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Central Asia and the Caucasus

- Border Delimitation and Separatism
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- Political and Economic Development Trends
COLOR REVOLUTIONS
IN THE CENTRAL ASIAN CONTEXT:
KYRGYZSTAN-UGBEKISTAN-KAZAKHSTAN

Sergey LUZIANIN

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The rapid developments in some of the Central Asian countries—the power change in Kyrgyzstan that took place on 24 March, 2005; the bloodshed in Andijan, Uzbekistan, on 13-14 May, Tashkent’s withdrawal from GUUAM, and other events have brought the problems created by the varied regional processes and policies pursued by Russia, China, the U.S., and the European Union into the limelight.

Color Revolutions
in the CIS as Viewed
by the Expert Community

Today, Color Revolutions in the post-Soviet expanse, Central Asia included, and their prospects have caught the attention of political scientists, historians, and economists. The events of the last two years have widened the field of discussion by adding to it the fairly complicated and sensitive topic of when, how, and in what way the regimes in Central Asia might be renewed. The discussion began even before the Bishkek and Andijan events added new dimensions to the possible options of trans-
formation and democratization of the local states, and of the possible political reforms there. The process was triggered by the deployment of American troops in Uzbekistan, Tajikistan, and Kyrgyzstan and stirred up by the need to ensure the region’s security and develop adequate methods of struggle against terrorism and religious extremism. The need to change political elites was also discussed, albeit in vague and cautious terms. Naturally enough, the change of power in Kyrgyzstan and the events in Uzbekistan added more vigor to the discussion, in which three aspects can be distinguished.

The First Aspect

It relates to the CIS’s future as a whole. The post-Soviet expanse, which in the last two years has witnessed the events in Tbilisi, Kiev, Kishinev, and Bishkek not sanctioned by Moscow, is shrinking rapidly. Centrifugal economic and political trends are gaining momentum before our very eyes. In the future they might destroy the already fragile structure called the Commonwealth of Independent States. There is talk in Russia and abroad about the de facto death of the CIS, the emergence of an informal Georgia-Ukraine-Moldova structure as an alternative to the Kremlin, and of the 6 or 7 states still loyal to Russia. ¹

Whatever the case (either formally and informally), Russia will not benefit from the process. While the Western structures represented by the EU, NATO, OSCE, and the United States are steadily building up their influence and military-political presence in various regions, the CIS included, the Russian leaders either “lose battles” and beat a retreat, or stick to their defenses in the still relatively manageable CIS zones. This naturally poses the question: What is in store for the CIS? Which of the future development options can be discerned today with due account of Russia’s economic and political interests and security considerations?

There are three possible options in the mid- and long-term perspective.

- First, there is the possibility of complete disintegration of the CIS, which can be described as the worst option from the point of view of Russia’s prestige and security. It means that sooner or later the various actors (NATO, the EU, OSCE, and the U.S.) will begin a new round of bidding on re-institutionalization of the CIS expanse, in which Moscow will be forced to take part on an equal footing with the others. With the present worldwide balance of power, the conclusion is foregone.² There is a fairly widely accepted opinion that the CIS is outside the zone of America’s priority interests. But for my part I am convinced that it will spare no efforts or resources to set up an “axis of benevolence,” American-style, on post-Soviet territory. Russia might become its important yet equal member. Its chances of victory, or of a greater role, will depend on many factors, on the post-2008 political and economic situation in the first place.

- Second, the present, “trimmed” Commonwealth might be cemented by the combined resources of Russia and China. In theory, the bilateral and multilateral mechanisms coupled with Beijing’s increasing potential might allow it to extend its “responsibility zone” not only to Central Asia, but also on to the CIS. The options and dates of this extension in the long-term perspective will depend, in particular, on the possible integration of the CSTO, EurAsEC

and SCO into a single structure, which will allow Russia and China to create a new integration expanse between the Belarus borders and China and to obtain more geopolitical and economic advantages in their rivalry with the West.

Strange as it may seem this option echoes the well-known Russian doctrine of a strategic “arc of stability” stretching from Eastern Europe to Xinjiang in China via Central Asia. This option has its obvious faults: it will be dominated by China, while Russia and other CIS members will be left doubting China’s aims—the “Chinese challenge” is the talk of the day around the world. The Russian Federation will hardly risk transforming the CSTO lest its defense be crippled. Today this option can be described as a hypothetical one, while the expert community may merely discuss its individual components—the SCO’s expansion, as well as its possible limited realization in Central Asia at a much later date, say after 2010-2015.

Third, the CIS expanse may be divided into several projects with Moscow’s involvement in each of them, which is not bad at all from Russia’s point of view. Today, we can identify several basic elements which could be used for several cooperation models: Russian-Belorussian cooperation and the relationships in the Russia-Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan) and Russia-the Southern Caucasus (Azerbaijan, Armenia) systems. If realized in the context of complete fragmentation, this option might bring about qualitative and quantitative changes within well-established institutions, such as the CSTO, EurAsEC, GUAM, CAECO, the SES project, etc.

This option is not free of shortcomings either: the CIS’s disintegration (which I mentioned above) might add vigor to the rivalry with the West; besides, this option is primarily limited to economic cooperation. Its advantages, however, are great: it will create geo-economic and regional specialization based on joint projects irrespective of the nature of the local regimes. Indeed, it is very hard today to bring together the integration interests of, say, Belarus and Tajikistan, or Ukraine and Kyrgyzstan within the CIS. The CIS’s subregionalization will impart these interests with geographical meaning and logic. As distinct from the first two options, this one meets the interests of medium and small countries (in Central Asia and outside it) by boosting their role, which will probably remove the still lingering suspicions about Russia’s “imperial designs.” By the same token, the project will diminish the “big brothers’” capacity to manipulate the small republics and give the “former” or “failed” CIS states another lease on life. Full-scale bilateral and subregional cooperation models will most likely appear in the mid-term perspective: Russia-Ukraine, Russia-Georgia, Russia-the Baltic states, Russia-Moldova, and Russia-Turkmenistan.

Even though the options are merely forecasts, each has its own philosophy and methodology in the CIS countries. The first is based on the ideology of “conformism,” which expects American domination in the system of international relations and in the existing or planned regional projects. This approach predominates in Georgia, Ukraine, the Baltic states, and some other post-Soviet countries.

The second option (the Russian-Chinese renovation of the CIS) is very close to the philosophy of alarmism. Today, confrontation between the great powers is developing in an international context which, although it differs from the classical Cold War patterns, is still alive but less obvious. Moscow, Beijing, and Washington are well aware that under the conditions of globalization and integration, the level of political and economic relations between the leading and developing states should be fairly high. The struggle for energy, transport, and other resources may develop into bitter rivalry, especially when national and security interests clash in strategic responsibility zones. Today, the CIS’s territory is the best example of latent confrontation among several powers, including Russia, the U.S., China, and NATO.
The third option (fragmentation) is based on the “cooperative” methodology and is, in fact, an attempt to build relationships on the basis of pragmatic and mutually advantageous cooperation. This means that countries should abandon old ambitious schemes for the sake of new, less ambitious, but much more efficient patterns. So far, pragmatism does not always dominate in political decision-making. In the future, however, it might prove highly promising in the CIS from the point of view of further cooperation and the quest for new resources of Russia’s cooperation with its CIS neighbors.

The Second Aspect

The expert community is obviously trying to analyze the reasons for the Color Revolutions. Today, this community is divided into those who support the idea of “external conspiracy” (Western money, Western PR techniques, and other resources) and those who seek the causes inside the countries. Russian political scientist Stanislav Belkovskiy, for example, belongs to the latter group. He has identified 10 basic factors relating to the Color Revolutions, nine of which are determined by domestic political and economic processes:

1. blocked off vertical mobility;
2. crisis of the regime’s legitimacy;
3. serious contradictions inside the ruling elite;
4. the absence of positive images of the future which the authorities are promising;
5. the presence of an opposition movement as a political entity and its leaders;
6. the unwillingness of the authorities to use force;
7. unresolved regional and ethnic problems;
8. the merging of big bureaucrats and the political elite;
9. outside interest in a change of regime; and
10. crisis as a ‘trigger’.

Belkovskiy uses these factors to enumerate the countries where revolutions are possible: Armenia, Kazakhstan, Uzbekistan, and Tajikistan; according to him, revolutions are probable in Russia and Azerbaijan and “next to improbable” in Belarus and Turkmenistan. Even though this is debatable, the very attempt to systematize the highly contradictory domestic motivations of protest movements in the CIS is welcome.

The Third Aspect

This relates to the radical Islamic movements and the impact of revolutions on a wide range of domestic economic, political, social, and other processes in the Central Asian countries. It was comparatively recently that political science turned its attention to the influence protest movements are

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exerting on the traditional Central Asian structures; many of the trends are only just developing, they have not yet been properly understood and, as a rule, are unfolding in the shadowy spheres of public life. One thing is clear, however: the events in Kyrgyzstan and Uzbekistan gave fresh impetus to the “re-traditionalization” processes. Professor Irina Zviagelskaia has rightly noted that their real and potential consequences (which have already been demonstrated to varying degrees in all the Central Asian states) are highly ambiguous. The current strengthening of clan, family, and neighborhood (mahalla) relations is going on under the impact of social and economic circumstances, rather than in a quest for identity. Prof. Zviagelskaia has written: “All Color Revolutions are triggered by the weakness of the authorities, which is obvious to all of their political rivals waiting to seize the chance as soon as it presents itself. All traditional clan and/or regional groups connected with the opposition are stirred into action in a situation in which the president, while deciding not to run for another term, fails to appoint a successor (this was what Akaev did). All of them move forward to support their power-hungry fellow countrymen.”

The new approaches to interpreting the radical Islamic challenges are equally important. Radical Islam has not left the region. In fact, it has come to stay—the majority of the expert community shares this conviction. At the same time, the extremist organizations—the Islamic Movement of Uzbekistan (IMU), Hizb ut-Tahrir and others—have preserved only part of their transnational agenda aimed at fighting the “world evil.” Today, they are moving away from the “global jihad” idea for the sake of striking root in national soil, consolidating their ranks and, in some places, even entering into a dialog with the authorities. The new tactics, however, have not changed the final aim: Islamic caliphates in Central Asia and removal of the present secular regimes. It is highly important, in this context, to analyze the activities of the Aqramiyya organization, which detached itself from Hizb ut-Tahrir in 1996. Being convinced that the Hizb ut-Tahrir tactics tailored to mid-Eastern conditions could not be successfully applied in Central Asia and that Islamic governance should be local rather than centralized, its leader, a businessman from Andijan Aqram Iuldashev (currently imprisoned) set up a new organization.

Most Russian and Central Asian experts rightly believe that the current political crisis in Uzbekistan and the regime change in Kyrgyzstan are not, in the final analysis, a continuation of democratic peaceful revolutions in Ukraine and Georgia. They are rather the result of clan struggles, the border cases of secular and religious protest movements. This is especially typical of Uzbekistan: the expert community has not yet agreed on whether the Andijan riot was started by Islamic extremists and the local drug mafia or was a social and secular protest exploited by Aqramiyya and other organizations.

There is the opinion that the problem of correlating the Islamic and secular dimensions is a fairly simple one: in the countries where Islam plays a considerable role (such as Uzbekistan and Tajikistan) any protest movement inevitably develops into an Islamic one. This, however, does not reflect the entire spectrum of protest and opposition sentiments and motivations. The events in Uzbekistan clearly demonstrated that, along with the traditional Islamic factor (extremist organizations), they were triggered by acute social problems: dire poverty, a harsh authoritarian regime, and the rigidly structured clan society. As soon as the riot was suppressed, another mechanism—blood feud—came to the fore: President Karimov acquired hundreds and thousands of new enemies who have nothing in com-

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5 Nezavisimaiia gazeta, 23 May, 2005.
8 Ibidem.
mon with the radical Islamic organizations. We can obviously say that there are two simultaneously operating trends—radical Islamic (terrorist) and secular social movements. The boundary between them is vague; the movements tend to merge either deliberately or spontaneously.

The Fourth Aspect

It is important to study how drug trafficking influences the region and the political processes in each of the countries. The drug-related pyramid which has appeared in Central Asia and across the post-Soviet expanse is becoming stronger. As distinct from financial pyramids, this one has a real structure devouring millions of new victims. It is based on the vast poppy fields of Afghanistan, a wide network of drug dealers, and the well-trodden routes crossing Central Asia before they reach Russia and Europe. According to Russian experts, in 2004 up to 430 tons of hard drugs (heroin) crossed the region; about 70 tons of this amount were used in Europe, the rest (350 tons) remained in the CIS, Russia included. There is the opinion that the drug mafia of the South of Kyrgyzstan was behind the regime change in Bishkek. Some members of the expert community believe that the same mechanism was in play in Andijan; this needs further investigation. One thing is clear, however: the shadow economy and drug-related business have at all times pursued their own interests in Central Asia. It would be wrong, however, to look at these developments through the prism of the drug mafia’s interests alone.

The Regime Change in Kyrgyzstan: Domestic and Sub-Regional Dimensions (Uzbekistan, Kazakhstan)

An off-year presidential election was supposed to be held in Kyrgyzstan on 10 July. The pre-election alliance between Acting President Kurmanbek Bakiev and General Felix Kulov stabilized political situation, yet hypothetically events might follow one of possible options.

First, there is an “alarmist forecast” based on the conviction that the “second radicalization wave” mounting in the South will “remove the present leaders,” plunge the country into a civil war, Tajik or any other style, and split Kyrgyzstan, de facto and de jure, into the North and the South. There is the opinion that like President Karzai of Afghanistan, Bakiev controls the Kyrgyz capital and nothing more. There are objective factors of possible radicalization, yet the Tajik option is still far away. The present Kyrgyz leaders have enough resources to preserve the status quo; in fact, Bakiev’s opponents will not profit from destabilization either. The Andijan events forced Bakiev and Kulov to close ranks.

Second, the “authoritarian forecast” (frequently associated with Felix Kulov and his supporters) is based on the opinion that those who favor dictatorship will reap the fruits of instability and disturbances. It should be added that at all times charismatic leaders enjoyed

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11 The article was written before 10 July and could not naturally take into account the results of the off-year presidential election, therefore the individual assessments should be treated as forecasts.—Auth.
immense popularity in Central Asia, therefore Kulov, despite his temporal compromise with the acting president, has a good chance of realizing this option. None of the key political forces, however, wants or needs destabilization.

- Third, the “Islamic forecast” says that radical Islamic forces (Hizb ut-Tahrir) may join the power struggle. Much was said about this during the March 2005 events. Popular political analysts appeared on almost all of Russia’s TV channels to predict an Islamic Revolution and an Islamist march on Bishkek, even though we were obviously watching a secular process of the regime change. It can be said that as distinct from Uzbekistan, the role of the secular opposition in Kyrgyzstan is much more prominent, therefore the events of 24 March in Kyrgyzstan and 12-13 May in Uzbekistan (Andijan) were not identical. Theoretically, the radical Islamic organizations of Kyrgyzstan, especially those based in the south, in the Ferghana Valley, may show much more activity, especially if power becomes completely decentralized.

- Fourth, we are talking about a “constructivist forecast,” which should have come into being after 10 July, 2005 within the framework of legitimate presidential power; in the future, the republic’s constitution might be amended. This option will be to the benefit of all the political forces. The republic might hold a referendum on a new law on parties and political alliances.

This option has its vulnerable spots, partly because the Bakiev-Kulov tandem has failed to agree on the political platform formulated when Akaev was still president. The planned constitutional amendments will give much more power to the premier in the economic and political spheres, ranging from forming the Cabinet of Ministers to appointing, together with the president, heads of local administrations. The head of state will preserve control over the power-wielding structures and foreign ministry. The planned reform will change Kyrgyzstan from a presidential into a parliamentary republic—the option Felix Kulov has always favored. Kurmanbek Bakiev is less enthusiastic about changes—he prefers a gradual process.12

The Bakiev-Kulov tandem is the best option for the country’s political future, yet because of their high political aspirations their union might prove short-lived. The current ratings point to Bakiev as the future president. While Kulov’s personality is his strong side, Bakiev has a strong team of weathered politicians. In April-June he did a lot of preparatory work, therefore the Kulov-premier–Bakiev-president option might prove the best. It is highly important for them to keep their personal political contradictions within limits in order to prevent armed clashes between their supporters. This cannot be excluded, however, because of their southern temperaments and the very special nature of clan relations in the country. Both politicians should, first of all, stay together and avoid the use of force and provocations. The main question is: will new marches on Bishkek be prevented? If not, the presidential election might turn into a counterrevolution that will destroy the results of everything achieved by the present Kyrgyz leaders.

At the first stage, immediately after 24 March, Kazakhstan and Uzbekistan proffered fairly guarded comments. Astana had many things in common with Akaev’s regime, so it took some time to restore trust in the moral-psychological and economic sphere. Tashkent’s position was also far from clear because the relations between the two countries were far from simple, to say the least. Some Russian experts believed that Tashkent might exploit the situation in the south of Kyrgyzstan to consolidate its influence in Kyrgyzstan through the Uzbek diaspora.13 In April, however, both countries extended humanitarian aid to Kyrgyzstan; Kurmanbek Bakiev paid an official visit to Astana, where he met

13 [http://www.saturn-ural.ru/analit/2.html].
with President Nazarbaev, while Foreign Minister of Kyrgyzstan Roza Otunbaeva visited Uzbekistan. The Andijan crisis set the relations between Bishkek and Astana on a higher level. The new Kyrgyz leaders supported Uzbekistan President Islam Karimov; and representatives of both countries carried out several coordinating measures to preserve stability at the border.

The sub-regional effect of the Kyrgyz revolution has not yet been fully studied; but one thing is obvious—it affected the situation in Kazakhstan and Uzbekistan in the way that can be described as a latent domino effect. This means that the opposition movements favoring a regime change strengthened their position, which is especially important for Kazakhstan, where the political spectrum is much more complicated than in Kyrgyzstan and Uzbekistan. Four key elements connected in one way or another with the Color Revolutions can be conventionally identified.

1. Secular, political, and economic groups with their own ideas about the country’s future. According to experts, a possible revolution in Kazakhstan will develop not only as a conflict “between the authorities and the opposition, but also among influential clans which will use any method to preserve power and, more importantly, property.”

2. The authorities and pro-governmental forces prepared to move against the opposition according to the preliminary plans designed to forestall its actions. For example, two pro-presidential parties—the Agrarian and the Civilian—united into the People’s Democratic Front. Its leaders announced that they were prepared to rise up in arms and defend “the country’s sovereignty and freedom of choice of its citizens.”

3. Exacerbated confrontation between the North and the South, in which the industrial North of Kazakhstan is represented in the Majilis (parliament) by the recently created AIST bloc which closed ranks around Kazakh billionaires Patokh Shodiev, Alijan Ibragimov, and Alexander Mashkevich.

4. The opposition consolidated around the Ak-zhol Party, also known as the Young Turks, and the Coordinating Council of Democratic Forces was set up.

Akejan Kajegeldin, one of the most prominent opposition members and former premier of Kazakhstan, is now in emigration. Galymjan Jakianov, leader of the Democratic Choice of Kazakhstan Party, who enjoys widespread popularity in his country, is still in prison, this fact cannot help but bring to mind the situation in which General Kulov found himself under Akaev’s regime.

On the other hand, the country’s economy is an important instrument of political struggle used by the leaders to ensure victory. In 2004, high oil and gas prices and the fairly efficient management of large companies were responsible for Kazakhstan’s economic success, expressed in annual GDP growth of 9.5 percent. Several reforms—in utilities and housing, pensions, and other spheres—were successfully completed. At one time, the Kazakhstani leaders made a strategic mistake by signing several investment contracts with Western companies, under which the larger share of oil and gas profits was siphoned off to the West. Today, Astana is doing its best to remedy the situation by revising the contracts. In response, several European organizations and the U.S. Congress took up arms against President Nazarbaev by accusing him and his closest circle of corruption (the so-called Kazakhgate), violation of democratic principles, and domination of certain clans in the republic’s leadership. Astana is trying to alleviate these contradictions by cooperating with Washington in the security and energy

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15 Ibidem.
16 The former two were born in Uzbekistan; the third represents the Jewish diaspora of Kyrgyzstan. This inevitably stirs up negative feelings among the Kazakhstan’s traditional elite mainly “delegated” by the southern zhuz that congregates in Almaty.
On 20 May, 2005 President Nazarbaev attended the opening ceremony of the strategic Baku-Tbilisi-Ceyhan oil pipeline and confirmed the possibility of sending oil from his country along this line. Washington is not completely satisfied, so attempts at a regime change according to the Ukrainian, Kyrgyz, or original Kazakh pattern (ranging from extremely radical to peaceful) can be expected late in 2005 or 2006 in the context of the coming presidential election, and because there is fairly strong opposition movement inside and outside the country.

Viewed at closer range, the relations among the Central Asian countries after the Bishkek and Andijan events reveal different confidence levels. On the one hand, the riots in the Ferghana Valley brought Tashkent, Astana, and Bishkek closer together on tactical matters. On the other, they did nothing to change the nature of the old (latent) conflicts. The present tension has its roots in the past and is caused by the still lingering border conflicts, contradictions over the use of water and energy resources, and ethnic contradictions. Conflicts have always emanated from the Ferghana Valley, the place where the state borders of Kyrgyzstan, Uzbekistan, and Tajikistan meet. The relations between Uzbekistan and Tajikistan and between Uzbekistan and Kyrgyzstan are especially complicated. The Andijan events took place in an area of permanent tension, thus making the behavior of the Uzbek diaspora in Kyrgyzstan, of the refugees camping on the border between the two countries, and of the radical Islamic groups acting on both sides of the border even more unpredictable.

The Andijan events indirectly affected the relations between Tashkent and Astana and between Tashkent and Ashghabad. Throughout the 1990s, the relations between Uzbekistan and Kazakhstan were far from simple—they both claimed informal leadership of the entire region. Turkmenistan remained neutral. In November 2004, Turkmenistan President Niyazov paid an official visit to Bukhara where he and Uzbekistan President Karimov signed a treaty On Friendship, Confidence-Building, and Further Cooperation. The sides restored the relations Ashghabad had ruptured in 2002 and made a declaration about their “eternal friendship.” There is the opinion, however, that the friendship (obviously designed for bilateral political rapprochement) has anti-Astana undertones. In any case, the document testifies, first, that Ashghabad was stirred into political action and moved away to a certain extent from its policy of neutrality; second, that the structure of regional relationships has changed and that there are attempts to set up a new “center of power” represented by Tashkent and Ashghabad to oppose the Astana-Bishkek-Dushanbe triangle.

The above suggests that the events of 24 March in Bishkek and 12-13 May in Andijan were followed by changes in the structure of subregional relations. Kyrgyzstan obtained a new political team, on the one hand, while Uzbekistan, Kazakhstan, Turkmenistan, and Tajikistan preserved their old political leaders, on the other: the renovation processes there were either aborted or did not start at all. The Kyrgyz events forced Bishkek’s neighbors to move away from the country, even though all the Central Asian countries supported Islam Karimov in his efforts to preserve stability in the Ferghana Valley. Being aware of the need to act together against the threat of radical Islam, the subregion will probably remain divided into Kyrgyzstan, on the one side, and the other Central Asian states, on the other, for a fairly long time to come.

The Bishkek Events as Seen from China, the West, and Russia

China proffered its fairly reserved comments on the events of 24 March in Bishkek. The official comment can be described as: peace, stability, and the previous level of bilateral relations between
Kyrgyzstan and its neighbors, as well as multilateral relations within the SCO should be preserved. It seems that Beijing was and remains apprehensive of Bishkek’s foreign policy moves. Several days after the regime change, SCO Secretary-General Zhang Deguang spoke about “the need to preserve peace and stability in the region.”

This prompted expert assessments of the future of relations between Beijing and Bishkek. In summary, the comments of Chinese experts speak of China’s apprehensions about (a) more active trans-border Uighur separatism following the events of 24 March in Bishkek; (b) the possibility of the new Kazakhstan leaders changing their attitude to their country’s SCO membership; (c) a cutback in bilateral trade and possible revision of the fairly doubtful border agreements ratified by the Kyrgyz parliament under Akaev. The fears are well founded since the opposition now in power in Kazakhstan repeatedly stated that the border agreements should be revised; in the past, the opposition organized mass rallies in Bishkek to protest against their ratification.

The American airbase in Manas is another of Beijing’s concerns. China does not exclude the possibility that, its official aim—support of the counterterrorist coalition in Afghanistan—notwithstanding, it might be used for military-political containment of China and Russia, which will also involve other structures stationed in Kyrgyzstan and elsewhere in Central Asia. (It should be said here that the new leaders confirmed the prohibition on America’s use of the AWAKS reconnaissance planes introduced by Akaev.)

Chinese experts give more detailed comments on the causes of the regime change in Bishkek and its effects. The following causes can be described as the key ones:

1. The president was psychologically unprepared to use force to defend the constitutional order.
2. Georgian and Ukrainian experience was actively used with lavish funding from abroad.
3. Russia’s weakness. Russia deliberately distanced itself from the crisis, thus making an unpardonable mistake. Political analyst Ji Zhitao wrote in the Beijing Review newspaper: “Russia should have used the Collective Security Treaty Organization to help Akaev and thus implement the conditions of the 1992 treaty. Russia will lose a lot if Akaev is replaced. The political coup in Kyrgyzstan is another indication of Russia’s shrinking political influence in the former Soviet republics following the events in Georgia and Ukraine ruled by friendly regimes which were part of Russia’s traditional sphere of influence.”
4. Possible victory of a pro-Western candidate in the presidential elections of 10 July.

In other words, according to certain political experts, Beijing would like to see Russia as a “gendarme” of the Central Asian region which never hesitates to use force to protect the ruling regime with the help of the CSTO and other organizations. Beijing reserved itself the role of a passive onlooker and secret coordinator. Russian experts cannot agree with this: interference by Russia or any other state in the domestic affairs of the Central Asian countries is absolutely impermissible. Military-political aid extended by the CSTO or SCO to any of the local states can be discussed in the event of a real threat from radical Islamist organizations or of systemic destabilization in the region.

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20 Ibidem.
On the other hand, the expert and political communities in China are well aware that the echo of the Kyrgyz events in China has not yet been completely appreciated. Sun Zhuangzhhi, who specializes in Central Asia, has pointed out that the United States, which allocated $31 million for developing democracy in Kyrgyzstan, was obviously counting on the victory of pro-American politicians at the 10 June elections. This will obviously question Kyrgyzstan’s continued membership in the SCO and the planned deployment of a regional counterterrorist structure in its territory.

The border between China and Kyrgyzstan is over 1,000 km long; there are trade points along its Xinjiang stretch. China looks at the Kyrgyz Republic as a Central Asian buffer state designed to alleviate the threat of terrorism, separatism, and religious extremism emanating from the region. The current chaos in the republic might negatively affect the China-Kyrgyzstan-Uzbekistan railway now under construction. It was expected to become the shortest route between Xinjiang, the Middle East, and the Gulf area for reaching Europe; it was regarded as a new Silk Road which would connect Beijing with Paris. Today it looks as if the 600 km-long project might be postponed. In other words, Beijing looks at the Kyrgyz challenge as a systemic one which may cripple several important projects: SCO integrity; security along China’s western borders, and the transportation and energy corridors connecting Central Asia with China.

There are different opinions on the same events, however. Wang Wangcai, the Xinhua correspondent in Kyrgyzstan, has pointed out: “By itself the political coup does not threaten China. Business losses are inevitable in any country that becomes a scene of disturbances. The possibility of flights of American spy aircraft from Kyrgyzstan is another cause for concern, because they might cripple China’s security.”

The fact that there are Russian and American military structures coexisting in the region did not escalate rivalry in the Cold War spirit. The Asian trip of NATO Secretary-General Jaap de Hoop Scheffer in October 2004 to Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, and Turkmenistan confirmed that his organization is not prepared to compete with Russia in Central Asia. The Russian airbase has been functioning in Kant (Kyrgyzstan) for over twelve months now, while the 201st Russian division deployed in Tajikistan was transformed into a permanent military base in October 2004. Typically enough, prior to the Kyrgyz events the leaders of these two republics looked at the Russian and American bases not only as a factor of their security, but also as a factor boosting the republics’ political positions in the region.

Despite the events in Kyrgyzstan, Russia fully maintained bilateral and multilateral relations with this country; this is true of the CSTO, SCO, and EurAsEC for obvious reasons. Even before he came to power, Kurmanbek Bakiev repeatedly stated that all of the Akaev regime’s foreign policy priorities should be retained and Kyrgyz-Russian ties strengthened. He confirmed his opinion in the wake of the 24 March events. Second, the regime change took only 2 or 3 days to complete; it soon became obvious that the republic had de facto acquired new political power. If the process had taken longer, Russia would have found itself with the problem of recognizing the new leaders. From Russia’s point of view everything went smoothly and without political losses.

The relations between Moscow and Tashkent were not affected by the Andijan events: in 2004, while preserving its strong ties with its traditional partners (Kazakhstan, Tajikistan, and Kyrgyzstan), Russia raised its political and economic contacts with Uzbekistan to the strategic partnership level inherent in the relations with other Central Asian states. In June 2004, the presidents of Russia and

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21 As the leading expert of the Institute for East European, Russian and Central Asian Studies at the Chinese Academy of Social Sciences, he was one of the group of 14 Chinese observers the Foreign Ministry of China sent to Bishkek to observe the previous elections.


23 Ibidem.
Uzbekistan met in Tashkent on the eve of the SCO summit for talks which confirmed the overall trend toward rapprochement. Moscow started using its economic resources more actively, probably because they were based on the rising oil prices, which added confidence to everything Russia was doing in Central Asia. In view of the Islamic threat presented by the radical extremist organizations, especially in the Ferghana Valley, the Russian Federation was on the side of Islam Karimov in the Andijan events. The Kremlin has made its choice between security and democracy in the Central Asian countries in favor of the present regimes in order to ensure the region’s stability and security. Seen from Moscow, Islam Karimov is one of the key security factors.

