportunity for local economic development and regional cooperation.

- Ambassador Krol, does USAID have enough resources, both in terms of staff and funding, to support initiatives along the Northern Distribution Network (NDN)?

Answer. We believe the current resource levels should be sufficient to fund our priorities in Central Asia including programs to facilitate Defense Department local procurement. Existing USG assistance projects in all five Central Asian countries will help build capacity of local businesses and producers so that the U.S. military can procure local goods along the NDN. Current USAID programs focus on working with governments to promote commercial law reform, customs reform and fiscal management in Kazakhstan, Kyrgyzstan, Tajikistan, and to some extent in Turkmenistan. Programs also encourage producers to provide agricultural inputs and strengthen market chains for agricultural products in Uzbekistan. A similar program will begin soon in Tajikistan. Other USG projects are working to help define a course toward improvement of transportation infrastructure and to reduce trade barriers which would support both short term NDN concerns and longer term regional integration goals.

Question (b). What are the implications of the July 2011 troop withdrawal for the region in terms of the economic activity spurred by the NDN? How do we plan to

stay engaged on the economic development front to ensure that local economies do not suffer without the NDN?

Answer. United States assistance programs in the region focus on building the capacity of government, businesses, and producers to make them more competitive on world markets and facilitate trade. Our assistance to the region began in 1992, and the USG plans to continue engagement in areas including the promotion of economic growth well beyond 2011. Assistance programs for the region are not specifically formulated for the NDN, but rather seek to help the Central Asian countries develop robust and diverse economies that are attractive to foreign investors and meet international quality standards for products.

Question. Afghan Refugees in Tajikistan.—The U.N. High Commissioner for Refugees recently reported that more than 3,600 Afghans have fled to Tajikistan since January 2008. This has the potential to further strain Tajikistan's ability to provide social services and create tensions between the local population and the refugees.

- Do you anticipate that the increase of refugees from Afghanistan will threaten Tajikistan's social and political stability in the short term?
- What is the Tajik Government and the international community doing to accommodate the refugees? How is the U.S. Embassy in Dushanbe coordinating a response to the refugee issue with the U.S. Embassy in Kabul?

Answer. The State Department and the U.S. Embassy in Dushanbe have been monitoring closely the situation of refugees and asylum seekers in Tajikistan.

We do not anticipate that the increase in the number of asylum seekers from Afghanistan will threaten Tajikistan's social and political stability. That said, however, the Tajik law requiring refugees arriving since 2000 to settle outside the capital and other large cities may strain the infrastructure of small towns. Given the reemergence of security threats in northern Afghanistan, the Office of the United Nations High Commissioner for Refugees (UNHCR) has contingency plans in place to protect and assist asylum seekers fleeing from neighboring countries, in case of major refugee outflows.

The Tajik Government processes applications for asylum, grants residency documents to protect asylum seekers from deportation, and allows asylum seekers the right to work. The government conducts refugee status determinations and has the authority to award citizenship to long-residing refugees. UNHCR has provided the Tajik Government training and technical assistance to register and protect asylum seekers and refugees, and continues to assist in these functions. UNHCR provides refugees monthly cash assistance, winter clothing, blankets, school uniforms and other school supplies, among other items. UNHCR is working with the international community to provide refugees opportunities for higher education in Tajikistan. In 2009, the U.S. Government, through the State Department's Bureau for Population, Refugees, and Migration, contributed $1.2 million to UNHCR for programs in Central Asia and awarded grants to renovate several schools in mixed Tajik-Afghan refugee communities and to increase the capacity of a hospital to serve Afghan refugees.

There is strong coordination between the U.S. Embassy in Kabul and the U.S. Embassy in Dushanbe regarding this situation through regular reporting and information-sharing.

The State Department and Embassy Dushanbe will continue to monitor the situation of refugees and asylum seekers in Tajikistan and will coordinate with the Government of Tajikistan, UNHCR, and the international community to increase local capacity to secure durable solutions for the vulnerable displaced population.

