

CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE

TURKMENISTAN'S POLITICAL CRISIS - INSIDE THE NIYAZOV REGIME

A DISCUSSION WITH BORIS SHEIKMURADOV

April 29, 2002

DR. MARTHA BRILL OLCOTT: It's a wonderful crowd in a very small room, so everything you can hear. Alright. It's a great pleasure today for me to introduce Boris Sheikmuradov to you, and to preside over this setting. For several months now, I have hoped to have the opportunity to welcome him to Carnegie. From the time we most recently saw each other, which was November in Moscow, Carnegie has hoped to be able to have this occasion. So I'm privileged to introduce him to you today.

Boris Sheikmuradov was born in Turkmenistan a while ago (laughs), and received his graduate degree in journalism from Moscow State University. He's served as a career diplomat in the Soviet Union, and from 1975 on, he served in the USSR embassies in Pakistan, India, Iran, Afghanistan, and Turkey, making him more of a regional specialist than most regional specialists of the region. From the time of Turkmen independence, he served in the Turkmen government as first deputy prime minister for foreign affairs, then as deputy prime minister and minister for foreign affairs, and eventually as a special envoy on Caspian and Afghan affairs, and then finally before leaving the government as ambassador of Turkmenistan in China.

He initiated and organized three successful rounds of the inter-Tajik dialogue in Ashgabad, which played a critical role in helping reach the final peace accord in Tajikistan. And in coordination with the U.N. special mission in Afghanistan, he was engaged in shuttle diplomacy between the Northern Alliance and the Taliban movement, and was a strong supporter of the Rome process.

In October 1991, after many years of disagreeing with the foreign and domestic policy line in Ashgabad, he officially announced his opposition to the president, and since then he has been consolidating and he's been trying to consolidate, and has served as a driving force in the development of a Turkmen opposition movement outside of the country. I'm sorry; thank you for catching me. I read 2001 instead of 1991. In October 2001, he officially announced his opposition to the president; thank you for catching that.

I urge you strongly to visit his web site, which can be reached at gundogar.org, which has been serving as a source of information for those interested in the situation in Turkmenistan, and those interested in the growing opposition movement.

Since the time of his departure from the Turkmen government in October 2001, Mr. Sheikmuradov has been living and traveling abroad, and it is, as I say, a great privilege to welcome him today to talk about "Turkmenistan's Political Crisis Inside the Niyazov Regime", and after the presentation, Mr. Sheikmuradov has agreed to take questions.

Thank you.

(Applause.)

BORIS SHEIKMURADOV (Translated): Good afternoon. I would like to begin by thanking everyone for making the time to attend. I would also like to thank the Carnegie Endowment, the International Eurasian Research Institute, personally Mr. Kuchins, Martha Olcott, and everybody who has been involved and instrumental in organizing my visit to the United States, and this opportunity for me to speak here.

The People's Democratic Movement of Turkmenistan, which has been very active both inside and outside of Turkmenistan, and has picked up a lot of momentum, and sees a dialogue in the work of the Carnegie Endowment, which it sees as a major political science forum, and the possibility it provides of exchanging views with some of the top U.S. experts in the area as a very important opportunity, and as one of its high priorities.

For a long period of time among all the central Asian countries, one of the key characteristics of Turkmenistan was virtually zero feedback regarding the issues of objective coverage of what happens in Turkmenistan. Because our movement has been active, it has been able, in particular, to completely destroy this ten-year long practice established by the president of Turkmenistan.

The tragic developments of 9-11 put the central Asian nations in the focus of the attention of the international community, and the absurd phenomenon of Niyazov, who until then was only well known to certain experts and certain members of the international media, became public knowledge.

Originally, I intended to spend most of my time here at the podium to cover the factor of Niyazov - (inaudible) - of the role that he plays in formulating his country's foreign policies, and the overall structure of regional security. Then I decided that this particular aspect of Niyazov's activities is not exactly classified or little known information. It is open, it is public, and there are very, very few people who do not know of these activities. And also, there are really no clear-cut foreign policies pursued by Turkmenistan under the leadership of Niyazov to speak of.

Niyazov has always used his self-proclaimed neutrality to come up with the same answer to whatever foreign policy initiatives he encounters, time and again. Pretending to be neutral, he basically rejects ideas of having any working relationship or any civilized relationship with the outside world. And I've just decided that, given the level of this audience, it doesn't make a lot of sense to discuss foreign policy issues as applies to Turkmenistan. We may, if you like, discuss them later in the Q and A session.

I believe that it would make much more sense to speak in greater detail of the domestic situation in Turkmenistan because there are not many people out there who actually are intimately familiar with what is going on in Turkmenistan. Very few are aware of that, and I'm here to give you facts and information about the situation in Turkmenistan, and I would like to think that this would constitute the more valuable part of my remarks.