There was another reason for Russia’s unqualified support, which is probably connected with Uzbekistan’s gradual drift away from the United States and its allies, including the pro-Western structures and organizations, which became obvious in the first half of 2005. Shortly before the Andijan events, Tashkent officially withdrew from GUUAM, which meant it was drawing closer to the CIS structures (the CSTO and EurAsEC). Although it is not a member, Tashkent may continue orienting toward them in the future. It is much more interested in the SCO, which it joined in 2001 as an equal member. President Karimov might look at the SCO as an obstacle to preventing Color Revolutions in the region. Uzbekistan probably left GUUAM for the same reason, since the organization looks like a breeding ground for Orange democracies (Georgia and Ukraine).

Moscow is also consolidating its regional position in the economic sphere within the framework of bilateral relations, especially with Dushanbe and Astana. The Russian company Russkiy aliuminy is going to finish constructing the Rogun hydropower station in Tajikistan and also build two aluminum plants in the republic. Its total investments in the Tajik economy will reach $1.3 billion. The level of economic relations between Russia and Kazakhstan is much higher—over $5 billion. There are large energy projects in the offing in Kyrgyzstan and large investment projects in Uzbekistan and Kazakhstan. In April 2005, Gazprom of Russia and the government of Turkmenistan signed an agreement in Moscow on gas supplies across Russian territory, as well as several other documents related to other investment projects. Russia’s Central Asian policy is rooted in the traditional security system, which should be preserved, and in relatively new factors: the stronger role of the RF as an entity in bilateral economic formats and its flexible response to the new political challenges posed by the change in political elites.

**Summary**

There are three major factors. First, the objective nature of the process of change in the ruling elites. It is gaining momentum across the post-Soviet expanse, the reasons for which differ from country to country (economic, ideological, gerontological, etc.) irrespective of whether the West is involved or not. Large nations are always very interested in the domestic processes going on in neighboring states; they are always eager to influence them through PR techniques, yet to be successful such techniques should be coupled with domestic opposition, mass discontent of the local population, corrupt regimes, and other objective factors.

Second, there are Central Asian specifics: authoritarian regimes will never let changes in the political elites slip from their control, but this can only postpone such changes for five or ten years at the most, they can never be totally avoided. It should be added that under such conditions the form of change could be totally unpredictable.

Third, there are Kyrgyz specifics: even if Western PR techniques and scenarios had been developed for Bishkek, they would most probably have been scheduled for October 2005 when the presidential election under Akaev was expected to take place. The events of 24 March took America and other countries by surprise. They were caused by a huge gap between the authorities (Akaev’s
The heads of more than 50 of the world’s nations, the U.N. Secretary General, and the leaders of many European and international organizations came to Moscow on 9 May to celebrate the Sixtieth Anniversary of Victory in the Great Patriotic War (1941-1945). This day was a celebration not only for the war veterans, but also for all the nations of the former U.S.S.R. For at that time they all stood as one to defend and strengthen “the Soviet community of common historical destiny,” 1 as Nikolai Vert put it. But the destiny of these nations went on to develop in a way that made it impossible to consolidate their common victory over the Axis Powers. The Soviet Union, which at one time was considered one

1 N. Vert, Istoriia Sovetskogo gosudarstva, Moscow, 1994, p. 171.
work not of a world war, but of a proclaimed “global” war against international terrorism. This same “war” has been going on longer than the Great Patriotic War and is not a prerequisite or consequence, but rather a background against which these small or Color Revolutions are unfolding. In a conversation with the author of this article, well-known Kyrgyz writer, Chinghiz Aitmatov, characterized them in more precise terms as an explosion of “extreme democracy.”

**The Deceptive Calm of Issyk Kul**

In June 2004, on the initiative of Chinghiz Aitmatov and at the invitation of then Kyrgyzstan President Askar Akaev, an international conference called “Eurasia in the 21st Century: Dialog of Cultures or Conflict of Civilizations?” was held under the auspices of UNESCO at Issyk Kul, which is called the “Eye of the World” in Kyrgyz folklore. The sky above the lake was blue and cloudless during the three days this forum was in session, with no presentiment of either storm or threat.

Nevertheless, in his welcoming speech at the opening of the conference, Askar Akaev called for viewing the dialog of cultures not only in the inter-civilizational, but also in the social context. This dialog, he noted, seems to be going on at the edge of a “widening gap between the abundant wealth of some and the appalling poverty of others.” I recall how at a session of the workshop called “Eurasian Dialog: Common Values and Ethic Principles,” the moderator of which just happened to be the author of this article, its participants from Central Asian countries presented numerous examples showing the presence not only of a social “abyss,” but also of many ethnopolitical conflicts arising in the region. A speaker from Uzbekistan answered the question of whether this region feels itself to be an arena of the global antiterrorist war in the Greater Middle East as follows: “The fight against terrorism is a problem deriving from other more urgent problems which are no less important than those currently being dealt with in the Greater Middle East. But they are unlikely to be resolved by the forced advance of Western-style democracy. A multilevel dialog not so much of civilizational, as of political cultures is required here,” he said, agreeing with Akaev.

The negative perception of the reforms carried out in Kyrgyzstan by different governments during the years of Askar Akaev’s presidency obviously led to the Tulip or extreme revolution. This metaphor applied to the so-called Color Revolutions in the post-Soviet space reflects both the internal anatomy of maturation and the external motives promoting their advance in the republics of the Caucasus and Central Asia.

**One Victory but Not For All**

Among all the heads of state who came to Moscow on 9 May, 2005 to celebrate the 60th Anniversary of the end of the Great Patriotic War and World War II, probably only the leaders of the new independent Eurasian states of the Caucasus and Central Asia played several roles at the same time. At the state level, they represented both victors and liberators. In contrast to other CIS countries—Ukraine, Belarus, and the Baltic states—their territory (then Soviet republics) was not occupied, remaining as though at a distance from the frontline. But the war did not leave them untouched, it affected almost every family, whether in Georgia, Armenia, Azerbaijan, Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, or Turkmenistan. War veterans, representatives of all the CIS countries, came to Moscow on this day, following the dictates of their hearts, to celebrate the Great Victory, regardless of the way
in which the heads of their states and official delegations participated in the celebration events. For by defending the then common Homeland, they laid the groundwork for the sovereignty now enjoyed by their independent states. Therefore, when welcoming all the heads of the CIS states who came to Moscow to celebrate the Victory, Russian Federation President Vladimir Putin reminded everyone of the greatest contribution and supreme price the people of Russia and other U.S.S.R. republics paid for it. This obviously also gave the veterans and representatives of all the Commonwealth countries the moral right to come forward with a joint initiative to mark 9 May every year as the day for celebrating their common Victory and reconciliation and remembering the victims of World War II. This remembrance of our common history, noted Vladimir Putin, can also be a common fulcrum on which to base the new history of the CIS countries.

Almost all the leaders of the world states present at the celebration in Moscow also considered it their duty to mention the huge sacrifices and enormous contribution the Soviet Union made to achieving Victory over the common enemy. Not only the presidents of the U.S. and France—member states of the anti-Hitler coalition—talked about this, but also the German chancellor, and the prime ministers of Japan and Italy, that is, the leaders of almost all the European and Asian countries admitted it. Everyone apart from Latvian President Vaira Vike-Freiberga, who all the same came to Moscow, and Georgian President Mikhail Saakashvili, who ignored the invitation. We will remind you that he was the only one of all the CIS heads of state who refused to take part in these celebrations and in the informal meeting of the Commonwealth heads of state that preceded them on 8 May. Admittedly, British Prime Minister Tony Blair was also absent at the celebrations in Moscow. For this he was accused by the British mass media not only of losing his “sense of history,” but also his political flexibility. Georgian veterans could also have accused their young president of the same thing. His excessive “hot-headedness,” as U.S.S.R. ex-president Mikhail Gorbachev noted, would have been “more appropriate on the theatrical than on the political stage.”

No one was really surprised by the fact that Mrs. Vaira Vike-Freiberga did not miss the opportunity on the eve of the celebrations in Moscow to repeat her evaluation of this Victory in the presence of George Bush as the beginning of Latvia’s new occupation (along with the other Baltic countries) and its communist repression. But the fact that at a mass meeting in Tbilisi organized for the “historical visit of the U.S. president to Georgia,” Mikhail Saakashvili placed Russia in the same ranks as all the conquerors, who “wanted, but were unable, to destroy the proud Georgian people,” could not help but arouse annoyance, to put it mildly. After all, several days before this, he himself mentioned the supposedly “huge sacrifices” made by the Georgians (admittedly keeping quiet in so doing about the Russians and other nations of the Soviet Union) in the fight against Fascism and Stalinist totalitarianism. It would seem that after such words, the Georgian president should have considered it his duty to place a wreath on the grave of the Unknown Soldier on this red-letter anniversary of Victory in the war with Fascist Germany, which ended in two Soviet soldiers—Russian and Georgian—hoisting the Banner of Victory over the Reichstag. After all, no one knows whose remains are buried in it, a Russian’s, Ukrainian’s, Georgian’s, or someone’s of another nationality, but we do know they are of a soldier who gave his life for the freedom and independence of a then common multinational Homeland. According to the assessments of military historian G. Krivosheev, based on generalized data about the numbers of each nationality in the Soviet Army and the U.S.S.R.’s total human losses in this war (they are currently assessed at almost 30 million people), approximately 8 million people died on its fronts. Of them, 5.75 million were from Russia, 1.37 million from Ukraine, 253,000 from Belarus, approximately 290,000 from the Central Asian republics, and more than 150,000 from the Caucasian republics.2

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Politics without Historical Memory

During the years of the Great Patriotic War, Georgia and other Soviet republics of the Caucasus and Central Asia were not “allies” or “partners,” but part of the U.S.S.R. as a whole. So the Georgian leader’s pledges to George Bush that “Georgia will now be America’s partner in spreading democracy throughout the post-Soviet space” and the entire world, beginning with Belarus and ending with the peoples not only of North Korea and Cuba mentioned by Saakashvili, but also of the Central Asian countries, with which, as in Ukraine’s Orange Revolution, he swore to always “stand beside,” only arouse indignation. In a war against whom? Against Russia?

Many observers noted that Saakashvili made this pledge after U.S. Secretary of State Condoleezza Rice and Head of the Council of the European Union Javier Solana promised the Belarusian opposition in Vilnius to support its stance against “the latest dictatorship” in Central Europe. In this way, that is, indirectly, they made it understood that they would help the opposition against the “latest authoritarian regimes” in Central Asia and the Caucasus. This happened on the eve of the regular GUUAM summit in Kishinev. (Since Uzbekistan finds the orientation of this organization to be ambiguous and unacceptable for its national security, Uzbekistan President Islam Karimov refused to participate in this summit, so this structure, after losing one of its “U”s, is again known as GUAM). Later, after he returned from Tbilisi, George Bush reminded his fellow countrymen that during the past 18 months, everyone in the U.S. had “become witnesses of the Rose (in Georgia), Orange (in Ukraine), Tulip (in Kyrgyzstan), and Cedar (in Lebanon) revolutions.” He convinced the Americans that a special “active response corps” must be formed and called on them to promote the further “advance of democracy and freedom throughout the world,” offering as soon as next year to allot at least 24 million dollars for this purpose. The question again arises: for a war against whom?

Such statements and actions by the U.S. administration also gave Head of the Russian Federal Security Service Nikolai Patrushev grounds to announce in the State Duma that “certain political forces in Western countries are applying double standards to the Russian Federation in the worst traditions of the Cold War.” He reminded everyone that Russia’s partners in the fight against international terrorism were also acting as its opponents and deliberately trying to “weaken Russian influence in other CIS republics and on the international arena as a whole.” This is confirmed, noted Nikolai Patrushev, by the latest events in Georgia, Ukraine, and Kyrgyzstan. He explained this strategy of double standards by the fact that the West does not want to see Russia as a serious economic rival. He believes that such nongovernmental humanitarian organizations as the U.S. International Republican Institute are the most active here. Incidentally, even before George Bush made his speech at this institute, the United States allotted 5 million dollars for financing opposition movements in Belarus alone. There is not even an attempt to conceal what this money is to be used for—to overthrow the existing “authoritarian regime” in Belarus, where in addition to Uzbekistan, Kazakhstan, and Turkmenistan, “worrying signs of authoritarianism” (we will remind you that Belarus has an alliance treaty with Russia) are being observed.

After the Orange Revolution in Ukraine and the events in Kyrgyzstan and Uzbekistan, the Russian and foreign press presented diverging facts about the assistance rendered by several nongovern-
mental Western organizations within the framework of the “democratic crusade the American president is embarking on throughout the world, not only in the Middle East, but also in Georgia, Ukraine, and the Central Asian republics,” as the French newspaper Figaro put it.

Speaking on the same day as Patrushev in the State Duma, RF Foreign Minister Sergei Lavrov noted that Russia’s relations with other CIS countries were still a top priority from the viewpoint of maintaining its security. The foreign ministry head said by way of reminder that Russian President Vladimir Putin noted more than once that “Russia is not claiming a monopoly in this space,” and he added, “and we do not believe that anyone has monopoly rights in this region.”

Ethnographic History

The roots of the Color Revolution epidemic in the post-Soviet space should most likely be sought not so much in the coordinates of “geographic history” related to the unanticipated collapse of the U.S.S.R., as in the “ethnic geography” which arose of its own accord with the birth of the new state formations. In most cases, the borders between the Soviet republics (particularly in the Caucasus and Central Asia) were established just as arbitrarily as the demarcation of their autonomous and internal regions. In Soviet times in Kyrgyzstan, Tajikistan, Uzbekistan, Kazakhstan, and Turkmenistan, the long-standing clan-regional principle of distribution was retained (and to a significant extent is still retained) in the power structures, whereby the population of some areas and regions feels it has been short-changed—with all the unfair consequences of privatization of former state and collective property ensuing from this unequal situation. Regardless of whether the Rose, Orange, or other upheavals are related to the outlays of post-Soviet “extreme democracy” or due to the “export of revolution” from the outside, the nature of this technicolored phenomenon is more likely of internal than external origin. This was graphically shown during the change in power in Kyrgyzstan, as, incidentally, in the events which occurred before and after the Color Revolutions in the Caucasus and Central Asia. To paraphrase Clausewitz’s well-known definition of war, they are an extension of that “extreme” policy which led to “revolutions” not only using “velvet,” but also forceful means.

Inheritance and Heritage of a “Civilized Divorce”

The anniversary celebrations in honor of Victory Day were accompanied by many important political events: bilateral and multilateral summit meetings; and official and unofficial summits in Moscow, which were organized within the CIS framework and Russia-European Union format. Whereas Javier Solana called the first Russia-EU summit held in Moscow on 10 May “a field for historical reconciliation,” many observers gave pessimistic forecasts in advance about the meeting of CIS heads of state held the day before, saying that it would supposedly be the completion of a “civilized divorce process,” as Vladimir Putin put it, which had been going on for 12 years. But this time too, the rumors about the end of the CIS were overly exaggerated. The divvying up of the heritage of the Soviet Union, the collapse of which Vladimir Putin called “the greatest geopolitical catastro-
phe of the century” in his message to the Federal Assembly, did not put a stop to the simultaneous disintegrating and integrating processes in the post-Soviet space. Although it was undoubtedly a “real drama” for the Russian, as incidentally for the other peoples of one of the two world super powers that ceased to exist. During the past years it became clear that the policy of isolation conducted by some of the CIS countries, particularly the Central Asian states which, by partially distancing themselves from the Russian Federation, were hoping to achieve greater magnanimity from the West, has not justified itself.

Independent Uzbek researcher Bakhtier Rashidov rightly states an obvious fact: “America will never invest in any country unless it is sure of high economic and political dividends.” This author goes on to note that “…the Russian factor is still preserved in the independent Central Asian countries due to the common information expanse; large Russian-speaking diasporas and pro-Russian elites; inertia of public thinking; and cultural and economic ties with Russia.”

The participants in the anniversary celebrations held both in Moscow and in the capitals of other CIS countries could also be convinced that, in addition to everything else, another extremely important sphere of the common post-Soviet space has been retained—the humanitarian, in particular, the shared historical memory of common sacrifices and joint victories sustained in the most extensive, but not the longest war of the 20th century. The keepers of this memory of “the Soviet community of common historical destiny” are primarily the veterans of the Great Patriotic War still alive today. Almost none of them will probably still be alive when the next “even” anniversary of Victory Day comes around. It is very unlikely that the succeeding generations of their descendents will be able to keep this memory in the total mayhem of the market economy. This feeling is sustained by the inertia of political consciousness and the trends toward isolationism, as well as by the unjustified expectation of the benevolent attitude from the West that is characteristic not only of the population of the Central Asian countries, but also of many representatives of the former and current political elite of both Russia and other CIS countries.

Forecasts and warnings of the dangerous consequences of such trends in society and in the policy conducted by the leadership of the U.S.S.R., national republics, and autonomous formations were made at the end of the 1980s. They were contained in a secret analysis sent to the leadership of the International Relations Department of the C.P.S.U. Central Committee not long before the Soviet Union collapsed. It noted in particular that the “democratic processes which are developing under national slogans in the Union and autonomous republics are increasingly moving toward nationalism and separatism. This is all fraught with new social, national, and religious conflicts. Their diffusion could have the effect of a terrible explosion with consequences no less dangerous than even the loss of central control over nuclear weapons.”

Over 12 years later, after the Rose and Orange Revolutions, the participants and scientific leaders of the School of Young Orientalists at a seminar held in the Moscow Region made not classified, but open, bolder forecasts based on data of field studies they carried out in the Central Asian republics. In particular, they predicted alarming consequences of the situation developing in the Ferghana Valley and around it in Tajikistan, Kyrgyzstan, and Uzbekistan. For example, a graduate student, Gulnara Ustobabaeva, reminded everyone that the foreign debts of each of these republics exceed hundreds of millions of dollars. Despite the new loans and assistance they are receiving from the West and Russia, which are calculated in tens of millions of dollars and euros, the situation there is not improving. Outside support does not guarantee the retention of both the former and the new state structures in these republics, which is fraught with new conflicts and crises, particularly in the Ferghana

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10 “Prioritet i perspektivy,” Bezopasnost Evrazii, Moscow, No. 1, 1992, p. 43.
Valley, which is divided between Uzbekistan (60% of its territory), Tajikistan (25%), and Kyrgyzstan (15%). There are at least 200 disputed points and sections there. The irrigation channel system, which was integrated in Soviet times, also remains a crisis-prone “bone of contention.” After all, the Fergana Valley is one of the most densely populated regions in the world with more than 360 people per sq. km. But it also has the highest unemployment rate and lowest standard of living. The average monthly wage of one worker, usually the only breadwinner for a large family, is much lower than 50 dollars.

Conclusion

Prospects in Retrospect

Prominent Russian scientist V.I. Vernadskiy called World War II a continuation of the unfinished World War I. In retrospect, the main result of both of these wars is considered the fact that they put an end to the colonial and, in general, all empires claiming world dominance in the 20th century. This fate was met first by the tsarist and then by its successor, the so-called “Soviet empire.” The “greatest geopolitical disaster” which subsequently befell not only Russia, but the entire post-Soviet New Eurasia, led to the formation of the Commonwealth of Independent States.

— Despite all the difficulties and many obstacles on the path to the development and strengthening of the CIS, its appearance made it possible not only to “arrange a civilized divorce” among the former Union republics, including the Caucasus and Central Asia, but also create several new regional structures, the purpose of which was to advance toward economic, military-political, cultural-scientific, information, and different-level integration of its member states. Under the conditions of the “global war” launched against international terrorism, it is no accident that the new independent states of the Caucasus and Central Asia found themselves included within the borders of the “Greater Middle East,” becoming its extension on the path of the forced “advance of democracy and freedom” according to the Western model. After waking up, as George Bush put it, to the “prospect of great changes” in the wake of the Color Revolutions in Georgia and Ukraine, they became test grounds for various trends in “extreme democracies” with the incorporation of criminal and terrorist groups, as well as Islamist organizations.

— The new process is reeling out of the control not only of individual CIS structures, but also of the U.S.-led antiterrorist coalition. All of this is complicating the further advance of the Caucasian and Central Asian countries along the path of both regional integration within the Commonwealth and preventing the introduction of different models of “democracy and freedom” into these countries. As a result, the Caucasus and Central Asia are becoming increasingly drawn into a new round of the Cold War and are becoming one of the most crisis-prone regions of the world.

— With this breakdown in forces, the CIS could meet the fate of the empires, confederations, and unions (like the Third Reich, Empire of the Rising Sun, various alliances and commonwealths of nations) which most likely disappeared from the political map of the world over the past century because none of them had either national-ethnic self-identification or a specific “geocivilizational location.”

— The retention of state integrity and sovereignty is apparently becoming the main priority not only of the national, but also of the state-national security of the new sovereign mono-ethnic or multinational state formations of the Caucasus, Central Asia, and the Russian Feder-
As the unequivocal experience (positive and negative) accumulated over the years the CIS has existed shows, this problem can be most effectively resolved within the framework of regional cooperation on a bilateral or collective basis within the borders geo-civilizationally designated by the New Eurasian Union (NEAU).

One of the possible formats for this cooperation could be not a return to the former Soviet Union on strictly ideological or social-class grounds, but initiation within this Union of a process for restoring the former and looking for new vector ties and “co-links” with different levels of integration. This is primarily expedient in the humanitarian, and later in the economic and military-political spheres as a necessary condition and guarantee for maintaining the national-state and regional-collective security of the member states.

For Russia to be able to continue its historical mission as main integrator (and not disintegrator, as its role was defined by several participants of the “Development Strategy” seminar held at the end of May in Moscow) must become an attractive player of world politics, primarily in the post-Soviet space of New Eurasia, which also will include Russia’s southern neighbors, of course, with their desire and consent. Although world history does not know examples of the restoration of vanished empires to their former geographical dimensions, the creation with their participation and the strengthening of integration structures (like the SCO, EurAsEC, or SES) will be assessed not as “some manifestation of the post-imperial syndrome,” but as an integral link in the globalizing world of new entities of international relations in the post-Soviet space. As an expert of the World Bank said at the above-mentioned seminar, it is high time Russia and the Caucasus and Central Asia “turned away from dear old Europe” and step boldly toward South Asia—China and India—where a new center of power is arising.

The Tulip Revolution in Kyrgyzstan, the events in Uzbekistan (the latter are called an “abrasive revolution” due to the bloody repression of the rebellion in Andijan), in which in both cases the American and Russian bases located close by were not involved, almost synchronously coincided with the arduous talks on putting an end to Russia’s military presence in Georgia. Nor did the Russian bases deployed in this country interfere either in the Rose Revolution or in the events in Ajaria. Nevertheless, the new outbreaks of violence in the Ferghana Valley and around it, that is on both sides of the Uzbek-Kyrgyz border, could not help but arouse the concern of Russian parliamentary deputies and the American senators visiting Uzbekistan at the end of May 2005. None of them hid their concern not so much about “democratic freedoms,” as about the fate of the military bases of the former super powers located there.

Commenting on the situation involving the U.S. and Russian military bases in the post-Soviet space, well-known American sociologist Immanuel Wallerstein, who heads the Brodell Center at Birmingham University, deliberately reminded everyone that the U.S. is expressing its willingness to “force Russia to withdraw its troops from Georgia,” but not from Central Asia. “In the final analysis,” he predicts, “Saakashvili will have to find a common language not with George Bush, but with Vladimir Putin.” The American president, Wallerstein is confident, will “always continue to place him before Saakashvili,” for this is a question of priorities. The example of Uzbekistan, wrote The Financial Times during those days, alarmingly showed the borders of the alliances entered by the U.S. within the framework of the “fight against international terrorism.” Washington suddenly found that along

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13 Polititcheskiy zhurnal, No. 18, 23 May, 2005, p. 43.
A specter is haunting Central Asia—the specter of democracy. This is how the opening phrase of Marx and Engels’ *Communist Manifesto* should read in a region soon probably to be engulfed by a wave of “democratic revolutions.” We have already seen the Rose Revolution in Georgia, the Orange Revolution in Ukraine, and the Tulip Revolution in Kyrgyzstan. Journalists and political analysts readily agreed to treat the power changes in post-Soviet states as revolutions inspired by certain foreign funds and organizations or even by Western states.

We should bear in mind, however, that the epoch of post-Soviet leaders the newly independent states inherited from Soviet power, who are going on with the old policies, is drawing to an end.

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THE MOMENT OF TRUTH: END OF THE TRANSITION PERIOD?  
(On the Democratic Initiative in the Central Asian States)

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14 Ibid., p. 17.
Kyrgyzstan

The island of democracy, as the Akaev regime was described, went to the bottom of the sea of Central Asian autocracy. This was a natural end: no self-sufficient democracy can survive in any one given country of the region.

- First, the attempt to build democracy in Kyrgyzstan (at least it looked this way to the casual observer) in no way differed from the historical leap from feudalism to socialism bypassing the capitalist development stage as described in Soviet textbooks.

- Second, the repressions used by the Akaev regime to suppress what was called political opposition revealed the regime’s true nature. (Indeed, if Felix Kulov had been imprisoned on a legal basis this would have spoken volumes about him; if there had been no legal foundations for his imprisonment this would have spoken volumes about the regime. In both cases, however, there was no democracy to speak of.) It should be said in all justice that opposition did exist and was gaining experience through sporadic actions to be used when the sociopolitical situation in the country became aggravated.

- Third, unable to cope with the deep-rooted social and economic problems, the Kyrgyzstan leaders finally suffered a grave economic and political defeat.

- Fourth, Akaev and his cabinet failed to chart an adequate regional policy not only for the country’s two regions—the South and the North—but also, and especially, for cooperation with the other Central Asian states.

It seems that Akaev completely discredited himself, therefore the mass movement was of a purely anti-Akaev nature.

At that time, the media said that the deposed president accused the United States of being involved in the anti-constitutional coup that forced him to leave Kyrgyzstan. In his interview with the Western media, the first after his flight from a country in which he had ruled for 15 years, he said that “foreign interference” was “undoubtedly an important aspect” of the dramatic events that drove him out of his country.

“I think that their influence was prevailing,” Askar Akaev said when asked about the U.S. administration’s involvement in the mayhem that is becoming known as the Daffodil Revolution and added that the opposition was “supported by the [U.S. organizations], the National Democratic Institute, Freedom House, and other organizations... They were providing the training and funding,” he said.1 These same words about training and funding were said earlier in Georgia and Ukraine; later the phrase would be used in Uzbekistan.

The leap from socialism (to which the country leapt from feudalism) to post-socialist democracy did not simply fail, it could not be achieved at all. I absolutely agree with the man who wrote: “When talking about the Kyrgyz opposition, there is no sense in discussing its ideology. To tell the truth, the terms democracy, freedom of speech, the struggle for justice, modernization, etc. have nothing to do with the Kyrgyz opposition. They are used to please the West and to fit the ‘velvet revolution’ brand. Without them the opposition would be nonexistent in the West’s eyes. The pure and simple fact is the Kyrgyz opposition wanted power. Its members are former top bureaucrats who abandoned their offices for various, none of them ideological, reasons. Some of them were denied coveted posts; others went too far in squabbles over property, still others took the interests of relatives too close to heart; and some were obviously incompetent. The rest is camouflage.”2

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Political figures known for their criminal contacts are gaining power amid the chaotic intertwining of forces. The political process in Kyrgyzstan is threatened not so much by the struggle between the North and the South as by possible criminalization of its political system. S. Cornell and N. Swanström have written that it is not yet absolutely clear whether the criminal structures involved in drug trafficking have come to stay, or whether they will perish once the period of transition and turmoil is over, or whether Kyrgyzstan will follow in Tajikistan’s footsteps. “The perhaps most worrisome element in this development is the tacit acceptance by political observers in Kyrgyzstan of the presence and influence of criminal figures in the country’s political system,” they say.3

It should be said that power in the republic fell into the hands of an ad hoc anti-Akaev political group rather than of a political party or an organized opposition. From this time on the group is responsible for social and political stability and the future of democracy in the country. New power wants to prove its viability in the shortest time possible: it should create full-blooded democracy, to cope with the regional clans, corruption, poverty, and the country’s steady slide into the category of drug producers and sellers. The main task, something that the previous rulers failed to accomplish, is to shape a modern and closely-knit nation out of the country’s population.

Uzbekistan

On 13-14 May, Andijan was the scene of a rout organized, according to official sources, by an Islamic extremist group called Akromiylar after its founder Akrom Iuldashev. The rout seemingly justified the description of the Ferghana Valley divided between Uzbekistan, Kyrgyzstan, and Tajikistan as a dangerous intertwining of acute socioeconomic problems, such as overpopulation and unemployment and the ideology of Islamic extremism very popular in this part of Central Asia.

The rout was suppressed, yet the country, which experienced another bout of religious extremism, failed to disentangle itself with honor. The Andijan events marred the state’s international image. In fact, it was not the events themselves that were responsible for this, but the impression produced by the deficit of information; the foreign media interpreted it as the state’s purposeful policy. The West and international organizations are insisting on an international investigation precisely because the restrictions were unprecedented: they had no access to the city and were denied full information about events which surpassed anything that had ever happened before in Uzbekistan.

Let me say once more—the tragic events were far from an ordinary manifestation of terrorism; they differed from what the country has been experiencing since the late 1980s. There were too many victims, while for some strange reason the events themselves were kept secret. (Official information about 170 dead contrasts with the figure of about 700 dead supplied by the unofficial opposition.)

There was only one information source—the president of Uzbekistan who at two briefings in fact likened what had happened in his country to the recent events in Kyrgyzstan; nor did he mince words when accusing some Russian media of misinterpreting the events. In light of the information deficit, when both Russian and Western media were equally denied access to information, the former became a target of much more vehement rebukes.

On the whole, Islam Karimov’s nervous response to the way the Western media covered the events was aroused by the fact that they infringed on Uzbekistan’s sovereignty. The state proved unable not

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only to defend its independence (in principle, the issue can no longer be discussed in these terms in the context of globalization), but also to accept a new approach to the very phenomenon of sovereignty, as well as to fight the information war. Strangely enough, the country’s political system discovered that it was rejecting Islamic radicalism along with democracy.

