



## Kazakhstan and the United States in a Changed World

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### Remarks as prepared for delivery

Thank you very much, Maulen. And thank you all for the opportunity to join so many friends in this beautiful city of Almaty.

I've been Deputy Assistant Secretary of State for Central Asia for just over a month. A short time by any standard. Shorter still in a region so rich in history. But it's long enough, I hope, to help frame some of the challenges Kazakhstan and the United States face at this moment of vast global opportunity and change.

I want to talk about three things:

- the world in which we find ourselves;
- the opportunities this presents for Kazakhstan and Central Asia; and
- some of the ways in which the United States hopes to help realize these opportunities.

Let me begin with our rapidly changing world.

This year, we mark twin anniversaries: the fifteenth anniversary of Kazakhstan's independence and the fifteenth anniversary of the end of the Cold War. Put differently: the history of independent Kazakhstan has coincided precisely with a period of ferment and struggle, discussion and debate: a period in which many of the pillars that, for fifty years, defined the international system have fallen away.

How different the world is.

When Kazakhstan achieved its independence, Kazakhstanis and Americans lived in a world shaped (and scarred) by the Cold War. Defined by superpower competition, titanic ideological struggles among the powers, and "proxy" wars among competing blocs of states.

With the end of the Cold War, what remained were the more hopeful pillars of an earlier time, built in the 1940s out of the ashes of a terrible world war.

This is the prevailing architecture of today's international system. The United Nations. The "Bretton Woods" institutions: institutions such as the World Bank and International Monetary Fund. And of course alliances, such as NATO, whose roots also stretch back to the late 1940s.

But the world of 2006 is, quite simply, not the world of 1946. Our world is changing in dramatic and important ways.

For one thing, for the first time in more than two centuries, the major powers of the world are largely at peace with one another. This is a remarkable development — an opportunity, as President Bush has said, "to build a world where the Great Powers compete in peace instead of prepare for war." It has become fashionable, especially among observers of this region, to speak of a revival of the nineteenth century "Great Game." But the United States maintains productive relations with every major power: Japan, China, India, Russia, the European Union, and others. And these states, in many cases, are remaking their relations with one another.

We seek a Central Asia in which there will be broad opportunities and choices for all, assisting in accelerating economic development and addressing the region's security concerns.

For the United States, this means, above all, that we do not view our relations with Central Asia—or with the major powers, more broadly—in zero-sum terms. And much like Kazakhstan, with its skillful "multivector" foreign policy, we seek strong and productive relations with all of them.

Of course, we are hardly complacent about this opportunity. We can't afford to be. We understand well the powerful legacy of perception, emotion, and history. And we know, too, that the potential for large-scale conflict remains, for instance in the Taiwan Strait.

But at a global level, the major powers are forging more complex—and peaceable—relations than ever before.

And in Central Asia, while elements of competition certainly remain, we view Kazakhstan—and other strong, sovereign, independent republics—as our primary partners.

Indeed, what we have seen over the past fifteen years in Central Asia is that the newly independent states of the region have been remarkably successful in turning the machinations of major powers into assets to benefit their interests and provide a balance that maximizes their independence. From an American perspective, then, you are the focus of U.S. policy as independent, fully sovereign nations with international responsibilities.

Because on more issues than ever before, Central Asians and Americans find themselves on the same side.

Globalization has brought Americans, Central Asians, Europeans, and hundreds of millions of others a higher standard of living. The ability to bridge distances. A greater choice in what we buy and do.

But while globalization ties us together for trading goods and knowledge, it also is a conduit for the spread of disease, crime, terrorism, drugs, the proliferation of dangerous weapons, and trafficking in men, women, and children.

No-one knows this better than the people of this region.

And what is no less clear is that transnational issues demand multinational responses. Terrorists operate in almost every country. There is simply no way the United States working alone—or Kazakhstan, Tajikistan, Russia, India, or China working alone—can be present everywhere and at all times to fight it.

For all of us, then—for Kazakhstanis, for Americans, and others—our challenge is to define new patterns of cooperation: supporting, sustaining, and adapting the international system to the new challenges of this new era.

In its essentials, this means adapting the architecture I described earlier—the architecture established for the world of 1946—to the new challenges of 2006. And it puts a special burden of responsibility on the peoples of Asia—east, south, and central—to translate their growing power into new opportunities.