Niyazov has been blatantly lying regarding the actual situation in Turkmenistan, and has been giving out a lot of false statistical data, so to speak, to those occasional, very rare people who come to Turkmenistan. And of course all these lies and all these inflated

statistics are in no position to save the face. The statistical data have been played with and have been abused by Niyazov for the sole intention to hide from the rest of the world that the national economy has basically collapsed, and that Niyazov himself has been embezzling government money, and the people of Turkmenistan are living in complete and abject poverty.

While the government expenditures on public health, education, cultural activities, and research have been curtailed on a systematic basis, at the same time, funds have been provided on a more increasing basis to security, services, police, and law enforcement in general. At this point, these three -- between the three of them, they account for over 70 percent of the national budget. This information and other information available to me made it possible for me, about a year ago to declare that Turkmenistan had been turned into a primitive police military state.

Between the years 2000 and 2002, the government fired 13,000 teachers, both at secondary and tertiary levels, and foreign languages and PT training were discontinued as such. Fourteen thousand medical personnel were laid off, and during the same two years, the national KGB and the police hired 3,000 people. And this in a situation where even ordinary, mediocre education is not really available in Turkmenistan, and it is impossible to arrange for any serious surgery or medical procedure.

Whenever he hears truly professional assessments and estimates, and any mention whatsoever of macroeconomic indicators -- inflation level, unemployment statistics, per capita income -- and true demographic information such as the birth rate, death rate, and life expectancy, Niyazov becomes enraged, and any such statements have been made in Turkmenistan into actions punishable under the law, under criminal law. Turkmenistan is only one of a handful of world nations that fails to provide any statistical information to international forums, such as the IMF, World Bank, United Nations, and even the CIS. And it sounds like pure sacrilege to me that Niyazov stated recently that the per capita income in Turkmenistan is at this moment \$3,000 a year, and it should get to the \$5,000 a year mark by the year 2005, whereas the actual data is \$100 a year at the most.

Niyazov has been paying a lot of lip service to his particular care for young people because allegedly as the head of state he must be concerned with the future of the young people. He's been saying a lot of that kind of rhetoric, which sounds particularly sacrilegious and even like mockery against the background, which is constituted by the following data. In some parts of Turkmenistan, unemployment among the able-bodied young people is as high as 70 percent, whereas on the average in Turkmenistan, 50 percent of young people are out of jobs. Specialized vocational schools have been shut down, whereas the enrollment rate at universities and other higher education establishments has gone down from 20,000 a year, which was the statistics up until 1991, to 2,500 a year. And this heinous government policy that provides the reason for a very rapid rise of drug use and drug trafficking and juvenile crime, whereas information regarding the latter has been specifically banned by Niyazov who did it personally.

Niyazov's spin doctors have claimed that since Niyazov came to power back in 1991 at the helm of independence of Turkmenistan, the life expectancy has gone up by six years, and by the year 2002, it stood at 66. We have no idea where the population experts in the

Niyazov government, how they have come up with this number because there has not been any reliable census in Turkmenistan since 1991. According to international experts who do rely on reliable estimates, life expectancy in Turkmenistan is 52 years at the most.

The profound economic crisis in Turkmenistan has resulted from a systemic crisis in the management system. Whatever can be sold internationally, whatever can be sold period, Niyazov keeps for himself, and it's always at his disposal. As a result, even such notions as value, mutual settlements, on many occasions are purely formal. There have been attempts made to somewhat improve the situation, make it look more passable by external borrowing, and one result of that is that the country has been defaulting on its external debts. At the moment, the international reserves of Turkmenistan, which are controlled solely by Niyazov, amount to a mere \$1.8 billion, whereas Turkmenistan has accumulated a debt of \$5.2 billion externally.

The data I've cited so far and the data that I'm going to be relying on does not come from the press or from some indirect sources. We have a number of people in our movement who have spent quite a bit of time being part of the governing regime: some of them ran banks, some held other high ranking positions, and this is who we have our information from. The information we believe is reliable, and certainly much more reliable than anything you can obtain from official sources.

Offers to Niyazov to extricate Turkmenistan from this crisis, and these offers have come from the IMF, World Bank, from several European organizations, from U.S. Export Import Bank, and from Deutsche Bank in particular. However, all these offers have been ignored by Niyazov, and a situation has evolved whereas the actual situation kept deteriorating, and the economy collapsed, Niyazov has been speaking ever more loudly about the achievements of his regime. At this point has gone as far as actually proclaimed the Turkmen people are already living in the golden age.