Question (a). As you are aware, Yevgeney Zhovtis, founding director of the Kazakhstan International Bureau for Human Rights and Rule of Law, was sentenced to 4 years in prison for vehicular manslaughter following the death of a young man, Kanat Moldabaev.

- Can you provide an update on the Embassy's engagement with the Kazakh Government on this issue?
- Can you also describe how Mr. Zhovtis' imprisonment has had an impact on the rest of the human rights community in Kazakhstan?

Answer. Secretary Clinton discussed the Zhovtis case with State Secretary-Foreign Minister Saudabayev in September in New York. Deputy Secretary Steinberg also discussed the case with Foreign Minister Saudabayev during their meeting on the margins of the OSCE Ministerial in Athens in December. Ambassador Hoagland has raised the Zhovtis case at the highest levels at every available opportunity with Kazakhstani officials as have I both in Washington and in Astana. South Central Asia Assistant Secretary Blake pressed the Kazakhstani Government during his December visit to Astana to ensure a fair and transparent appeal proc-

ess. The U.S. mission to the OSCE has also raised the Zhovtis case in the Permanent Council in Vienna. We will continue our engagement.

Civil society organizations both in Kazakhstan and internationally have noted the negative impact this prosecution has had on the development of Kazakhstan's civil society. The Zhovtis case has also galvanized human rights and civil society activists in the U.S. and in Kazakhstan to advocate for reform of Kazakhstan's judicial system. The U.S. Department of State has also expressed similar concerns. The Government of Kazakhstan has indicated that not all legal options have been closed. In November, Kazakhstan's Parliament passed amendments that would allow the Supreme Court to review cases like the Zhovtis' appeal. President Nazarbayev has not yet signed the amendments to bring the amendments into force.

Question (b). Congressional concerns about democratization and human rights in Kazakhstan and Uzbekistan have been reflected in appropriations legislation, with restrictions on funding for failing to meet democratic commitments.

- Have these conditionalities resulted in concrete changes in behavior by the authorities in Kazakhstan or Uzbekistan?

Answer. We have not yet seen significant concrete progress on human rights and we remain very concerned about the progress of human rights in both countries and continue to seek opportunities to engage them on human rights issues.

With regards to the Government of Kazakhstan, their interest in the chairmanship of the Organization for Security and Cooperation in Europe (OSCE) provided many opportunities to raise our human rights concerns and engage them on their democratic commitments. The United States, other nations, the OSCE's Office of Democratic Institutions and Human Rights (ODIHR), and a wide range of civil society actors have urged Kazakhstan to implement its OSCE commitments and domestic democratic reforms.

Although Kazakhstan has made some steps forward in reforming its laws to meet its OSCE commitments, further progress is needed. We continue to engage with them and encourage a deepening of their reform efforts.

With regard to Uzbekistan, the United States and the Government of Uzbekistan have just completed an inaugural discussion called the Annual Bilateral Consultation (ABC). In the discussions, the U.S. side raised human rights and democracy concerns as well as U.S. congressional conditionalities. We will continue to seek all opportunities to engage Uzbekistan on these issues.

Question. Child Welfare and International Adoptions.—Currently, 6 Pennsylvanian families and 59 other American families await approval on their pending adoptions of Kyrgyz children. I along with a few of my Senate colleagues have worked with these families to secure the finalization of their adoptions so that these children can leave orphanages, which are disrupting their physical and mental growth, and into loving homes. These families, however, have been waiting for as long as 2 years to finalize their adoption, and they are losing hope that the process will ever end since the Kyrgyz parliamentary working group on adoption has postponed its discussions on international adoptions and pending cases until February 5, 2010.

- Ambassador Krol, has the Embassy in Bishkek identified this as a serious problem? If so, is the United States currently undertaking programs to assist the Kyrgyz Republic and other regional governments in improving child welfare standards?