Many of the Russian media hastened to say that in the present conditions neither Karimov, nor the political system had any alternative—a thesis which has been stubbornly supported throughout the independence period. Those who try to prove that there are no alternatives to the harsh authoritarian regime have made a mistake typical of the Russian political and journalist circles. Islamic radicalism is the only alternative to democracy; there is also the possibility of stagnation and lengthy prolongation of the nebulous and pointless transition period.

It seems that Mikhail Leontiev, anchor man of the “Odnako” (However) TV program, performed this political task the best. While comparing the recent events in Kyrgyzstan and Andijan, he allegedly noticed that democracy in Central Asia might result in stronger religious extremism and unrest. From this it followed that Russia should offer its unqualified support to the Uzbek leaders who, Leontiev said, promptly neutralized the threat. Although he meant well, this flattery was unfortunately an ill service.

The Andijan events, however, demonstrated that the state, by blaming them on outside forces, failed to perform its main function, that of ensuring security. It should be said at this juncture that destructive interference, which took the shape of foreign support of the Akromists and other similar forces, gave way to interference by Western states and some international organizations (the U.S., OSCE, and the EU) which are demanding an international investigation of the tragic events. In her letter to President Karimov of 15 June, 2005, U.S. State Secretary Condoleezza Rice insisted that the president permit an international investigation.

Tashkent clumsily explained its unwillingness by the fact that its sovereignty made this investigation Uzbekistan’s domestic concern. Within a month the country found itself in international moral and political isolation; the leading Western countries cut back their embassy staffs, while the International Monetary Fund, the U.N. Development Program, and a few other international organizations suspended many of their programs in Uzbekistan. Those of them that stayed behind are operating under pressure from the state, which is striving to limit their activities in Uzbekistan.

This dramatic story posed a fairly theoretical question: Can the West’s demands for an international investigation be regarded as interference in domestic affairs? The paradoxical answer is: Yes and No. The classical (absolute) interpretation of the concept of sovereignty describes this demand as interference, while its contemporary interpretation (under which the state assumes certain international obligations) denies such an interpretation. Today, the republic’s leaders will have to cope with the challenges created by its OSCE membership and by the Uzbek-American Declaration on Strategic Partnership, which addresses the issues of democracy and political reforms in several of its provisions. This makes interference inevitable either as destructive attempts by religious extremists to change regional order, or under the guise of democratic “salvation.” The former is latent and conspiratorial, the latter, open and unambiguous.

The scope of external democratic “interference” caused by the events in Andijan comes second after the EBRD’s interference in May 2003 when the bank made its financial help and investments conditional on seven demands. The Uzbek leaders should realize that by rejecting both democracy and theocracy, Uzbekistan runs the risk of being pushed to the wayside of the world community. President Karimov insists that any revolutionary event in Uzbekistan will inevitably be of a radical Islamic nature. This raises the question of why the possibility of action by the secular opposition is excluded? On the other hand, there have been numerous scholarly and political publications about the deep-rooted social and economic problems of the Ferghana Valley, which is a very special region of Uzbekistan.
Uzbekistan’s political system and society have been put to a hard test in a far from simple political situation. To a certain extent, the test was instigated by the recent events in Georgia, Ukraine, and Kyrgyzstan; the terrorist acts of 2004; the EBRD ultimatum mentioned above; the never ending criticism of the state of democracy in Uzbekistan voiced by the U.S. Congress and the State Department, and the tragic events in Andijan in May 2005.

This was the hardest test for the nation, the state, and the authorities; and the foreign media stepped up their criticism of the country’s leaders.

Since late 2003, ultra-national rhetoric by the neo-ideologists has been accelerating in the country with alarming speed. They made a lot of noise the day before the Soros Open Society Institute in Tashkent had to fold up. An article in the Khalk suzi newspaper put their ideology in a nutshell; the author armed himself with national values to lecture to those who, he wrote, tried to teach the Uzbeks democracy and human rights: “From this point of view we cannot call a man who has no national values in his heart after becoming imbibed with democratic views and arming himself with them, an Uzbek and a perfect individual (Komil-inson)… It seems that only those who are born Uzbeks can understand these values.”

I think that the public is under a hypnotic spell: it did not respond to the strategic partnership with the United States and remained indifferent when these relations worsened. It looks as if Uzbekistan has lost its bearings in the geopolitical Big Game of the world powers in Central Asia and the Little Game carried out by the regional states. Meanwhile, there is no open analytical discussion of the Andijan events. The comments are coming from handpicked neo-ideologists who concentrate on the facts, rather than their meaning. They rebuff all demands for an international investigation with trite arguments about interference in Uzbekistan’s internal affairs, which should not be allowed.

Few members of the political and analytical community recognize that this external democratic interference is part and parcel of the global process of transformation of world order. Today, the issue of international democracy is at stake, while the concepts of sovereignty, interference, and domestic affairs of states are being revised by the international community. And the concepts of democracy and tyranny, human rights and repressions, wellbeing and poverty no longer belong to the domestic affairs of states.

## On the Democratic Initiative in the Central Asian Countries: Plot or Mission?

There is an opinion widely shared in the expert community that traces of foreign sponsors could be easily observed in the events that shook the Balkans, Georgia, and Ukraine. The same is said about the events in Uzbekistan. They offer the following arguments: the mass actions were prepared well in advance; the methods used in Serbia, Georgia, and Ukraine were identical to the scenarios of democratic elections in Afghanistan and Iraq; by pointing to the accumulated social and economic problems, the locally placed foreign organizations, along with local activists, tried to stir up mass discontent and distrust of the country’s leaders.

The observers point out that even the names of the organizations that launched the Color Revolutions were similar: Khmara in Georgia, Pora in Ukraine, and Otpor in Serbia. They also draw atten-

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4 “Vernost natsional’nomu dukhu,” Khalk suzi, 16 December, 2003 (Russian translation) [www.TRIBUNE-uz].
tion to the methods employed to organize mass actions and replace political leaders; they say that foreign NGOs are busy with seminars and training sessions at which the youth is taught democracy, political awareness, and political activity. The observers are obviously ironic when talking about the specific projects being carried out by international organizations in the countries of their residency.

I cannot totally accept the theory of NGO plotting.

- First, it is natural for them to teach young people political awareness and political activity. In general, such suspicions can be easily applied to any lecture or contribution of an invited or even local professor.

- Second, the state (Uzbekistan) has long been calling on the nation to demonstrate more political activeness. In 1999, the country’s leaders made public their strategy of liberalization and moving away from a strong state toward a strong civil society. This means above all that sooner or later parties and groups will be locked in a real political struggle irrespective of the presence or absence of foreign NGOs in the country.

- Third, every year hundreds of Uzbek citizens go abroad, to the United States in particular, on state money to study or for on-job training. Many of them, especially those who study humanities (political science, sociology and history), are acquiring practical and professional knowledge of democracy. Every year the number of those who have studied abroad or been involved in all sorts of international projects and conferences is increasing. This says that plotting would be better carried out among those who live temporarily outside the country. Would it be better to separate the country from the rest of the world with an “iron curtain” in the Soviet style?

- Fourth, there is a powerful flow of foreign scholarly and political publications, periodicals, books, leaflets, videos, etc. Not all of them speak positively about the republic and sociopolitical developments in it—many contain serious criticism much more biting than that which comes from the NGOs.

- Fifth, there is the Internet, which disseminates huge amount of information, some of it true, some of it false, some of it friendly, some of it hostile.

- Sixth, from the very first day of its independence, Uzbekistan has been and remains a target of positive comments about its reforms and highly negative official international comments. The U.S. Congress conducts regular hearings on human rights and democracy issues in Central Asia: its conclusions are far from positive. The EBRD offered its critical comments in May 2003. This obviously affects public opinion inside the country.

- Seventh, for no reason at all, foreign NGOs find themselves in the midst of a “witch hunt” organized to distract public opinion. Meanwhile, nearly all accusations hurled at them (even if they are justified) are not supported by legally valid evidence. On top of this, a Georgian academic who has carefully analyzed the external and internal factors of the Rose Revolution offered a reasonable comment: “External forces, however, cannot ensure the victory of a ‘velvet revolution’ if the country is not ready for it.”

NGOs are but a small part of the rather complicated social and political internal and external context of the reforms now underway in Uzbekistan. A Velvet, Orange or any other Color Re-

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5 M. Matsaberidze, «The Rose Revolution and the Southern Caucasus,» *Central Asia and the Caucasus*, No. 2 (32), 2005, p. 11.
volution, if the term can be used at all in this context, is not a product of international nongovernmental organizations alone. I refuse to believe that they can start revolutionary processes in any country, accelerate them, and replace top figures. It is very wrong to suspect INGOs of trying to stage an Orange Revolution in Uzbekistan—it is not in their interests. The West, and the world community for that matter, need political and social stability in Central Asia—instability plays into the hands of terrorists and extremists. As a result, extremist organizations of the Hizb ut-Tahrir type, which openly reject the democratic option, will use all the tools at their disposal to seize power.

Obviously, the routs, revolts, and revolutions, which we have seen quite a few of, were mainly caused by the aggravated sociopolitical situation, worsening living conditions, and an upsurge of discontent over the mounting poverty and corruption. There is a classical formula about the lower classes being unable to continue living and the upper classes being unable to continue ruling in the old way. In the case of Central Asia, it can be complemented with the dubious gain of “privatization of power.” When discussing the phenomenon of the Akaev family, which usurped control (a similar situation can be found in other Central Asian countries) over the key economic branches, Uwe Halbach offered an interesting comment: “The merging of business and power make the transfer of presidential power in the post-Soviet state tricky and any regime change volatile.” 6 Obviously, only under these conditions could foreign interference, if it did take place, be decisive.

I do agree with Uwe Halbach that we are witnessing the “autumn of the patriarchs.” After exhausting their political resources, the regimes fell into slumber. They are growing old and there have no one to blame for this but themselves. In fact, the post-Soviet regimes which have remained in power in Central Asia and in the majority of CIS countries since the very first days of independence are being eroded in the literal sense of the word. An impartial analysis of the events described above suggests that the regimes are growing weaker, the leaders and their power are losing legitimacy, and new regimes are replacing (or have replaced) them. Strange as it may seem, loss of legitimacy is largely caused by the leaders’ desire to stretch it, that is, to extend their term in power, indefinitely. By adjusting the laws to their political ambitions, the leaders blinded themselves. In fact, all five presidents of the Central Asian countries extended their terms by hook or by crook: today, all of them have spent 15 or even more years at the helm. From this it follows that the possibility of extending presidential terms should be excluded from the democratic political process.

The term Rose, Orange, Tulip, etc. Revolution was invented (deliberately or not) to create the image of external enemy and to distract public opinion from the urgent domestic problems accumulated during the years of independence. I am absolutely convinced that the democratic (or allegedly democratic) wave brushed against all Central Asian states, not only Kyrgyzstan and Uzbekistan. All of them will be involved in the process in one way or another, since the key political changes in any given one reverberate across the region. No wonder the painfully familiar words about West-exported democratic revolutions have reached us from Kazakhstan.

Speaking at an International Republican Institute dinner (Renaissance Hotel, Washington, D.C.), President George W. Bush said: “Across the Caucasus and Central Asia, hope is stirring at the prospect of change—and change will come. Across the broader Middle East, we are seeing the rise of a new generation whose hearts burn for freedom—and they will have it... As more and more people rise up to demand their freedom, the world is seeing a proliferation of democratic transitions... Democratic societies are peaceful societies—which is why, for the sake of peace, the world’s established democracies must help the world’s newest democracies succeed... In these countries, and across the world, those who claim their liberty will have an unwavering ally in the United States.” These words

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rekindled suspicions in the skeptics’ minds about Washington’s intentions to depose the existing political regimes, particularly in the Central Asian republics.

Why do certain people find latent conspiratorial meaning in America’s democratic rhetoric? It seems that this simplified (or even distorted) interpretation smacks of a primitive anti-conspiracy designed to perpetuate the authoritarian regimes and justify them. What can be opposed to the democratic conspiracy (if there is any)? The answer is: democracy. What can we mobilize to respond to the democratic mission? The answer is: true democracy. If we fail to respond (if the word can be used at all) to both challenges—the democratic conspiracy and the democratic mission—with democracy, it will mean that we renounce democracy latently (in the former case) and openly (in the latter). The political regime that holds forth about democracy out of fear of it is pathetic.

The End of the Transition Period?
(In lieu of a conclusion)

When the Soviet Union, which in one form or another pushed modernization to the East, fell apart, Kyrgyzstan and many other post-Soviet states were left to face the de facto restoration of archaic, semi-feudal political forms varnished by a thin layer of superficially democratic political institutions.7

“In fact, throughout the years that followed the Soviet Union’s demise, the democratic changes in Kirghizia were nothing more than a forced pantomime: the changes were paralyzed by the family-clan nature of the sociopolitical relationships consolidating in the country.”8

The moment of truth has come. Are the current events in Central Asia the beginning of the end of the notorious period of transition, which the political leaders are speaking so much about? It looks as if the local countries have set off along the road leading away from the period of transition toward a new development stage.

We have witnessed six changes of political power across the post-Soviet expanse. The first Russian president preferred to retire in the “castling” style, to borrow a chess term, before his term expired. In Azerbaijan, power was transferred from father to son. In Georgia, the opposition forced the president to retire. In Ukraine, the opposition won the presidential election. In Moldova, the communists regained power. In Kyrgyzstan, the power change was possible because all sorts of political forces closed ranks against one person and because the president made a grave error on the eve of presidential election. (In Uzbekistan, however, the group inspired by the Kyrgyz example suffered defeat.)

None of the above can be described as genuinely democratic. There are two reasons for this: the Soviet heritage (the endogenous factor) and the Cold War heritage (the exogenous factor). Let me explain. First, there is still no clarity about the formation nature of the transition period: is it a transition from socialism to capitalism, from totalitarianism to democracy, or from a planned economy to the market economy? These are not idle questions: in Central Asia the laws of natural economy, the capitalist system, and contemporary scientific and technological revolution are in operation.9 In Central Asia, the issue of democracy cannot be reduced to the issue of political values or the form of government—it is the issue of the local peoples’ self-identity. The coun-

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7 See: S. Mikheev, op. cit.
8 Ibidem.
tries and peoples of Central Asia treat the issue of national democracy as a regional democracy issue.\textsuperscript{10}

Second, I am convinced that there is a certain link between democracy and geopolitics. In Central Asia, geopolitics, or new geopolitics, as well as democracy have already penetrated into the national genetics, if I can put it this way. One of the latest works on geopolitics points to the three major components—geographic space, historical continuity, and identity—present in international politics. The authors remind us that the desire to gain an idea about the world and about one’s place in it is a basic human need. When coupled with theoretical concepts, they become geopolitical, geostrategic, or geo-economic postulates.\textsuperscript{11}

To a great extent, the fundamental difference between the viewpoints of Russia and the U.S. on the Color Revolutions can be explained in geopolitical terms. It is no wonder, Yossef Bodanski of the International Strategic Studies Association (U.S.) pointed out when writing about the events in Kyrgyzstan, that in its anti-Russian policies the United States has placed its stakes on removing the former Soviet republics from Moscow’s sphere of influence by giving them allegedly pro-Western administrations. The real aim, however, is to bring to power, through coups or seedy elections, weak governments chained to the U.S.-headed West and totally dependent on it. Mr. Bodanski goes on to say that Washington hoped to install an obedient and compliant administration in Bishkek in the shortest time possible. Kyrgyzstan was selected as the most suitable regime-change object to serve as a foothold for continued destabilization in Central Asia with the aim of establishing America’s hegemony over the local states and their energy fuels.\textsuperscript{12}

The situation is even worse than that: democracy may be rejected or even discredited not so much for geopolitical reasons as for the subjective, ideological, personal characteristics of individual politicians, as well as due to the fact that the popular masses have not mastered the democratic political culture. This is what we can see in Central Asia.

We can agree with Samuel Huntington in that the biggest divide of all is that of the “West versus the Rest.” According to him, Western military capabilities, economic strength, and the dominance of its existing institutions are so great that world politics will be defined in large part by how non-Western civilizations respond to Western power: through isolation, attempting to join the West, or by balancing against it. Huntington argues that the West needs to recognize the growing primacy of conflict between civilizations as the dominant (though not exclusive) form of conflict. In the long term, the West needs not only to maintain its own relative economic and military power, but also to learn how to accommodate other civilizations, based on a more profound understanding of those civilizations and what they potentially have in common with the West.\textsuperscript{13}

Today, when the transition period is drawing to an end to be replaced with a period of new formation development, all the sides have finally clearly realized:

— Russia and other post-Soviet states, especially the Central Asian countries, should demonstrate that their democratic choice is irrevocable and free from geopolitical apprehensions;


\textsuperscript{12} See: Y. Bodanski, “Demokraticheskai a revolutsiia’ v Kyrgyzstane: mify i real’nost” [www.centrasia.org], 12 April, 2005.

\textsuperscript{13} See: S. Huntington, “The Clash of Civilizations?” Foreign Affairs, No. 72 (3), Summer 1993, pp. 41, 48-49.
— the West, primarily the United States, should demonstrate that it looks at democracy as a noble mission rather than a geopolitical project.

A democratic conspiracy or a democratic mission—this is the fundamental question of the day to be pondered upon and be answered by all countries and nations which found themselves to be the objects or subjects of “revolutionary” changes in the new independent states.
Chapter One
The New NATO

1.1. In the years after the Cold War NATO “operates in an environment of continuing change” and has undergone a deep rooted transformation concerning its strategy, membership and operations. Initially NATO was conceived as an alliance with the aim of protecting its members’ territory from a large-scale aggression emanating from an “enemy” (after 1955 the Warsaw Pact became such an enemy). Its planning was based on the classical concept of war, i.e. confrontation of big military units on a broad theater. Use of nuclear weapons was included in its options, even only as a measure of last resort. NATO’s post-Cold War strategic agenda—German unification, the integration of Central and Eastern Europe, partnership with Russia and the Ukraine, and stabilization of the Balkans—is essentially complete or on the track of being completed. It cannot serve as the Alliance’s strategic purpose. 1

1.2. In the words of Henry Kissinger “today’s world is in a state of revolutionary disarray.” NATO must keep pace with developments in the international stage and cope with new risks, dangers and threats which are smaller in scale but make Western societies more vulnerable. 2

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NATO’s transformation began in the early 1990s and is still progressing. The Summits in Washington (1999), Prague (2002) and Istanbul (2004) have given NATO its new face. The Alliance is gradually becoming a political rather than military and a collective security instead of a collective defense organization.\(^3\) It has adopted an “Open-Door Policy,” with a result that any state willing and able to incorporate its values, strategies and tactics has an option to join it; NATO has recently accepted ten Central and Eastern European states as its members, thus contributing to a Europe whole, free and at peace.

1.3. NATO does not consider itself to be any country’s adversary; there is not a single state which could be viewed as “the” enemy. Similarly, the enlarged Alliance does not threaten any country; on the contrary, it seeks a synergy of efforts by all states, including Russia, in order to successfully address the new challenges.

1.4. While collective defense and Art 5 operations remain its core purpose, NATO must also take account of the global context; its operations cannot be territorially limited. The traditional idea that war occurs solely between mutually exclusive spatial entities, either states or blocs, no longer holds. Permeable boundaries and shifting alliances mark the struggles of local militias and the local political economies of warfare in specific places. Enemies no longer so obviously control territories; violence is often constrained to particular places but its connections spill over the territorial boundaries of conventional geopolitical categories.\(^4\) The greatest likelihood for people in America and Europe being killed does not emanate from a major military invasion, but from a threat posed by terrorists or failed states in the periphery armed with weapons of mass destruction attacking our citizens, our countries or our vital interests.\(^5\)

Strategic and geopolitical “frontlines” are moving in the direction of the Caspian Sea, and to the deserts and mountains between Central Asia in the north and in India-Pakistan’s disputed area of Kashmir in the south.\(^6\) NATO must be able to strike where the origin of the threat/risk is located, not where its effects appear. The new strategy is designed to achieve assurance, dissuasion, deterrence and defense against any potential adversary in any environment.\(^7\)

NATO is confronted with complex new risks to Euro-Atlantic peace and stability, including terrorism, oppression, ethnic conflict, economic distress, the collapse of political order and the proliferation of weapons of mass destruction; it is also charged with strengthening security and building stability in many regions of the world. Its activities include conflict prevention, crisis management and post conflict rehabilitation, strengthening nonproliferation and export control regimes and international arms control and disarmament accords, the fight against terrorism, organized crime, drug and illegal human trafficking as well as civil emergency planning.

The evolving threats have domestic and external sources and a transnational nature. Events in Afghanistan, where NATO leads the ISAF operation, have demonstrated that threats to our common security increasingly come from the periphery of the Euro-Atlantic area. As the Ger-


\(^5\) See: F.S. Larrabee, op. cit., p. 31.


man Defense Minister succinctly said “our security starts at Indukush.” In this environment, international stability and security will increasingly depend on domestic reform on the one hand, and wide international cooperation on the other.

1.5. Changes have also affected NATO’s capabilities and command structure. It has brought about improvements in the capabilities needed to ensure the effectiveness of future multinational operations across the full spectrum of missions with a special focus on interoperability. The changes targeted deployability and mobility, sustainability and logistics, survivability and effective engagement capability, command, control and information systems. The Alliance aims at ensuring defense against chemical, biological, radiological and nuclear weapons, command, control, communications and information superiority, enhanced interoperability and rapid deployment and sustainment of combat forces (Rapid Reaction Force). Recently, in Istanbul defense ministers signed a Memorandum of Understanding on strategic air- and sealift.

1.6. As part of its transformation NATO is forging practical partnership with non-NATO countries with the aim of creating a more transparent world in which the scope of misunderstandings and mistrust is reduced. Central to this idea is the Partnership for Peace (PfP) program, which has become, since 1994 when it was launched, an important and permanent feature of the European security architecture. Partnership provides a forum for consultations with Partners on the issues that are at the forefront of current security concerns. Partnership has at its disposal a range of mechanisms available for meetings among all Allies and Partners, or in smaller but open-ended groups depending upon the subjects under discussion. It has been deepened and broadened in order to meet the aspirations of different Partner countries and remain an attractive proposition to them.

PfP is helping to expand and intensify political and military cooperation throughout the Euro-Atlantic area, to increase stability and strengthen security relationships based on the practical cooperation and commitment to democratic principles which underpin the Alliance. It commits NATO to developing, with each individual partner, a planning and review process (PARP), designed to provide a basis for identifying and evaluating forces and capabilities which might be made available for multinational training, exercises and operations in conjunction with Alliance forces. Furthermore, the Individual Partnership Action Plan (IPAP) process is designed to bring together all the various cooperation mechanisms through which a partner interacts with the Alliance and to sharpen the focus on domestic reform; in particular, it enables individual partners to establish together with the Alliance a range of reform objectives, upon which the Alliance will provide advice and assistance.

A key element in NATO’s re-orientation to the new risks and threats is to make better use of the partnership relations developed over the past decade. In particular, NATO pays attention to expanded dialog and exchange of expertise with Partners on a variety of political and security issues. It helps them to develop modern and democratically responsible defense institutions, promotes the development of capabilities that provide a unique or high-value contribution, including a challenging exercise program, and provides mechanisms and instruments for enabling Partner contributions to the Alliance’s response to terrorism and protection of civilian populations against weapons of mass destruction.

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8 See also: Security through Partnership, NATO Public Diplomacy Division 2005, p. 36 [www.nato.int/docu/puf-form.htm].
1.7. The security challenges of today are multi-faceted and cannot be handled by any single institution on its own. NATO and other organizations concerned with security issues like the U.N. and its affiliated organizations, the OCSE and the EU as well as individual countries recognize the need to work together to build a web of mutually re-enforcing, interlocking security arrangements. In such co-operative efforts NATO will draw upon its comparative advantages, in particular setting standards for interoperability and preparing appropriate forces and capabilities by high-level training and exercises, but also its commitment to common values and solidarity in their implementation, and its role as “facilitator” in areas where it does not have a primary responsibility, such as border security and consequence management.

1.8. Summarizing, I think the new NATO can be considered, first, as a set of values—democracy, human rights, respect of the rule of law in both transnational and domestic affairs, peaceful resolution of disputes etc.—which hold the Alliance together and legitimize its operations; second, as enhanced expertise in defense and security issues providing an important mechanism for addressing threats to common interests and promoting interoperability; third, as a culture of dialog and cooperation coordinating transatlantic security and maintaining the transatlantic link, thus reaching consensus among the world’s democracies, as well as integrating non-member countries, including Russia, into a broader Euro-Atlantic security framework. These are formidable tools for addressing contemporary threats, risks and challenges.

Chapter Two
NATO’s Priorities in Central Asia

2.1. The Atlantic Alliance is now angling to become a guarantor of security for countries in Central Asia and the Southern Caucasus. It is very difficult in this area to distinguish internal instability from a broader regional or even global one. Thus the presence of capable forces in and around Central Asia and the Southern Caucasus makes the region a pivotal theater or zone from where those capabilities can strike at belligerents in any one of numerous potential theaters from Eastern Europe to the Pacific.

It becomes particularly important to understand the faultlines, geography and other challenges this part of the world presents: Internal political orders are authoritarian and fragile. Ethnic heterogeneity existing side by side with economic disparities can stifle civil strife. Pretexts for interstate conflict abound. Criminal activity and corruption are on the rise. Prospects for growth are different throughout the region. Disputes over the division of the Caspian seabed as well as the use of the waters of Syr Darya and Amu Darya rivers can lead to heightened tension. Refugee flows into the region could strain the treasuries and stretch the capacities of states to deal with the influx. The rise of insurgencies linked to radical Islam as well as the situation in Afghanistan can have an impact on terrorist activity in the region. NATO will face them regardless of the depth of its commitment to the region.

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13 See: S. Black, op. cit., p. 11.
2.2. The inclusion of the Central Asian states in the PfP program formalized their relations to NATO, provided a mechanism for regional security cooperation, and established a basis for combined action.\textsuperscript{15} NATO’s presence in the region is a strategic and geopolitical fact; it has become a part of the strategic landscape in this part of the world. But in the eyes of governments of the region this must be legitimized by the effectiveness of its operations and in the eyes of populations by its contribution to reform.

The Istanbul Summit decided that the Alliance will put special focus on engaging with partners in the strategically important regions of the Caucasus and Central Asia, which might be distant from the Alliance’s core, but are of vital importance in the new security environment. NATO has appointed a Special Representative of the Secretary General for the Caucasus and Central Asia as well as two Liaison Officers, one for the Caucasus and the other for Central Asia. These officers will help to develop relationships further as well as acting as a channel for increased dialog and cooperation in the region.

The point here is to work with local regimes and their militaries to shape the local environment, establish relations of mutual trust, confidence and interoperability and to raise local capabilities. All of these aspects translate into operational objectives of modernizing local forces’ capability to meet threats to security and to work with NATO. In so doing, we pave the way to facilitating Central Asia’s ultimate integration into the Euro-Atlantic political and military current, a process that can also provide leverage to help foster more democratic internal military structures and civilian democratic controls of the armed forces in these countries. Thus the hierarchy of operational goals starts with access and descends through modernization and its components to integration and its components.\textsuperscript{16}

NATO will re-orient existing resources toward these two regions, consistent with its long-term strategy to enhance stability across the Euro-Atlantic area by encouraging and supporting reform. In implementing its cooperation programs (IPAP, PARP, PAP-T, PAP-DIB) NATO gives priority to these countries, provides enhanced training and education, and strives to help them manage the consequences of defense reform.

The needs of the Central Asian militaries and societies are diverse and each country has to be treated separately and in sensitive ways that build trust and offer practical improvements to their armed forces and security structures. In any event, there should be no misunderstanding that enhanced interest for the region does not mean a carte blanche for unconditional financing or supply of modern equipment. NATO should help these countries in moving away from past legacies and improving their managerial systems and planning.\textsuperscript{17}

2.3. In view of these developments one distinguished scholar speaks about the “Asianization of NATO.”\textsuperscript{18} It means that the center of gravity of NATO’s concerns lies today in Asia, I could agree. But this cannot be understood as alluding that NATO’s membership is going to be extended; today projection of stability is more important than a new enlargement.\textsuperscript{19}

Neither does it mean that NATO is antagonistic to any other power or organization in the region. NATO is not building an empire but facing the political and strategic challenge of building legitimacy,\textsuperscript{20} i.e. setting the foundations for a new order in the region based on liberal val-

\textsuperscript{16} See: S. Black, op. cit., p. 23.
\textsuperscript{18} See: A. Bogaturov, op. cit., p. 4.
\textsuperscript{19} See: H. Haftendorn, op. cit., p. 24
\textsuperscript{20} See: S. Black, op. cit., p. 12.
ues, effective political, economic and defense reform and the fight against terrorism, organized crime, illegal human trafficking and corruption.

Russia’s positive stance after 11 September and her participation in the war against terror, the campaign against WMD and in regional peacekeeping tasks as well as cooperation in the framework of the NRC, are an indication that the context in Central Asia has changed and that the “Great Game” is not going to be repeated.

2.4. Let me now address the priority areas, on which NATO and Central Asian states can concentrate their cooperation:

- One case in point is Afghanistan. Operating in Afghanistan, far away from NATO’s traditional perimeter, highlights the reasons why Partnership is so important for the Alliance, and also why the Alliance needs to pay more attention to the needs of Central Asian states. Central Asian states are important partners in the war against terrorism and have provided, on a bilateral basis, useful support to our operations in Afghanistan. They have been instrumental in ensuring the logistic supply of ISAF forces. Through the negotiation and conclusion of transit agreements that provide vital staging posts for the resupply of our forces in Afghanistan, NATO and Central Asian states can help bring security and stability to the region.

- The fight against terrorism is a critical area of cooperation. But terrorism is a tactic of a small group of individuals who have chosen to wage a war on all “infidels.”21 Fight against terrorism is not an excuse to restrict democratic institutions, fundamental freedoms and the rule of law within our countries. We must protect and promote these values so that terrorism cannot find a fertile breeding ground.