As I sum up what Niyazov has accomplished, quote unquote, in the economy and in other vital areas of our country, the question begs to be asked whether what is being done by Niyazov should be seen as purposeful activities to annihilate Turkmenistan as a country, to destroy its economy, to drive the more active people out of the country, and turn the remaining Turkmen into illiterate slaves. Or the other part of the question would be whether Niyazov is capable of a realistic perception of the world around him, whether his is capable of adequately assessing the situation. My understanding is that both parts of the question would have to be given a positive answer.

The principle segment of the Turkmen economy, the oil and gas industry, is in a very profound crisis. Last March the U.S. company ExxonMobil, and the British Lazard (ph) discontinued their project for the land segment of Garroshsizle II (ph), and they abandoned their earlier plans of multimillion-dollar investments in Turkmenistan. The Dubai-based Emirate National Oil Company, which owns a controlling interest in the Dragon Oil, has abandoned the plans of an additional share issue, which it needed to complete the Turkmen C-segment - (inaudible) - and now is looking for a buyer for this project.

The latest developments are just one of the reminders that throughout the years of independence in Turkmenistan, more foreign companies left oil projects in Turkmenistan than there are oil companies in Turkmenistan. The companies that have suffered major setbacks and have quit in Turkmenistan are Shell, Unocal, Gidas (ph) from Argentina - Unocal is from the United States, Larmark (ph) from the Netherlands, and there's a number of other major investors who suffered fiascoes in Turkmenistan and were forced to leave.

There are several reasons why foreign investment has collapsed in Turkmenistan. The first reason is that there was and there is no legislative framework to protect investor rights, foreign investor rights. You won't find any serious investor who will rely solely on his, her, or its personal relationships with the head of state as is expected in Turkmenistan. This, of course, is a very attractive scenario for small time businessmen who pretend that they are very important people when they talk to the leaders of Turkmenistan. However, it is exactly this kind of -- I guess I'll have to also say it in English rather than go into Russian -- one briefcase, one suit businessman that Niyazov has willingly been relying on because he finds them very convenient. After all, when he was dealing with Mobil, Chevron, Shell, or even Gidas (ph) for that matter, he was never in a position to solve his personal problems and attend to his personal matters while dealing with these serious companies. So that's one reason: no legislative framework.

Another reasons why investors have been leaving Turkmenistan is that because Niyazov's unpredictable and controversial foreign policies have been scaring them off. He has been trying to involve foreign investors in all kinds of anti-Hazari alliances, trying to make Western countries line up with Turkmenistan in its anti-Hazari foreign policy. Also, it has been very alarming as far as serious foreign investors are concerned, that Niyazov has come up with very strong categorical statements to the effect, for instance, that Azerbaijan doesn't have any oil or gas period. He has also gone on the record as saying Iran will simply not survive unless Turkmenistan sends hydrocarbons there and he's also said that unless it receives Turkmen gas, Russia is a bankrupt state. And the list goes on and on with similar pronouncements.

And at the same time he has been doing that, he has also been trying to misinform the world regarding the hydrocarbon reserves in Turkmenistan itself. And generally speaking, about the parameters of the national economy of Turkmenistan, and much of that information is just taken out of thin air, and has no leg to stand on.

Instead, the last decade has been spent by Turkmenistan on all kinds of rhetorics about various guest pipeline projects and all kinds of alternative pipeline scenarios. There has been all the ribbon cutting, and all kinds of ceremonial activities, and at the same time, during the last ten years, nobody in the Niyazov government has instructed power industry experts, international affairs experts, lawyers and other experts to try and put together a feasible concept whereby Turkmen fuels can be exported to international markets so that it can be done on a professional and competitive level. All the pipeline projects that have been discussed over the last ten years have all been heavily politically tinted, much to the detriment of their economic feasibility. And as a result, from the beginning each of these pipeline projects - -Trans-Caspian, Trans-Afghani, Trans-Iranian were doomed to fail.

Every one of these projects in principle at least, is perfectly feasible, but only as long as there is political stability to replace the current political maneuvering that is ongoing and never ends. It is true that both Turkmenistan itself and the region around it need extant capability to sell the hydrocarbons internationally. However, such projects need not replace the existing capability, but rather enhance the exiting capability and the current northern pipeline, which goes via Russia, should not be ruled out of the transportation scenario, but vice-versa, it needs to be given some extra attention. It is only using this northern pipeline, and it is only with Russia and other regional partners, and, in cooperation with the United States, that it is possible to create a multi-scenario regional pipeline structure.

Money is needed here and now if any of these projects can become feasible and operational, whereas whatever alternative scenario is feasible in principle, at best it is something that is a matter of the future and will not be here until much later. Apparently Niyazov has come to understand this, but it also seems like it is very late for him, and he's not enjoying any trust anymore. His remarks that he made yesterday, I think, are an act of despair where he called upon the Ukrainian President Kuchma, to join Turkmenistan in the joint project where the pipeline will be built out of Turkmenistan and go to Pakistan via Afghanistan.

