

# CRS Report for Congress

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

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### Summary

Uzbekistan is an emerging Central Asian regional power by virtue of its relatively large population, energy and other resources, and location in the heart of the region. It has made scant progress in economic and political reforms, and many observers criticize its human rights record. This report discusses U.S. policy and assistance. Basic facts and biographical information are provided. This report may be updated. Related products include CRS Issue Brief IB93108, *Central Asia*, by Jim Nichol.

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

According to the Administration, Uzbekistan played a strategic role in assisting the United States in the global war on terrorism until recently. In May 2005, Uzbek government forces fired upon “large crowds” in the eastern town of Andijon. The crowds reportedly had “gathered either to air grievances against the government or to listen to government officials,” and “between 178 and 700 civilians died at the hands of Uzbek troops.” President Islam Karimov asserted that his troops had been provoked by Islamic militants. The United States and others have called for an international investigation, which Karimov has rejected. The events at Andijon and their aftermath have “severely tested the [U.S.-Uzbek] bilateral relationship” (State Department, *Congressional Presentation for Foreign Operations for FY2007*). (See also below, *Foreign Policy and Defense*.) Cumulative U.S. FREEDOM Support Act and agency humanitarian and technical assistance budgeted for Uzbekistan in FY1992-FY2005 was \$760.86 million (by comparison, EU grants and



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

<sup>1</sup> Sources for this report include the Foreign Broadcast Information Service (FBIS), *Central Eurasia: Daily Report*; *Eurasia Insight*; *RFE/RL Daily Report*; and *Reuters* and *Associated Press*.

loans amounted to about \$159 million). FY2005 assistance was \$35.23 million (FREEDOM Support Act and agency budgets), FY2006 estimated aid was \$18.41 million (FSA and other Function 150 foreign aid, excluding Defense and Energy Department funds), and the Administration has requested \$16.25 million for FY2006 (FSA and Function 150 aid).

Concerns about proliferation of weapons of mass destruction (WMD) led the Administration at the end of 2003 to waive restrictions on most anti-terrorism aid to Uzbekistan under authority provided by the National Defense Authorization Act for FY2003 (P.L. 107-314). The Administration indicated that Uzbekistan had not satisfied congressional requirements to respect human rights, as contained in Sec. 1203(d)(6) of the Cooperative Threat Reduction (CTR) Act of 1993 (P.L.103-160), making the waiver necessary. The waiver authority was exercised again on December 14, 2004 for FY2005 funding. The waiver authority, exercisable each fiscal year, expired at the end of FY2005. Defense Authorizations for FY2006 (P.L. 109-163) provide a non-sunsetting waiver authority, exercisable annually.

Since FY2003, Congress also has prohibited FREEDOM Support Act assistance to the central government of Uzbekistan unless the Secretary of State determines and reports that Uzbekistan is making substantial progress in meeting commitments to respect human rights, establish a multiparty system, and ensure free and fair elections, freedom of expression, and the independence of the media (P.L.108-7; P.L.108-199; P.L. 108-447). Congress received a determination of progress in FY2003. In July 2004, State Department spokesman Richard Boucher announced that some FY2004 military and economic aid to Uzbekistan would be withheld because of “lack of progress on democratic reform and restrictions put on U.S. assistance partners.” IMET and FMF programs — which are conditioned on respect for human rights — were among those affected. Ultimately, reprogramming and the use of notwithstanding authority resulted in about \$8.5 million being withheld. The Chairman of the Joint Chiefs of Staff, Gen. Richard Myers, during an August 2004 visit to Uzbekistan, criticized the cutoff of IMET and FMF programs as “shortsighted” and not “productive,” since it reduced U.S. military influence. The Secretary of State in FY2005 did not determine and report to Congress that Uzbekistan was making significant progress in respecting human rights, so aid restrictions remained in place.

#### Basic Facts

**Area and Population:** Land area is 174,486 sq. mi., slightly larger than California. The population is 26.9 million (*CIA World Factbook*, mid-2005 est.). Administrative subdivisions include the Karakalpak Republic.

**Ethnicity:** 80% are Uzbek, 5.5% Russian, 5% Tajik, 3% Kazakh, 2.5% Karakalpak, 1.5% Tatar, and others (*CIA Factbook*, 1996 est.). Uzbeks are the most numerous Central Asian nationality. More than 1.2 million Uzbeks reside in Afghanistan, one million in Tajikistan, and a half-million in Kyrgyzstan.

**Gross Domestic Product:** \$52.2 billion; per capita GDP is about \$1,900 (*CIA Factbook*, 2005 est., purchasing power parity).