- NATO intends to play a constructive role in reform processes leading to more effective defense institutions. The first task is to bring security services and the armed forces under effective democratic control and enhance the role of Parliaments in defense matters. The second task is to ensure that Partners’ armed forces are appropriately sized, structured and funded as well as increasingly interoperable with NATO, so that they can meet the requirements of the new security environment and participate in NATO operations.

- Partnership must help tackling domestic reform. IPAP and PARP are very important instruments for bringing forward wider reform, modernization and good governance as well as defense reform, capability development and interoperability of forces. The key to this is the ownership by the nation concerned—so that achievable objectives can be set by the nation itself and cooperation can be tailored to its needs.

- Border security and control is of fundamental importance to some of our Partners in the Caucasus and, especially, in Central Asia and there is a definite requirement to deal with it in the framework of the implementation of the Istanbul Summit decisions. Effective border security is essential for cutting the supply routes of terrorist activity, cross-border illegal activities, including trafficking and potentially the movement of conventional weapons or WMD. NATO has already experience in this field. The underlying principle is that borders should be open but controlled and secure, under national responsibility in close cooperation in a bilateral, regional and international context.

NATO could organize a Border Security Advisory Board which would provide assistance to Partners in:

— transforming military border guards into a civilian law enforcement structure,
— improving the efficiency of the national internal coordination mechanism on border management,
— improving and modernizing the training of border security personnel,
— improving the equipment of border security,
— improving and modernizing cross-border communications with neighboring border management and security organizations and
— improving national contributions to the regional and international interaction on border security and management.

We need the ability to disrupt drug shipments destined for Europe. NATO’s inclusion of a counter narcotics element in the Operation Plan for ISAF is a welcome move in the right direction.

There is a lot more on offer: Partnership projects range from disaster preparedness to defense conversion, to scientific and technical cooperation.

— A good example is the Virtual Silk Road, a NATO-sponsored project that has established INTERNET connectivity between the countries of Central Asia, the Caucasus plus Afghanistan and the rest of the world. Through this project the scientific communities of the benefiting nations have experienced “order of magnitude” increases in their connectivity to countries of the Western world.

— “Science for Peace” (SFP) projects support teams of Partner experts in cooperation with NATO country teams to address security related issues.

— Other “Security through Science” projects include a project for the radiological threat assessment and survey of the Semipalatinsk Nuclear Test Site (Kazakhstan), a workshop on Re-use and Cleaning of Former Military Sites in Bishkek and a study on Radioactive Waste Disposal Sites in Turkmenistan.

— Partnership for Peace Trust Funds is another example of practical cooperation. Trust Funds have been used to destroy more than two million anti-personal land mines in Albania, FYROM, Ukraine and Tajikistan. This mechanism has a serious potential and can be used in any country.

— Environmental security is a high priority in all Central Asian countries. NATO is cooperating with the OSCE, UNDP and UNEP in a variety of studies and projects to benefit the countries of the region.

— A long-term study entitled “Environmental Decision Making for Sustainable Development in Central Asia” is conducted with the participation of CAREC (Central Asia Regional Environmental Center) and other international organizations (OSCE, WHO). The main objective of this pilot project is to stimulate cooperation and, primarily, to encourage the integration of regional and democratic approaches within the fabric of the environmental policy of each of the countries of the region. Through enhanced public participation, which the project encourages, more technically effective democratically approved environmental decision making can be implemented. The study puts additional emphasis on initiatives related to environmental protection that serve to strengthen and expand the institutional infrastructure in the region (e.g. the judicial system).

— Through Reintegration Grants NATO is trying to assist the countries of the region to address the “brain drain” of their scientists. This grant provides support for both scien-
ists returning to their home countries to continue their scientific work and their institutions to enable the research facilities of their laboratories to be upgraded.

— In April 2003 the emergency management “Ferghana 2003” took place in Uzbekistan based on a natural disaster scenario.

— NATO together with Finland is currently designing a series of courses oriented toward Central Asian Partners focusing on the areas of civil protection, natural disaster, anti-terrorism and general rescue.

Chapter Three

Conclusions

Summarizing, due to bilateral and multilateral efforts, a climate now exists in Central Asia where achieving a true co-operative security environment may be possible. Much remains to be done concerning defense reform, bilateral and regional cooperation and building robust, effective and democratically controlled state institutions. The nations of the region must decide themselves on which items and at what speed they want the reform-process to proceed.

Depending on how ties with the Central Asian states develop, and on the future path of the fight against terrorism future activities may involve more counterterrorist efforts into Afghanistan, supporting the Central Asian states in their counterinsurgency efforts, peacemaking or peacekeeping after conflict emerges in the region, or responding to terrorist groups on the territories of Central Asian states themselves. A crisis in Central Asia or in the Caucasus could lead to the deployment of international peacekeepers or peacemakers, protection of energy and pipeline infrastructure throughout the region and protection and evacuation of foreign nationals.

For the future, cooperation within the PfP will provide the basic framework for developing NATO’s relations with these countries. The main focus will be on providing secure routes to Afghanistan, as well as on activities such as peace support operations, border management, search and rescue and disaster relief. NATO sponsored activities designed to encourage better democratic practices, responsible budgeting under the control of the Parliament and civilian control of the military can help to foster political change over the long run.

NATO realizes the devastating long-term effects of poverty, underdevelopment, authoritarianism, tribalism and religious fanaticism for the region of Central Asia and the world. It has assumed the task, along with Allies, Partners and other interested international organizations and NGOs, of stemming a “clash of civilizations,” avoiding the “competition between the functional core of globalization and the dysfunctional periphery,” and reducing in the future what Charles Kupchan calls the “distance between the leading and lagging edges of history.”


Coming Back
to World Politics

The Caucasus was drawn into the sphere of international politics in the 1990s and has remained there ever since. Along with Yugoslavia it owes its international prominence to the acute ethnic and political conflicts and wars on its territory.

Its geographic, ethnic, linguistic, confessional, and cultural diversity has largely determined its history and the relations among its nations. It is not for nothing that the Caucasus is called a “museum of nations” — it is home to over 50 large and small nations and ethnic groups (about 20 million people in all). The smallest number several hundreds, while the largest ethnic groups have several million people.

At all times the region remained a link between Europe and Asia; throughout its history the Caucasus or its regions were either a buffer zone between the rivaling empires or part of them. Rome, Parthia, Byzantium, Arabs, Mongols, Turks, the Iranian, Ottoman, and Russian empires all met or clashed here. Confessional and ethnic diversity is another of the region’s prominent features: there are Christians and Muslims (Suni and Shi’a), as well as peoples belonging to various Indo-European groups, the Iberian-Caucasian, Turkic, and Semitic ethnic and language groups.

The Caucasus is home to the four world religions: Christianity represented mainly by Orthodoxy and Monophysitism and a small number of Catholics and Protestants; Sunni and Shi’a Islam; Judaism practiced by the Georgian and mountain Jews (the latter living mainly high up in the mountains of Azerbaijan and Daghestan), and Buddhism, the religion of the Kalmyks.¹

Throughout its history the Caucasus has been and remains a bridge connecting the North and the South, and the West and the East, as well as a barrier separating them. The academic community on the whole agrees that the Caucasian peoples gained next to nothing from this geopolitical advantage, and even lost a lot because of it. With the exception of the Soviet period when the Caucasus, as part of the U.S.S.R., lived according to the laws of a “closed” society, it was part of the international communication network. Under Soviet power, however, it was deprived of its role of a North/South and West/East transportation corridor. Today, the region is free to regain this function.

There is no clear geographic definition of the Caucasus. Generally speaking, it is a mountainous country between the Black and the Caspian seas. Described in the demographic and historical terms

¹ Not all authors agree that the Kalmyks belong to the Caucasus. There are 122,000 of them living to the north of Daghestan and to the northwest of the Caspian; their contacts with the Caucasian peoples are intensifying.
of the past two centuries, the region is delimited in the north by the northern slopes of the Caucasian Range and the adjacent valleys that separate the lands inhabited by the small North Caucasian peoples from the northern territories populated by Russians. In the political terms of the late 20th century, the Caucasian boundary coincided with Russia’s southern frontiers, that is, with its North Caucasian republics and the Krasnodar and Stavropol territories. In the west, the border territory is populated by Turks on the one side of the border and Georgians and Armenians, on the other. It is much harder to trace the southern demographic boundary since Azeri Turks live on both shores of the River Araks (the southern border of Georgia). Because of the indiscriminating administrative division of the Northern Caucasus inherited from the past, which ignored the titular nations’ settlement pattern, it is hard to trace the Caucasus’ geographical and political limits.

Some Russian colleagues identify the Caucasus as a much wider territory which includes not only the Transcaucasus and Northern Caucasus, but also the steppe foothills (the Stavropol and Krasnodar territories), as well as the Rostov Region. Others who are guided by ethnic and demographic criteria limit the Caucasus to the territories populated by the autochthonous mountain peoples. They describe the steppe foothills, as well as the Volgograd and Astrakhan regions together with Kalmykia, as the South Russian Region and a transition zone with typically Russian and typically North Caucasian features. Many centuries of migration between the North and the South have made the boundary between the steppe foothills and the Northern Caucasus unidentifiable. In fact, it can be described as provisional. On the other hand, the Northern Caucasus connects the Transcaucasus and the foothills. 2

There is another, more recent, opinion stemming from the current geopolitical realities which divides the social and economic space of the Caucasus into the Northern, Central, and Southern parts. Traditionally, the region includes only the post-Soviet autonomous political units and the Transcaucasus—Georgia, Azerbaijan, and Armenia. According to the above-mentioned viewpoint, however, the northwest of Iran is regarded as the Southeastern Caucasus and the northeastern areas of Turkey (Kars, Ardahan, Artvin, etc.) form the Southwestern Caucasus. Indeed, during the many centuries before Russia came to the Caucasus these lands belonged to a single socioeconomic and ethnocultural expanse peopled by the Caucasian nations; today the Southwestern Caucasus (part of Turkey) and the Southeastern Caucasus (part of Iran) can be described as the Southern Caucasus. 3

The Southern Caucasus is populated by 6 million Azeris, 4 million Georgians, and 3.5 million Armenians, as well as by smaller nations, some of which also belong to the autochthonous population. Georgia and Azerbaijan are polyethnic countries, while Armenia, with 95 percent of its population being Armenians, can be described as monoethnic (there are also 2 percent of Russians and less than 2 percent of Yezidi Kurds). In Georgia, the titular nation comprises 70 percent of the total population, in Azerbaijan, over 83 percent.

The Northern Caucasus can be described as an ethnic patchwork.

Samuel Huntington and His Opponents

The post-Cold War dramatic changes called for a novel approach to the new political realities. Scholars and politicians responded with a host of descriptions of the world order of the future rang-

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ing from the era of nation-states to their final disappearance under the impact of all sorts of factors (tribalism, globalism, etc.). Some of them described the future as a unipolar world organized around the West (the United States, in particular). Others predicted that in the near future a non-Western (Confucian) civilization would emerge as another pole hostile to the West. Still others talked about a multipolar world. The so-called cultural come-back was another factor of international relations.

Scholarly writings offer several paradigms equally suited to interpreting international relations in the Caucasus: globalization, the balance of power, the clash of civilizations, etc. The latter, consistently described in Samuel Huntington’s well-known book, produced a noticeable impact on the scholarly and political discussions of the Caucasian problems. Huntington has postulated that the emerging world order is determined by the relations among seven or eight large civilizations and that civilizational identities, rather than ideology or economics (as it was asserted in the past), determine the key distinctive features and will, therefore, develop into a source of conflicts. He described civilization as a cultural entity of the highest rank and the broadest level of cultural identity mainly determined by religion. Mr. Huntington insisted that no universal civilization would appear in the foreseeable future even though it was commonly believed in the West that the Western values as a universal phenomenon would serve as the cornerstone of the future world order. In fact, civilizations must coexist to survive: according to Huntington, this coexistence will develop into clashes because the civilizational differences are too great to be ignored. The borderlines between civilizations will become the frontlines of bloody wars.

According to Huntington, the Caucasus is one of such borderlines. These borderlines will inevitably develop into areas of civilizational clashes. He tried to explain the post-Soviet conflicts by the clash of civilizations and the revived identity factor: the Caucasus is one of the regions where Christian Orthodoxy and Islam are in confrontation, while Western ambitions merely aggravate the situation. The Caucasian conflicts (primarily in Karabakh and Chechnia) are direct results of this.4

Huntington’s conception triggered a fervent discussion: it was criticized because of its overestimated role of the religious factor. The critics pointed out that this factor rarely figured prominently at the initial stages of the conflicts normally triggered by social and economic factors. More likely than not, minorities start fighting for their rights not because they belong to a different confession or a different culture: they merely resent being social and economic outcasts. Politics and culture blend when the situation described above is perceived as a collective rather than individual problem.5 One can hardly deny that culture plays a prominent role in such conflicts, yet, as I have said above, at the initial stages culture is fairly unimportant: it is moving to the fore as the conflict unfolds.

There is the opinion that identity becomes an effective weapon when there are forces prepared to use it to create myths in order to strengthen their position, add legitimacy to their power, and rally the masses. This is why an impartial analysis should be based on the paradigms of rational choice and the use of force, rather than on the concepts of culture and identity.6 S.E. Cornell, one of the most respected experts on Caucasian problems, disagrees with what Samuel Huntington wrote about the Caucasian conflicts as a clash of civilizations. Cornell believes this to be an oversimplified approach that exploits stereotypes. For him, the conflicts are

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a combination of nationalism and national interests, rather than religious and civilizational contradictions.  

This is true: the Abkhazian and the South Osset conflicts can be hardly explained in Huntington’s terms, therefore his opponents often refer to them as another argument against his theory. The same can be said about the Karabakh conflict: Iran helped Christian Armenia in its struggle against Muslim Azerbaijan for a wide range of reasons (increased Turkish influence on Iran’s northern borders, the rising wave of nationalism among the Azeri minority in Iran, economic advantages created by trade with blockaded Armenia, expected rapprochement between Baku and Washington, etc.).

Huntington’s opponents believe that his “clash of civilizations” model is conceptually vague when applied to the Caucasus; they also insist that it is dangerous, since according to it, all attempts at subregional cooperation (be it the “peaceful Caucasus” or the “Eurasian corridor” projects) are doomed to failure. N. MacFarlane has pointed out that Huntington’s theory is readily accepted in the Caucasus for the simple reason that, according to its logic, the Caucasus has become the focus of international attention.

Huntington’s opponents are numerous, yet it is difficult to object to his description of the Caucasus as the zone of contact of civilizations and the boundary that divides them. Under the influence of his unfavorable forecasts of the region’s future, Caucasian politicians started looking for more positive alternatives. They found them in the “peaceful Caucasus” and the “dialog of cultures and civilizations” projects.

The former does not presuppose an alliance of any sort (contrary to the “common Caucasian home” idea that appeared in the 1990s). It speaks of the need to identify common interests and ensure peaceful coexistence through talks and agreements.

In 1997-1998, politicians initiated several international conferences which discussed the geopolitical problems of the Caucasus and its single cultural space. Much attention was paid to the historical and cultural roots of Caucasian unity. Here I shall limit myself to the most eloquent pronouncement offered by then speaker of the Georgian parliament Zurab Zhvania at a conference at Tbilisi University: “Caucasian unity is not merely a political conception. The Caucasus is a variegated and yet homogenous world, a phenomenon which took many centuries or even millennia to acquire its final shape. There are definite authentic social and cultural institutions in it... This suggests that there is the phenomenon of a single Caucasian civilization created by the Caucasian peoples. They are united by shared values and common mentality, despite the religious and ethnic diversity.”

Then Minister of Culture of Georgia V. Asatiani said at the same conference: “We, the Caucasian peoples, form one historical and geopolitical entity. Our psychophysical image, the so-called Caucasian nature, our physical appearance, temperament, and moral ideals make us kindred peoples.”

It is fairly easy to explain why politicians offered these opinions and tried to plant them in the minds of people. It should be added that at the same conference scholars pointed out that the different peoples and states on both sides of the Caucasian Range have different systems and that all those who are holding forth about a single Caucasian space or single Caucasian civilization should bear this in mind.

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8 See: N. MacFarlane, op. cit.
A Lesson in History: How the Chance for Caucasian Unity was Missed

Caucasian history knows of many unsuccessful attempts to achieve unity. One of the most attractive chances was offered by the political and cultural context of the 11th-12th centuries when unity, or what can be called in the latest terms a “single cultural space,” seemed just around the corner. This historically short period left its indelible imprint on the later development of the Caucasian peoples.

Georgia, which by that time had become a unified state and had freed itself from all sorts of invaders, began spreading its influence beyond its borders, thus initiating the process of unifying the Caucasus. Georgian chronicler Leonty Mroveli left us a detailed description of an idea which took its final form in the 1070s. According to him, the Georgian rulers obviously wanted to create, to borrow a modern term, a single geopolitical space; the conception spoke about the common roots of the Caucasian peoples to justify Georgia’s political course.

It is hard to say which form the “large world—the Caucasus” gradually emerging around Georgia, the core of the future unity, would have taken. We know that the efforts to create a single geopolitical space were accompanied by more or less successful efforts to supply it with ideological and cultural props. The Georgian language was gradually emerging as an important tongue used in churches across the Caucasus. Hagiographic works, chronicles, and epigraphic and architectural monuments testify that in the 11th and 12th centuries, Georgian culture and the Georgian language were used not only by the nobles across the region, but also by ordinary people (Chalcedonian Armenians, the population of Albania and the Northern Caucasus). Assisted by the language and together with it, religion played an important role in uniting the Caucasus. Christianity spread across the Northern Caucasus where bishop’s cathedras had been already established; Georgia’s political and cultural influence came along with it.

The process turned out to be short-lived: Georgia failed to fully tap two of the most effective types of expansion: economic, by bringing its developed trade capital into the politically subjugated provinces, and cultural, which after it began was cut short in the 13th century. The Mongol invasion weakened Georgia’s political might and brought Islam to the Northern Caucasus. Gradually, considerably different political and cultural systems emerged on both slopes of the Caucasian Range. The local peoples were becoming more and more different, even though they preserved many of the cultural features which united them in the past.

Later, the political and ideological conception formulated in the 11th century was regularly revived. The urgent need to decide on a foreign policy orientation suggested the idea of uniting the Caucasus under Irakly II with Georgia (which was much weaker than in the 11th-12th century) as the unification core.

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13 K. Gadjiev calls this “world” “the pan-Caucasian empire,” whose vassals were Shirvan and Trebizond (see: K.S. Gadjiev, op. cit., p. 15).
Unification from the “Outside:”
The Caucasus
as Part of the Russian Empire

The Caucasus finally achieved a unity of sorts within the Russian Empire: the newly organized Caucasian vice regency included the administrative units of the Southern and Northern Caucasus, with its administrative center in Tbilisi. Political unification, achieved after a long period of division into the Iranian and Turkish spheres of influence, created favorable conditions for revived traditional contacts (cultural as well as others) among the local peoples, yet the *divide et impera* principle with which the Russian Empire armed itself interfered with the process.

After the February 1917 Revolution, the Russian Provisional Government set up a Special Transcaucasian Committee to rule the Caucasus; in November 1917, the Bolsheviks formed the Transcaucasian Commissariat. In February 1918, the Transcaucasian Sejm was organized; it proved to be short-lived because of contradictions among the representatives and the prospect of state sovereignty. In May 1918, Georgia, Azerbaijan, and Armenia proclaimed their independence, therefore there were no reasons to unite the Southern Caucasus into a single political entity.

After establishing Soviet power in the Caucasus, Russia made another attempt to set up united administrative units there: in 1922-1936, there existed the Transcaucasian Soviet Federative Socialist Republic; and in 1921-1924, there was the Gorskaia (Mountainous) Autonomous Republic within the R.S.F.S.R. This attempt, however, did not bring unity to the Caucasus: as soon as the Soviet Union fell apart, centrifugal disintegration forces gained the upper hand.

The “Caucasian Home” Options

The post-Soviet situation of the early 1990s and fervent confrontation with Russia added vigor to the concept of the common Caucasian home even though different peoples had different ideas about it ranging from a Caucasian parliament to an entity of the European Union type. They all ignored the fact that entities of that type rested on shared opinions about the world (religion, in particular), shared values, a single economic system, a single information space, and other factors conspicuously absent in the Caucasus. For these reasons, the common Caucasian home remained a declaration.

An attempt to realize the idea took the shape of the Confederation of Mountain Peoples of the Caucasus soon to be transformed into the Confederation of Peoples of the Caucasus, the first congress of which was held on 25-26 August, 1989 in Sukhumi. Its aim was a federal republic; the congress set up an Assembly of Mountain Peoples headed by former Komsomol and Communist Party functionary Musa (Iury) Shanibov, at that time lecturer at the Kabardino-Balkarian University.

The congress was vested with the powers of a “parallel parliament.” At the Confederation’s third congress held in Sukhumi on 1-2 November, 1991, the Assembly was renamed the Confederation of Mountain Peoples of the Caucasus and proclaimed itself the heir to the Republic of Mountain Peoples set up on 11 May, 1918. It described its key tasks as development of sociocultural and political cooperation among the Caucasian peoples; prevention of ethnic and other disagreements and conflicts among them and their peaceful settlement; and setting up a coordinated defense system against external enemies. The leaders believed that the state goals could be achieved when, under the conditions of the Russian Empire’s disintegration, each of the South and North Caucasian republics or autonomies achieved independence. This completely ignored the region’s history, present-day reality, and the...
interests of the Turkic peoples. Meanwhile, the Balkars, Karachais, Kumyks, Nogais, Lezghians, and Darghins were not among the participants in the conferences in Sukhumi, Nalchik, Vladikavkaz, Grozny, and Makhachkala.

Musa Shanibov was elected as the Confederation’s president; the Presidential Council included representatives of all North Caucasian peoples, while each of the peoples was expected to send three representatives to the Confederation’s parliament. The president pointed out that the Confederation united the peoples of the North Caucasian republics, not their governments; as a result, 16 nationalities and ethnic minorities joined it, with the Karachais, Nogais, Kumyks, and Cossacks participating as observers.

There was no unity among the Confederation members: the Chechens wanted to use the structure in their struggle for independence, while the top figures believed it should serve as an instrument of regional cooperation. Its members differently interpreted the events and conflicts taking place in the Caucasus. In order to attract the Cossacks and other nationalities, the Extraordinary Congress convened in Grozny on 3 October, 1992 renamed the Confederation of Mountain Peoples the Confederation of Caucasian Peoples. Unity in its ranks, however, remained the main headache.

Very soon it amply demonstrated its impotence by acting contrary to its original ideas: it supported Abkhazian separatism, which in fact meant support of Russia’s aggression against Georgia, opposed the liberation struggle in Chechnia, etc. This cost it its prestige among the Caucasian peoples, even though the principles it declared remained popular for a while. The leaders were actively seeking international recognition: early in 1994, Shanibov visited Turkey where he met Foreign Ministry and General Staff officials; there was information that representatives of U.S. Congress also wanted to meet the Confederation leaders.

We know from history that at all times Caucasian integration has inevitably acquired anti-Russian features, therefore the Russian Federation did its best to cut short the integration trends: any efforts to ignore them would have placed the ball in the court of the Chechen leaders. After 1992, Moscow used the Confederation against Tbilisi, it even helped it set up a defense system, which, however, did not become a real force and was soon forgotten.

It is interesting to note that Russia’s national media described the Confederation as a real structure with a parliament, president, armed forces, and other attributes of a state. The press preferred to pass over in silence the fact that it was not the clearly stated will of the region’s peoples, but an attempt by some of the North Caucasian intelligentsia to formulate and implement a certain state project completely divorced from reality. The leaders, and the structure for that matter, had no legal force obtained through elections. Significantly, it was the national, rather than the local North Caucasian press (of Daghestan, in particular) that wrote about the Confederation. The majority knew nothing or next to nothing about it, while those who did have an idea about the Confederation, and its aims and tasks (5 to 10 percent of the region’s population) were either negative or enthusiastically positive about it.

As soon as the region became conflict-prone any information about this structure was treated as an absolute priority in Russia’s national media; the Confederation’s chances increased along with the growth of instability in the Russian Federation and decreased when the situation improved. This is illustrated, in particular, by the rise in the Confederation’s popularity after the presidential decree which introduced the state of emergency in Chechnia, as well as during the Georgian-Abkhazian conflict.

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19 See: Ibid., p. 23.
We have not yet acquired any reliable information about a treaty or any other decision by the representative or executive bodies of the North Caucasian republics about setting up a Confederation or conducting a referendum with regards to it. These acts alone could have made the structure legitimate—its leaders completely agreed with this and never stopped saying that they wanted to consolidate the mountain peoples to set up, some time in the future (in 10 to 15 or even 20 to 30 years), an independent North Caucasian state consisting of nation-states.\(^{21}\)

The attempts to make the Confederation an instrument of peaceful settlement of conflicts and contradictions failed. The Confederation even ignited several of the Caucasian conflicts: in the northwest it gathered under its banner the Adighe youth inspired by the “common Adighe ideas” and ready to fight in Abkhazia; it failed to unite the Caucasian peoples. It was torn apart by the contradictions between the leaders of Adighe origin and other Confederation members who mistrusted the leaders. The Karachais, Balkars, Kumyks, and Nogais set up the Assembly of the Turkic Speakers supported by Chechnia and Azerbaijan.

The above shows that for certain reasons the idea of a common Caucasian home failed to take off, yet we must admit there is a certain potential for mutual adaptation of confessions and cultures. Some of the authors point to a special historical experience of the region’s peoples in the sphere of cultural and civilizational cooperation. For example, Polish theologian, philosopher and culturologist August Peter Kirsch has written: “In the Caucasus, three key cultures, religions, modes of thinking, and mentalities—ancient Judaism, European Christianity, and Eastern Islam—have offered an example of peaceful coexistence. It is through studying the Iberian-Caucasian contribution to mankind’s cultural wealth that we can create an effective antidote to the phobia triggered by 9/11 and to arm mankind with adequate conclusions and knowledge.”\(^{22}\)

The position of contemporary Russian political scientists on the Caucasian unity/disunity issue deserves special treatment. According to prominent geopolitical scholar Alexander Dugin, Georgia needs ethno-cultural, rather than political, differentiation of the region. It should “support latitudinal delimitation and stronger longitudinal integration of the ethnic regions of the Transcaucasus.” From this it follows that Abkhazia should be directly connected with Russia, while South and North Ossetia should be united into a single unit, and the rest of Christian Orthodox Georgia should be entrusted with control over the “Caucasian home.” In this geopolitical context Chechnia could be administered by Christian Georgia. Besides, “Dagestan and Ingushetia should be attached, to a certain extent, to Georgia. This will create an autonomous North Caucasian zone which, while being economically developed, would completely depend on Russia strategically and be Eurasian-oriented.” The author went on to say that a “Caucasian federation” could be created to include the three CIS republics and the RF autonomies.\(^{23}\)

Some of the Russian geopolitical scholars hold forth about a possible “reintegration” of Georgia and the Russian Federation. One of them, A. Panarin, believes that the Kiev-Baku-Tbilisi axis taking shape can be dangerous, to a certain extent, for Tbilisi. Deprived of Russia’s guarantees Georgia will find itself in a much more difficult position in the Transcaucasus. In view of the Islamic radicalization of the regimes distancing themselves from Russia, we can expect that the next generation (in 15 to 20 years) living in the non-Muslim neighboring countries of the Muslim world will have to deal with aggressive regimes.\(^{24}\)

S. Samuilov is convinced that the Russian Federation should treat its relations with the predominantly Christian Orthodox countries (primarily Serbia and Armenia) as a priority. In the absence of common borders with them, Russia will need transit countries, namely, Georgia and Bulgaria, Chris-

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\(^{21}\) See: K.S. Gadjiev, op. cit., p. 81.
\(^{22}\) Khvalindeli dge (Tomorrow), 2 September, 2003.
tian Orthodox yet Western-oriented states. For a while they should remain transit countries; later, after Russia has regained its strength and the political elites of these countries have realized that Western prescriptions are useless, Russia might move away from partnership to allied relations with them.

Is the Caucasus a Single Cultural Space?

For centuries the Caucasus has been organically combining integration and disintegration trends, or, rather, has been balancing them. This raises the following questions: Why did the efforts to achieve Caucasian unity fail? Can we regard the cultures of the local peoples (or of some of them) as parts of the same single space?

Scholars differ about the civilizational identity of the Caucasus and its parts. Some of the criteria speak of it as a very specific civilization, sub-civilization, or cultural entity. More politically conscious scholars, mainly those associated with the political community and some of its members, believe that political unity based (or potentially based) on cultural and civilizational unity is also possible.

Peoples or nations belonging to any civilization share ideas, ideals, values, and norms. Together they form a spiritual axis which can be described as a basic paradigm or a philosophical system of any given civilization determining its way of life, self-identity, behavioral stereotypes, and social parameters. Religion was very prominent in most historical civilizations. In this sense the Caucasus can be described, with certain allowances, as a cultural-civilizational space with numerous elements of various development levels, ethnic, cultural, regional, confessional, and other features.

I believe that the term “single cultural space” is the most apt description of Caucasian unity and its past and present. The concept has been discussed in detail in culturological terms; it is believed, in particular, that in the process of natural-unconscious or absolutely rational imitation two or more neighboring cultures borrow certain elements and adjust them to their needs. Common past and similar living and natural conditions may create common features. This is how cultures of the same region acquire common “overtones” and “similar accents.” These common features are an illusion and a reality at one and the same time. It is an illusion because no new common culture appears as an independent multi-functional system. It is a reality because common features or elements create a certain aura of unity. They influence the lives of the peoples belonging to different cultures, and make it easier to coexist and to understand each other. This is true not only of cultures belonging to the same civilization or a single cultural space—this is primarily true of cultures existing on the periphery of different civilizations. In fact, their cooperation is closer than with the civilizational kindred cultures. From this it follows that a single cultural space does not mean a single culture; the two concepts differ in the degree of their homogeneity/heterogeneity. A single culture presupposes homogeneity to a certain extent, while a single cultural space is the sum total of homogenous cultures. This is the context in which the Caucasus as a single cultural space should be discussed; the components of this space belong to different civilizations.