Interestingly, just a couple of hours before he spent time with Kuchma, Niyazov had a meeting with Secretary Rumsfeld whom he didn't mention the idea of a pipeline going through Afghanistan at all. And this is a little strange because one would expect Turkmenistan to try and contact the United States regarding this plan because this could become a major item on the Turkmen-U.S. agenda, and certainly the United States would be very instrumental in this. However, Niyazov didn't say anything to Rumsfeld; he did discuss this with Kuchma, and that leads me to believe that Kuchma -- that the Ukraine can be much more helpful in this regard and much more a reliable partner than the U.S. ever will be.

I have quite a bit of information here that I've prepared regarding the hydrocarbon reserves in Turkmenistan. With your permission, I would like to leave this until the Q and A session, and we can tap into it later, and I would like to move onto certain other subjects.

Speaking about the people of Turkmenistan, their social status is appalling, and people are living in complete despair, and there seems to be no way out for them. There is a lot of fear the law enforcement agencies are pretty much doing what they want and get away with everything. There is no mechanism whatsoever for individuals to ensure legal protection for themselves. There are no basic government institutions that could be used by individual citizens to campaign for fair treatment. People are so scared that they basically have climbed into their apartments and are afraid to go out. They are living in them as if they are prison cells.

Niyazov has crucified some of the national KGB; however, rather than making a positive impact on the rest of society, these acts simply prove that Niyazov is throwing political tantrums, and has become politically hysterical, quote unquote. Also, when the head of the KGB was victimized, it didn't happen at all the way it was presented to the public by

Niyazov's PR people. What really happened was that Niyazov's head of security, General Rejeppo (ph), made a report in which he accused the top people at the Turkmen KGB of trying to conspire -- of encouraging anti-Niyazov activities, and conspire against Niyazov. And that, of course, is a throwback to the Stalinist scenarios. That is, in fact, a classical case of using Stalinist practices, and Niyazov has banned this information from being published and that in itself is an indication that the president is bending backwards, basically, to try to make the short work that was done of the national KGB as something that was done, allegedly, to establish constitutional law and order and protect national interests rather than an act of personal revenge, which was exactly what it was.

[BREAK IN AUDIO.]

-- And shoulder strap from his KGB officers is not what they really did when they arrest ethnic minorities and when they arrest private citizens for not being pro-Niyazov, for being anti-Niyazov. The reason that Niyazov has been doing that, he has been victimizing his own KGB henchmen, is because while following his orders, they failed to keep in secret the drug trafficking, sponsored by Niyazov himself, which has led the young people in Turkmenistan to the brink of disaster. And in the process have also taken Niyazov's personal fortunes and profits into the stratosphere. That is the reason why Niyazov has been victimizing his own KGB people.

Niyazov has given personal orders and instructions to his security services to make sure that drugs are safely transported via the Turkmen territory to Kazakhstan, to Russia, and then further on to Europe. On his instructions, the top people at international KGB and the border control, and the border guards of Turkmenistan were providing this cover for drug trafficking. And that is exactly why Niyazov has been getting rid of his people because they have a lot of incriminating evidence and materials against him. He simply has been getting rid of witnesses that could be dangerous against the background of our movement, providing irrefutable facts and evidence to competent international organizations.

I guess I'm addicted to Niyazov bashing. We have provided some documents and a videotape of an interview with someone who tells the tragic story of a man who was in charge of the water control at the Ashgabad airport, and who was a whistle-blower when as many as 400 kilograms of a hard drug were being transported under the auspices of the national KGB through the VIP area of the Ashgabad airport. And when the KGB learned about the whistle-blower, he was picked up by them, was detained for a short period of time, and then let go. And as they let him go, they offered him a lift. They were taking him home, and then the car stopped somewhere halfway through, and the KGB officers left the car momentarily, leaving a small handbag behind, which, of course, was a set up because the moment the car stopped, it was surrounded by law enforcement and the man was arrested for carrying drugs because naturally the bag contained a small amount of heroin -- 51 grams of heroin and he was interrogated and shot three days -- sentenced to die, and shot three days later.

There are several stories like that. I'm willing to tell you another story. There's another story just as tragic, of a team of water control guards, two officers, two privates, who just came across, as bad luck, a drug caravan that was being led by several KGB people

through the border. The KGB had not taken measures to make sure they didn't run into any border guards, and when that happened and the news got out, the four individuals, both officers and both privates, were arrested. They were able to escape, and later the KGB people caught up with them in a helicopter and shot them -- shot and killed them. And three days later, in sort of an act of sacrilege, Niyazov turned them into national heroes by awarding them some very high national award.

