



# National Endowment for Democracy

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## Current Developments in Central Asia

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Mr. Chairman, Ranking Member, and Distinguished Members of the Subcommittee:

Thank you for holding this timely and important hearing on current developments in Central Asia. I welcome the honor to speak to you today on some of the challenges and opportunities for the continued democratic development of the region. And on behalf of the National Endowment for Democracy (NED) and our partners in the region, I would like to thank you for your ongoing support and commitment to Central Asia.

With Congressional funding, the Endowment has promoted the democratic development of Central Asia and Eurasia since the early 1990s. Currently NED supports over 50 civil society organizations and media organizations in their steadfast efforts to advance the democratic development in each country of the region: Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan.

Despite sharing a common Soviet heritage, these five countries are all facing their own, unique set of challenges as they continue to reform their political system and economic structures. Unfortunately, we do not have time today to explore in depth the complexities of the domestic context of each country. Therefore, I would like to focus my remarks on the significant opening in Uzbekistan and the opportunity this provides for the country itself, for improved regional cooperation and development in Central Asia, and for greater engagement with the US.

The single most important event of the past two years was the sudden death of Islam Karimov in September 2016, who had ruled Uzbekistan with an iron fist since before the dissolution of the Soviet Union. President Karimov created a kleptocratic dictatorship where the chosen few held absolute political and economic power while relentlessly persecuting and silencing independent civic and political voices. The human rights violations of the Karimov regime are well documented by, among others, my colleagues at Human Rights Watch. Under Karimov's rule, independent civil society, media, and political opposition were all decimated and the ability of international organizations and donors to operate in the country was severely restricted.

Given this context, it is not surprising that observers watched with trepidation the first six months of President Mirziyoyev's ascent to power in late 2016 and early 2017. What has followed since then is a series of official statements promising a broad range of much needed reforms, from the economic sector to government institutions and even the legislature. In what was seen as an early positive sign in delivering on these sweeping promises, President Mirziyoyev signed and ratified the International Labor Organization Convention 87 on Freedom of Association and Protection of the Right to Organize, something Karimov had discussed but failed to do for over a decade. In addition, the government finally admitted the existence of forced labor in the country, which marked a significant break with former practices. The NED-funded Solidarity Center, in collaboration with other domestic and international organizations, had been working towards this goal for over a decade.

This was only the beginning. Rustam Inoyatov, the head of the feared and previously all powerful National Security Service of Uzbekistan was removed from power and the agency's mandate was reduced. Political prisoners were released and for the first time in 30 years, there are no imprisoned journalists in Uzbekistan. Access to Skype and Viber has been restored and some independent news sites unblocked. Select international journalists, such as Nabvahor Imamova of Voice of America, were granted accreditation and allowed to visit the country and conduct journalism trainings.

A cornerstone of the reform process is improving the rule of law as the new government understands it urgently needs to attract foreign investment in order to rescue its ailing economy. Uzbekistan's former reputation of a kleptocratic country where any one company can be subjected to exorbitant bribes, forcibly taken over, or forced out of the country, had resulted in limited interest to invest among private companies. Although no comprehensive reform map has been issued, it is clear that fighting corruption, liberalizing the economy, and promoting the rule of law are at least stated as the government's priorities. Uzbekistan has already secured Russian investments and trade agreements which only enforces Russia's extraordinarily influential political and economic role in the region. Similarly, China's impact has grown over the years and it is currently Uzbekistan's largest trading partner and has already committed to additional investments. Uzbekistan has largely opened its borders with neighboring countries, rekindled trade agreements, and is showing signs of asserting itself as a leading regional power.

Meanwhile, the European Bank of Reconstruction and Development is returning to Uzbekistan to support small and medium sized businesses and the financial sector.

While working to improve its longstanding relationships with China, Russia and its neighbors, President Mirziyoyev has taken deliberate steps to reach out to the US and the West. The May 2018 official state visit to Washington was the culmination of President Mirziyoyev's overtures to the US and the visit was lauded as a resounding success. In addition to promises for continued reforms, Uzbekistan requested technical assistance for implementing rule of law reforms that will increase the independence, transparency, and professionalism of the judiciary. Additional economic reforms could result in opening up markets to more US businesses and technologies. The Center for International Private Enterprise has already started a program to support the development of nascent business associations and to foster their ability to advocate on economic policy issues.

Uzbekistan's renewed interest in engaging with the West at the same time as it works on domestic reforms provides a unique opportunity. Many domestic and international observers are still asking whether President Mirziyoyev is willing and able to deliver on his reform promises. Although undeniable progress has already been made, it can best be characterized as an ad hoc approach to individual opportunities rather than a well thought out reform agenda. A much more systemic approach is need in the year ahead and this is the where the international community and domestic and international civil society organizations can play a constructive role.

There are many ways in which independent civil society can contribute meaningfully to moving the reform agenda forward, including by providing expert policy recommendations and holding the government accountable to its promises and to international norms and standards. In order for that to happen, the government of Uzbekistan could take some specific steps that would significantly ease the operating environment. Some of what has been on the agenda of domestic partners is removing cumbersome registration, authorization, and notification procedures for nongovernmental organizations; easing restrictions on freedom of movement and association, which will allow for independent monitoring and reporting on the situation in the country; providing accreditation to local and international independent media; allowing the return of international donors and international organizations; and removing the outdated exit-visa model. These steps will be a welcome sign to domestic and international audiences that Uzbekistan is truly dedicated to working towards the success of the reform process.

Thank you again for the opportunity to testify today on this important topic, and I look forward to your questions.