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Kyrgyz Republic



Source: Graphic created by Hannah Fischer at CRS.

Political Background

Government: The Kyrgyz Republic (or “Kyrgyzstan”) gained its independence in 1991 after the fall of the Soviet Union. That same year, the United States established diplomatic relations with the country. Askar Akayev was elected the first president of Kyrgyzstan, and he remained in power until 2005. Revolutions in 2005 and 2010 led to the overthrow of two presidents, including Akayev, and the adoption of a newly drafted constitution in 2010. The 2010 constitution established a hybrid parliamentary system that balances power between the president, prime minister, and legislature. Changes to the constitution in December 2016 transferred power from the president to the legislature and prime minister. Kyrgyzstan is seen by many as hobbled by corruption, regional disputes, and poor economic output.

Recent Elections: Kyrgyzstan held presidential elections on October 15, 2017. The race, which featured more than 50 candidates, resulted in a first round victory for the incumbent party candidate Sooronbai Jeenbekov. Jeenbekov, who recently served as prime minister, was favored to win the race. However, many expected stronger challenges to Jeenbekov’s candidacy, particularly from Respublika party leader Omurebek Babanov. President-elect Jeenbekov is to assume office on December 4, 2017. He is expected to closely follow his predecessor’s agenda, which featured strong political and economic ties to Russia. Although experts point to irregularities in the lead up to the election that may have unfairly aided Jeenbekov’s candidacy, the election process is being hailed by some as a milestone in Kyrgyzstani politics. Analysts view the result as a sign of political maturity, particularly given the country’s recent history and the region’s tradition of autocratic rule.

History: Most of Kyrgyzstan was annexed by Russia in 1876. The Kyrgyz people staged a revolt against the Tsarist Empire in 1916 in which almost one-sixth of the native population was killed. After the Bolshevik Revolution of 1917, the territory of what is now Kyrgyzstan became part of the Soviet Union, first as the Kara-Kyrghyz Autonomous

region (1924), then as the Kyrgyz Autonomous Republic (1926), and finally as the Kyrgyz Republic (1936). During the Soviet era, the Kyrgyz Republic produced agricultural goods and mineral and military products.

Human Rights: According to the Department of State, the most significant human rights problems in Kyrgyzstan include a lack of due process, harassment of local activists, journalists, and nongovernmental organizations (NGOs), and police-driven violence and discrimination against sexual and ethnic minority groups. In 2010, jailed Uzbek activist Azimjon Askarov was sentenced to life in prison; in 2015, he was given a Human Rights Defender Award by the Department of State—a decision that created substantial friction in the U.S.-Kyrgyzstan relationship. The central government appears not to prosecute human rights violators consistently, contributing to the persistence of abuses by security forces and law enforcement. From 2013 to 2016, some Kyrgyz lawmakers pushed for the adoption of a Russian-style “foreign agents law” that would classify many NGOs as foreign agents. Both foreign and domestic critics noted that such a policy would inhibit the growth of Kyrgyzstan’s civil society. The national parliament voted on the law in May 2016 and rejected it 65-46, a move praised by international rights organizations such as Human Rights Watch.

Kyrgyz Republic at a Glance

Land area and geography: Mountainous, with land area 199,951 km² (slightly smaller than South Dakota)

Population: 6.08 million

Ethnicity: 73% Kyrgyz, 15% Uzbek, 6% Russian, 6% other

Religion: 75% Sunni Muslim, 20% Russian Orthodox, 5% other

GDP (2016): \$6.55 billion, per capita GNI is \$3,410 at PPP

Major resources: Gold, rare earth metals, hydropower

Political structure: Hybrid parliamentary system with president (elected to 6 year term, next election in 2023), prime minister, and unicameral legislature (elected to 5-year terms, next legislative elections in 2020)

Political Leaders: President Sooronbai Jeenbekov. Prime Minister Sapar Isakov

Data from U.N., World Bank (2016)

Drug Trafficking: According to reports, about a quarter of the world’s heroin passes through Central Asia—including Osh, a Kyrgyz city—on its way to Russia and Europe. Yet, corruption and limited institutional capacity have hampered Kyrgyz efforts to tackle the drug trade. The United States has provided counternarcotic assistance and equipment to the country’s law enforcement forces. The United States also helped to develop the Kyrgyz State Service for Drug Control, an independent drug enforcement body.

Terrorism: Violent extremism is a major concern in Kyrgyzstan. The country has, in large part, not worked with

the United States on counterterrorism issues, although in 2016 Kyrgyz law enforcement bodies participated in the State Department's Antiterrorism Assistance program. Kyrgyzstan also has taken part in counterterrorism trainings organized by the Organization for Security and Co-operation in Europe and NATO. An estimated 600 Kyrgyz citizens have left the country to join international terrorist groups, such as the Islamic State. But according to some observers, the real number may be higher. The Kyrgyz government recently enacted a law, allowing it to revoke a person's citizenship if he or she is convicted of receiving terrorist training or fighting abroad. The main drivers of radicalization, according to the government, are lack of economic opportunities and the country's minority ethnic groups, especially Uzbeks, feeling marginalized.