**Political Leaders:** *President:* Islam Karimov; *Prime Minister:* Shavkat Mirziyoyev; *Speaker of the Legislative Chamber:* Erkin Xalilov; *Speaker of the Senate:* Ilgizar Sobirov; *Foreign Minister:* Elyor Ganiyev; *Defense Minister:* Ruslan Mirzayev.

**Biography:** Karimov, born in 1938, in 1989 became First Secretary of the Uzbek Communist Party. In 1990, the Uzbek Supreme Soviet elected him to the newly created post of President, and he also became a member of the Soviet Communist Party Politburo. In December 1991, he was popularly elected President of Uzbekistan, winning 86% of the vote against opposition Erk Party candidate Mohammed Solikh. In 1995, Karimov orchestrated a popular referendum to extend his presidency until 2000, won re-election, and in 2002 orchestrated another to extend his term until 2007.

## Contributions to the Campaign Against Terrorism

In her testimony on April 8, 2004, to the Commission on Terrorist Attacks Upon the United States, then-National Security Advisor Condoleezza Rice emphasized that early Administration efforts to counter global terrorism — before the September 11, 2001, terrorist attacks on the United States — included increasing cooperation with Uzbekistan. These ties proved useful in soliciting Uzbek support for Operation Enduring Freedom (OEF) in Afghanistan. A formal agreement on U.S. use of the Khanabad airbase, near the town of Karshi (termed the K2 base) was signed on October 7, and a joint statement pledged the two sides to consult in the event of a threat to Uzbekistan's security and territorial integrity. In March 2002, the two sides signed a "Strategic Partnership" accord that reiterated this nonspecific security guarantee to consult "on an urgent basis." The United States also pledged military aid, and Uzbekistan pledged to "intensify democratic transformation" and increase media freedom. In early 2003, Uzbekistan was the only Central Asian state that joined the "coalition of the willing" (Kazakhstan joined later) that endorsed prospective U.S.-led coalition military operations in Iraq, but Karimov later declined to send troops.

Uzbekistan benefitted from its defense ties with the United States. In addition to security assurances and increased military and other aid, U.S. forces eliminated many terrorists belonging to the Islamic Movement of Uzbekistan (IMU; dedicated to the forceful establishment of Islamic rule in Uzbekistan). Not only were IMU bases destroyed in Afghanistan, but IMU military leader Juma Namanganiy was killed.

On July 5, 2005, Karimov and other presidents of the Shanghai Cooperation Organization (SCO; other members are China, Russia, Kazakhstan, Kyrgyzstan, and Tajikistan) signed a declaration that called for coalition members supporting operations in Afghanistan "to decide on the deadline for the use of the temporary infrastructure and for their military contingents' presence in those countries." The language seemed to target U.S. and coalition bases in Central Asia. Despite this declaration, none of the Central Asian leaders immediately called for the closing of U.S. and other coalition bases. However, after the United States, the U.N., and others interceded so that refugees who fled from Andijon to Kyrgyzstan could fly to Romania, Uzbekistan on July 29 demanded that the United States vacate K2 within six months. On November 21, 2005, the United States officially ceased anti-terrorism operations (to support Afghanistan) at K2. In February 2006, the Uzbek government reportedly threatened to halt German operations at Termez, in part because U.S. troops were transiting through the base.

## Foreign Policy and Defense

Home to more than half the population of Central Asia, Uzbekistan seeks to play a leading role in regional affairs. From the late 1990s until mid-2005, Karimov's priority was to seek closer security ties with the United States while maintaining working relations with Russia and China. After the mid-2005 events in Andijon, however, he shifted to closer ties with the latter two states. In 2001, Uzbekistan joined the SCO and in 2003 insisted on hosting its Regional Anti-Terrorism Center. In March 2006, the SCO sponsored an exercise in Tashkent on how to repulse terrorist attacks on the "state infrastructure." Uzbekistan has ongoing tensions with other Central Asian states. In 1998, the Tajik president accused Uzbekistan of supporting an uprising in northern

Tajikistan, and in 2002, the Turkmen government accused Uzbek officials of conspiring to overthrow it. The Kyrgyz premier rejected claims by Karimov in mid-2005 that Kyrgyzstan had provided training facilities and other support for the Andijon militants.