K. Gadjiev believes that we can talk about Caucasian cultural-historical unity as characterized by the existence of a multitude of mutually connected, sometimes opposing, or even conflicting subcultures. In this way, this unity differs from the Middle Eastern or Central Asian versions. It can be described as fragmentary and conflicting, rather than as united and integral. As distinct from Western

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Christian unity based on a common cultural-historical and religious infrastructure, the diversity and splits in the Caucasus are caused by the infrastructure of the Caucasian cultural-historical circle itself. This is what probably makes the conflicting, centrifugal, and disintegration principle more prominent in the region than the consensus and integration principles.  

**Conclusion**

The above suggests that the idea of Caucasian unity has survived throughout many centuries as a very attractive one. We should distinguish between the desire to closely cooperate in any sphere and to create a single political platform or to strive for such unity, on the one hand, and to realize that realities have little or nothing in common with our desires, on the other. Today, and probably tomorrow, the idea of Caucasian unity (or unity of one of its regions) is an ideal the Caucasian nations want to achieve. However, even the most superficial knowledge of the history of the past ten centuries shows there is no unity or harmony of interests.

The Caucasian peoples took shape within the territories of different religions, cultures, and civilizations. This is a “home” in which the inhabitants have already made their choice. Judaism, Christian Orthodoxy, Monophysitism, and Islam are not merely religions chosen by the people or their political course. This is an important culturological factor, a mode of being, mentality, and everything else, which is stronger than faith.

The idea about the Caucasus as a political or cultural entity belongs to the sphere of illusions rather than to historical or contemporary reality. This old and highly attractive dream is periodically revived in the form of an ideological conception and the practical measures for carrying it out.

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**CENTRAL ASIA: NATO’S MILITARY-POLITICAL STRATEGY AND RUSSIA**

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Following the Soviet Union’s demise, the situation in Central Asia changed radically: it has become an object of attention of various regional and global geopolitical players. This region, which is rich in natural resources (primarily gold, oil, and gas) and which used to be off-
limits for the leading geopolitical players with strategic interests in this key area, has now opened up and become an attractive playground for these various strategic forces.

The United States, in its desire to consolidate its global leadership, is especially active there and is fully aware of the region’s strategic role as the heart of Eurasia. We can expect the United States to follow the geopolitical formula offered by prominent American political scientist Zbigniew Brzezinski, who declared “[he] who rules the World-Island [Eurasia] commands the world”\(^1\) and try, in the long-term perspective, to increase its influence in the region by every available means and method. It goes without saying that political influence in any corner of the globe rests on military presence. This is why the White House is out to strengthen the military component of its Central Asian policies by placing its military bases in some of the Central Asian states and Afghanistan. The events of 9/11 and the counterterrorist operation in Afghanistan, in which the U.S. was actively supported by its NATO allies, were used as a pretext to build up America’s influence in Central Asia. Indeed, while realizing its strategic conception, Washington is exerting strong ideological influence on NATO, America’s main military ally.

Today the Alliance’s strategic priorities have been transformed to fit the counterterrorist struggle and anticrisis measures being implemented during the military operation in Afghanistan (launched in October 2001) and the postwar settlement there. In fact, the U.S.-led counterterrorist operation made it possible for America and NATO to entrench themselves in Central Asia; their military presence there is also explained by the mounting tension world wide.

Today, Central Asia serves as the main strategic base for both Washington and NATO still engaged in post-conflict settlement in Afghanistan—this has tipped the regional balance of power in favor of the U.S. and the EU and has somewhat diminished the threat of proliferation of international terrorism. NATO is actively supporting its military presence in Central Asia by means of all-round political cooperation with the local states; in fact we have already discerned the outlines of NATO’s military-political strategy in Central Asia.

Stronger cooperation between NATO and the Central Asian countries has been translated into practice in the form of these republics’ support of the United States and its NATO allies in Iraq and Afghanistan. Kyrgyzstan, Tajikistan, and Uzbekistan opened their military bases and air space (within the ISAF) for the American and coalition forces involved in Operation Enduring Freedom, while Kazakhstan supports Poland (engaged in mine clearing in Iraq); it also opened its air space for U.S. transport planes bringing military cargoes and troops to the American contingents deployed in Uzbekistan and Kyrgyzstan, etc.

Russia, which has always looked at the region as a zone of its traditional interests, is naturally displeased with its stronger cooperation with NATO. The Alliance responds by encouraging Russia to be more actively involved in the Partnership for Peace program, as well as in the Russia-NATO Council. This will inevitably reduce tension and create favorable conditions for the development of mutually advantageous contacts.

Had this happened some ten years ago, the Russian Federation would have regarded its “encirclement” by NATO military forces as a geopolitical catastrophe. Today, Moscow appears to be composed, even though some Russian politicians are calling on Russia’s political leadership to take adequate measures in response to the situation on certain stretches of the Russian border.

It seems that after 9/11 and the terrorist act in one of Moscow’s theaters in 2002, the Kremlin no longer looks at NATO as an enemy. Seen from Moscow, the Alliance appears to be a potential partner; seen from Brussels, Moscow no longer looks like a potential strategic enemy—it appears to be an important partner and influential ally in the global counterterrorist struggle.

These positive shifts notwithstanding, the U.S. and NATO have come to Central Asia to stay.

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Cooperation with NATO began back in 1994 when four out of five Central Asian states—Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan—joined the Partnership for Peace program. Earlier, in 1992, the same states signed the Collective Security Treaty with several CIS countries (Russia among them). In 1999, the CST was extended: Belarus joined the treaty while Uzbekistan preferred to withdraw from it.

The NATO leaders hoped to use the Partnership for Peace program to bring European values to Central Asia. This did not happen: in the past ten years political democracy in the Central Asian countries has wilted.

Since 2002 armed forces of the NATO countries, mainly of the United States, have been stationed in Uzbekistan, Kyrgyzstan, and Tajikistan. It would be wrong to describe the bases there as American since they are mainly used by NATO.

In view of the problems NATO is trying to cope with inside its own organization, Central Asia is probably the only place on earth where NATO members are maintaining relative harmony. Today the Alliance is pursuing the following strategic aims in Central Asia: support of the local regime striving to switch to democracy through Individual Partnership Action Plans; increased regional cooperation in the security sphere; setting up an effective system designed to oppose potential threats such as international terrorism, drug trafficking, illicit trade in arms, and other types of organized crime, religious extremism, etc.

NATO needs Central Asia and its strategically advantageous location to control the regions Brussels finds important from the military-strategic point of view. Its leaders point out time and again that NATO is doing its part of the job to preserve security in the 21st century and add that they would like to see Central Asia doing its part. This is not all, however. NATO is pursuing another aim in the region, which the West prefers to pass over in silence. I have in mind its participation in modernizing the local armies, which will eventually squeeze Russia out of a region which so far has been completely relying on Russia’s military equipment.

Cooperation between NATO and Central Asian states, based on NATO’s military presence in the region, is realized on a wide scale in all spheres.

In Kyrgyzstan there is the Gansu American military base (at the Manas international airport near Bishkek) where transport planes, tanker aircraft, and all types of military machines and equipment, along with over 1,000 American military, are deployed. The base, the agreement on which can be extended every three years, is used for logistics support of the counterterrorist operation in Afghanistan. Washington has obviously come to the region to stay. According to American sources, in 2003 the base cost the Pentagon $14 million; takeoffs and landings cost it $7,000 per aircraft. On the whole, Moscow-Washington rivalry in Central Asia is betrayed by the fact that Kazakhstan, an obvious strategic outpost, has no NATO bases on its territory.

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Bishkek earns about $45 million every year on the base—a strong argument in favor of its continued cooperation with Washington.\(^3\)

There is an American military base in Uzbekistan (in Khanabad, Kashkadaria Region, in the republic’s southwest, 500 km from Tashkent and 200 km from the Afghan border). Over 1,500 American military have been stationed there since October 2001. The lease expires in 20 years time. Washington spent money on its upgrading. This is more evidence of America’s intention to remain in the region for a long time to come. There is another, auxiliary, airfield in the republic, in Kokayty, while inTermez (a town on the border with Afghanistan), there is a military air base used by a German contingent to move military cargoes of the forces involved in the counterterrorist operation and humanitarian aid.

In 2002, Tashkent and Washington signed an agreement on strategic cooperation, under which the United States would help modernize the armed forces of Uzbekistan. Americans supply military equipment and military stores and are involved (free of charge) in military education programs. On the whole, in 2002-2003, this aid cost America $420 million. Uzbekistan received an additional $21 million under the Cooperative Threat Reduction program. The U.S. plans to deliver 14 patrol launches for a total sum of $2.9 million.\(^4\)

There is a NATO military base in Tajikistan (in Dushanbe) where over 120 French military and its military transport planes are stationed on the permanent basis. In May 2004, armed forces of Tajikistan and France carried out joint military tactical exercises at the Fakhrabad training ground under a military and military-technical cooperation plan between the two countries for 2004.\(^5\)

Since 2001 the U.K. has been funding, within the framework of the NATO-Tajikistan cooperation program, English lessons at the military lyceum and military institute of Tajikistan; every year Tajik officers travel to the U.K. for military training in military educational establishments. In October 2003, a German delegation headed by Brigadier-General Jürgen Bornemann visited Dushanbe where it discussed further military and military-technical cooperation with Tajikistan and pointed out that the sides should sign a bilateral military agreement in the near future.

There are no NATO military bases in Kazakhstan, even though the issue was discussed at the early stages of the counterterrorist operation in Afghanistan. There were plans to deploy NATO military aviation at the airfields inShinkent and Lugovoy and a 5,000-strong U.S. mechanized infantry brigade at Karaganda. The project was not carried out, probably because of Kazakhstan’s military-political obligations under the Collective Security Treaty and its agreements on strategic partnership with Russia.

Washington and Brussels, however, are still very active in Kazakhstan. In February 2004, U.S. Defense Minister Donald Rumsfeld and Kazakhstan Defense Minister Mukhtar Altyntaev discussed in detail bilateral military and technical cooperation between the two countries. Under the five-year plan signed in September 2003, the Republic of Kazakhstan was to receive American weapons free of charge, while a certain number of officer cadets and officers were to be invited for training in the United States. Kazakhstan could expect to get Huey-2 military helicopters, a C-130 military transport plane, and a patrol ship of up to 1,000 tons displacement at a reduced price. The country is receiving Hummers for army use. In 2005, Washington plans to allocate $4.5 million to pay for ammunition and training of the Kazakhstani armed forces and about $200 million to liquidate the old stores of Soviet weaponry.\(^6\) It is still too early to talk about these plans as real.

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The United States allocated $19 million for the construction of military barracks in the Caspian port of Atyrau and presented grants for building up the Caspian Fleet of Kazakhstan.⁷ There are no plans to deploy military objects in Kazakhstan, nor are there plans for the republic to join NATO. Under the pressure of domestic and foreign security-related factors, however, Kazakhstan will continue cooperating with NATO within the Partnership for Peace program.

Speaking of Afghanistan, where NATO’s military presence in Central Asia began, we should say that even though the Americans transferred control over the country to NATO, this should not be interpreted as America’s inability to stabilize the situation. Washington knows that much time will be needed to establish law and order in the country. The White House did this to demonstrate that its plans are free from expansionism and to restore its allies’ confidence in its policies. This step was probably intended to dissipate the fears of the Central Asian countries about its intention to expand its military presence in the region. As I wrote above, NATO is primarily associated with the United States, so Washington has not lost any of its ground in Central Asia—it has consolidated its control over the region through NATO, its traditional military instrument. By maintaining its control over the region, America can concentrate on its other strategic designs. From the American point of view, NATO’s greater role in Central Asia has another positive side to it: the burden of military spending is spread evenly among all the NATO members involved in post-war settlement.

The changed status of the coalition forces in Afghanistan is part of NATO’s plans to enlarge to the East; the same consideration applies to its stronger foreign military presence in Central Asia. Today, NATO is absolutely satisfied with the fact that armed forces of both NATO and the CSTO are deployed side by side in Central Asian countries. It is very important to note that NATO is gradually entrenching itself in Russia’s traditional zone of influence. The process is free from confrontation: Moscow cannot oppose it because it is being carried out in keeping with international standards, within the framework of the counterterrorist struggle, and under an agreement with the Central Asian countries themselves. It seems that Russia knows that cooperation is needed to oppose contemporary threats. This probably explains the Kremlin’s changed attitude toward NATO.

Russia in Central Asia: A New Stage of Military Cooperation

Russia and the Central Asian republics are tied together by their common past. For strategic considerations, Moscow wants to preserve its influence in the region and can do this for the following reasons: Russia and the Central Asian states have a common security area; there exist the external security problems of some of the Central Asian countries; the RF and the Central Asian republics are involved in the integration processes in the post-Soviet expanse; due to the considerable economic dependence of the local countries on the Russian Federation; and in view of the Russian speakers who live in all the Central Asian countries.

In the 1990s, Russian diplomacy paid practically no attention to Central Asia. As a result Russia “abandoned” the region leaving a geopolitical vacuum behind to be filled by others. Moscow, which was gradually losing its ground, faced the risk of being squeezed out of the region altogether. Late in the 1990s, this period of inattention came to an end: Moscow realized that this impaired its strategic interests and might create negative trends in the region.

When the United States came to the region under agreements with the local countries, Russia was confronted with a question of strategic importance: Did it need Central Asia? Late in the 1990s, Moscow, largely supported by the local leaders, stepped up its regional involvement. In May 2003, the Collective Security Treaty, which by that time had lost Uzbekistan, Georgia, and Azerbaijan, was transformed into the Collective Security Treaty Organization (CSTO), which helped Russia regain a stronger foothold in Central Asia.

In the fall of 2003, the RF took another important step. It opened a military base in Kyrgyzstan—this fact was interpreted as Russia’s and some of the Central Asian states’ desire to see Russia’s military presence in the region. In July 2004, during their personal meeting in Sochi, Russian President Putin and Tajikistan President Rakhmonov agreed on developing cooperation between their countries in all areas, including the military sphere. The relations between Moscow and Tashkent greatly improved under the pressure of common threats to their security and thanks to joint military exercises.

At the same time, positive developments in cooperation between the RF and local states are accompanied by certain problems. Moscow is very much concerned by Kazakhstan’s plans to upgrade its air defense system with American, British, and German help (the project’s total cost may reach $1 billion). Russia is convinced that the project is interfering with Kazakhstan’s obligations under the agreement on a joint air defense CIS project signed in 1995 and the principle of coordinated military-technical policies related to it. Through its involvement in the project, the Republic of Kazakhstan may give NATO access to certain strategic elements of the air defense system of the CSTO members and the CIS in general. In this case, Russia would have to pay for countermeasures, while the Russian military-industrial complex would be deprived of large military orders. Russia is also irritated by Kazakhstan’s intensified cooperation with the United States, the U.K., Germany, and Turkey in military infrastructure, naval Caspian bases included.

Moscow is convinced that Kazakhstan has decided to move closer to NATO: indeed, Astana refused to support the Moscow-initiated idea of closer cooperation and partnership between CSTO and NATO on a collective basis. Astana obviously wanted to deal directly with NATO without Moscow or the controlling mechanisms of the CSTO.

Russia plans to supply its CSTO partners with weapons and military equipment at domestic prices and offer free training for their military in Russia to the detriment of its own budget. This is being done to intensify military cooperation within the CSTO.

On the whole, to promote its interests in Central Asia, Russia needs an adequate regional strategy: it should formulate the tasks and aims of its military-political and economic contacts with the local states and identify means and methods. America’s latent opposition to such plans, as well as opposition from part of the local elites should be taken into account. Russia’s interests in the region will be guaranteed if the country itself is perceived as a reliable strategic and deserving partner.

In the wake of 9/11, Moscow and Washington entered into a cautious dialog in which both sides hoped to clarify the intentions of each other. The period of cautious dialog about Central Asia, which has since become a zone of American influence, is nearing its end. Russia is clearly stepping up its political and military involvement in the region: the Kremlin is obviously resolved to preserve its influence in Central Asia. In one of his interviews, then Russian Foreign Minister Igor Ivanov said: “We are naturally not indifferent to the future of America’s presence. When talking to the United States, we shall insist on maximum transparency of its military activity in the region and the time limits of its military presence there.” The foreign minister went on to say that American military presence in Kyrgyzstan would “change nothing in our cooperation with this country.”

On 9 December, 2001 at a briefing in Astana, Kazakhstan President Nursultan Nazarbaev said that if Russia joined NATO “everyone will be satisfied.” “When there is neither a Cold War, nor West-East confrontation Russia’s NATO membership will probably reassure us all,” said the president. “I am convinced that the policy of squeezing Russia out of the world processes holds no promise for the West and the world in general. This is a wrong policy. Russia is a large country and a large power—it should be involved in these processes. We all will gain from this. We believe that the old Oriental saying ‘One cannot stop an elephant by holding its hind leg’ is fully applicable here.”

Conflict Potential of NATO and Russia’s Military Presence in Central Asia: Possible Developments

I have already written that American and NATO military presence in Central Asia is explained by the counterterrorist operation in Afghanistan, which means that it is expected to shrink and come to an end as the situation in this country stabilizes. In fact, the situation is different: under the treaty on the lease of the Khanabad military base, the Americans will remain there for 20 years. This shows that the United States intends to remain in Uzbekistan for a long time to come.

All factors of NATO’s military presence in Central Asia indicate that close military-technical contacts between NATO and the Central Asian CSTO members might cause dissent in the regional security system.

- First, cooperation between Astana and Moscow obviously forms the core of the Collective Security Treaty Organization, therefore Russia’s military and political communities cannot approve of closer contacts between Russia’s No. 1 ally and NATO. Russia is closely following Kazakhstan’s military cooperation with other military blocs. In view of the strained relations between Russia and NATO, Moscow’s silence means nothing more than its intention to analyze the developments and decide on future moves. Today, Russia finds it unprofitable to object to military cooperation between Kazakhstan and NATO as long as it remains within the limits permitted by the CSTO and does not directly threaten Moscow’s interests.

- Second, the military-technical aspect of NATO’s cooperation with the local republics is potentially conflict-prone: the local armies mainly use Soviet and Russian weapons and depend, to a certain degree, on Russian supplies. The local armies find Russian weapons more practicable and more reliable—they are used to them. America and NATO, for their part, are actively developing their military technical cooperation with the Central Asian countries in an effort to participate in modernizing their armed forces. They begin with “gifts” in the form of military equipment. We all know, however, that there is no such thing as a free lunch. The White House is waiting for the local armies to get used to the new weapons and start asking for them and spare parts. There will be no more gifts—the weapons will arrive along with the bills. Washington is resolved to carry out these plans. At the same time, a wide variety of armaments and equipment in the CSTO members will interfere with their

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cooperation and the treaty’s efficiency. This will disrupt coordinated defenses and the very mechanisms of the Collective Security Treaty Organization. Russia’s defense industry will also suffer. This obviously creates numerous potential conflicts between Russia, on the one side, and America and NATO, on the other.

- Third, in the context of the counterterrorist operation in Afghanistan, Russia has a very reserved attitude toward the military presence of America and other NATO countries in Central Asia alongside Russia’s military bases. If and when the counterterrorist efforts in the region come to an end, the turmoil around the 9/11 events will subside. Today, the world community is very much concerned by its suspicions that there was no “Arabian trace” in the terrorist attack on the United States, therefore it is hard to predict further developments.

- Fourth, while Russia is obviously stepping up its activity in the region, mainly in the military sphere, the U.S. and NATO are also expanding their involvement. It seems that Russia and America, together with NATO, are out to consolidate their military presence there and to screen their strategic designs and geopolitical ambitions with what they describe as important reasons, of which Central Asian security is one. Today, the prospect of a regional arms race is obvious. It looks doubtful that Washington and Brussels will ever leave the strategically important area, therefore they and Moscow should organize their cooperation to regulate their conflict-free military presence there. The local countries should promptly identify their military-political priorities in order to reduce the region’s conflict potential and not lose their way in the convolutions of the Russia-NATO rivalry.

It looks as if the White House and NATO will pursue the following goals in the near future:

- closer relations with the Central Asian countries based on the current favorable situation created by the counterterrorist operation;
- creating conditions under which other external forces, primarily Russia and China, will be unable to control the processes in the region and channel them against America and NATO;
- extension and modernization of the military bases now being used and acquisition of more military objects in the region;
- access to fuel, energy, and other Central Asian resources;
- access to the local market for American investments, goods, and services and encouragement of structural economic reforms.

It seems that the counterterrorist operation in Afghanistan was launched with these aims in mind. The White House then tried to lighten its material and financial burden by gradually drawing NATO into it without taking account of how their strategic approaches to the region differ. In other words, the interests of the United States and the European NATO members clearly diverge; Europe has acquired a different view of the Central Asian countries. In fact, the basic interests of the U.S. and EU differed from the very beginning, yet were smoothed over by the West’s united position and strategy. When becoming entrenched in the region, America was guided by its geopolitical considerations. The European NATO members, for their part, the main trade partners of Russia, Kazakhstan, and other CIS countries, have their own, mainly trade and economic, interests there. It seems that while helping the United States to gain access to the region they risked being left out in the cold.

In view of these divergent interests and aims, we can expect that the U.S.-EU contradictions in Central Asia will intensify. Indeed, Europe’s suspicions of America’s double game in Central Asia
are justified. There is any number of facts proving that the White House is pursuing its own interests in Central Asia, the Caspian, and the Caucasus with the help of NATO as its military-political instrument. America completely disregards its European allies, whose contribution is reduced to funding. Under these conditions, Russia has a chance of regaining its ground in the region.

A careful investigation of America’s actions in Central Asia suggests another conclusion: Washington intends to strengthen its military-strategic presence in Central Asia and dominate there. This is supported by Jaap de Hoop Scheffer’s intention to appoint Robert F. Simmons as his special representative in the Caucasus and Central Asia responsible for working contacts with the local leaders. He is expected to help realize NATO’s goals and provide consultation for the countries involved in the Partnership for Peace program about the instruments to be used to extend their relations with NATO.

This smacks of the Big Game which unfolded in the region at the turn of the 20th century. Today, however, the partners, as well as means and methods are different: Russia, too, is justifying its attempts to establish a closer military alliance with the Central Asian countries within the CSTO by means of the counterterrorist struggle. It should be said that the arguments proffered by Washington, NATO, and Russia in favor of their military presence in the region are explained by their desire to consolidate their political domination. This makes geopolitical rivalry inevitable.

The local countries have to take the three actors and their activities into account, yet they can choose between them. The choice between cooperation among the external actors or their rivalry partly depends on the local leaders. This affects all the processes in the Central Asian countries. Russia must come to the realization that today NATO in Central Asia is a close neighbor and not a distant factor.

The question of the region’s future as a zone of active cooperation among the U.S., NATO, and Russia, rather than of their rivalry, has become a priority. Today, it is hard to predict future developments: sides which stand aloof from each other are trying to decide what to do next. They remain reserved and move forward cautiously, step by step, in expectation of a counter move from their rivals.

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**CENTRAL ASIA BETWEEN WEST AND EAST**

*Martin C. Spechler*

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When I was first asked to speak about the prospects of EU expansion into Central Asia, I replied that this would be a very short paper! There is no such prospect. But no one with my love for speaking would let it go at that. So I decided to interpret the question in a differ-
private property, especially the petroleum-rich states among them. Hence, even aside from geography, they do not presently meet the Copenhagen criteria for membership in the European Union.

Within a basically authoritarian political regime, all of these regimes have pursued some gradual economic reforms, with an external strategy I call “export globalism”—dependence on staple exports with multilateralism as contrasted with regional integration or neocolonialism. Except for the capital or main commercial cities, they are poor, even if high energy prices lately appears to put Kazakhstan, Azerbaijan, and possibly Turkmenistan into a slightly higher GNI category. Owing to Soviet-era development of their health and educational facilities, their U.N. (UNDP) human development indices are rated “medium.” The poorest sections of Uzbekistan (Karakalpakstan, near the devasted Aral Sea), parts of Kazakhstan, and the mountainous regions of Tajikistan and Kyrgyzstan have lost significant population, as many males have left for Russia or elsewhere to earn money in manual labor. Skilled Germans, Slavs, and Jews had departed in the 1990s.

The major differences among them materialize from their different endowments of energy: besides the three oil and gas exporters, Uzbekistan is basically self-sufficient in energy (and food), while the poorest and smallest two, Kyrgyzstan and Tajikistan, need to import fuel, while trying to develop their abundant potential for hydropower to sell to surrounding countries. As a result of their petroleum and gas exports and their effect on incomes and exchange rates, Kazakhstan, Azerbaijan, and Turkmenistan have lost industry and agriculture, while Uzbekistan has maintained its former sectoral structure (see Table).

Aside from petroleum investments around the Caspian littoral and some nonferrous mineral operations, there has been relatively little foreign direct investment anywhere in the region. This may change somewhat with Russian and Chinese exploration and pipeline projects long discussed. Foreign aid and assistance from such international financial agencies as the World

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1 Tajikistan and Afghanistan are ethnically Central Asian, but linguistically West Iranian.
2 One might perhaps argue that Turkey, Georgia, and Armenia are culturally “European,” because of language, religion, or geography,—hence possible future candidates—but in Central Asia only the northern tier of Kazakhstan has any significant European population.
The Present Situation

All six of the Central Asian states have fairly open economies\(^4\) and have tried, albeit inconsistently, to retain the unimpeded trade which characterized their former membership in the Soviet Un-

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\(^4\) In 2000 export/GDP ratios were 59% for Kazakhstan, 42% for Kyrgyzstan, 81% for Tajikistan, 63% for Turkmenistan, and 25% for Uzbekistan; but the last figure will be higher for 2004-2005 because of the return to a convertible soum (see: The World Bank, 2004, p. 9). The area’s staple exports often pass through entrepôt markets, such as Switzerland or Bermuda.

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**Table Basic Economic Data**

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* ppp (purchasing power parity)—i.e., adjusted for comparable national prices.  
** Agriculture plus “industry,” including manufacturing, mining, construction, and utilities.

*Comments on data:* GNI per capita estimates variable and incomparable across editions of the data source. Turkmenistan’s official data are particularly unreliable.

Source: 2005 World Development Indicators (World Bank, 2005).
ion. In principle, indeed, much of trade with former Soviet republics is still tariff-free. At the same time, however, they all have tried and mostly succeeded by 1996 to diversify their trade partners beyond the former Soviet Union. As one consequence of their desire for independence, neither the Commonwealth of Independent States (composed of twelve of the fifteen Soviet titular republics) nor repeated attempts to institute regional preferential trading blocs have succeeded, owing to conflicting priorities and chronic interference by member states. Kazakhstan and its small neighbor Kyrgyzstan have preferred closer association with the Russian Federation; Azerbaijan and especially Uzbekistan have tried to keep their distance from the former imperial master, while Turkmenistan professes neutrality. Isolated, very poor, and conflict-riven Tajikistan has tried to get the attention of several bigger partners with little result so far, except for drug smugglers originating in Afghanistan.

In practice, the main Central Asian countries have repeatedly impeded free access to their markets, despite relatively modest de jure tariff rates. Besides recurrent blockades and chronic bribes extracted at the borders—perhaps as a substitute for official tariffs, but still unpredictable—several countries charge excise and other taxes on imported goods different from those on similar domestic articles. Like limits on foreign exchange, these imposts also function as protection from imports.

Considering that present exports from Central Asia are staples and energy not subject to tariffs, the major advantages to be gained from trade treaties would be potential development of manufactures and privileges to bring in agricultural products such as fresh fruit, flowers, and nuts from the bountiful Ferghana Valley, provided quality can be maintained to market destinations.

A European Connection?

It seems obvious that any formal association between the European Union and the Turkic states of Central Asia will depend, first of all, on decisions with respect to Turkey’s membership, and then to the disposition of Ukraine and Russia, which adjoin Central Asia. Turkey and Ukraine are officially ambitious to join. But Russia? Others will presumably speak about Russia’s prospects. It is not unthinkable. Victor Hugo’s appeal for European unity more than 150 years ago was addressed to arch-conservative Russia, as well as monarchical Germany and republican France. Italian prime minister Silvio Berlusconi has suggested that Russia might eventually join the EU; in his estimation, Russia’s 27 billionaires will presumably not disqualify that country! Grigory Yavlinskiy, head of the Yabloko liberal bloc (now rapidly peeling off, for lack of core values, I suppose) has also talked of this, but not Vladimir Putin. For this avatar of great power status, the prospect of dreary Brussels haggling with puny fellow members, talk of “shared sovereignty,” even the dismantling of borders can hardly be appealing. Putin has recently been less than cordial about any territorial deals with tiny Latvia or even a lucrative compromise with Japan over the Kuriles. Better to take on the EU as a whole, and be careful about its expansionist potential, promoted by Poland or other new, former satellite members.

Russia cannot be discounted, however, even if it is no longer considered a military threat. Germany gets about half of its natural gas from Russia, Turkey more and more, and Russia’s gas monopo-

5 Russia’s share in the Central Asian markets temporarily expanded following its 1998 devaluation. Despite poor rail and road connections, the Russian Federation remains a natural market for Central Asian goods, as judged by distances, as well as familiarity with market conditions.


7 Uzbekistan has the highest general tariff rate—an average of 19%.
list Gazprom is counting on Central Asia for new reserves of that essential fuel. European demands for natural gas are expected to double by 2030. Were the EU to turn into a looser organization and lose the big power ambitions promoted by the French, a more formal and reliable connection with the eastern neighbors would be logical and productive, particularly if Chinese and Asian competitors for energy continue to press their claims.

Were Russia taken in, that would presumably qualify Central Asia for the same kind of aid and trade patronage now extended to 77 former colonies of Great Britain, France, and Portugal. Whenever a significant new member has been added to the EU, it brings with it historical and cultural commitments and sympathies to non-European communities. The accession of Spain and Portugal increased EU interest in Latin America; Finland and Sweden, to their northern neighbors. Most to the point, Poland has energetically raised the future prospects of Moldova, Ukraine, and even a democratized Belarus for membership.

