

# “Turning the Page” in U.S.-Turkmenistan Relations

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Martha, thank you. And thanks to everyone for coming out this morning.

And I should say thanks, too, to the Carnegie Endowment for hosting me. Martha has built here at Carnegie one of the great programs in the world on Central Asia. And in Washington, at least, Carnegie has become a center of intelligent discussion and debate on a region that, quite frankly, engenders too little of either.

But Central Asia is important to American interests. And it's important, in part, because it is a microcosm of eight or nine critical issues that are of enormous consequence to American foreign policy:

- Russia resurgent and assertive in its neighborhood;
- China's emerging regional and global footprint;
- Iran's influence in its region and around the world;
- energy security at a time of high prices and expanding global demand;
- democracy promotion among governments and elites who—let's be candid—do not exactly share our enthusiasm;
- the future of Afghanistan;
- debates about, and within, Islam;
- the challenge of transnational terrorism; and
- economic development amidst sometimes crushing poverty.

All of these things are important to the United States. And they come together in Central Asia in complex, and often very interesting, ways. Indeed, most of these issues come together in Turkmenistan in complex and interesting ways. And so perhaps that's why a country like Turkmenistan generates so much newsprint and chatter.

Turkmenistan is a small country that stirs large interest. And it is, lately, the subject of a thousand articles, a thousand seminars, a thousand web postings, and about a thousand clichés. It's been nine months now since President Niyazov died unexpectedly on December 21. And we are nine months into a very intensive period of U.S.-Turkmen diplomacy and engagement.

So I welcome the invitation to come here, to Carnegie, to talk a bit about this period of intensive engagement and about our effort to, as Secretary Rice has put it, “turn the page” in U.S.-Turkmen relations. Now, this morning I'm going to talk, first, about our interests and objectives. I'm going to talk about the four underlying premises that have governed U.S. policy for the last nine months.

I'm going to describe to you our tremendously active diplomacy during this period, and I should tell you at the outset that we have sent no less than fifteen Executive Branch delegations, at both senior and working levels, to Turkmenistan since December 21.

But, above all, I'm going to talk about our effort to help Turkmenistan and its people seize some powerful opportunities in today's world. So let me start with some essential background:

Turkmenistan is, as I said, a small country that engenders large debate in the United States. But that debate tends to hinge on some caricatures that dominate the headlines.

For me, two caricatures, in particular, stand out:

The first is Turkmenistan as geopolitical "chessboard," and what could possibly be more simplistic?

I'm an active reader of international media coverage of Turkmenistan, and, by my reckoning, at least, in the last sixteen weeks alone, the United States has "lost" Turkmenistan to Russia, "regained" Turkmenistan from Russia, "lost" Turkmenistan anew to Russia, and now, in the latest twist, Russia, we are told, appears to be "losing" Turkmenistan to China.

It's exhausting just trying to keep up. It leaves the reader breathless. And frankly, it's all a bit ridiculous — not because there isn't competition in international politics, or because there isn't cutthroat competition in international oil and gas markets. Of course there is.

The reason it's ridiculous is that Turkmenistan is not "ours"—or anyone else's—to "win" or "lose." And we, and for that matter the other major external powers, should be mindful of that. Turkmenistan is a country whose people have aspirations and hopes.

They are not the passive receptacles of the wily strategies of outside powers. Like all Central Asian countries, their interests, goals, and motives are their own.

And while Turkmenistan's government operates within obvious strategic and economic constraints—and sometimes comes under considerable pressure from external forces—Turkmen fiercely defend their independence. Indeed, despite internal cleavages across tribe and region, this country has, at some critical moments, demonstrated remarkable skill at turning Great Power rivalry into an asset that maximizes its independence.

Now, a second caricature is of Turkmenistan as a kind of Central Asian or post-Soviet "Disneyland." In fact, *Der Spiegel* once headlined an article about the place with the very phrase "Stalin's Disneyland" — a cartoonish world of gold statues, deep curiosities, and even deeper intrigues.