Economy

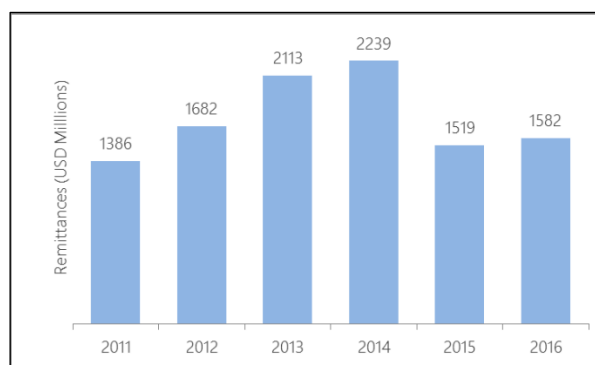
Trade: Kyrgyzstan is one of the poorest countries of Central Asia. Soviet-era infrastructure and state-owned enterprises distort the economy. It possesses minor oil and gas reserves but relies on imports to meet its energy needs. Gold is Kyrgyzstan's main export commodity, making up more than 60% of all exports for 2015. Yet, the gold mining industry is a politically sensitive topic due to profit-sharing disputes between the national government and the Canadian-operated Kumtor Mine which led to the resignation of the country's prime minister in April 2015. In 2016, the government banned the use of foreign currency in all domestic transactions—possibly to make the country less reliant on foreign currencies and to make goods and services more affordable. The new regulation is expected to mainly affect sectors where most dealings were in U.S. dollars or euros, such as the Kyrgyz property market.

Multilateral Organizations: Kyrgyzstan is a member of the World Trade Organization (WTO), as well as the Shanghai Cooperation Organization. In August 2014, Kyrgyzstan joined the Eurasian Economic Union (EAEU) with Russia, Belarus, Kazakhstan, and Armenia and formally became a full member in August 2015. Due in part to its perceived negative impacts on the reexport sector, the EAEU has proven politically controversial in Kyrgyzstan. A WTO member since the 1990s, Kyrgyzstan has fostered a reputation as a relatively liberal trade environment. For this reason, the country has become a regional exchange hub, with many traders earning a living importing and reexporting goods from China. Kyrgyzstan's status as a trade hub may be threatened, however, due to the uniform standards adopted under the Russian-led EAEU. Kyrgyzstan is also seen as a site for potential projects under China's "Belt and Road Initiative," which promotes economic connectivity across three continents.

Economic dependence on Russia: According to official government statistics, imports come mainly from Russia (55%), which sold approximately \$683 million in petroleum to Kyrgyzstan in 2015. By contrast, U.S. total exports to Kyrgyzstan were about \$10.2 million in 2015. Kyrgyzstan also relies heavily on personal remittance payments from Kyrgyz migrant workers in Russia. Although real wages have fallen due to Russia's economic downturn, the EAEU partnership has protected many Kyrgyz migrants from losing their jobs and tighter immigration laws in Russia.

Economic upturn: In July 2017, Kyrgyzstan's year-to-year real GDP growth was 6.9%, according to the World Bank. The uptick resulted largely from the country's gold production, which expanded by 43%. In 2018, the World Bank expects the country's economy to grow by 4.2%. Kyrgyzstan's economic potential is tied to its hydroelectricity and tourism sectors. However, the country's economy faces several challenges, including corruption and weak governance.

Figure 1. Personal Remittances from Russia to Kyrgyzstan



Source: Central Bank of Russia.

Kyrgyzstan Relations

Foreign policy: Kyrgyzstan, like other Central Asian countries, has traditionally rejected foreign powers' efforts to cultivate strong bilateral relations. According to some analysts, nationalism plays a central role in shaping the country's foreign policy, and Kyrgyzstan has historically preferred to balance Russian, Chinese, and Western influences, while maintaining a semblance of independence. Under the Atambayev administration, however, Kyrgyzstan's foreign policy tipped in Russia's direction. It joined the Russian-led EAEU, and Russia canceled \$240 million in Kyrgyz sovereign debt in May 2017. Following the September 11, 2001, terrorist attacks, Kyrgyzstan agreed to the creation of the U.S. Transit Center (formerly Manas Air Base) at Manas International Airport in Bishkek to support U.S. operations in Afghanistan. In 2014, U.S. troops turned over the Center to the Kyrgyz.

U.S. Foreign Assistance: U.S. foreign assistance focuses on strengthening Kyrgyzstan's democratic process, encouraging economic growth, improving governance, and enhancing the security services. The FY2018 U.S. foreign operations assistance request for Kyrgyzstan is \$19.47 million, down from \$46.38 million in FY2016 (actual). Economic Support and Development Funds account for most (77%) of the FY2018 request (\$15 million).

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