Answer. Yes, the Department of State (the Department) views this as a serious issue. The Department has urged the Kyrgyz Government to complete its criminal investigation into alleged fraud and corruption in the adoption process and resolve the pending cases so that eligible children can be placed in permanent homes. We have repeated this message to Kyrgyz officials in Washington and through U.S. Embassy Bishkek. Most recently, we called for the resolution of the pending cases in a December 7 meeting with seven Kyrgyz delegates in the United States for a political study tour. We also raised the issue in a November 12 meeting with the Kyrgyz Ambassador to the United States, and in an October 5 meeting with the Kyrgyz Foreign Minister. Our Ambassador to the Kyrgyz Republic has discussed the pending cases repeatedly at high-level meetings there.

The Department has also raised the visibility of the issue, and addressed questions and concerns expressed by Kyrgyz officials and shared by some Kyrgyz citizens, through outreach efforts. A U.S. adoption expert visited the Kyrgyz Republic in June to share her knowledge with Kyrgyz officials, nongovernmental organizations, journalists, and others. In May, the Department sponsored an adoption-themed study tour to the United States for three high-ranking Kyrgyz officials. The Kyrgyz officials also met with representatives of the families with pending cases as well as some Kyrgyz children who had been adopted by Americans. We will continue

to urge the Kyrgyz Government to resolve the pending cases and act in the best interests of children involved in the intercountry adoption process.

Question. Water and energy are continued sources of tension amongst Central Asian countries. Uzbekistan's planned withdrawal from the power grid will most likely lead to electricity shortages in Tajikistan and Kyrgyzstan. While Uzbekistan fears their water supply with be cut off from the upstream countries.

- Ambassador Krol, what are the short-term prospects that these disputes over resources could lead to conflict among countries in the region? Are you concerned that water shortages in Central Asia could limit agricultural development in Afghanistan?

Answer. We are closely monitoring the seasonal electricity shortages in Kyrgyzstan and Tajikistan, which could be compounded by Uzbekistan's decision in December to withdraw from the regional power grid. We are working with the World Bank, U.N., and EU to address the long-term water and electricity situation in the region, and we discussed regional electricity sales and transit with Uzbek Foreign Minister Norov when he was here in Washington December 17–18.

In both Tajikistan and Kyrgyzstan, a severe winter could lead to electricity and heating shortages. Both countries rely heavily on hydropower, and water levels are frequently low during the winter. Kyrgyzstan is less at risk because it has a seasonal energy swap agreement with Kazakhstan, as well as a rationing plan for electricity.

Uzbekistan's decision to withdraw from the Central Asia Power Grid will likely exacerbate these winter electricity shortages, but the decision was made in response to Tajikistan's and Kyrgyzstan's persistent payment problems and overconsumption from the grid. Separately, Tajikistan and Kyrgyzstan are negotiating annual gas purchase agreements with Uzbekistan.

Unfortunately, water management is not a new issue in the region, and it has long caused tension between upstream and downstream countries. Kazakhstan, Uzbekistan, and Turkmenistan need water for agriculture, while Kyrgyzstan and Tajikistan use the water primarily to produce energy. As Afghanistan stabilizes, it will need to work with its Central Asian neighbors on equitable sharing of water resources. Prudent development of the region's hydroresources can increase energy supplies and improve management of the agricultural sector, but development of hydropower projects both in Afghanistan and in Central Asia must be done in cooperation between upstream and downstream countries. Water shortages in Central Asia typically occur in Uzbekistan and Turkmenistan, but both of these countries provide electricity to Afghanistan primarily from gas-fired powerplants. These waters shortages are therefore unlikely to impact Afghanistan's electricity supplies in the short run.

RESPONSES OF MARTHA BRILL OLCOTT TO QUESTIONS SUBMITTED BY SENATOR ROBERT CASEY

Question. Chinese President Hu Jintao was in Central Asia this past weekend for the opening of a natural gas pipeline which runs from Turkmenistan, through Uzbekistan and Kazakhstan. His visit highlights China's increased strategic interest in Central Asia. Dr. Olcott, will Chinese investments in infrastructure and energy transmission, for example, increase much-needed cooperation amongst the Central Asian countries? Please discuss pros, as well as cons, of Chinese investment in the region.