How competent and how responsible this individual is when it comes to drug trafficking and fighting drug trafficking is really up to you to judge. The information I can give you is fully reliable, and as I am giving you this information, I perfectly understand my responsibility for and the liability of these facts. And the facts are as follows. He addressed a session of the cabinet of ministers and told them that whenever any hard drugs were confiscated, it is not appropriate to burn them as the United Nations has said, but instead, the drugs should be used as "people's treasure," national treasure, and as such they should be stored, and when need be used for medical purposes. And stored indeed they are, and there just happens to be a storage room in the basement of the presidential palace, which has been turned into a warehouse for confiscated drugs. And as I am saying that I perfectly understand what exactly I am saying, and I take full responsibility for that.

And I would like to conclude my remarks by speaking briefly about politics and policies. Last November, an active opposition evolved in Turkmenistan to Niyazov's regime, and Niyazov's regime is now being challenged by a group of Turkmen intellectuals who have a serious professional and international potential to rely on and this came as an omen, a good omen, for the people in Turkmenistan because the countdown until the last day of Niyazov's regime was started last November. The country began to wake up and free itself from illusions and fears. And the opposition had been active as early as the mid 1990s, and last year it picked up a lot of speed, became much more active, and the opposition now is very real. It is no longer virtual; it is very real. It is real enough to make the dictator start looking desperately for a way out.

However, if there is a way out of the situation he's gotten himself into, this is not where Niyazov is looking for a way out. He keeps digging where he has been digging before, into every political provocations and hypocrisy. And unless very shortly that Niyazov declares a democratic election in Turkmenistan, unless very shortly he makes it possible for political opposition to come back to Turkmenistan and start working openly, unless he lifts bans on political parties and lifts censorship on free press, he will have to do it very shortly under popular pressure.

The opposition has rallied all kinds of people behind it, people who used to have and even now theoretically, have very different, very varying political affiliations. There are people who are outside of Turkmenistan, there are people who are as inside as they possibly can be, which includes prominent officials in government agencies, and even members of Niyazov's cabinet. There are people in all age groups who have all found a common denominator in trying to drive Niyazov out of power and to replace Niyazov's regime with a democratic government.

And relying on my own experience and familiarity with the situation in Turkmenistan and in the region around it, I would like to say, with all responsibility, that given the

small population of Turkmenistan -- only 4.5 million -- and its vast resources, Turkmenistan is perfectly capable of not only building a prosperous economy, but a stable democratic system, one that rather than relying on some kind of mythical, national model, will instead use universal democratic standards, principles, and values. The Turkmen people as a whole, let alone its political elite, have long since been ready to accommodate these universal values, even though Niyazov has been blabbing to no end about the Turkmen people being immature for a democracy.

Our movement is a very practical movement, and there is a very practical dimension to it. In its early stages, we received quite a few messages -- some of them came from the United States -- that at this point, to avoid some kind of a domino effect, no energetic efforts should be made towards a more democratic situation in Turkmenistan. What I'd like to say, and I'm saying this in conclusion is that nothing could be more wrong. We heard as part of these messages that against the background of efforts to restore order in Afghanistan, it is not a good idea to have two wars. We believe this is a very erroneous point of view, and there are certain realities in Turkmenistan, which this point of view fails to take into account.

The difference between Turkmenistan and the other central Asian countries is that although there are some similarities, many of these similarities are no more than an illusion. That's where they stop: they're just similarities. The huge difference is that whereas Uzbekistan, Tajikistan, Kazakstan, Kyrgyzstan, all have some kind of democratic mechanism, some kind of valves to let the social pressure, the steam of social pressure out, and yes, these countries may have better or worse democratic mechanisms. I'm not here to offer any judgments regarding these mechanisms, and to describe such mechanisms as good or bad. What I am here for is to tell you that the single biggest difference between these four countries and Turkmenistan is they do have some kind of democratic mechanism in place. Turkmenistan has none, zero.

I already said before that people in Turkmenistan are living hand to mouth. They cannot give any education whatsoever to their children, they cannot find a job; they cannot start their business. On a more sophisticated level, they have never had any access to information including Internet, which has been becoming an essential part of life in many countries. People in Turkmenistan have no rights, they have no freedoms, and they have no system that would legally protect them against the judicial and police arbitrary activities and the authoritarianism that has been imposed by Niyazov. Why talk about some domino effect that may or may not take place tomorrow where even today Niyazov has been making war against Turkmens and Uzbeks on the border between Turkmenistan and Uzbekistan, which now has a lot of barbed wire on it, a fence with all the barbed wire sitting on top of it.

This year alone, following Niyazov's order to fire on border breachers, several citizens of Uzbekistan have already been shot and killed, which resulted in a protest on both sides on the border. Why talk about some kind of domino effect tomorrow where even today the Uzbek leaders, in particular, are very optimistic about changes in Turkmenistan in the short term and if we were to use any game as an analogy, I would suggest dumping domino and maybe switching to baseball because if Niyazov is removed from power, our movement will become more active. There might just be the effect of a home run where,

as the stands applaud, the winners will get a window in which to peacefully and calmly affect the necessary changes, and Niyazov's evil will be batted out of both the Turkmen stadium and the entire central Asian stadium once and for all and will never come back.