Turkmenistan is indeed a unique place. But the cartoon trivializes those things that our persistence has enabled us to do. We run real programs there. And these programs of cooperation make a tangible—and lasting—difference in the lives of the Turkmen people.

There is, for example, the Peace Corps, whose more than 300 volunteers in Turkmenistan since 1992 have been a window to the world for many Turkmen. There is our Future Leaders Exchange, or "FLEX," program, which brings as many as 65 Turkmen high school students to the United States each year, and has brought 630 since 1993.

There is our program with Counterpart International that promotes participatory decision-making among citizens at the community level. There is our Junior Achievement program, which teaches market economics to secondary school students.

There are the Turkmen students and scholars who participate in our university and Fulbright programs, or who attend the American University of Central Asia. And there is our Community Connections program, which provides exchange opportunities here in the United States to community, business, and local leaders from Turkmenistan.

In short, we are deeply engaged with the Turkmen people. A recent article in the South China Morning Post called Turkmenistan the “North Korea” of Central Asia. But Turkmenistan is not North Korea: Gold statues of the former leader aside, we have a presence, we run programs, and we have the opportunity to make a real difference in people’s lives.

But the nature, scope, and pace of our engagement with Turkmenistan have changed demonstrably over the past nine months. And so nine months into President Berdimuhamedov’s Administration, we base American policy not on caricatures but on a thoughtful exposition of American interests.

We believe there are possibilities for U.S.-Turkmen relations that, quite simply, did not exist on December 21st, and we are engaged in an intensive conversation with the Government of Turkmenistan about those possibilities.

Above all, we believe we can help Turkmenistan and its people to seize some powerful opportunities in today’s world: opportunities to trade, to travel, to teach and to learn, to exchange ideas, to participate in the international system, to reconnect to the international economy, to attract foreign investment, and to participate actively in the social, economic, and, yes, the political life of their country.

So very quietly, very strategically, and very far away from the prying view of all those screaming headlines, we have worked to establish a new relationship with a new Turkmen Government over the past nine months.

Here is what we have told them: We seek a stable, democratic, and prosperous Turkmenistan. We seek a Turkmenistan integrated into its region and the world, including the international economy. We seek a Turkmenistan that subscribes, and adheres, to international norms. And we seek a Turkmenistan that cooperates with the United States and our partners to seize the powerful opportunities I just talked about.

Our effort has been based on four central premises: The first central premise is that we need to focus on Turkmenistan in, and for, itself: we do not see it as a surrogate in some larger geopolitical contest. Turkmenistan is an independent state.

We believe it should make its own strategic choices. We believe it has freedom of action. And we believe it should feel secure enough to seek opportunities, including economic opportunities, in all four directions on the compass.

Our second central premise is that U.S.-Turkmen relations were by no means, and by no measure, all they could—and should—have been between 1991 and 2006. And by that, I mean that our relations did not live up to their potential. There is a lot of potential in the Turkmen people, and thus in this relationship. But we failed to live up to it, in large part because of conscious policy decisions that President Niyazov made during those years, not least about human rights.

We all know Saparmurat Niyazov slowly closed his country to the world. We all know the President during those years backed away from economic reforms that would have encouraged foreign investment. We all know compulsory education for children was reduced to just nine years.

We all know foreign university degrees were not recognized. We all know the amount of time spent studying Niyazov’s book, the Rukhnama, was increased at the expense of traditional subjects. We all know about Niyazov’s cult of personality. We all know about violations of human rights. We all know that ministers and Government officials rarely obtained permission to travel abroad, much less build connections to the world.

And we all know that many talented and educated Turkmen, who could have played a positive role in reforming the country, simply left. And so, in part, because of those choices that were made up to December 21<sup>st</sup>, 2006, our relationship could be characterized as incomplete. In some

areas, we had built a track-record of shared success, and both the United States and Turkmenistan took justifiable pride in those joint successes.