The Uzbek military is the most advanced among those of the Central Asian states. The armed forces consist of about 50-55,000 troops in ground and air forces. There are also 19,000 internal security (police) troops and 1,000 national guard troops (*The Military Balance 2005-2006*). Uzbekistan's military doctrine proclaims that it makes no territorial claims on other states and adheres to nuclear non-proliferation. Military cooperation between Russia and Uzbekistan is ensured through a 1992 Friendship Treaty, a 1994 military treaty, a 1999 accord on combating terrorism and Islamic extremism, and a November 2005 Treaty of Alliance. The latter accord calls for mutual consultations in case of a security threat to either party. Until recently, Uzbekistan played an active role in NATO's Partnership for Peace (PFP) by participating in military exercises and training, including in the United States. In February 2006, Karimov pledged to continue to modernize the armed forces, ostensibly with greater Russian assistance.

On February 16, 1999, six bomb blasts in Tashkent's governmental area by various reports killed 16-28 and wounded 100-351. In response, the government arrested dozens of suspects, including political dissidents. The motives for the bombing remain murky, but Karimov termed them an assassination attempt. He alleged that exiled Erk Party leader Mohammad Solikh led the plot, assisted by Afghanistan's Taliban and IMU co-leader Tahir Yuldashev. Solikh denied any role in the bombings. In November 2000, Yuldashev and Namanganiy received death sentences and Solikh 15.5 years in prison (all *in absentia*). Another defendant tried *in absentia*, Najmiddin Jalolov (see below), received 18 years. Other security threats included the invasion of neighboring Kyrgyzstan in July-August 1999 by several hundred IMU and other Islamic extremists. They were rumored to be seeking to create an Islamic state in south Kyrgyzstan as a springboard for a jihad in Uzbekistan. By mid-October 1999, they had been forced out of Kyrgyzstan. Uzbekistan assisted with air strikes, border troops, and materiel. The next August, dozens of IMU and other guerrillas again invaded Kyrgyzstan and Uzbekistan, but were expelled by late October. In September 2000, the State Department designated the IMU as a Foreign Terrorist Organization, stating that the IMU actively threatens U.S. interests and attacks American citizens, and stressing that the "United States supports the right of Uzbekistan to defend [itself against] the violent actions of the IMU."

A series of bombings and armed attacks began in Uzbekistan on March 28, 2004, and continued through April 1, reportedly killing 47 individuals. President Karimov asserted that the attacks were aimed against his government to "cause panic among our people, [and] to make them lose their trust." U.S. Air Force Secretary James Roche and Lt. Gen. David Barno, Combined Forces Commander for Afghanistan, visited Uzbekistan in April 2004, with Barno stressing that "we stand with Uzbekistan in facing down this terrorist menace." An obscure Islamic Jihad Group of Uzbekistan (IJG; Jama'at al-Jihad al-Islami, reportedly an alias of the IMU) claimed responsibility for the violence. Suspected terrorists testified at a trial in mid-2004 that Jalolov was the leader of IJG, that they were trained by Arabs and others at camps in Kazakhstan and Pakistan, and that the IJG was linked to Hizb ut-Tahrir, the Taliban, Uighur extremists, and Al Qaeda. During this trial, explosions occurred in Tashkent on July 30, 2004, at the U.S. and Israeli embassies and the Uzbek Prosecutor-General's Office. The IMU and IJG claimed responsibility and stated that the bombings were aimed against the trial and "apostate" governments.

On May 12, 2005, an armed group stormed a prison in Andijon where those on trial were held and released hundreds of inmates. There is a great deal of controversy about whether this group contained foreign-trained terrorists or was composed mainly of the friends and families of 23 prominent local businessmen who were on trial on charges of belonging to an Islamic terrorist group. Many freed inmates then joined others in storming government buildings the next day. President Islam Karimov flew to the city to direct operations and reportedly had restored order by late on May 13. On July 29, 439 people who had fled from Uzbekistan to Kyrgyzstan were airlifted to Romania for resettlement processing, after the United States and others raised concerns that they might be tortured if returned to Uzbekistan. According to testimony at the first major trial in late 2005 of alleged Andijon terrorists, the governments of the United States and Kyrgyzstan had helped finance and support the terrorists' attempt to establish an Islamic caliphate, and international media, local human rights groups, and non-governmental organizations (NGOs) had conspired in this attempt. The U.S. and Kyrgyz governments and several media organizations denied such involvement.

## **Political and Economic Developments**

In January 2002, Karimov orchestrated a constitutional referendum to create a bicameral legislature, termed the Oliy Majlis (Supreme Assembly), and to extend his term to seven years. In April 2002, Karimov introduced legislation to set up a 120-member, directly-elected lower chamber, the Legislative Chamber, and a 100-member upper chamber, the Senate. He proposed that the Senate be composed of 16 members he would appoint, with the rest selected by local legislatures. He called for the lower chamber to have most of the responsibility for drafting laws and for the Senate to have the power to confirm the prime minister and other top officials. Constitutional amendments approved in April 2003 established that — after the next presidential election — the prime minister would exercise greater power. A law approved in 2003 provides ex-presidents with a legislative seat, immunity from prosecution, and a pension criticized by some Uzbeks as extravagant. Explaining his constitutional goals, Karimov in January 2005 proclaimed that he aimed to create three powerful branches of government, to correct a situation where “everything now depends on me.” He rued that after the collapse of the Soviet Union, he had been forced to “take on all of the responsibility” of government, but that in the future, a strong legislature and judiciary would prevent dictatorship.