Future Turkish accession presents a more immediate opening for Central Asian and Caucasian states. As part of the negotiations during the next decade or so, Turkey will very likely be pressured to make up with Armenia (which brings in fellow Christian Georgia), just as they have had to do with semi-occupied Cyprus. As for Central Asia, Turkey regards it as its cultural sphere of influence. While “association or Europe agreements” would seem out of the question for Turkic Central Asia—because they hold out some kind of long-term free trade area or even accession—a version of the Lomé or Mediterranean agreements does not seem impossible with Kazakhstan and Kyrgyzstan at least, possibly a democratized Uzbekistan. Indeed, the EU has already negotiated economic cooperation agreements with Russia and Ukraine (1994), as well as Kazakhstan in 1995. These regional initiatives are targeted on noncandidate partners with a clear interest in reform—the so-called European Neighborhood Policy. That offers graduated access to the single European market, together with financial and technical assistance. It was accompanied by talk of a “Common Economic Space” to include Russia, but the concrete meaning of this slogan is still unclear. In light of recent popular opposition to immigrant labor within several EU countries, such agreements cannot include legalized workers from further east, where incomes are a small fraction of those in Europe and cultural norms quite different, too. For the EU, the wide-ranging preferential commodity trade agreements are a kind of soft alliance helpful in multilateral forums, like the WTO.

As of mid-2003, free trade agreements had been negotiated by the EU with eight Mediterranean states, plus the Palestinian Authority, so obviously democracy and “European” Christianity are no prerequisite for these preferences. Mexico and Chile also have such agreements, so distance need not be a bar, either. Accession of new members has also brought previously neglected sectors to the agenda for liberalization: Greece on shipping, Finland on telecommunication services. On the other hand, while accession sometimes opens the door to relatives, it can complicate their reception, too. Spain and Greece are cotton growing regions and have opposed reduction of the EU’s approximately $1 billion in CAP support for this crop, a staple in Central Asia, as well as francophone Africa. This is just one example of how the more recently admitted members of the EU

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8 Besides its North Caucasus fields, Russia gets natural gas from Turkmenistan, Kazakhstan, Uzbekistan, and Azerbaijan in that order.
10 See: W. Cimoszewicz, “The Eastern Dimension of the European Union. The Polish View,” Speech at the conference “The EU Enlargement and Neighborhood Policy” [www.msz.gov.pl/start.php]. At the time, Mr. Cimoszewicz was Poland’s Minister of Foreign Affairs.
11 See: The Economist, 25 June, 2005, p. 4. Russia would probably settle for visa-free entry and institutionalized political consultations, as it has with NATO.
12 See: European Union Enlargement, p. 134. Permit me as an American to admit the contradiction between my government’s free trade and development rhetoric and its outrageous $3 billion support for cotton farmers in the U.S.
might oppose any further expansion eastward, owing to potential competition with their large agricultural sectors, likely diversion of structural funds, and the southern members’ weaker technological edge in those eastern markets.\(^{13}\)

The EU has also signed Partnership and Cooperation Agreements with Kazakhstan, the Kyrgyz Republic, and Uzbekistan, as well as Trade and Cooperation Agreements with Tajikistan and Turkmenistan. The EU’s regional policy is contained in the Commission’s “Strategy Paper 2002-6 and Indicative Program 2002-4 for Central Asia,” published in October 2002, setting out technical assistance to the five CA countries in the amount of €150 million for 2002-4, as well as 2005-6. That’s some €3-4 per person, less than half the amount budgeted for the European members of the CIS, and far less than for the Mediterranean and Balkan neighbors. The objectives for Central Asia are security, stability, sustainable development, poverty reduction, and regional cooperation in energy, transport, and environmental issues. Border control, institutional building, small and medium-sized enterprises are other objectives.

While EU preferential access and development aid (the bilateral technical assistance program, TACIS, for example) are thus practical realities which might be expanded, particularly if democratic reforms progress in Central Asia, these do not conflict with the remaining options for the CA states. Of the more than 170 regional agreements around the world, including the dormant ones within the CIS, the one which seems most promising for Central Asia would be ASEAN.

### ASEAN—An International Group of Semi-Developed Countries

The Association of South East Asian Nations, created in 1967 as a bulwark against Communism, has expanded now to ten nations\(^{14}\)—including Communist Vietnam in 1995—and will soon establish special relations with China. ASEAN’s free trade area (AFTA), initiated in 1992, marked a modest acceleration of its economic accomplishments.\(^{15}\) This arrangement includes a common effective preferential tariff, essentially a timetable for significant reciprocal reductions in industrial and agricultural rates, and a dispute settlement mechanism—one of the first *supranational* elements in this formerly *intergovernmental* alliance.\(^{16}\)

With the accession of Vietnam and opening to China, it is obvious that ASEAN is not limited to democratic, market-based countries, as is the EU. Nor do the boundaries of “Southeast Asia” necessarily exclude Tajikistan, Kyrgyzstan, or Uzbekistan. True, historical precedent does reinforce the idea of ASEAN+4 regional integration, which excludes former Soviet republics as more “European,” but this could change.\(^{17}\) Furthermore, ASEAN’s consensual style of decision-making, re-


\(^{14}\) From rich to poor, Singapore, Malaysia, Thailand, the Philippines, Indonesia—the original members—then Brunei, Vietnam, Myanmar (Burma), Cambodia, and the Lao PDR. The last four joined in the late 1990s. Their total population exceeds 540 million with an average income of about $3,500 per capita at purchasing power parity—a level of GDP per head not very different from Central Asia.


\(^{16}\) New members must also eliminate nontariff barriers, harmonize their customs nomenclatures, and implement the GATT Valuation Agreement. All these measures would be helpful to Central Asian trade.

\(^{17}\) ASEAN countries are in fact quite diverse culturally: Buddhist, Islamic, and Sinic. English is usually the language of intra-regional meetings. Internationally and within the Central Asian region, too, CA is usually assigned to Europe or Eurasia, though Tashkent shares a longitude with Bombay.
fecting enduring concern for independent sovereignty,18 would match the Central Asians’ desires to preserve their new-found independence. The medium size of most of ASEAN’s members (Indonesia and oil-rich Brunei excepted) would make a better fit with the Central Asian countries than the European Union. Most of the ASEAN-10 have grown rapidly during the last dozen years, and their formerly modest intra-regional trade in manufactures has increased somewhat owing to diverse specializations.19

Central Asian countries might well benefit materially from association with ASEAN. If Central Asia could break into the highly protected agricultural market in nearby Southeast Asia (as of the late 1990s, tariffs from 23 to 57%, except for Singapore), Central Asia could expand its export of fruits, vegetables, and feed grains. These goods are already available cheaply in the Ferghana Valley. With regard to future, dynamic areas of comparative advantage, regional blocs of developing countries increase attractiveness to FDI because of economies of scale, scope, and agglomeration.20 Specifically, it seems likely that growing imports from the more developed ASEAN countries provide an indirect technological spillover, just as the latter gained from imports from the U.S., Europe, and Japan.21 With the level of technically trained manpower still available in Central Asia—particularly in Uzbekistan—foreign direct investment and imports of advanced products would be advantageous to growth prospects. Were the Central Asian states to be allowed to enter the ASEAN investment area, they might also benefit from multinationals’ vertically integrated investments, owing to the lower wages paid. Several ASEAN firms have recently acquired subsidiary companies elsewhere in the region—for example, Singapore Telecommunications LTD bought firms in Indonesia and Thailand.22 An example of agglomeration economies which can spread to neighboring countries is the rapidly growing garment industry in Cambodia and Lao PDR during the last 15 years, which is owing to investments from other Asian economies constrained by rising wages as well as quotas on their direct exports placed by the Multifiber Arrangement.23 All this would increase trade creation. Trade creation would also occur if Uzbekistan were to reduce its protection of its household electronics, automotive, and refined petroleum industries, in which its neighbors would be competitive.

With the typically low official tariffs in Central Asia, the possibility of trade diversion would be minimal with accession to ASEAN, APEC, or indeed any other liberalizing group. Therefore, the long-run benefits from export expansion and imports of cheaper materials are unlikely to be offset by the distortion of trade in favor of inefficient member states.


19 Intra-regional trade was 22% of ASEAN total trade as of 1999, as compared with 63% in the EU at that time (see: Ibidem).


23 The EU does not grant GSP status to Myanmar because of its human rights record, but as a member of WTO, that country must be granted MFN. This experience might well be relevant in the case of Uzbekistan, Turkmenistan, or even Kazakhstan. On the other hand, the EU does grant special GSP “regional cumulative rules of origin” provisions for processing operations carried out within ASEAN. Reportedly this helped Lao PDR garments to enter the EU (see: E. Fukase, W. Martin, “Economic Impacts of ASEAN Free Trade Area Accession for the Lao People’s Democratic Republic,” in: ASEAN Enlargement: Impacts and Implications, ed. by M. Than and C. Gates, Institute of Southeast Asian Studies, Singapore, 2000).
Like other regional blocs, ASEAN holds out to smaller, weaker potential members increased bargaining power.\(^{24}\) AFTA can be a “training ground” for broader liberalization, rather than an ultimate goal. New members, such as Tajikistan and Kyrgyzstan, lack the experienced human and physical resources to carry on multilateral or several bilateral negotiations by themselves. A grouping like ASEAN can be helpful here, as they pool efforts in Geneva. It’s important to note that ASEAN membership by no means excludes accession to the World Trade Organization, as several of the new members have started negotiations to that end. ASEAN membership would doubtless also improve inter-governmental security cooperation regarding the threat of radical Islamic movements, such as Jemaah Islamiyah.\(^{25}\)

Since the Central Asian countries have entered into regional trade deals with each other—and then violated their terms and spirit—a crucial question is whether ASEAN would provide better discipline than the several CA-only bodies or perhaps the WTO.\(^{26}\) Neighboring countries like Singapore or Thailand have the ability and interest in monitoring policy in their ASEAN partners, and the reciprocal nature of tariff concessions gives them a means to enforce their will. But they are somewhat removed from the internecine quarrels which have troubled Central Asian relations—for example, over border questions or nonpayment of utility bills. Optimistically, ASEAN models might even encourage better macroeconomic, policy and infrastructural decisions in Central Asia, but according to two close observers, “it is not clear that ASEAN membership provides sufficient discipline and credibility to materially improve general economic policies.”\(^{27}\)

An instructive example for Central Asia would be Vietnam. Following the decision in 1986 to reform its Communist economy (\textit{doi moi}), Vietnam has experienced fast growth—7.5% from 1990 through 2003, according to the World Bank. Nevertheless, as of 1997 it still had an average MFN tariff rate of 19%—much higher for processed food—with its exports heavily directed to non-ASEAN members (except for Singapore). More generally, in the judgment of two specialists, it “remains one of the most distorted economies in the region. The state sector still enjoys various privileges, including access to land, capital, and quota allocation. An import substitution policy has been used to promote a set of capital-intensive and ‘strategic’ industries, which are often run by joint ventures between SOEs (state-owned enterprises) and foreign firms, and high protection is used to attract foreign investments. Preferential treatment of these industries imposes an implicit tax on small and medium-sized firms in the private sector, which are usually labor-intensive.”\(^{28}\)

The similarities to their own situation would hardly need to be pointed out to Uzbek economists. From a common starting point Vietnam might show the Central Asians the way to improve resource allocation by favoring industries with comparative advantage in the global marketplace. In its negotiation with the WTO, Vietnam has offered to reduce its tariffs, quotas, and other nontariff barriers to trade; accession by the end of 2005 is expected.\(^{29}\) Its Communist Party has also committed itself to broad internal reforms, but as in Central Asia, implementation is the key. A simple simulation by Fukase

\(^{24}\) Former Prime Minister of Singapore Lee Kuan Yew mentioned this in the \textit{Straits Times}, 23 January, 2001 (Quoted from: D. Webber, op. cit., p. 145).


\(^{26}\) Assuming the presidents in Central Asia wish to liberalize, WTO membership might give them “cover” (see: Eshref Trushin, “Kazakhstan and Uzbekistan: The Economic Consequences of Membership in the World Trade Organization,” in: \textit{Central Asia and the New Global Economy}, ed. by Boris Rumer, M.E. Sharpe, Armonk, New York, 2000, p. 197). The authors are experienced Uzbekistan nationals.


and Martin indicated that a nondiscriminatory liberalization by Vietnam would increase its agricultural sales and also expand its manufacturing sector, owing to the import of cheaper materials. However, a newer study by D. Ronald-Hoist and others found that capital insufficiency and low skill employment would not be significantly eased until its capital markets are reformed to allow more FDI flows.  

Several studies have shown that trade liberalization in ASEAN would be beneficial, particularly to Singapore and perhaps Malaysia, but liberalization on a MFN basis would result in “substantially larger gains in trade and economic welfare.” Both Indonesia and the Philippines have accepted this proposition and promise to extend their ASEAN concessions to others on a nondiscriminatory basis. The examples of the Lao PDR, Vietnam, and Cambodia demonstrate that trade expansion for Central Asian exports (for example, chemical fertilizers) might be a significant gain, while trade diversion is unlikely from reciprocal reductions of tariffs, given their low nominal rates at present in CA. Increased competition from ASEAN neighbors might also, at least in time, increase the efficiency of CA manufacturing and processing industries.

While ASEAN would, in my opinion, provide some benefits to Central Asia without imposing itself too much on the treasured political independence of those states, I have to report finding no interest at all in ASEAN literature for expanding into the interior of Asia. Whether concerns of Japan and Vietnam to contain China will suggest that course is mere speculation at this point. So that leaves the Central Asian states one open invitation only: the World Trade Organization.

The World Trade Organization—Benefits of Multilateralism

The WTO functions to regularize trade policies, especially most-favored nation (nondiscriminatory) treatment, and to resolve trade disputes. Standardization of commercial rules for international trade reduces transaction costs and increases welfare for all participants. Aside from everything else, WTO membership would benefit the Central Asian countries, assuming they could and would comply with the regulations agreed to. Like EU candidacy, WTO membership appears to be associated with (cause?) domestic reforms, which have been pursued slowly in Central Asia.

Only one of the Central Asian states now belongs to the WTO: Kyrgyzstan, which acceded in 1998. Kazakhstan applied for membership in 1996 and has participated in several working party meetings recently, as has neighboring Russia. Both Kazakhstan and Russia are now treated as “market economies,” so that on their expected accession they will be somewhat protected from anti-dumping actions by the U.S. and others. Kazakhstan has deregulated its foreign trade—another requirement. Were Russia to benefit from WTO membership, demand for Kazakhstan’s exports would certainly improve, provided that country can compete on quality with other suppliers. Foreign direct investment might be expected in Kazakhstan’s metal-fabricating branch, as well as others.

Tajikistan and Uzbekistan have also applied, but their applications appear to be stalled, with no formal offers yet extended. Uzbekistan still engages in substantial state-trading and sets prices for its cotton, metals, and energy exports. Subsidies and off-budget credit have been reduced, but some transactions are not transparent. These are major economic obstacles to successful negotiations. Politics also counts. Following the Andijon massacre in May 2005, Uzbekistan may wait for a long time, as China did after the similar Tiananmen Square incident of 1989. Considering that more than 140 of the

30 See: Vo Tri Thanh, op. cit. This multi-sector study was circulated as a discussion paper by CIEM-NIAS (Hanoi) in 2002.
world’s states do belong to the WTO, Central Asia may lose because of several states’ exclusion from this body. WTO markets for Central Asia’s textiles, leather goods, and chemical products would be attractive. As for trade with the wider world, Uzbekistan and Tajikistan have an interest in pressing the U.S. and EU to reduce their large and inefficient cotton subsidies, WTO membership would facilitate joining Brazil and West African growers in that effort.

Regional preferences conflict with MFN, and any regional trade agreement (RTA) such as those launched in Central Asia would have to be approved by the WTO (under Article XXIV of the GATT), but the WTO has looked indulgently on such arrangements in the developing world. To quote Mike Moore, former WTO director-general: “Regional trade agreements, working in parallel with general liberalization, can help countries—particularly developing countries—build on their comparative advantages, sharpen the efficiency of their industries and act as a springboard to integration into the world economy. In addition, they help focus and strengthen the political commitment to open economies and trade regimes, which is essential to maintain. They have also served as an important context for trade policy innovation (e.g., the EU on competition policy and APEC’s work on information technology and trade facilitation). And regionalism can sometimes accelerate the pace of other regional and multilateral initiatives…The contribution RTAs have made in their own right to promoting dialog, cooperation, and peace should not be underestimated.”

That said, the WTO has warned against trade diversion and import-substitution schemes for small developing countries. Moreover, multiple memberships strain a country’s negotiating capacity and can complicate business rules of origin, as well as health, and safety requirements. But the fact that many smaller nations want to join nearby RTAs anyway reflects an abiding weakness of the multilateral trading system. While tariffs have come down, nontariff barriers (voluntary export restraints, orderly market agreements, dumping investigations, bureaucratic influence, etc.) have come to replace them on a massive scale.

A Chinese Co-Prosperity Sphere?

China joined the WTO in 2001 and has reportedly lived up to its commitments, except for the protection of intellectual property. In view of the PRC’s strong growth and need of energy (and increasingly, skilled labor), WTO privileges would help open the Chinese market to Central Asian manufactures and perhaps food products. Trade with Xinjiang-Uighur Autonomous Region (XUAR) has always been small for both partners, but new transportation links and political rapprochement could improve both official and unrecorded trade. China’s concern about Uighur separatism has made them eager to propitiate the governments in Central Asia willing to control Uighur liberation groups resident in those neighboring countries.

With spectacular growth over the last three decades (9.4% last year), an undervalued yuan, and mounting reserves ($659 billion as of March 2005), China has the means and, evidently, also the desire to extend its influence throughout Asia. Trade between China and Southeast Asia is growing at an astounding 20% a year. China has signed bilateral cooperation agreements with the Philippines, Singapore, and Indonesia. Beijing and ASEAN have already agreed to a free-trade pact to take effect in 2010. Myanmar has received more than $1 billion in military hardware, and Tajikistan, Kyrgyzstan,

32 Richard Pomfret has estimated that Uzbekistan could benefit to the amount of 3 to 5% of its GDP if US/EU cotton subsidies were removed.
34 See: Regional Integration and the Multilateral Trading System, OECD, 1995, p. 81. This unofficial report found that existing regional and multilateral approaches have been complementary for trade and investments.
and the Philippines (a former American colony, it should be remembered) have accepted military aid. Soon after the Andijan crackdown in Uzbekistan, China offered its understanding to visiting President Islam Karimov, along with $600 million in aid (previously negotiated) there. Similarly, human rights abuses have not prevented Cambodia from receiving $200 million in Chinese loans.

China has promoted the Shanghai Cooperation Organization, in which Russia and most Central Asian states are members. Headquarters are in Beijing. Originally an anti-American talking club, the Chinese are pushing for some economic and military content, beyond joint exercises. Whether the Central Asians will agree to Chinese bases or advisers is doubtful, only if there is no greater outside threat, but aid and equipment are always welcome. Turkic Central Asians, aware of Chinese incursions in late antiquity, as well as overwhelming Chinese numbers, are understandably cautious about closer ties with this alien force. Proposals to join with China (or Russia) in trade matters have not yet been carried through.

Return of the Russians?

Five of the CIS states, including Kazakhstan, Tajikistan, and Kyrgyzstan, have created a “Eurasian economic community,” with the Russian Federation, intended to establish a unified external tariff, a common market for labor and capital, and a single set of regulations and preferences. A unified system of currency regulations and provisions against smuggling are also contemplated. However, Russian officials insist that such preferences will not prevent them from joining WTO, though a joint position among the five with respect to WTO matters is one objective, if Belarussian objections can be overcome. In the event, however, like all the other post-Soviet regional arrangements, the Eurasian Community stalled out around 2003, and was pushed aside by a Russian initiative for a “Single Economic Space.” This, too, has not shown much forward motion up to now. Note that Uzbekistan and Turkmenistan have consistently avoided these Russian and Kazakh-backed projects.

Coordinated Multilateralism

Whatever preferential grouping is considered, trade diversion is usually a negative consequence to be avoided. That would occur if Central Asian countries were induced to import from ASEAN, the EU, or China instead of lower cost suppliers—India, Australia, Japan, or even North America for capital goods. Since Central Asian countries have low de jure tariffs, the most likely diversion would be through administrative preferences. One exception to the low tariff generalization is automobiles. Like Southeast Asia and India, which have created a protected market for assembling European brands, Uzbekistan produces Korean UzDaewoo sedans and minivans behind similar protection. A preferential RTA would exclude Japanese luxury makes from these markets, unless the Japanese succeed in their recent efforts to break in.

The Costs and Benefits of Natural Protection

Central Asia is one of the most remote regions in the world, hardly the hinge of Asia, as Owen Lattimore once said. All the six countries are landlocked, Uzbekistan double-landlocked, and rail and

35 As of now, Belarus is the other member. Moldova and Ukraine are observers.
road transportation to ports are expensive and often interrupted by illicit stops by bandits and voracious border guards. Bulk trade most commonly goes by rail to the Persian Gulf or to Russian ports, at considerable expense. Trade over Afghanistan or Pakistan by road would encounter security problems. It is scarcely likely that revival of the Great Silk Road will do much more for Central Asia than to bring a few wealthy tourists and hardy adventurers to the region because sea transport from the Far East is so much cheaper, if a little slower. Air cargo transport has hardly begun, though it would have the potential to help export fruits, vegetables, and flowers from the bountiful Ferghana Valley. Gold, uranium, and opium will of course also find a way. All these difficulties mean that the Central Asian region (including Xinjiang and parts of Siberia) constitutes a natural trading area for manufactured products of low value/weight. That would include many everyday goods—detergents, simple textiles, fertilizers—as well as agricultural machinery. The Central Asian states need only to open their borders to create trade in such items. They need fear little outside competition, except perhaps from Xinjiang. If the Central Asian governments could agree on a division of labor in manufacturing lines—for example, Uzbekistan produces cotton pickers, Kyrgyzstan combines, etc.—the area would benefit from economies of scale without keen competition from the outside, because of transportation costs and the CA low wage/productivity economies. All the governments need to do is commit to open markets and fair play for foreign investors. Agreements with the EU, ASEAN, or WTO might each of them promote this multilateralism and economic reform and with them, an expansion of foreign investment in the manufacturing, extractive, agricultural, and touristic potential of this developing region of the world.

**Policy Conclusions**

Both theoretical reasoning and practical examples adduced here argue that the countries of Central Asia should liberalize their foreign trade on a nondiscriminatory basis without abandoning intraregional cooperation, which may involve sharing the market for such foreign investments as agricultural equipment, deepening intraregional transportation means, and possibly joint ventures. Owing to the natural protection of distance and transportation costs, a liberalized Central Asia would increase its intra-regional trade more than its extra-regional trade. Joining ASEAN, also on a MFN basis, would further facilitate both trade and investment in the area, while providing mentoring and nonthreatening discipline. For the intermediate future, the most promising trade partners within the region are oil-rich Kazakhstan and prosperous and energy-short Xinjiang PRC, with the expanding markets of Southeast Asia, Korea, India, Turkey, and Russia also worth pursuing more than slow-growing Europe. A liberalized Central Asia, especially one carrying out democratic reforms, would also qualify for more generous assistance from the EU, Japan, and international financial institutions.

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GEOPOLITICAL TRANSFORMATIONS
IN THE CAUCASIAN-CASPIAN REGION

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Geopolitics, the major theoretical propositions of which were formulated in detail in the 19th-20th centuries by its founding fathers (Ratzel, Kjellen, Mackinder, Mahan, Spykeman, Haushoffer, Schmitt, and others), is based on the fundamental dualism of Tellurocracy (Land) and Thalassocracy (Sea) as two opposing ontological and epistemological concepts.

“Land,” “Tellurocracy,” or “Supremacy on the Land” as a paradigmatic matrix of a wide variety of civilizations is associated with stable spaces and their quality orientations and descriptions realized in the domination of the whole over parts, conservatism, hierarchy, and strict legal norms which rule large human communities: clans, tribes, peoples, states, and empires. “Sea,” “Thalassocracy,” or “Supremacy on the Sea” is a civilizational type based on the domination of parts over the whole, individualism, liberalism, relative ethnic and legal norms, and the priority of nomadism and seafaring over the settled way of life. “Marine cultures” develop and change their external features easily while preserving the inner identity of their basic principles. 1

The larger part of human history has been unfolding under conditions of small-scale confrontation between the state-territorial units of both orientations. Whereby this dualism was concentrated along sea coasts and at river mouths and basins (Rome vs. Carthage, Sparta vs. Athens, etc.). By the beginning of the Christian era, political forms and improved technical transportation means created a stable geopolitical picture of the world, which Halford Mackinder depicted on his map. “Land” became associated with the inland expanses of Northeast Eurasia (which coincided, on the whole, with the territory occupied consecutively by the Russian Empire and the Soviet Union, the “Third Rome”), while “Sea” was identified with the coastal zones of the Eurasian continent and the New World colonized by the European maritime powers during the Age of Geographic Discoveries (the Anglo-Saxon world, “New Carthage”). The war of position that filled the 18th and 19th centuries with its geopolitical content was waged by Thalassocratic Britain against continental powers.

This interminable geopolitical dualism reached its peak during the Cold War of 1946-1991. Thalassocracy was associated with the United States and NATO (Atlanticism), while Tellurocracy with the Soviet Union and the Warsaw Treaty Organization (WTO) countries (Eurasianism). Classical geopolitics distinguishes the third, intermediary, zone, the so-called “coastal zone,” or “Rimland” with no ontological nature of its own. For this reason it cannot be described as a “third center.” It can be described as a space which can potentially join Thalassocracy or Tellurocracy, or become a scene of their confrontation.

Geopolitics looks at the Caucasian-Caspian region, which consists of the Greater Caucasus (the Northern and Southern Caucasus), as a Rimland. “Land” (the Russian Empire-Soviet Union-Russia) is convinced it should become part of the sphere of continental influence. “Sea” (the U.K.-U.S., NATO) believes it should serve as a toehold for further expansion inland with the aim of establishing its military-political and economic domination over Eurasia. It is no wonder that the Greater Caucasus has always been and remains an arena of struggle between the Anglo-Saxon states (Great Britain since the late 18th century and the U.S. since the mid-20th century) and Russia. Throughout the centuries, the local peoples have been and remain a sort of hostage of this confrontation.

It was Arthur Connolly, a British intelligence officer, who coined the term the Big Game to describe the intertwining of diplomatic, economic, military, intelligence, and other measures, countermoves, and maneuvers used by the two main geopolitical opponents (Great Britain and Russia) in the 19th-20th centuries. It was eagerly accepted by the British political and, later, academic community. The 1907 convention on dividing the spheres of influence in Persia, Afghanistan, and Tibet Britain and Russia signed in St. Petersburg put an end to the Big Game. There is the opinion, however, that it never ended. Today, it is unfolding on a global scale even though the American establishment insists that it is merely “advancing democracy” into the post-Soviet expanse. (In 1948, the United States replaced the U.K. on this playing field.)

The geopolitical confrontation between “Land” (Russia) and “Sea” (the U.S.), which is especially obvious in the Caucasian-Caspian region, is gaining momentum. The Caucasus, which is part of this vast region, is a unique multilevel system with a unique intertwining of peoples, religions, and cultures. Taken as it is, this cannot explain why the region has become conflict-prone. It seems that the paradigm of the absolute majority of all large-scale social conflicts in the world is of a geopolitical nature, while their specific content is formed by objective ethnic, confessional, political, socio-economic, and other contradictions. If such conflicts become suddenly exacerbated, if the opponents become more radical and prone to aggressive methods, or if a conflict becomes indefinitely protracted, there can be no doubt that a third force is involved for its own subjective reasons. In the Caucasus, it is the Transatlantic community (the United States and its satellites) pursuing its geopolitical interests there that plays the role of a third force.

In the spring of 2004, NATO extended its boundaries once more and reached Russia’s near abroad; synchronously it stepped up its activities in the Caspian and Black seas in an effort to play the role of

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2 For more detail, see: A.G. Dugin, Osnovy geopolitiki. Geopoliticheskoe buduscheeRossii, Moscow, 1999.
4 In June 1842, Arthur Connolly, together with another intelligence officer Colonel Charles Stoddart, was beheaded on the order of the Emir of Bukhara.
a “security guarantor” in Central Asia and the Caucasus. This was stated officially at the June 2004 NATO Summit in Istanbul where its leaders made public their intention to pay “particular attention” to their cooperation with these regions.8

The American military presence is mounting rapidly in the region. In February 1998, President Clinton signed a plan for the U.S. Joint Forces Command that outlined, for the first time ever, the zones of responsibility of the joint operational-strategic formations of the U.S. Armed Forces, which included the former Soviet republics. On 1 October, 1998, Azerbaijan, Georgia, Armenia, Ukraine, Belarus, and Moldova were included in the responsibility zone of the USEVCOM. A year later, the USCENTCOM acquired Turkmenistan, Kazakhstan, Uzbekistan, Tajikistan, and Kyrgyzstan as part of their responsibility; still later (on 1 October, 2002), the USEVCOM responsibility zone was extended to include a large part of the northern Atlantic, the Caspian, and Russia.

American diplomacy scored the first victory by forming a peacekeeping battalion in Central Asia—CENTRAZBAT; there are plans to set up a similar structure in the Caucasus (CAUSBAT) with Georgian, Armenian, and Azeri participation.

In the wake of the 9/11 terrorist attacks, America moved into the region and deployed its military bases there. On 7 October, 2001, the United States moved to Afghanistan and occupied it during Operation Enduring Freedom. Simultaneously, the Pentagon started moving its armed forces on the global scale to ensure its total strategic control of the “arc of instability” stretching from the Middle East to Northeast Asia.

The shifted accents led to Washington’s far-reaching diplomatic and military initiatives in Central Asia and the Caucasus. Having deployed 1,500 military in Uzbekistan, the Pentagon consolidated its strategic presence there; Tashkent placed the Khanabad, Kokaydy, and Tuzel bases at the U.S.’s disposal to be used for Operation Enduring Freedom; later, in June 2002, during a visit to the United States, President Karimov signed a declaration that described his country as America’s main strategic partner in Central Asia.