These included the following:

- cooperation on border protection and customs;
- cooperation in countering the spread of narcotics;
- cooperation on nonproliferation and in countering the spread of weapons of mass destruction; and of course
- extensive coordination on Afghanistan.

Indeed, within just seven months of September 11<sup>th</sup>, 165,000 metric tons of food and other goods had been shipped by the World Food Program into Afghanistan, 80 percent of which was funded by the U.S. Government. And at one point, in mid-2002, around 40 percent of the food aid entering Afghanistan transited Turkmenistan.

In other areas, we had had some success, but had not realized the full potential of that cooperation. In this category I include things like education and trade:

Turkmen students and scholars had participated in programs, such as FLEX and Fulbright, but the possibilities never remotely approached the demand. And the same was true of American investment into Turkmenistan. Finally, we had had some profound differences, not least on human rights, including freedom of movement, religious freedom, and both civic and political rights.

And so the second central premise of our effort has been that the relationship from 1991-2006 was not all it can—and should—have been. But we seek to make it so.

And so our third central premise is that possibilities now exist for change in Turkmenistan, and in the U.S.-Turkmen relationship. Since December, we have worked intensively with our Turkmen colleagues to do just that. We seek to build on our shared record of success, to enhance cooperation in those areas that did not live up to full potential, and to promote reforms and changes that might, ultimately, help to narrow our differences.

Our fourth central premise, therefore, is to be realistic about these possibilities. And I don't want to overstate the prospects for change, or to exaggerate what has happened in Turkmenistan since December.

But neither should we understate these possibilities. It's the job of diplomats to leverage the potential for positive change, whenever it exists. And frankly, it's the job of all of us who care about Turkmenistan to do the same in our respective areas of focus, whether it is business and investment, educational exchanges, or human rights.

So those are the four central premises that have guided American policy since December 21:

- We firmly support Turkmenistan's independence.
- We want to work with Turkmenistan to alter the stunted relationship we had from 2001 to 2006.
- We see some exciting possibilities for change.
- But we also are realistic about those possibilities.

Now, as I said at the outset of my remarks, we have been incredibly busy since December. And the pace and scope of that engagement were simply unimaginable in 2006.

We have sent no less than fifteen Executive Branch delegations to Turkmenistan at both senior and working levels, and these visitors have represented every area of our relationship. In fact, if you include recent visits to Ashgabat by the independent U.S. Commission on International Religious Freedom, as well as Congressional member and staff delegations, we have had eighteen U.S. delegations visit Turkmenistan in just nine months.

We are grateful to the Government of Turkmenistan for welcoming these delegations. We're pleased by a new openness and willingness to discuss all bilateral issues of interest. And we are especially pleased that the Government of Turkmenistan has welcomed discussion of issues, such as religious freedom, that previously were taboo.

Indeed, President Berdimuhamedov personally met with commissioners and staff of the U.S. Commission on International Religious Freedom. And I believe he is the first foreign head of state ever to do so.

Let me just briefly describe how all this came about, as well as the results thus far and our hopes for the future.

When President Niyazov died suddenly on December 21, the United States had a decision to make. Some urged us to do nothing, recommending that we simply wait and watch. Some urged us to set elaborate preconditions to engagement, or to make an array of unilateral demands of the new Turkmen leadership. For her part, Secretary Rice chose to try influence the direction of the new Government. She sought to make clear our expectations, but also to move our relations in a new and more productive direction.

She dispatched my boss, Assistant Secretary Richard Boucher, to attend Niyazov's funeral. And she did this not just to demonstrate that the United States has an interest in Turkmenistan's future, but also to demonstrate that we were prepared to reinvigorate the relationship — if Turkmenistan was prepared to respond.

To make that message clear, the Secretary released a public message in which she expressed the hope that we could "turn a page" in our relationship.