I understand the joke was more humorous in Russian than it is in English. I would like to thank you all for listening very much, and I would also like to thank my colleagues for constantly reminding me of the fact that my time is running out by knocking on their watches. But I think they made a mistake. They set themselves up really, because right before I took the podium, they told me that my colleague, Martha Olcott spoke here about a week ago, and she spent 40 minutes at the podium. And I was just trying very hard to keep up with her and speak for at least as long.

DR. OLCOTT: Thank you very much. We have some time for questions and answers. If you would introduce yourselves, too, when you speak.

Q: Hi, I'm Fred Hiatt, from The Washington Post. When I was in Turkmenistan in 1993, the personality cult of Niyazov was already quite evident: dissidents were being beaten up and put into psychiatric hospitals. At the time you defended the regime with what seemed like enthusiasm, and I guess continued to do so for a number of years. I'm curious: what was going on inside you during the past 10 years, and what made you finally decide to make a change?

MR. SHEIKMURADOV (Translated): I believe there's a very large number of people for whom this question would be relevant, including myself.

The fact is that, yes, Niyazov is a damaged and handicapped individual, and as damaged and handicapped as he was and is; he certainly had the capability to make a very strong, personal impression. He had a lot of charisma that many people succumbed to. And for a very long time, he was able to convince people around him, including myself, that he was right. He did have that gift of making people feel like he is right about what he is thinking and what he is doing. A lot of people around him had, while seeing his other shortcomings, had this illusion, this hope of being able to eventually make an influence on him strong enough to both change him somewhat internally, and more importantly change the things that he was doing in his position and his post. And these illusions, I believe, sort of took on a form of a disease, if you will, and I certainly nurtured those illusions for a long enough time.

To answer your question in a more personal way, that is when exactly I started my position that was about the same time that you had just referred. I became disillusioned about Niyazov's platform, and I was fairly open and straightforward about my position, which resulted in quite a lot of difficulties and problems for me in my relationship with Niyazov. If you were to ask me how I was able to survive in that kind of a situation, my answer would be that apparently Niyazov had a need for me. There must have been something that I was doing that he had a certain need for, and that is why he put up with my being unorthodox from his perspective. When I joined the opposition, I made a statement in which I did acknowledge that I was guilty of excessively long patience.

However, I was never a part of and didn't have to acknowledge -- I was never part of a group of people who would try and cast some credibility on Niyazov's idiocy. I was never supportive of that, and I'd never made any efforts to put a veil of respectability on his idiocy. I've always criticized his platform, and I've been known as a critic of Niyazov, both inside my country and outside Turkmenistan, in the U.S. in particular. I did make such statements in the U.S. and in several European countries. And I certainly never experienced any dramatic transformations. There were no revelations and eye opening experiences for me. I've always been a proponent of the single idea, both when I was working for the Niyazov government and now, and it is just very unfortunate that this idea has had to be on the shelf for such a long time.

Q: Mr. Bulent Alizira, CSIS. As Fred Hyatt asked the question I was going to ask, let me ask a different one. You had been in Moscow, and you did not address the Russian factor in your presentation. Could you say a little bit about where Russia, and more specifically, President Putin may stand in this struggle that you launched against Mr. Niyazov?

MR. SHEIKMURADOV (Translated): This is actually a very easy question because I spent a minimal amount of time in Russia. There was just enough time for me to make a statement, and I was on my way. I'm not aware of the reactions to this statement by the Russian government, nor am I aware of the Russian government's view of the situation in Turkmenistan. I do not have any connection whatsoever to the Russian political establishment, even though I am aware that at least some members of the international political elite believe that there is such a connection. Answering this question that was asked by an ethnic Turk, I was able to answer it exactly the way that I have. And I'm very glad this question came from you, sir. I've never had nor do I have now any relationship with the Russian political establishment.

As I said that, I want to make one thing clear. I'm not denying personal knowledge and friendly friendships that I have with some of the members of the Russian political elite. Some of them I went to school with; some of them I've met since then. There are ways for me to receive information from them occasionally. I do not have -- again, through personal friendships rather than official channels. I haven't had such an opportunity for some time. That is to say that while I don't have any affiliation for or relationship with the Russian political establishment as such, I do know some of the individual members of that establishment on a personal basis.

By the way, I do happen to know quite a few members of the U.S. political establishment as well on a personal basis.