In 1946, who could have imagined that Kazakhstan and other new nations astride the Caspian Sea—landlocked, removed by thousands of miles from the nearest seaports—would supply oil and gas to consumers from Malmö to Madrid? Who could have imagined that China and India would be among the world's fastest-growing economies? Or that East and South Asia would be among the world's leaders in biotechnology, nanotechnology and software engineering?

Today, Kazakhstan and Central Asia—nations oriented for more than a century to the north and west—lie astride the world's most dynamic economic regions to your east and south.

Kazakhstan and its neighbors are poised to seize unprecedented economic opportunities: opportunities that for centuries made this region a crossroads but which, for much of the 20th century, lay beyond reach.

The collapse of the Soviet Union created borders where none had existed, divided families from communities, and separated water from farmers and fields.

But while some international borders rose, others fell.

And the ability to cross borders since 1991—to cross from Central Asia to points in Afghanistan, China, and beyond—represents an unprecedented opportunity to tap into the extraordinary economic dynamism that now surrounds the greater Central Asian region.

For Central Asia, this promise is best achieved to the degree that governments and peoples think and act as an integrated region. Reducing barriers and moving toward the long-term goal of becoming a single market will benefit consumers, make this region more attractive to foreign investors, and forge new patterns of cooperation.

This, then, is the core of American policy in this region: to support your development as fully sovereign, democratic, stable and prosperous nations, contributing to regional stability and the global war on terrorism and potentially serving as models of ethnic and religious tolerance.

We seek to work in multiple areas simultaneously: To assure security. To promote economic change, including the advancement of regional integration and cooperation. And of course to promote democratic reform.

We seek to work with Kazakhstan and its neighbors. To assure multiple options and new opportunities in every direction on the compass: east, west, north, and south.

Our policy is not "anti-" anyone. Nor is it focused in any single direction to the exclusion of any other.

Rather, as Secretary Rice has said, it is to give impetus to a "corridor of reform" extending southward to Afghanistan and the Indian Ocean, even as the region's ties expand eastward to China, Japan, Korea, and the Pacific Rim.

And while looking for these new opportunities to the south, the United States firmly supports maintaining and expanding Central Asia's robust ties to the Euro-Atlantic community, not least through institutions such as NATO and the Organization for Security and Cooperation in Europe.

In short, our policy has these components:

We are deeply committed to this region, and are committed for the long-haul.

We take a multidimensional approach, working on security, economics and democracy simultaneously but working, too, across the seams of these issues: promoting the rule of law is not simply a matter of better governance and democratic development but of a more attractive economic and investment climate; no company will invest where the rule of law is lacking, where contracts are not sacred, and where a firm has uncertain means of legal redress in the event of a contractual dispute.

We are, as I said, promoting options and opportunities omni-directionally but increasingly to the south — the least developed direction.

And we put Central Asians themselves at the center of our approach.

Of course, Kazakhstan will have a growing role in all of this. Its expanding economy and mounting funds for investment suggest enormous possibilities.

Our two countries share an interest in the free movement of energy, people, goods, and information from the Kazakh steppes to the sea, including the seaports of the Indian Ocean. And we want not merely to support economic development along this north-south axis, but also to afford Afghanistan access to a wider world, thus becoming a bridge where once it was a barrier.

In this vision, the United States wants to be the convener. A facilitator. An engine for change. We want to help pry open physical and diplomatic bottlenecks.

We look forward to undertaking a strategic dialogue on regional cooperation and economic integration with the countries of the region later this year.

We will work with multilateral institutions, such as the Asian Development Bank, EBRD, and the World Bank, along with national governments and the private sector.

We are making progress in transportation, energy, telecommunications, and trade.

The U.S.-funded \$36 million Afghan-Tajik Bridge is scheduled to open next year. We are assisting with construction of customs and border crossing facilities throughout the region. We are making progress on rehabilitation of the Afghan energy grid, and hope to lay the foundations for export of electricity from Tajikistan to Afghanistan. In June, the U.S. Trade and Development Agency-sponsored Central Asian Power Sector Forum brought together all governments in the region, including Kazakhstan, as well as the private sector, to explore specific projects for Central and South Asian energy trading. We are seeking to reduce trade and investment barriers through a U.S.-Central Asia Trade and Investment Framework Agreement and through technical assistance.

What, then, is the way ahead?