Assistant Secretary Boucher gave up his Christmas holiday to make this visit, and to deliver that message. And so his visit demonstrated, both symbolically and substantively, our interest in a new engagement. I followed up in Ashgabat just two weeks later, spending nearly four hours with Foreign Minister Meredov discussing a detailed and comprehensive message of U.S. interest in improved relations.

We agreed that an interagency team of development experts, reflecting every aspect of our relations, would travel to Turkmenistan in late January. They met with thirteen ministries and agencies, and traveled to three of five provinces — an unprecedented level of access.

And Boucher attended the inauguration of the new President in February.

President Berdimuhamedov agreed to host delegations from the United States in five key areas:

- economics and agriculture;
- democracy and human rights;
- education;
- security; and
- energy.

At Berdimuhamedov's request, we seek to expand our efforts on public health. And we have also expanded our interchange on regional cooperation and Afghanistan.

Now, throughout this period, and during the political process that led to President Berdimuhamedov's assumption of the presidency, we encouraged the first hints of reform in education, health care, and pensions. We are intrigued, therefore, by some of what has happened. And so let me just give you a sense of those initial results, and the way forward in each of these main areas.

First, economics. We continue to push for reform of state control mechanisms and of a restrictive currency exchange system. Both have created a difficult climate for foreign direct investment.

Why does the U.S. Government care about this? We care precisely because we know trade is a vehicle that can sustain growth, expand wealth, and broaden opportunity and partnership.

But to attract international business, Turkmenistan needs to do its part to establish an economic environment that increases transparency, expands the rule of law, and protects property. Corruption, excessive tax burdens, ambiguous regulations, and dual exchange rates all discourage investment. The good news is that Turkmenistan has expressed clear interest in expanding our efforts in this area.

And so we have dispatched several teams to address these issues directly. In July, the delegation we agreed upon with President Berdimuhamedov traveled to Ashgabat, Mary, and Dashoguz provinces. A technical team from the Treasury Department has discussed banking and financial reforms, and also intellectual property rights. And Dan Sullivan, our Assistant Secretary of State for Economic Affairs, has also visited.

For its part, Turkmenistan has asked for our assistance in developing small and medium-sized enterprises. It has asked for assistance with privatization issues, diversification of its economy, anti-money laundering training, expanded agricultural cooperation, and assistance with the dual exchange rate. So we have a rich agenda in this area.

Second, democracy and human rights. Our Turkmen colleagues know this is of elemental concern to the United States. We discuss it at nearly every meeting, and we have discussed it very frankly indeed.

As agreed with the President, we are preparing to send a delegation focused on democracy and human rights to Turkmenistan. We are encouraged by the new openness to dialogue, including on religious freedom. We welcome the release of eleven political prisoners, including the former Chief Mufti.

We are intrigued by the creation of the Commission for Democracy and Human Rights.

And we welcome steps that have facilitated freedom of movement for Turkmenistan's citizens. The Turkmen Government well knows our concerns. These include religious freedom for both registered and unregistered religious groups; the conduct of electoral contests that meet their international commitments; greater space and scope for civil society; and conditions in Turkmenistan's prisons.

We encourage Turkmenistan to work closely with the international community, including the International Committee of the Red Cross and the OSCE. We want to see international and local non-governmental organizations able to operate.

We hope the Turkmen Government will have the confidence to allow in journalists, will tell its story to the world, and will also allow its citizens much greater access to international information. Indeed, we are encouraged by President Berdimuhamedov's own strong interest in the Internet.

And I should add that we have discussed the possibility of concrete U.S. technical assistance — for instance, with the reform of legislation and laws.

Third, education. No area will be as important to Turkmenistan's future. And we have begun to see changes in this area: a return in compulsory education to ten years; restoration of banned subjects to the curriculum; and recognition of foreign university degrees.

We particularly welcome the Government's initiative to develop a scholarship program, modeled on Kazakhstan's "Bolashak" program, for students to attend U.S. universities. Turkmenistan has asked for more slots in U.S. educational programs. It has invited the United States to send scholars and professors to teach in the country's institutes of higher learning.