It was at the same time that Tajikistan let the Americans use the Aini and Kulob airfields. Kyrgyzstan, in turn, let the United States use a military base at the Manas international airport. Today, the Americans are negotiating its long-term lease and deeper military cooperation with the country’s new leaders. There are 1,300 American servicemen deployed in the republic engaged in logistic support of the Pentagon’s operations in Afghanistan. Talks between Bishkek and Washington on leasing another base are underway. The U.S. plans to bring the number of servicemen on Kyrgyz territory up to 3,000.

In September 2001, Kazakhstan was the first state to offer its support to the United States (the airfields at Chimkent and Lugovoy, and later at Almaty). The American and Kazakhstani defense departments have agreed on free delivery of a ship of over 1,000 tons displacement for Kazakhstan’s naval Caspian force. Americans are paying for the coastal military infrastructure; the U.S. has already offered the same to Turkmenistan and Azerbaijan.9

America is doing the same in the Caucasus: in May 2002, after launching a $64 million-worth Train and Equip program in Georgia with the declared aim of strengthening the antiterrorist component of the Georgian armed forces, the U.S. has secured itself the main role in developing the armed forces of this country. The Pentagon has established good working relations with the newly elected pro-Western president Mikhail Saakashvili and started a large-scale military reform in the republic.

In Azerbaijan the Bush Administration initiated “a series of joint military exercises in the Caspian Sea designed to train Azerbaijan’s naval fleet to protect the oil-rich nation’s offshore drilling

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platforms. At the same time, Pentagon planners have opened talks with Baku about establishing a major, cooperative military-training program and raised the possibility of basing U.S. forces in the country.\textsuperscript{10}

Today, the United States is persistently working toward realizing the Caspian Guard program (designed to cover the entire Caspian zone) in Azerbaijan, which includes newly formed special-purpose detachments and police forces able to rapidly respond to terrorist attacks on oil pipelines and to other extraordinary developments in the Caspian countries. The program’s headquarters, which will be equipped with the latest radars, are to be housed in Baku.\textsuperscript{11}

The United States is working hard to establish contacts with Armenia, Russia’s strategic partner in the Caucasus. In April 2004, the Bush Administration signed an agreement with Erevan on developing military cooperation; later, official representatives of the American cabinet started negotiating possible joint military exercises.\textsuperscript{12}

This is how the United States is realizing its clearly outlined scenario of establishing control over the Caucasus and Central Asia within the framework of the decisions of the Istanbul NATO Summit held in the summer of 2004 at which NATO described the Caucasian-Caspian region as an area of its strategic interests.

During the Cold War, the strategy of Atlanticism was based on the theoretical constructs of Anglo-Saxon geopoliticians (Mackinder, Mahan, and Spykeman). They were based on the so-called Anaconda Strategy of gradually mounting the pressure on continental Russia by depriving it of its seacoast and cutting off its marginal areas. In the 1980s, American geopolitician Zbigniew Brzezinski formulated a linkage geopolitical theory according to which the Soviet Union could be defeated only if all the Eurasian coastal areas were linked together. This process was realized when the Soviet Union voluntarily withdrew its forces from Afghanistan. Left vulnerable to the Anaconda Strategy, the Soviet Union fell apart.

There is every reason to believe that the new world order the Atlanticists are cutting according to American patterns presupposes that the linkage theory will be applied to Russia by encircling its huge landmass with Anaconda coils to achieve Russia’s disintegration. This conclusion is supported by the pragmatic considerations of Russia’s geopolitical opponent: "Policymakers in Washington would do well to recognize the long-term incompatibility of U.S. and Russian regional priorities."\textsuperscript{13}

The geopolitical logic of American strategies betrays itself with clarity: the events in Georgia, Ukraine, Moldova, and Kyrgyzstan testify that the United States has become resolved to squeeze Russia out of the post-Soviet expanse. Today, the members of GUUAM, an anti-Russian geopolitical structure (Georgia, Ukraine, Uzbekistan, Azerbaijan, and Moldova) have already formed a corridor from Europe to Afghanistan to be used by NATO.

The Tulip Revolution in Kyrgyzstan (the latest in the CIS) ushered in a qualitatively new stage of the Big Game. The United States has obviously started establishing its direct control in Eurasia in earnest. It intends to introduce external governance in its territory in disregard of borders, sovereignties, and democratic procedures. Everything that serves the purpose is described as "democratic," the rest is branded as "totalitarian," "authoritarian," and "dictatorial."\textsuperscript{14}

The Color Revolutions are obviously being used to weaken Russia’s influence across the post-Soviet expanse and to bring pro-Western and pro-American leaders to power who are resolved to detach


\textsuperscript{11} See: A. Gordinenko \textit{et al.}, op. cit.


\textsuperscript{13} I. Berman, op. cit., p. 67.

themselves from Moscow to complete the process that started in 1991. There are indications that the United States is deliberating the possibility of replacing Ilkham Aliev’s regime in Azerbaijan as “insufficiently pro-American.” America will never relieve its pressure on Erevan to bring a pro-American leader and a like-minded elite to power in Armenia. The present low level of President Robert Kocharian’s social support will make the task easier.

Very difficult elections are scheduled for 2006 in Belarus and Kazakhstan—the United States will undoubtedly use them to carry out “color” coups in these countries too. If it succeeds, the linkage program will be completed: Russia will find itself encircled by Anaconda. This is a very realistic possibility for the Russian Federation on the threshold of 2007 (the year for parliamentary elections) and especially 2008 (the year for presidential elections). Much should be done to preserve social-political stability and a guaranteed transfer of power. But the leaders still have no ultimate strategy for ensuring a safe transfer of power and this makes the situation vulnerable. The Sea Power will obviously not hesitate to take advantage of this vulnerability.

To achieve its far-reaching designs, the United States is using the latest technologies by setting up multilevel modern networks. The network projects used to carry out Orange Revolutions are based on the already tested conception of “netwar” first formulated by John Arquilla and David Ronfeldt of the RAND Corporation in 1996. 

From the very beginning, it was surmised that information would play the main role in the armed conflicts of the future, while information supremacy would serve as the key to success. The “netwar” concept presupposes a decentralized network of “fighters armed with information” able to achieve a decisive bloodless victory by deliberately destroying the key “nerve centers”—the enemy’s system of governance. 

Later, the same authors developed their idea of building armed forces on the netwar basis into the “swarming” conception, which means that seemingly disconnected yet carefully designed and coordinated actions of varied forces acting from different directions will penetrate into the enemy territory. The authors are convinced that this will prove effective if numerous small independent mobile subunits coordinate their actions.

As distinct from the earlier doctrine of air-land offensive operations, the Battle Swarm conception makes it possible to fully tap the netwar potential by introducing information technologies on a large scale and pooling the efforts of all the forces and services involved.

The Army’s Future initiative is based on conceptions related to the network structure of armed forces and on two interconnected principles of future warfare: agility (maneuverability) and knowledge (procuring and using information). The light forces involved in this type of struggle should be flexible and be able to be rapidly deployed in distant theaters of military operations within the shortest time possible.

It should be said that terrorist groups and organizations (many of them—al-Qa’eda, the Taliban, and others—set up with the help of America and its allies) lost no time in mastering the latest achievements of the netwar doctrine. Their spider-web is highly flexible and resistant to external pressures. Today, they are successfully exploiting swarming tactics.

This somewhat levels down the pyramid of terrorist organizations, leaving their groups free to act and function independently. Al-Qa’eda consists of several loosely connected action subjects. Today, al-Qa’eda is rather a generic name for any of the Islamic anti-American groups functioning every-

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where there are Muslim communities. After analyzing the terrorist attacks of 9/11, the FBI concluded that the terrorists succeeded because those who carried out the attacks were absolutely unknown in the radical Muslim communities. No criminal proceedings had been instituted against them in any country, they had had nothing to do with politics, while many of them belonged to wealthy families. The investigators had to admit that the terrorists formed a small autonomous group with no contacts with terrorists in any other country.18

The netwar conception enriched “Islamic” terrorism with the following features: it is no longer limited to one region; terrorist groups are maximally decentralized; and they rely on suicide attacks as their main method. As a result, the terrorist wave raised by the radical Islamist groups has engulfed the world, even though the post 9/11 international counterterrorist operation scored certain successes.

In the wake of 9/11, the Pentagon concentrated on the netwar subject. In one of his speeches after the terrorist attack, U.S. Defense Minister Donald Rumsfeld pointed out that the attacks on Washington and New York created a new battleground and conflicts of a new type. He also said that in the near future America would be facing two important tasks: defeating terrorism by liquidating terrorist networks and readying itself for a new type of war that would differ radically not only from the wars of the past century, but also from the counterterrorist war America was waging at that time.19

Americans describe the qualitatively new “netwar” as an operational conception based on its information supremacy, which makes it possible to increase the troops’ fighting capacity by orienting them toward a network of sensing systems, staff offices, and responsive detachments. This promotes greater information flow, more rapid notification of troops, higher operation rates, greater destructive capability and survivability, and a higher level of self-synchronization.

In fact, the netwar transforms information supremacy into fighting capacity by efficiently connecting all the intellectual objects into a single information space of the TO. The “battlefield” concept is transformed into the “fighting expanse” idea. The fighting expanse includes all traditional targets to be hit by conventional weapons; it also includes virtual targets, such as the enemy’s emotions, perception, and psychology. Action is carried out on the new classes of targets through close integration of all the network structures of the Defense Ministry and similar structures of civil society (understood as the sum total of public institutions that shape “public opinion”).

The netwar theory presupposes that the war is carried out simultaneously in four areas of human activity: physical, information, cognitive (reasonable), and social, each of them being of independent importance. The effect is achieved through synergy (unidirectional application of varied forces) of all these elements.

The wars of the post-modernist, or information, epoch are based on a deliberate integration of the above four areas. They are brought together into a network which serves as the basis for carrying combat action. The spheres in which the areas meet are of fundamental importance. The military effect of the armed forces’ efforts is multiplied by the harmonious interaction of all the network factors, while deliberate actions against an enemy break up its formations and disconnect the areas. This deprives the enemy of the most important factor of its superiority.

All netwars aim at effects-based operations (EBO), which are described as the sum total of measures designed to shape the behavior models of allies, neutral forces, and enemies in the contexts of peace, crisis, or war.

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The EBO are not limited to hostile operations—they are used against neutral and even friendly powers in all contexts (peace, crisis, and war) to manipulate their behavior, shape their starting conditions, and subordinate their actions to the interests of the entity waging the netwar.

The meaning of military reform within the “new theory of war” framework of the information epoch is simple: to create a powerful universal network designed to replace all existing military strategic models and conceptions by integrating them into a single system. The war becomes a network phenomenon, while warfare develops into a variety of network processes. The regular army, all types of intelligence and reconnaissance, technological breakthroughs and high technologies, journalism and diplomacy, economic processes, social transformations, the civilian population, the military, regular units, and loosely structured groups are integrated into a single network in which information circulates.

Obviously, as distinct from the conventional doctrine of war, the netwar concept can be realized in all types of conflicts (of high and low intensity), as well as for the sake of other aims such as Color Revolutions in the states which become targets of global and regional geopolitics.

A series of state transformations, first in Serbia and then in new post-Soviet states (Georgia, Ukraine, Kyrgyzstan), has taken place since the late 1990s in full accordance with the netwar rules. The same rules and invented pretexts of promoting “democracy” and “liberalism,” shaping a “civil society,” etc. are put forward by Russia’s geopolitical opponents, who are working hard to wipe away the single CIS expanse.

As the first step toward victory, network technologies require a fifth column in the administrative and intellectual elites of the enemy state, in the media, and among the youth. There is obviously a certain pattern of Orange Revolutions applied by their organizers every time. The activists of “Khmara” (“Enough”) and the Byelorussian nationalist structure “Zubr” were trained by members of the Serbian youth movement “Otpor” (Repulse), which, assisted by Western NGOs back in 2000, helped remove Yugoslavian leader Slobodan Milosevic from his post. Slogans in Serbian (without translation) which appeared across the country and abounded in Georgia’s capital Tbilisi indirectly betrayed the Serbian trace in the mass youth rallies during the state coup in Georgia in 2004. The most popular of them (“Gotov Je” [“We have done away with him”] among them) later appeared in Kiev and Minsk. Young Ukrainian “revolutionaries” were prepared to help likeminded people in Azerbaijan, Belarus, etc. The name and the symbol of the Kyrgyz youth movement called “Birge” (Together), which looks like a raised fist, bring to mind the symbol of the Serbian “Otpor,” Georgian “Khmara,” and Ukrainian “Pora.” There are many more similar coincidences.

According to political forecasts, on the eve of the 2008 presidential elections Russia, like other CIS countries, will become a target of network operations designed to manipulate its behavior under crisis conditions. It is irrelevant whether Washington looks at Russian power as friendly, neutral, or hostile. Similar operations of different colors will be carried out irrespective of political contexts. America will do this to prevent reintegration of the post-Soviet expanse around the Russian Federation.

We all know that the political spectrum in the United States is wide: there are groups wishing to destroy Russia; there are others that would like to use Moscow as Washington’s compliant junior partner in Eurasia. These groups agree, however, that America’s structural pressure on Russia should be stepped up—they are prepared to wage netwars and carry out network operations against Russia to give the White House the opportunity to alternate scenarios and abandon the disintegration variant for soft

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pressure or move from soft pressure to a coup. Much will depend on Washington’s ability to establish its control over nuclear facilities and other strategic centers believed to be hazardous to U.S. security and world ecology. In all other respects, network operations are flexible enough to be fitted to the changing conditions.

This is especially pertinent in the Northern Caucasus, which has become a priority netwar target. Chechnia is a center of active separatism there; there are Islamist networks connected with international terrorism. Georgia, its closest neighbor, is totally controlled by the United States; America is stepping up its influence in Azerbaijan. The Northern Caucasus is a hub of ethnic, religious, and administrative conflicts; it is torn apart by disagreements between clans, groups, elites, and non-formal movements. The North Caucasian segments are varied and contradictory.

All of these elements are instrumental in network operations; the tension will rise as the 2008 presidential elections draw closer. The “color” network in the Northern Caucasus includes all sorts of elements such as Orange Groups in various segments of the Russian public and the media they control; nationalists; Islamists; humanitarian foundations, and NGOs controlled by the United States and its allies; terrorist organizations based on the so-called Wahhabi jamaats of the notorious Jannet and Yarmuk types; shadow financial networks and the havala system (informal channels through which money is transferred vis-a-vis from different countries under personal guarantees); clans in the local power structures; criminal groups; as well as basic network infrastructures (libraries, post offices, medical and insurance structures, etc.) and emissaries which look after individual segments (varied and unified, etc.).

The “color” network in the Northern Caucasus is intended for:

- **At the physical level**—creating a critical mass of people prepared to take an active part in protest rallies (under all sorts of slogans and for different purposes depending on the circumstances and regions) and mobilizing terrorist cells for pinpoint actions.
- **At the information level**—raising the degree of social involvement, aggravating the situation and actual problems to create a negatively charged atmosphere around all sorts of crisis situations, as well as establishing direct contacts among the most radical of the network organizations.
- **At the cognitive level**—influencing public opinion by convincing the people that radical measures have become overripe and that they cannot live like this any longer, etc.
- **At the social level**—mobilizing and stirring up ethnic, social, administrative, and religious groups in the Northern Caucasus by pushing them toward settling their most urgent problems by radical means in an increasingly chaotic situation.

As soon as the Orange Groups manage to destabilize the situation in any region, the manageable crisis can be exploited to spread destabilization across Russia by pushing the events in the desired direction at the federal level. Depending on the specific course of events in some of the southern republics and regions, the processes may reach the highest degree of separatism or may stop at the “relative chaos” stage. In any case, the Russian leaders should take adequate measures to deal with the asymmetric challenges and threats to Russia’s statehood.
Throughout the 1990s, Ukraine balanced between the world’s main centers of power in an effort to preserve its officially declared European and Euroatlantic course along with a high level of mutually advantageous economic cooperation with Russia and other CIS members. This policy meandered along with the changing conditions and the nature of bilateral relations with the country’s key partners—America, Russia, the EU, and NATO. Nuclear disarmament and curbed hyperinflation (1994) helped Ukraine overcome international isolation and establish cooperation with the United States and NATO: in 1996, it received the status of the U.S.’s strategic partner, and in 1997 Ukraine signed the Charter on a Distinctive Partnership with the North Atlantic Treaty Organization.

Ukraine’s stronger position in the West and its contacts with the Central European structures helped it settle certain conflicts caused by the Soviet Union’s disintegration. I have in mind the Ukrainian-Russian agreements on the Black Sea Fleet, the basic state agreements with Russia and Rumania, and the country’s permanent contacts with Georgia, Azerbaijan, and Moldova.

Looking back, it can be said that Kiev has been consistently and successfully moving ahead in the Euroatlantic and post-Soviet directions. Ukraine has obviously been trying, more or less consciously, to adapt itself to the emerging international system. However, although under President Kuchma Ukraine’s relations with NATO were an obvious priority, they were still hampered by negative domestic processes and a depressed economy. The economic community became convinced that the state should work hard to mend the holes and restore Ukraine’s economy to its former health. There was also the firm conviction that economic rebirth could be attained through mutually advantageous relations with Russia, long-term cooperation with Asian countries, and energy projects with Azerbaijan and Central Asia (primarily Turkmenistan, as well as Uzbekistan and Kazakhstan). The 1998 financial crisis interfered with the economic cooperation programs being implemented with Russia for 1998-1999; in 1999-2000 the devalued grivna (the Ukrainian monetary unit) helped the Ukrainian economy revive: in 2004 its growth reached a record rate of over 12 percent.

In this context, the official course for European integration looked like a declaration of intentions, the fulfillment of which demanded much faster growth of the GDP and democratic developments. The political crisis of 2000 cut short the country’s contacts with the West and worsened its relations with the United States, which hastened to voice its unfounded suspicions that Ukraine sold Kolchuga detectors to Iraq in 2002. Naturally enough, Kiev’s foreign policy lost much of its previous drive and concentrated on purely technical matters. The conflict, however, unfolded in the context of sustainable economic growth.

In February 2003, President Kuchma shocked the government and the parliament by accepting Vladimir Putin’s invitation to join Bela-
In the first half of 2005, the new Ukrainian leaders made it clear that the country would follow in the footsteps of the Central and East European countries, the new NATO and EU members. This explains the new leaders’ frequent imitations of the foreign policy stereotypes and preferences demonstrated by Poland, Rumania, Bulgaria, Lithuania, Latvia, Estonia, and others.

The Ukrainian Foreign Ministry is convinced that the Orange Revolution and the victory of the Iushchenko-Timoshenko bloc at the presidential election, as well as the Rose Revolution in Georgia, ushered in a new stage of democratization and promoted “democratic standards” in Eurasia. In a certain sense this approach is based on the post-modernist theories of “social construction” formulated, in different forms, by F. Fukuyama, A. Toffler, Z. Brzezinski, S. Huntington, and N. Ferguson. In their joint declarations, the presidents of Ukraine and Georgia, Viktor Iushchenko and Mikhail Saakashvili, described their common political aim as “the fourth wave of democratization” following the second and third waves.2

All post-modernist theoretical constructs reject the well-established political concepts and stereotypes and insist that adequate efforts designed to change mass consciousness will trigger desirable changes in real life. According to them, in the next ten years the post-Soviet expanse will develop into a scene of radical geopolitical changes which will drive out the wilting authoritarian regimes. By the same token, Russia will be forced not only to abandon its “neo-imperial” designs, but also to drop the very idea of empire altogether.

It should be added that according to the powers that be, at the early stage of its independent development (first half of the 1990s) Ukraine was busy establishing itself on the international scene as an independent democratic state. By the mid-1990s, Ukraine had already formulated its basic aims and charted the routes leading to them. The multivectoral nature of Ukrainian policies, however, was too vague and was soon exhausted and replaced with the strategy of European integration announced in 1998 and the Euroatlantic integration which began in 1997 and was officially proclaimed in 2002.

During the second period, between 1998 and 2004, the democratic and patriotic forces were fighting for their country’s right to become a European state. The Foreign Ministry of Ukraine sided with the opposition, it did everything to preserve the country’s European future and prevent its slipping down to the “gray zone,” meaning its dependence on the “revived Russian Empire.”

Iushchenko is convinced that 2005 ushered in the third period of Ukraine’s foreign policy, which is expected to last for at least 10 years and be crowned by its membership in NATO and the EU. At the same time, the ruling group has to dampen the hope of speedy successes by admitting that due to the country’s regional and domestic specifics it will not be able to join these structures as easily and speedily as the Central and East European countries. The conclusion was obvious: in order to convince the EU and NATO to let some of the post-Soviet states join them, Ukraine must work hard to change the situation in the CIS zone.

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The new foreign policy rested on two interconnected ideas: first, Ukraine’s new role as a regional leader (promotion of anti-authoritarian democratization and liberation of Ukraine, as well as the East European states and other CIS countries from Russia’s influence) is seen as a contribution to regional stability and to extending the zone of security due to NATO’s more active involvement; second, Ukraine and some other countries of the sub-region should achieve political compatibility (homogeneity) at the first stage and full NATO and EU membership in the future.

Encouraged by a series of Moscow’s grave failures in the post-Soviet expanse—aggravated problems and systemic contradictions in Russia; deteriorated relations with the West; Vladimir Putin’s obvious miscalculations during the presidential campaign in Ukraine, and the regime change in Kyrgyzstan—Kiev stepped up its foreign policy activities. Russia made some bad tactical errors when implementing Dmitry Kozak’s plan of conflict settlement in Transdniestria in 2003; the Moscow-oriented Democratic Bloc lost the parliamentary elections in Moldova; Belarus carried out a referendum unsanctioned by Russia (2004); the Moscow-supported presidential candidate was defeated at the 2004 elections in Abkhazia, etc.

Certain Western analysts and NGOs speak of Russia as a former superpower no longer capable of checking democratic processes in the CIS countries or dominating them. The opposition political movements in some of the CIS countries have opted for Euroatlantic orientation as an inevitable alternative to Russia’s domination. This convinced the experts close to the new Ukrainian authorities that their country could snatch the role of regional leader away from Russia in order to extend political support to the anti-regime movements and the new governments brought to power in CIS countries through coups. It was in May 1992, when the Collective Security Treaty was being signed, that Russian observers started talking about Ukraine’s possible rapprochement with a group of CIS countries. Today, however, it is commonly accepted that such an alliance should be based on the criteria of political compatibility and involvement in the “advance of freedom.” While the EU and NATO countries are gradually changing their ideas about the Russian Federation and other post-Soviet states, it is very possible that some of the CIS countries may join the Euroatlantic structures (the Euroatlantic political and civilizational expanse).

Ukrainian executive power is convinced that Ukraine’s chances of becoming an equal NATO and EU member are hampered by the opinion still lingering in Europe that it belongs to the zone of Russia’s influence. To change this, Kiev is working hard to demonstrate its absolute independence from Russia. It was believed that Ukraine might even leave the CIS, which both the president and foreign minister described as a useless and ineffective structure. This step, however, would have deprived Ukraine of its influence on CIS members and undermined its efforts to describe itself as a political center alternative to Russia.

Kiev was expected to confirm its new foreign policy course by fulfilling certain informal conditions formulated by the EU and NATO: conflict settlement in Transdniestria and active involvement in the regime change in Belarus. Some people are convinced that, after stumbling on political obstacles, Ukraine will be forced to step up its political involvement in the CIS zone to preserve its European and Euroatlantic course. To confirm its intentions, the Iushchenko team presented its own moderate and peaceful plan of conflict settlement in Transdniestria on 19 May, 2005.3

Ukraine’s sub-regional role should be supported by its greater involvement in ensuring stability and bringing democracy to the Black Sea zone, its greater impact on the political processes in and “Europeization” of Russia, and tighter border control in order to stem illegal migration. The country is expected to play an auxiliary role in Eastern Europe and the Black Sea area described officially as

3 For further detail, see: [http://www.mfa.gov.ua/information/?mfa/].
the mission of active promotion of European values. The conflict settlement in Transdniestrria and the revived political activity of GUAM are seen as absolute priorities.

Those in power are fond of repeating that the post-Soviet expanse is dying as a political reality, while the post-Soviet structures (CIS and others) with no role to play should be disbanded. Ukraine and other independent democratic post-Soviet states (Georgia and Moldova) should work toward eliminating the remnants of Soviet regional identities to show the world they are part of Europe.

In real life the road to new foreign policy aims is bumpy: smooth progress is hampered by decisions and measures that may worsen the economic situation and stall economic dynamics. The coalition now in power obviously consists of several rivaling decision-making centers, which is made evident by what the president, the National Security and Defense Council, and the cabinet and ministries are doing.

The GUAM Phenomenon
("Alliance for Democracy and Development")

The organizations and alliances functioning in the post-Soviet expanse can be divided into several groups: representative structures of regional cooperation (the CIS, SCO); sub-regional economic structures (EurAsEC, Central Asian Cooperation, the Black Sea Economic Cooperation Organization); functional organizations and political and military-political alliances (the CSTO and GUAM, which unites Georgia, Ukraine, Azerbaijan, and Moldova, and the Caspian Guard); integration structures (the union state of Belarus and Russia).

The majority of them are instruments of Russia’s politics, while the United States and its allies can potentially manipulate others. In fact, viewed in the context of the present international system American policies present an interesting blend of idealistic conceptions used to influence international relations and political realism invoked to encourage interstate structures designed to balance out or even limit the influence of the regional centers of power. Indeed, America’s extensive military presence in the Southern Caucasus and Central Asia, as well as the pro-Western alliances in the Black Sea zone, the Caspian and along Russia’s western borders fit well into the pattern of limiting Russia’s role and deprive it of its traditional influence.4

For a long time GUAM was seen as a mechanism Ukraine may potentially use in the Black Sea-Caspian sub-region. It was set up to ensure closer diplomatic ties between its members within the OSCE and the Council of Europe, as well as within the CFE Treaty of 1995-1996. The organization came into being when its four members made public their Joint Declaration in Strasbourg on 10 October, 1997, which registered their identical positions on all key international problems. (Uzbekistan joined the structure in 1999, thus adding another “U” to the abbreviation.) The Yalta GUUAM summit held on 6-7 June, 2001 adopted a Charter which specified the organization’s aims. In July 2002 the organization signed an agreement on a free trade zone; in 2004 the organization acquired the GUUAM Parliamentary Assembly.

Since 1998, the sides have been discussing a transportation corridor Europe-the Caucasus-Asia (the TACIS program), a project which symbolized the members’ shared interests. Until recently its

vague prospects did not allow the organization to step up its activities. The existing oil pipelines, Baku-Supsa (in the Southern Caucasus) and Odessa-Brody (Ukraine), were only part of the general project that, to be completed, must be extended to Plock and Gdansk in Poland. The project requires financial support from the EU governments and financial structures, Ukraine and, possibly, Kazakhstan. If realized, the project will diminish the pressure on the Black Sea straits, something that Turkey has always wanted to achieve, and create conditions for the pipeline to be extended to Kazakhstan, Uzbekistan, and Turkmenistan. In the future, it will increase the GUAM members’ security in the energy sphere and consolidate their positions at the talks with Russia on oil and gas prices and transit conditions.

In view of Rumania and Bulgaria’s imminent membership in NATO, which will involve NATO directly in the Black Sea security issues, the structure acquired an obvious political bias. The presidents of Ukraine and Georgia obviously intend to use the changing situation in the Black Sea-Caspian sub-region to limit Russia’s influence there and extend new energy projects to Central Asia. GUAM may be transformed into an Alliance for Democracy and Development as a link in the “promoting democracy” strategy endorsed by the U.S. National Security Council on 28 December, 2003. In this context, Uzbekistan’s withdrawal from GUUAM in 2005 looks significant. This is when it became known that Kyrgyzstan might join this structure; this information came from Georgian Premier Zurab Nogaideli at a press conference following the meeting of the Council of the CIS Heads of Government in Tbilisi on 3 June, 2005. He added: “GUAM is not the only structure within the CIS—there is the Russia-Belarus union, and there is also the EurAsEC, so nobody should be amazed by Kyrgyzstan’s intention to join GUAM.”

Many of the West European states are skeptical about NATO’s future role in the Southern Caucasus and Central Asia, therefore America and some of the Central and East European countries regard GUAM as a regional security structure to be used in the military-political context. Washington’s involvement as a permanent observer (which is the same as its role in the SENTO bloc) will make it possible to create temporary or permanent coalitions to exercise military-political control of pipeline zones and other communication lines. Military cooperation is spurred on by the smoldering conflicts in Moldova, Georgia, and Azerbaijan, which are seeking outside support for conflict settlement. Unless their territorial integrity is restored, neither Georgia nor Moldova will be able to stabilize their economies and attract investors. Tbilisi and Baku agree that conflict settlement around Abkhazia, South Ossetia, and Nagorny Karabakh is an absolute priority, yet no speedy settlement is expected. Ukraine, which needs diversified oil supplies, should become involved in the peacekeeping operations in the Caucasus even if this worsens its relations with Russia.

Ukraine needs economic cooperation, therefore the southern segment of the energy transit route under GUAM’s aegis is regarded as a priority. This is why the first visits of President Iushchenko to Turkmenistan and Kazakhstan were devoted to new projects and larger direct supplies of gas and oil to Ukraine, as well as wider energy transit. In the past, Ukrainian leaders also actively discussed possible oil deliveries from Kazakhstan and Azerbaijan. At the same time, the Eurasian oil transportation corridor project, which envisaged an extension of the Odessa-Brody oil pipeline to Plock, stalled because of lack of interest among the European oil consumers and Poland’s very strange stance, which limited itself to declarations. However, due to America’s increased direct military presence in the region, the project may acquire a military dimension.

The recent events in the Caspian, the commissioned Baku-Tbilisi-Ceyhan pipeline, Kazakhstan’s adherence to the Baku Declaration on Support of the East-West Transportation Corridor, as well as

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the agreement on strategic partnership between Kazakhstan and Azerbaijan signed on 24 May, 2005 are very important. Kazakhstan is also a CSTO and EurAsEC member.