In December 2004, Karimov stated that “the OSCE should not artificially try to create [opposition] that does not exist” among the citizenry. Only pro-Karimov parties operate legally: the Popular Democratic Party (PDP), founded by Karimov; the Fidokorlar (Self-Sacrifice) National Democracy Party, created by Karimov as a youth party; the Adolat (Justice) Social Democratic Party; the Liberal-Democratic Party, consisting of government-connected businessmen; and the National Revival Party, consisting of state-supported intellectuals. After mid-2005, repression increased against the banned opposition parties Birlik (Unity), Erk (Will), Ozod Dehqonlar (Free Farmers; formed in late 2003), and Serquyosh Ozbekistonim (My Sunny Uzbekistan; formed in April 2005). In March 2006, the latter's co-founder, Nodira Khidoyatova, was given a 10-year prison term on embezzlement charges viewed by some observers as politically motivated.

The last presidential race was in January 2000. The two candidates were incumbent President Karimov and Abdulkhafiz Jalolov. Jalolov was nominated by the PDP — which he headed after Karimov resigned as head in 1996 — to give the appearance of a

contest. Jalolov endorsed Karimov during the campaign. Karimov won 91.9% of 12.1 million votes cast. The State Department concluded that “this election was neither free nor fair.” The next presidential election is scheduled for 2007. Similarly, a limited OSCE observer mission concluded that Legislative Chamber elections held on December 26, 2004, “fell significantly short of ... international standards for democratic elections,” because “freedom of expression, association, and assembly were not respected.” Members of parties not allowed to participate attempted to form dozens of citizens’ groups to register candidates, but government officials rejected these registration attempts, according to the OSCE. The lack of open information about the race contributed to low public interest and in less than a 50% turnout in half the districts, triggering required run-offs on January 9, 2005. Two weeks later, local legislatures, overseen by members of the Central Electoral Commission, selected members of the Senate.

The State Department’s *Country Reports on Human Rights Practices for 2005* reported that Uzbekistan’s poor human rights record worsened after the armed uprising in Andijon in May 2005, which “led to a wave of repressive government reaction that dominated the remainder of the year.” Police and security forces routinely and systematically tortured, beat, and harassed persons, including human rights activists, reporters, political dissidents, and alleged religious extremists. Prison conditions were poor. There were reported cases of political and human rights activists being committed to mental hospitals. The number of persons in prison for political or religious reasons was estimated to be between 5,000 and 5,500. The government severely restricted freedom of speech and the press and continued to prohibit unauthorized public meetings and demonstrations. Police raided unregistered Jehovah’s Witness and other Christian congregations in several cities in March 2005. The Eurasia Foundation, Freedom House, the International Research and Exchanges Board, and Internews have been among international NGOs that reportedly have ceased operations recently in Uzbekistan.

During the 1990s, President Karimov maintained a high degree of state ownership of production, subsidized some basic goods and services, and put restrictions on trade and currency conversion. The economy began to turn around in 1996, but growth remains sluggish. GDP increased an estimated 5.4% in 2005 and consumer price inflation was an estimated 7.1% (*CIA World Factbook*). Uzbekistan in 2003 finally announced that it would permit full currency convertibility but vitiated the reform by reducing money in circulation, closing borders, and placing punitive tariffs on imports. These restrictions have fueled organized crime, corruption, consumer shortages, unemployment, and wage arrears. The World Bank reports that the quality of life for most of the population has improved little or deteriorated in terms of healthcare, education, housing, and income. Uzbekistan is the world’s fifth-largest cotton producer and second-largest exporter, and about 30% of the country’s economic activity is based on agriculture. The government closely controls this sector. The European Bank for Reconstruction and Development announced in 2004 that it would sharply limit its lending to Uzbekistan, citing the country’s failure to register opposition parties, the continuing torture of prisoners, media restrictions, and inadequate payments to cotton producers and laborers. In January 2006, Uzbekistan joined the Eurasian Economic Community (EEC; other members include Russia, Belarus, Kazakhstan, Kyrgyzstan, and Tajikistan), through which Russia aims to coordinate regional energy and other trade.