Q: Mr. Sheikmuradov, my name is Dana Marshall with the Washington law firm Verner Lipfert. It's very nice to see you again after a very long absence. Certainly appreciate seeing you in this version than when we were both in government, and congratulations on your courage on making this stint. You have outlined to us this afternoon, in very good detail, the nightmare Disneyland that exists in your country, but when you described very aptly, and none of us really could feel what the regular people there, the average person, the fear that they feel. When you talk about forces for change, I wonder if you could outline for us where you see the forces coming from. How much of it would come from the people, in your view, and how much from the outside world.

MR. SHEIKMURADOV (Translated): The reason Niyazov has been so successful is that -- and this is the single most important factor of his personal success -- is that in what was once part of the Soviet Union, he was able to preserve what had been put in place there before him. That was a completely Soviet state with all the advantages and, more importantly, the disadvantages, the negative aspects of it. Back in 1991, the Soviet Union did not go down in history. It still is part of history; part of modern history, except it has shrunk to the size of modern Turkmenistan.

And Niyazov has used very much the same arsenal that the Soviets used to use before 1991. The most important tool is that the law enforcement agencies and the courts have a heyday. They get away with anything. They're completely arbitrary institutions, and as far as psychological and personal tools are concerned, fear is still very much there, and he is heavily relying on it. He is very heavily relying on suspiciousness and suspicions, and of course, on informers.

Everybody who happened to live in the Soviet Union will remember, of course, the bulk of the people were very unhappy, were very displeased with what was going on, however, nobody would put up a fight. Everybody was just showing patience, and that is exactly the situation in Turkmenistan today.

Whenever I'm asked how the hell Niyazov has been surviving in the absence of a major party to rely on and really when his entire people hate his guts, and there doesn't seem to be any mechanism of support whatsoever for him to have been around for so long, my answer is he has been surviving on the fears of the Soviet era that Turkmenistan inherited from the Soviet Union. When the rest of the Soviet Union folded up, Turkmenistan remained in exactly the same way and mold for the previous decade because Gorbachev's policy of perestroika may have reached all the other republics of the former Soviet Union to varying degrees, but it stopped at the border with Turkmenistan. Whatever the Turkmens knew about perestroika, they knew about it from the federal newspapers published in Moscow. There was no perestroika as such.

When in 1991 the rest of the Soviet Union fell apart, people in Turkmenistan were sort of petrified. They didn't understand Niyazov was not Chernenko, even though he might have looked like Chernenko, and they didn't understand that the Turkmen KGB or Committee for National Security is a different agency. It's not the omnipotent and all mighty Soviet KGB. And when you ask me what kind of support we're going to rely on, I can tell you that it will be the awakening of the people of Turkmenistan to the fact that Niyazov may look like modern day Brezhnev, and he does look like, for all practical purposes, with all those orders that he puts on his own jacket, and he acts exactly the same way the general secretary did back in the '80s except he's a very small general secretary.

So it's the awakening of the people to the fact that there's nothing really to be afraid of the way they had to be afraid of very valid reasons back in the Soviet Union days. And it is people realizing that the world has become a very different place from what they thought it is, that we're going to rely on. The driving force of the change will be domestic. What we need from the outside is understanding of the fact that, first, this change is inevitable and obvious, and second, rather than being damaging either regionally or globally, it is

actually going to be very good for both the immediate region around Turkmenistan, and the rest of the globe.

Q: Wayne Merry, the American Foreign Policy Council. In very concrete terms, what would you have the United States government, including the Congress, do and not do in the next six months?

MR. SHEIKMURADOV (Translated): As far as the bilateral relations between the U.S. and Turkmenistan are concerned, yes, there are formal relations between the two countries and there's a lot of respectability -- a mutual respect between them. However, Mr. Niyazov has done and has succeeded at that everything he could to make sure there is no substance. There's no practical substance to these relations.

DR. OLCOTT: I'll take two more questions. I'm sorry. I apologize.

TRANSLATOR: I think that more realism on behalf of the United States would be very appropriate and I think it would do very well. The United States would do very well discarding its fear of the domino effect. I think that the moment of truth has come and I think it's now important to see whether words are going to be -- because they never have until now be backed up with real action.

Rumsfeld offered some technical assistance yesterday to Niyazov during their meeting according to the news agency that reported this meeting and also offered some very specific assistance in terms of border control and Niyazov as he is in the habit of doing just kept nodding his head, saying yes and there's never really been any action and if he does take up the U.S. on this offer and does do something specific about it that is good, although my previous experience says that most likely this is where it will stop, just polite nodding of the head.

Like I said, it could be very helpful if the United States stopped being afraid of some domino effect and became more realistic about Niyazov and what his government is doing.

Q: (Speaking in Russian.)

DR. OLCOTT: Do you want to translate the question please?

TRANSLATOR: Yes, I'm trying.

DR. OLCOTT: Sorry.