We want to increase our assistance with teacher training and ultimately curriculum development. And we are particularly proud of our American Center in Ashgabat, and our American Corners in Dashoguz, Turkmenabat, and, we trust, soon in Turkmenbashi and Balkanabat. Through an education delegation we sent to Turkmenistan in May, we are working to make these and other concrete ideas into reality.

Fourth, regional cooperation. The United States seeks to help Central Asian countries connect with one another, and with neighbors in every direction on the compass, including to the south. It was important, then, that Minister of Economy and Finance Geldimyradov attended the U.S.-Central Asia Trade and Investment Framework Agreement, or "TIFA," meeting here in July and demonstrated a new commitment to participate in regional efforts.

Turkmenistan already is making an important contribution in Afghanistan: It provides a significant part of the diesel fuel necessary to run Kabul's generators. It is viewed as the most reliable electricity supplier that keeps the lights on in Herat and Andakoy.

It is working with us to improve border crossings that can stop illicit trade but also facilitate legitimate commerce. We have built several of these crossings, including the Imamnazar crossing with Afghanistan that opened in August.

And there are other benefits, too, that greater Turkmen participation can bring to the region: Turkmenistan, for instance, has offered to provide additional electricity to help power the northern grid down to Kabul. It has offered to provide winter power to Tajikistan, and has stated an interest in selling electricity to Pakistan, whose demand is projected to more than double by 2015.

Such plans would re-establish the country's place in an integrated Central Asian electricity system. And these Turkmen steps fit particularly well with our own U.S. efforts to promote cooperation in Central Asia, and into South Asia through a reopened and rebuilding Afghanistan.

Fifth, security. You might have read in The New York Times that Admiral Fallon, the Combatant Commander of CENTCOM, visited Turkmenistan in June. We are working on increasing military-to-military cooperation, as well as joint training.

We hope to increase the number of visits of Turkmen military officials here, and U.S. military officials to Turkmenistan. And we are especially proud of our joint cooperation in the international effort in Afghanistan.

Sixth, energy. Turkmenistan has one of the largest reserves of natural gas in the world. But developing it will be costly because the next phases will be technically challenging. Still, this potential wealth will be immensely important for the people of Turkmenistan. Just look at Azerbaijan or Kazakhstan and you can see what increased energy exports and smart investment policies can mean for a country's prosperity.

So to tap and transport its energy resources, Turkmenistan would benefit enormously from the technology Western firms can bring. And we hope its government will be open to private sector

help, not just in production but also for avenues of transport, because, in the long-run, partnering with Western firms will be by far the most profitable choice for Turkmenistan.

My colleague, Steve Mann, recently led a delegation, with the Department of Energy and the U.S. Trade and Development Agency, to discuss the energy sector.

And later this month, a high-level Turkmen delegation to Washington and Houston will meet with U.S. officials and the private sector, including experts in the negotiation of contracts, on which the Turkmen have asked for U.S. assistance.

There is much else that is afoot, and much that is possible if, as I said, Turkmenistan is prepared to join us in "turning the page."

We've made a good start. And later this month, Secretary Rice will meet, for the first time, with President Berdimuhamedov in New York. It's an opportunity to talk about where we were, are, and are headed. It's an opportunity to discuss our cooperation, as well as our concerns and differences. And it's an opportunity to explore new cooperation in the months and years ahead.

We're looking to expand these opportunities, and have invited the ministers of foreign affairs, education, and health to the United States, as well as the Mayor of Ashgabat, with whom we hope to explore cooperation on local government and to reinvigorate sister-city relations with Albuquerque, New Mexico.

So let me end with Secretary Rice's December message to the Turkmen people:

Our sincere hope is that we can "turn a page in our relations to advance a stable, democratic, and prosperous future for Turkmenistan."

We are optimistic realists. We will never—never—turn a blind eye to problems, but we do see the possibility of change. And if a reforming Turkmenistan can emerge as a success story in its region, we want to be a part of that transformation.

Thank you.