Answer. I do not believe that Chinese investments in Central Asia will serve to increase much-needed cooperation among the Central Asian countries. China's approach to these countries has been to emphasize bilateral, rather than multilateral, forms of engagement. This is true of the negotiations for the new gas pipeline which runs from Turkmenistan through Kazakhstan and Uzbekistan to China. While the opening of the pipeline was an event that all of the regional Presidents attended, it does not appear that any of these men has been made privy to the arrangements made with the other leaders. China does not seem to have exerted any diplomatic influence to try and reduce the atmosphere of competition that exists between the leaders of these countries. If anything, much like Russia, the leaders in Beijing seem to feel that it strengthens rather than weakens China's ability to negotiate agreements that serve China's own national interests in the region. Most of the problems that have arisen as a result of the lack of regional cooperation (such as energy and possible water shortages) have little potential for impacting on China's own security needs.

It is not clear that there will be any direct benefit to the United States from China's growing role in Central Asia. In recent years there had been some hope that U.S. firms might be able to partner with Chinese firms to gain access to on-shore oil and gas deposits in Turkmenistan. But the announcement of a new Chinese-led consortium to develop that country's giant South Iolatan field is strong evidence that this will not be the case. This $9.7 billion project does not include any major international oil company in its consortium.

China's presence does ensure that there is competition for Central Asia's oil and gas reserves, creating pressure on Russia to offer the Central Asians commercially attractive terms. But if anything, in the long run, China is likely to offer the Central Asians less attractive terms than the Russians do, as Moscow has some ability to pass on higher prices to its customers in Europe, while Beijing is using all the energy purchased from Central Asia in its own domestic market that is heavily subsidized by the Chinese Government.

However, China has substantial financial resources to bring into projects in the region, and they will continue to be attracted to invest in Central Asia, given that Beijing considers these neighboring countries a region of continuing interest. Their interest is likely to be much more sustained than that of either the United States or the European Union.

Question. Dr. Olcott, in your written testimony you mention that the "U.S. has considerable leverage in Kazakhstan," given their desire for an OSCE conference to be held there in 2010. What specifically can the United States do to encourage democratic reform?

Answer. While the United States will have considerable leverage in Kazakhstan until the issue of an OSCE summit is resolved, the best chance U.S. officials will have of encouraging democratic reform in that country is to do so quietly and behind the scenes, where they should pressure Kazakh officials to create greater legal protections for independent media, work toward depoliticizing the judicial system, and reduce restrictions on independent political activities. President Nazarbayev's interest in receiving one of the few meeting slots available during the global nuclear summit in April in D.C. is also a point of leverage. But expecting that the Kazakh officials will engage in public self-criticism is unlikely to yield results.

RESPONSE OF DR. STEPHEN BLANK TO QUESTION SUBMITTED BY SENATOR ROBERT CASEY

ISLAMIC EXTREMISM

Question. Dr. Blank, in your testimony you discussed both Islamic extremism and clan and factional politics. To what extent is Islamic extremism a threat to the security of Central Asia, as compared to political factionalism, drug and human trafficking, criminal gangs, and ethnic and clan conflict? In what countries is this threat most acute?

Answer. There is no doubt that Islamic extremism is a threat to all of the Central Asian states, but there is no way to measure it precisely or even to clearly distinguish it from other sources of instability like political factionalism, drug and human trafficking, criminal gangs, and ethnic and clan conflict. All of these overlap and intermix. The extent of the extremism threat is exaggerated because local governments indiscriminately label all opposition as terrorist and extremist. However, on its own Islamic extremism is not enough to destabilize the current governments in the region. In some cases such as Kazakhstan the governments are even stronger than before 2000. Nonetheless, were the Taliban to take power in Afghanistan, the probability of destabilization would be increased. Taliban-affiliated or similar groups originating in Central Asia would be inspired, as might their activity, but could not destabilize the existing governments without external support. Islamist extremist groups may add to instability with other causes such as a succession crisis. To be effective, though, the extremist group would probably have to ally with one or more other contenders for power. In terms of overall vulnerability there is no doubt that Tajikistan and Kyrgyzstan are the most vulnerable.

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