The United States and Kazakhstan enjoy a vigorous strategic partnership with a constant stream of high-level visitors. Energy Secretary Bodman met with President Nazarbayev and Energy Minister Izmukhambetov in March. Vice President Cheney met President Nazarbayev in May. Secretary Rice saw Foreign Minister Tokayev on July 6. And Agriculture Secretary Johanns led an agricultural trade mission here in July.

We expect this trend to continue.

We are working closely to assure security, assisting Kazakhstan to combat threats arising from narco-trafficking, terrorism, and smuggling of all contraband, including weapons of mass destruction, by building up Kazakhstan's rapid reaction capabilities.

The U.S.-funded border security training program donated three patrol boats to the Maritime Border Guards. Our security assistance programs enable the refurbishment of facilities at the Maritime Academy in Aktau. And we maintain a robust program of engagement to ensure Kazakhstan the capability to monitor and manage its land and sea borders. Kazakhstan is also acquiring with U.S. assistance refurbished Huey helicopters for its rapid reaction forces.

The United States and Kazakhstan have achieved notable successes, too, in the field of nonproliferation. Our Department of Energy helped to decommission the Soviet-era BN-350 reactor and is addressing spent fuel disposition. It has helped Kazakhstan to increase materials protection, accounting, and controls at nuclear facilities. We have eliminated bio-weapons facilities at Stepnogorsk, and helped to employ dozens of former weapons scientists in peaceful, sustainable activities.

We are working closely to develop energy resources for the world market.

Our policy emphasizes best commercial standards and transparency to ensure resources are developed efficiently and for the benefit of the countries concerned.

We have pursued a policy of encouraging multiple pipelines to afford countries of the region options for export of their oil and gas. The completion of the Caspian Pipeline Consortium pipeline from Kazakhstan to Novorossiisk on the Black Sea in Russia, and the inauguration of the Baku-Tbilisi-Ceyhan (BTC) pipeline from Azerbaijan to Turkey, are signal successes of this policy.

Indeed, we are especially proud of the role American firms have played in these endeavors. BTC in particular represents a new environmental, social, and design benchmark for energy transport worldwide. The construction of the South Caucasus Pipeline will bring Azerbaijani natural gas to European markets and, ultimately, Turkmen and Kazakhstani gas may cross the Caspian and share this route.

By assuring multiple pipelines, unfettered by monopolies or geographic chokepoints, our policy is changing the landscape of Eurasia in an important and welcome way.

And then there is trade, which helps to sustain growth, expand wealth and, we believe, lift all boats.

The United States supports membership in the World Trade Organization for all states of Central Asia, although only the Kyrgyz Republic is now a member.

We are collaborating closely with Kazakhstan in its accession efforts and hope to do the same with Tajikistan. Business people tell us that larger regional markets with expanding economies are most likely to attract the investment that can help to sustain further growth and prosperity.

And of special and particular note, an expanding economy—and expanded foreign investment too—require further reform.

In addition to our encouragement of continued economic and commercial reforms, we look to Kazakhstan to make concomitant political reforms that will establish the democratic institutions fundamental to stability and the orderly transfer of power when President Nazarbayev completes his current term in 2013.

Kazakhstan is one of the premier performers in the former Soviet Union on security and energy. And yet it needs to move forward on its democratic reform plans.

After all, Kazakhstan today stands as a model of religious tolerance. Interethnic conflict is largely absent. Rapid economic growth has erased most of the ground lost over the past 15 years. And the country is on the cusp of immense prosperity with the onset of oil production at Kashagan in the next three to four years.

The great challenge ahead is to manage that growth. And to ensure that its benefits accrue to all of Kazakhstan's citizens.

The best guarantor of Kazakhstan's future is a prosperous, stable, and democratic society where all citizens have a stake in the political system.

In short, I believe Kazakhstan's leadership recognizes that economic and political modernization depend on continued political reform if—as we also hope—it is to join the world's fifty most competitive countries over the next decade.

The United States firmly support this goal. We are working actively through our assistance programs to support Kazakhstan's efforts to create a modern, democratic society that affords each individual the opportunity to realize his or her destiny.

And so let me close where I began.

The United States and Kazakhstan have embarked on a promising strategic partnership at a moment of enormous global and regional opportunity. Our relations increasingly benefit the region and world, even as they benefit our two peoples. We are making notable progress in enlarging one another's visions of regional cooperation and integration. And we look forward to seeing the practical fruits of such work in the coming months and years.

Thank you very much.

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