TRANSLATOR: I'm trying to understand. What is your view of the latest dynamics among the countries that are adjacent to the Caspian Sea, especially in the light of the recent summit?

MR. SHEIKMURADOV (Translated): I believe that the Ashgabad summit has done a lot of damage to the quest for a new Caspian Sea regime -- for quest for a new Caspian Sea regime.

I believe what happened is that experts were able to agree on some kind of an understanding regarding a future regime for the Caspian Sea and then this summit took place which failed to reach any agreements whatsoever and even worse than that, besides -- opponents to the summit voiced their disagreement in fairly strong terms and I think that not only the future regime of the Caspian Sea has been damaged by this summit, but the general dynamics of the Caspian countries.

There have been some cynical assessments over the summit to the effect that all the participants in the summit except for Niyazov have actually stood to gain from the summit. Iran was happy that Turkmenistan didn't join the other four. Azerbaijan managed to keep its operations in the middle of the Caspian Sea and Russia and Kazakhstan also apparently got what they wanted, so the only loser according to this cynical assessment is Niyazov himself. However, I think the failure of the summit is much more profound. I think that everybody left with this Nazarbayev style conviction that, in fact, there are many more problems in the Caspian and around the Caspian Sea that all the parties to the summit originally thought they were.

I think that what's important also is that all the participants in the summit realize that it's Niyazov's responsibility that the problem cannot be resolved. I don't think it's one of those problems that cannot be resolved at all. I actually think it can be resolved in a fairly short period of time because all the parties except for Niyazov basically agree on the most important thing regarding the Caspian Sea, however, Niyazov's political stupidity and short-sightedness are keeping him from being realistic in approaching the Caspian issues in a realistic way and therefore for as long as Niyazov is at the helm of Turkmenistan, the Caspian problem will remain unsolvable, even though it can be solved fairly easily.

DR. OLCOTT: Andy, last question.

Q Andrew Kuchins, Carnegie Endowment: Thanks, Martha and thank you very much Mr. Sheikmuradov for a very enlightening, depressing, but somewhat hopeful presentation. I have a brief two-part question. You mentioned Brezhnev and Chernenko, comparing Mr. Niyazov to both of them. For many in this audience when we think of Brezhnev and Chernenko we think of very sick and feeble leaders and in fact if Mr. Niyazov is to be compared to Chernenko maybe that's not so bad since he won't be with us for too long.

What can you tell us about the health of Mr. Niyazov? And related to that, if Mr. Niyazov has a sense of his mortality, is he taking any active measures to secure a succession?

MR. SHEIKMURADOV (Translated): As far as his sanity, I actually believe that a serious competency hearing is in order because reactions he has offered and behaviors he has displayed are indicative of him being somewhat inadequate, someone not quite aware of what is going on.

As far as his physical health, as far as my information when I was fairly close to him, he's not a very healthy individual. He has quite a few problems. Circulation problems, which is of course a key factor if one is to have good blood supply to his brain function.

I know that this may sound like a joke but I wasn't really intending it as a joke. He does have a serious circulation problem and he's the kind of person who doesn't take his problems, medical problems seriously. He generally ignores doctor's orders. He's particularly dangerous on Mondays after spending a weekend on his own. His mind comes up with all kinds of weird and crazy ideas that he publishes on Mondays. By Tuesday, he often has recovered enough and sane enough to start even regretting what he started doing on Monday, but actually many of his schemes -- many of his undertakings began on a Monday.

Niyazov has inherited from the Soviet times this habit of many Soviet leaders who viewed alcohol and uncontrolled consumption thereof as a foreign policy tool and a domestic policy tool as well and Niyazov has in fact practiced this tool on many a foreign leader and many foreign representatives. I am sorry that Mr. Collins left because he would be in a position to testify in that regard.

For succession, succession is something he doesn't have to worry about and according to him because he has publicly stated that he plans to be around for at least another three decades. He doesn't have to worry about the future of Turkmenistan being guaranteed by someone else because he will be around to take care of that. He said that he would consider in earnest whether or not to have elections in the year 2010, but generally succession is not an issue with him because he doesn't have to worry about it.

I was in attendance once when Niyazov was meeting with the head of a decent size state who asked him how long Niyazov that is is planning to hold his job and he said -- Niyazov said, I think I'll hold elections in 2010 and probably after that I will retire and do something for fun and this head of state asked him, did I hear you right? Do you actually mean 2010? And Niyazov said, you know, time flies so quickly, it'll be 2010 in no time. He said I've been running this country for almost 15 years and I've barely noticed it.

DR. OLCOTT: I want to thank you for sharing with us today both your presentation and your frank answers to the whole wide range of questions you were asked. Thank you so much.

MR. SHEIKMURAZOV. Thank you.

[END OF EVENT.]