On 12 April, 2005, during the visit of U.S. Defense Secretary Donald Rumsfeld to Azerbaijan, the two countries agreed on a plan to station American rapid deployment forces at three airbases, their composition being adjusted to U.S. needs in the region. In order to protect the Baku-Tbilisi-Ceyhan pipeline, there are plans to set up a tactical group called the Caspian Guard, which will include Turkish gendarmes, the State Service of Special Guards, and Internal Forces of the Azerbaijan Interior Ministry; other countries taking part in the region’s energy projects will also be involved. In fact, the project will help Azerbaijan to prepare for NATO membership, especially in view of the fact that American instructors are already working in Georgia.6

This prompted Azeri analysts to predict the appearance of a new sub-regional alliance among Azerbaijan, Turkey, Georgia, Kazakhstan, the U.S., and possibly Ukraine. It might become either GUAM’s territorial extension or its military-political element. In the latter case, GUAM, in the form of an Alliance for Democracy and Development, may either be transformed into a purely political organization or limit its activities to Eastern Europe.

It is worth mentioning that Viktor Iushchenko invited the presidents of Rumania, Lithuania, and Poland to take part in the preparatory stage of the GUAM Kishinev summit on 22 April, 2005, along with Bulgarian and Hungarian representatives. The Baltic-Black Sea Arc project, a political and economic alliance of the Black Sea and Baltic states initiated by Zbigniew Brzezinski and the Polish Right back in 1992, still has enthusiastic supporters in America, Ukraine, and the Baltic states. Even though Belarus withdrew from the project, Ukraine, Poland, Lithuania, Latvia, and Estonia made the first feeble attempts to set up the structure in 1996-1997. Today, the project has been revived in the form of the tripartite parliamentary assembly (Poland, Lithuania, and Ukraine) and the presence of parliamentary representatives of the three Baltic states at the second meeting of the GUAM Parliamentary Assembly on 27-29 May, 2005.

It should be said that nearly all multilateral structures on post-Soviet territory in which Ukraine is involved may develop into more or less obvious anti-Russia organizations. Indeed, the Baltic-Black Sea alliance can be described as the most challenging antipode of the SES. It is set up as an alliance of the countries which use Russian gas and oil and serve as transit routes for them. This means that they will be able to agree on prices and other transit conditions based on free trade regulations and a single tariff policy in the same way as is envisaged for the SES.

In Russia, the project is described as an attempt to revive a “sanitary cordon” of the Rzeczpospolita type which existed in the 16th-17th centuries.7 This trend is testified by the recent staunchness some of Russia’s neighbors have been demonstrating in their relations with Russia under the U.S. Department of State’s coaching. The conduct of Georgia, Latvia, Estonia, and Lithuania during the Moscow celebrations of the 60th anniversary of victory in the Great Patriotic War organized by President Putin was eloquent. Their leaders made stricter demands of Russia: they preferred to abandon common diplomatic practices for the sake of speedier solutions to certain problems (withdrawal of the Russian bases from Georgia, border agreements, etc.). It is their intention to limit Russia’s influence in the neighboring countries and offer the United States better political prospects.

At the same time, Ukraine is working toward settling a number of problems: border demarcation in the Sea of Azov and the Kerch Strait; Ukraine wants clearer agreements on the conditions under

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which the Russian naval base is stationed in Sevastopol and insists on the transfer of the Russian coastal navigation infrastructure in the Crimea to Ukraine. Kiev, however, is trying to avoid obvious anti-Russian rhetoric and has never refused to take part in the SES. The reason is obvious: despite the frantic efforts to diversify oil and gas supplies, Ukraine’s dependence on supplies from Russia remains all-important. This will not change in the near future.

Multilateral cooperation across the post-Soviet expanse reflects the vast variety of forms and approaches, therefore despite the seemingly mutually exclusive aims of the CIS, CSTO (the Tashkent Pact), EurAsEC, GUAM, and the Caspian Guard, they can peacefully coexist. Their efficacy remains low for the obvious reason that any of their members may either merely demonstrate its involvement or use them to prevent the hostile actions of its neighbors.

The highly diverse behavior of certain states helps them to adjust themselves to the systemic contradictions or to lower the level of conflict in interstate relations. Most of them are trying to coordinate their cooperation with the United States, NATO (Partnership for Peace program), and sub-regional alliances with their involvement in Russia-initiated structures and programs mainly in the economic sphere. The economic interests of these countries do not allow them to radically oppose these lines, therefore unambiguous military-political alliances in the CIS sphere, such as the defense union between Russia and Armenia, are an exception rather than the rule.

Ukrainian leaders have proffered highly significant comments on multilateral relations. Premier Iulia Timoshenko has said in particular: “We should not look at the CIS and GUAM as a mutually exclusive alternative.” Chairman of the Ukrainian Rada Vladimir Litvin repeatedly stated that Russia, Kazakhstan, Turkey, Armenia, and other Black Sea and Caspian countries could join GUAM some time in the future. From time to time, Tbilisi makes no less interesting comments. For example, Foreign Minister of Georgia Salome Zurabishvili has stated that Georgia will hail GUAM membership for Russia. This sounds strange, yet this conciliatory rhetoric reflects not so much the lack of a principled approach or a deficit of conceptual thinking—it is evidence that sub-regional problems are unlikely to be resolved as long as relations and the long-term cooperation forms between the U.S., EU, and Russia remain vague.

The same can be said about the prospects for Ukraine’s involvement in the SES: while in opposition, the present leaders dismissed their country’s possible SES membership as high treason and insisted that it would close the doors to the EU for Ukraine. Today, after failing to rid themselves of the control exerted by Russia’s Gazprom by organizing gas supplies from Turkmenistan to Ukraine, Viktor Iushchenko, after giving it some thought, agreed to join the SES. In a certain sense he is following in Leonid Kuchma’s footsteps, who in 1998-2001 exploited the subject of a free trade zone within the CIS as his main argument. The “Kiev formula” set forth in the framework SES agreement allows each of the members to decide on the degree of its involvement in the integration projects. Ukraine obviously needs the free trade zone for economic reasons, therefore it will obviously remain within the negotiation process.

The economic goals of such countries as Ukraine, Azerbaijan, and Kazakhstan force them to remain within interstate alliances irrespective of their leaders’ political biases. The region’s countries need closer relations between the EU and Russia, therefore their leaders try to avoid sporadic cam-


paig lines designed to contain Russia by political means or lower its status within the international system (such attempts were recently made by U.S. senators John McCain and Joe Liberman, as well as by Zbigniew Brzezinski and some other statesmen.)

Trends and Prospects

Kiev’s rapid political re-orientation toward the Euroatlantic structures has widened the gap between its stated political aims and the country’s trade and economic interests. The joint statement by President George W. Bush and President Viktor Iushchenko, “A New Century Agenda for the Ukrainian-American Strategic Partnership” published on 4 April, 2005, described Ukraine as one of the key members of the “advancing freedom” strategy (along with Georgia, Kyrgyzstan, and Lebanon). At the same time, Ukraine’s economic relations with the CIS countries and other important trade partners, such as China and Iran, may suffer because of its striving to join NATO and the EU if no long-term efforts to ensure Ukraine’s energy security and extend it large amounts of economic aid are made.

Any purposeful impact on the political processes in the CIS countries requires vast resources. As distinct from the political situation in Europe in the late 1940s and the late 1980s, there is no “critical mass” of social and political factors in the CIS republics able to shift the balance in favor of democracy. According to sociologists, democratization potential depends on the economic development level and is most obvious in the countries which have reached the threshold of an industrial and postindustrial society. Under such conditions Color Revolutions may change these countries’ foreign policy orientations rather than the nature of their regimes. Indeed, “the European perspective” is highly important for the post-Soviet European republics, therefore lack of progress in this direction may bring populist groups and leaders to power and strengthen authoritarian trends. Significantly, contrary to the expectations of the new Ukrainian leaders, neither the U.S. nor the European Commission recognize Ukraine as a country with a market economy. The fact that the former Ukrainian leaders discredited Ukraine’s European prospects added revolutionary zeal to the sentiments prevailing among the middle class.

The European prospects of any of the post-Soviet European republics depend on the degree of democratic changes in them, their economic stability, and their GDP. Their economic stability is ensured by a steady flow of energy resources from Russia, Azerbaijan, and Central Asia on favorable terms, which cannot coexist with public criticism of the ruling regimes in these countries. It is even less advisable to support the opposition movements there since not all of them are very popular with the people. At the same time, in some of the countries both the ruling regime and the opposition are demonstrating their loyalty to the U.S. and NATO (Azerbaijan is one example), which considerably extends the means and methods of American influence there.

In an effort to resolve the contradiction between its declared foreign policy aims and its economic interests, Kiev has to seek new ways to combine its new political self-identity (based on European values) and the need to preserve a mutually advantageous level of cooperation with Russia and other CIS members. The post-Soviet states’ different political systems make such cooperation much more difficult: Ukrainian support of the opposition movements in the post-Soviet expanse will endanger its active economic cooperation with Turkmenistan and Belarus. It is even more dangerous to promote a Color Revolution in Russia.

There are two possible alternatives for relations with the CIS countries.
It seems that the current considerable political differences between the CIS republics will survive given the increase in the number of states subjected to political transformations and the growing threat of radical Islam in Central Asia. It is less probable that most of the CIS countries will form a “democratic community.” To realize the second alternative the system of power in Russia should be changed, while the country should undergo political modernization. According to Russian experts, the present “plebiscitary” manageable democracy is unlikely to be replaced with the rule of pro-Western monetarist liberals. They predict the rule of a national-populist regime, which the West might find much less palatable (as far as structural relations are concerned) than the predictable and stable bureaucratic regime of Vladimir Putin.

The White House is resolved to limit Russia’s military-political role within the CIS; in the wake of the Bratislava summit between the two presidents on 24 February, 2005, America stepped up its cooperation with Latvia, Lithuania, Estonia, Georgia, and Moldova. Washington is exerting much stronger influence on the processes taking place on the post-Soviet territory and is directly coordinating some of the countries in their contacts with the Russian Federation. This predicts further fragmentation of the structures of multilateral cooperation within the CIS in the form of latent Russian-American rivalry.

The defrosted local conflicts in the Caucasus are potentially dangerous: they will cause destabilization and bloodshed. Our recent experience, however, has taught us that not all defrosting schemes end in civil wars. The option the EU offered to Cyprus in 2003 presupposes purely political forms of conflict settlement, yet this approach will probably fail in the case of Abkhazia, South Ossetia, and Nagorny Karabakh. Moreover, the leaders of the breakaway Georgian provinces enjoy the firm support of the Kremlin and the State Duma of Russia.

It is in Ukrainian interests to promote political processes in the Southern Caucasus and Central Asia that will help avoid prolonged confrontation and instability. We all know that open and sharp contradictions between the United States and Russia might cause confrontation by forcing the sub-regional countries to take sides. It appears that today such contradictions could move into the political and legal sphere (demands that international norms be observed, and stirring up discussions on human rights within the CIS). The first success (by which I mean the agreement on the withdrawal of Russia’s military bases from Georgia) failed to improve the situation because the bases were moved to Armenia. Nobody knows how long American and Russian bases will coexist in some of the region’s countries. The regimes brought to power by the Color Revolutions will find it hard to preserve the status quo for a long time with the help of a dual foreign military presence on their territories. Today it looks as if sooner or later America and NATO will supplant Russia.

It is hard to predict how NATO will enlarge its presence in the Black Sea and Caspian area, where the U.S. Administration seems to prefer alliances and coalitions under its direct control. The political leaders of France and Germany obviously prefer to limit NATO’s participation to its traditional set of functions and avoid its development into a global military-political structure. Indeed, NATO’s presence in the Caspian will transform it into one of the sides in the contradiction among Russia, Armenia, Iran, and Turkey. In the near future, NATO will limit itself to the Black Sea zone as a side in the interim coalitions involving the Central and East European countries. The EU will only be directly involved if the question of the Transdniestria settlement arises and could also have indirect influence on the developments in Belarus.
It is highly important today to assess what policy the leaders of Russia are pursuing in the Chechen Republic (CR), to identify all of its possible alternatives and their impact on Russia’s South. Let’s have a look at what was done between 2000 and 2004. In 2000 the Center restored its power in the republic, set up a system of military commandants across its territory, created a national administration and tied Chechnia to the federal budget system. The republic, however, remained a scene of the counterterrorist operation.

In February 2001 the RF government adopted a Federal Target Program of Rehabilitation of the Economic and Social Sphere of the Chechen Republic for the Year 2001 (Resolution No. 96). According to expert assessments, it was fulfilled by 15 percent for lack of coordination among the federal partners in the program and their inadequate approach to its realization. Strange as it may seem the reasons lied outside the republic. The failure is explained by the low culture and practice of drafting, adopting, and realizing federal target programs of regional development adopted for implementation since the 1990s. (All of them remained practically unfulfilled.) This says that many of the top government bureaucrats have not completely realized that it was them who are responsible for the success or failure of such programs. In the European Union, for example, similar territorial programs are one of the most important elements of the states’ regional policies, which explains why the aims and schedules are faithfully observed, while the results improve the living standards and create more jobs for the economically active population in such regions.

As distinct from the European countries the RF has not yet made its target programs an efficient instrument of its regional policies—they are still mere declarations. There are no consistent information about the political and socioeconomic development of the Chechen Republic in recent years. Even though the statistical service of the CR has been functioning since 2002 there are too many gaps in the graphs related to Chechnia, which means that information either does not reach the Center or is merely ignored. In fact, the republic’s statistical service leaves much to be desired: the summary statistical material On the Socioeconomic Situation and the Progress of Restoration Works in the Chechen Republic for the Year 2003 (the Construction-Restoration Works section) was based on the figures supplied by the RF State Committee for Statistics that received them from the corresponding federal ministries and departments. The figures look doubtful to say the least. I am not talking about the money (4,234.9 million rubles) spent. My doubts about the restored facilities are based on independent assessments by those who saw the progress of restoration works with their own eyes. This says that the status of the CR services responsible for gathering and summing up statistical data and presenting them on time to the RF State Committee for Statistics should be elevated.

It is the Federal Center that is responsible for Chechnia’s future and its real integration into the country’s political and socioeconomic system; the Center is carrying out this policy in the republic and the Southern Federal Okrug (SFO) as a whole. Today, real peace and stability in Chech-
nia, an indispensable condition for its successful development, depend on the Center, which makes forecasts of its policies in the republic extremely important. Today, this trend is coming to the fore at the expense of forecasts of Chechnia’s development based on the republic’s endogenous factors and its potential. Indeed, political processes in Chechnia and its real integration into the country’s political system is a painful and contradictory process. There is no adequate law enforcement system, the human rights are not observed, there is no stability and even less personal security in the republic, as well as there is no respect for the constitutional rights of citizens in the republic.

According to the Ministry for Economic Development and Trade of the Russian Federation, the country is conventionally divided into five groups by integral index: the regions with the development level above average (14 subjects of the Russian Federation), with average level (24 subjects), below average (26 subjects), low level (23 subjects), and extremely low development level (12 subjects). Chechnia holds the last place in the last group.¹

Chechnia has not yet delimitated its territory with Ingushetia (together they cover 19,300 sq. km); there is no decision about the administrative border between them. The decision that is overripe also belongs to the Center.

There is no detailed information about the latest demographic situation in the republic, therefore I shall limit myself to some of the figures (see Table).

The table clearly shows the discrepancies between the materials supplied by the Federal Service of State Statistics and its structure in the Chechen Republic (the migration figures are taken into account: in 2002 migration increase was 474 people; in 2003—1,555; in 2004—795. The table is another evidence of the fragmentary nature of statistics and the doubtful nature of the figures for the republic.

In any case, in recent years population has been steadily growing—a positive factor in the country hit by a demographic crisis. In 2003 natural population increase per 1,000 was 18.4 (the highest

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<th>Population size—total (thous)</th>
<th>2002</th>
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<th>2004</th>
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<tr>
<td>Including:</td>
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<tr>
<td>urban</td>
<td>373</td>
<td>373</td>
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<tr>
<td>countryside</td>
<td>731</td>
<td>732</td>
<td>743</td>
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<tr>
<td>Born</td>
<td>26,594</td>
<td>27,774</td>
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<td>Died</td>
<td>7,253</td>
<td>7,194</td>
<td>6,347</td>
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<td>including infants</td>
<td>297</td>
<td>282</td>
<td>331</td>
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<tr>
<td>Natural growth/decrease</td>
<td>19,341</td>
<td>20,580</td>
<td>22,139</td>
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** According to the data supplied by the territorial structure of the Federal Service of State Statistics for the Chechen Republic.

figure among the SFO constituencies). In 2002 the unemployment level was 57.8 percent; in 2003, 70.9 percent—the highest for the corresponding years among the SFO constituencies and in the country as a whole. The Rossiiskiy statisticheskiy ezhegodnik 2004 offers no figures for the local people’s money incomes; the same can be said about the republic’s statistical materials. One can surmise, however, that by that index which is directly related to the standard of living the CR is very low on the list of the SFO constituencies. In 2003 the average monthly nominal accrued wages in the republic were 3,807.8 rubles (the fourth place among the SFO constituencies for 2003 after the Astrakhan Region, Krasnodar Territory, and Volgograd Region). In 2003, the average monthly awarded pension in the republic comprised 1,339 rubles, the lowest among the SFO constituencies. The subsistence level in the republic in the IV quarter of 2003 was 2,183 rubles a month, the highest among the SFO constituencies for the same year.

There are no figures for the number of people with money incomes lower than the subsistence level either in the Rossiiskiy statisticheskiy ezhegodnik 2004 or in the corresponding materials of the territorial structure for the CR for the years 2002-2004. We can safely surmise that in this respect too the republic is found at the bottom of the list of the SFO constituencies.

There is no statistical information about such important indices as average per capita living space, the gross regional product (GRP) and the capital assets.

In 2004 industrial production per branch of industry reached the figure of 10,750.7 million rubles. Distribution by branch in million rubles was the following: power industry—10.6; oil extraction, 10,580.1; machine building and metalworking, 12.8; forest products industry and woodworking, 0.2; construction materials producing industry, 63.9; light industry 2.6; food industry, 52.2; medical industry, 7.2; printing industry, 21.2. The share of oil extraction in the total volume of industrial production is too big: 98.6 percent. This means that the republic’s economy depends on it and that the republic very much depends on the money supplied by this branch.

Between 2002 and 2004 the area under crops in agricultural organizations contracted from 155,200 hectares in 2002 to 148,200 hectares in 2003, and 131,500 hectares in 2004. In 2004, the yield capacity of the main crops in these organizations was (in centners per hectare of harvested areas): grain, 13.0; sunflower, 2.3; sugar beet (commercial), 133.7; vegetables, 20.9. In the European Union the figures are much higher, from which it follows that if foreign experience is successfully applied the republic will be able to modernize its agriculture and increase yield capacity.

There is no statistical information for all other key social and economic spheres. This suggests the circle of problems the correct or incorrect approach to which will determine success or failure of real integration of Russia’s South into the country’s socioeconomic and political system.

The continued military conflict in Chechnia remains the region’s main problem. The Center has not yet found a Pareto-optimal solution to it, which means that it continues to negatively affect the development processes in Chechnia and the macro-region as a whole. There is no concrete information of the SFO constituencies’ indirect losses due to the missed opportunity costs caused by the situation in Chechnia, yet the socioeconomic and political situation in the territories living under the market conditions clearly suffer because of it.

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3 Ibidem.
5 Ibidem.
6 Ibidem.
8 Ibidem.
9 Ibidem.
The artificial barriers among the SFO territories are another obstacle on the path to an integrated market in Russia’s South. There is an obvious connection between this and the developments in the Chechen Republic. The barriers contradict the constitution and the laws of the Russian Federation; they limit the citizens’ right to move freely across the country and make it harder to move goods, capitals, investments, labor resources, services, etc. This is responsible for the indirect losses of the SFO territories in the form of missed opportunity costs and limited potentials of the local markets because the SFO population size cannot sustain its autonomous development. The SFO population size and population density are lower than those of the “old” EU members by several orders of magnitude. It should be added that there are fewer artificial barriers among the EU members than among the SFO territories.

The low efficiency of the state bodies of power (at the level of the federal okrug and its territories) when it comes to dealing with acute socioeconomic and political issues is another problem. The federal okrugs were set up to bring the central authorities closer to the macro-regions and their territories and to work on integrated and target development programs together, yet the programs still remain declarations of intent. So far, nobody has been punished for their failure. The Federal Target Program of Rehabilitation of the Economic and Social Sphere of the Chechen Republic for the Year 2001 and the “Russia’s South” Federal Target Program adopted by Resolution No. 581 of the RF Cabinet on 8 August, 2001 are two examples. The critically high level of corruption and the clan nature of the state machine are especially obvious in the southern autonomous republics.

Low labor productivity and beggarly per capita incomes are the fourth problem. By their GRP and the per capita GRP the SFO territories are behind the EU countries by several orders of magnitude. In many territories the per capita money incomes are lower than the subsistence level. Coupled with the high unemployment figures this says that the macro-region has still failed to create conditions for the best possible development and siting of its productive forces, freeing business initiative and mobilization of the natural and human potential.

The fifth problem is the ineffective structure of the SFO economy and that of its territories; there is no clarity about the diversification of their economies; the developed countries’ experience has not been taken into account. Industry is undeveloped; its share in the RF industry is meager 6.2 percent; in the SFO autonomous republics industry is practically non-existent; their shares in the national industry is below the statistical error level. The employment structure in the economy speaks of the need to diversify it in line with the latest foreign experience and worldwide trends. For example, the share of those employed in the SFO industry is 17.7 percent of the total; in agriculture, 21.6 percent; in services, 46.4 percent. These figures differ greatly from similar indices in the developed countries where the services employ from 55 to 60 percent of all gainfully employed.

Weakly developed foreign economic ties are the sixth problem: the SFO is responsible for 4 and 5 percent, respectively, of the total export and import of the RF; its autonomous republics are even less involved in foreign economic activities. Leaders of many of the SFO territories have so far failed to create adequate institutions and infrastructure to be used for foreign trade under the market conditions. As a result, the huge foreign economic potential of the SFO and its territories remains untapped; they suffer great losses in the form of missed opportunity costs.

The above suggests two possible alternatives of the Center’s policies in the Chechen Republic and the Southern Federal Okrug.

Under the first alternative the CR and SFO will develop within the inertial dynamics: they will continue sliding below the average Russian level where their socioeconomic development is concerned. This is especially true of the autonomous republics: today, most of their socioeconomic indices are among the worst in Russia. Under this alternative it would be hard to expect any considerable structural changes in the SFO economy; the same applies to its territories. In this way, the macro-region will fail to diversify and optimize its economy, its structures and the distribution of the employed by
sector (to imitate the developed countries’ pattern). It will continue to be dominated by its unprofitable agriculture.

The Center’s inertia will preserve the disproportions now observed among the territories and the artificial barriers among them that interfere with their interaction and integration. The state structures working in the SFO and its territories will remain ineffective from the viewpoint of the ordinary people. The macro-region will never resolve the problems of low labor productivity, the low per capita incomes and unemployment. Foreign trade will never produce any positive influences on the SFO’s economy, while the SFO’s economic dynamics will be much below the desired. The “Chechen page” will never be turned which will continue to negatively affect the development of the entire macro-region. If the Center treats the development problems with inertia in the absence of stable and final peace in the CR the autonomous republics will remain backward; the zone of social and political instability in the SFO will extend to become a seat of tension during crises anywhere in Russia. Information about the situation in the South of Russia will encourage the countries with geopolitical interests in the Caucasus and political movements, including extremist movements, to exploit this chance. Russia might lose its South, the weakest link of the country’s administrative-territorial structure.

Under the second alternative the socioeconomic, political and ethnic processes in the macro-region will unfold according to the strategy elaborated by the Center in the person of the plenipotentiary representative of the RF president in the SFO together with the territories taking into account the successful development of federalism elsewhere.

To realize this strategy the Center should treat the problem of its relations with the CR in an objective way. Russia and the CR should find a Pareto-optimal solution to this problem: the republic can be made a demilitarized zone to bring back to Chechnia peace and mutually advantageous cooperation with other RF regions and the rest of the world.

Under this strategy all artificial barriers between the SFO territories will be removed to create a single market in the interests of the territories and the country as a whole. The developments in this sphere will be controlled by the SFO authorities so that all violations could be remedied on time. This will boost economic activities in the SFO; will unite its territories into a single regional market in order to better use their industrial resources and potentials.

The country’s leaders should abandon the faulty practices of supporting all regional leaders (even when they violate the constitutional rights of the citizens and the federal laws) in exchange for their loyalty to the Center. The SFO will monitor the developments in the human rights sphere, keep corruption and the clan nature of the local institutions of power under control, as well as prevent monopolization of the market. The results of such monitoring will be made public; the territories will be ranked according to the corresponding indices. The Center will consistently support the territories’ democratically elected bodies of power and ensure their democratic continuity. Integrated target development programs for the SFO will be drafted and realized with the active participation of the territories; the same applies to the territorial target programs that will mention specific dates of each stage, the funding sources and the names of those responsible for their implementation. The experience accumulated by the developed federal countries will help create effective mechanisms at the SFO level (to which all territories are expected to contribute) to level out the standards of living. This will justify the existence of the federal okrugs in Russia. These measures will require additions and amendments to the corresponding legal acts of the Russian Federation.

World and EU experience suggests that the economic structure of the SFO and its territories be revised. They should move away from their agricultural specifics to the development of science-intensive industrial branches and services sectors, in the broad sense of the term. This will considerably increase the share of industrial products and services in the GRP of the SFO and its territories. The employment pattern by branch will also improve in favor of these industries. The GRP and the per capita GRP as well as per capita money incomes will increase because the profit rate in these branches
is much higher than in agriculture. In fact, geography, climate, and the natural conditions make the South of Russia much better suited to competition with the West in the sphere of industry and the services: indeed, other regions are limited to their severe climates. In the future, some industries can be moved from the north down to the south to boost their competitiveness on the world markets.

Agriculture will also be reformed and modernized with due account of the developed countries’ experience; labor productivity and the absolute volume of production will increase many-fold, while the products will gradually move away imported products from Russia’s domestic markets. Bit by bit the number of people employed in SFO agriculture will draw closer to the average European figures.

The so far undeveloped sector of services in the broad sense will move to the fore in the SFO economic structure due to the Russia’s South potential and with due account of the experience of the developed countries and world economic trends. Recreation economy and tourism will develop at a fast pace: the Center will actively help them acquire adequate institutional structures and infrastructure. On the one hand, the South of Russia attracts people from all over the country during the season of summer holidays. On the other, efficient policies in this sphere will help attract those who still prefer to go abroad for their annual holidays in search of better services; by the same token the local budgets will accumulate a lot of money people spend while holidaying. These developments will re-channel the tourist flow and attract vacationers from abroad. The RF government will undoubtedly find money to realize this strategy. Mountain tourism will become especially attractive. The expanding services sphere will create more jobs: the number of employed in it will gradually reach the average European figures. The structure of services with change and extend; consistent development of this sphere will cut down unemployment and transform the SFO territories from recipients into donors of the federal budget.

The SFO foreign economic activity will be radically revised to serve their development interests. They need institutional conditions and infrastructure to carry out foreign economic activities—customs, customs terminals, etc. The Center should help establish direct foreign economic ties between the SFO and the rest of the world—this is done in the civilized countries. This will increase the share of the SFO and the corresponding regions in Russia’s foreign economic activities; in fact, foreign trade will become one of the SFO’s key economic trends.

From this it follows that under the second development alternative Russia’s leaders will carry out its policies in the Chechen Republic and the SFO as a whole with due account of the experience gained in the developed federal states. This will help resolve many of the problems within a short period of time and raise the standard of living; the SFO and its territories will integrate into the single socioeconomic system of Russia; they will contribute more to national economy, thus intensifying regional and foreign cooperation.

The second alternative that is much better suited to the realities and the interests of the local people, the Center, and the country as a whole should be promptly realized.
PARLIAMENTARY ELECTIONS IN NAGORNO-KARABAKH: LEGAL AND POLITICAL ASPECTS

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Throughout the first half of 2005 parliamentary elections scheduled for 19 June remained topic No. 1 in Nagorny Karabakh, the electoral passions reaching their peak in May and June. This says that even though the Karabakh conflict has not yet been settled the people responded to the elections with the “fever” typical of peaceful times and much more stable situations.

Evolution of the Normative Base

Elections in Nagorny Karabakh follow the same democratic pattern observed in all other civilized countries: they are carried out by general, equal, and secret ballot. Until 2004 the following documents described the election procedures: the Law on the President of the NKR, the Law on the Election of Deputies to the National Assembly of the NKR, and the Law on the Election to Local Self-Administrations. It should be said that the first law on the election of deputies to the National Assembly (NA) was adopted in Nagorny Karabakh back in 1994. In March 2000 the republic acquired a new law on the parliamentary elections, which adjusted some of the provisions of the previous document to the international standards. Since 2004 the republic has been guiding itself by the Election Code
that brought together all laws relating to all election procedures. Later additions and amendments greatly improved the normative base in this sphere.

Under Art 32 of the Code election commissions—the Central, district (city) and local (at the polling stations)—are formed during the elections’ preparatory stage.¹ Before the Code was enacted the Central Election Commission was formed under Art 41 of the Law on the Election of Deputies to the National Assembly of the NKR.² It consisted of nine members: three of them were nominated by the NKR President (one of them should belong to one of the parties registered in the republic); three others were nominated by the National Assembly that chose from among parties, blocs or public movements’ nominees (each of them could hope to acquire only one representative); the Cabinet suggested its own three members.

At that time, the Central Election Commission was elected for the term of five years not earlier than 69 days before the election date. Under the Election Code the Commission is still elected for five years on the 40th day of the functioning of the newly elected National Assembly. As before the President has the right to nominate three members; the parties and blocs that have their factions in the newly elected or disbanded National Assembly can nominate one member each. If there are no more than three parties and blocs with factions of their own in the NA each of them can delegate two members to the Central Election Commission. If by the day the Commission should be formed a party or a bloc with factions in the NA fails to delegate its member the vacancy is filled by a member of another faction. Today there are two parties with factions of their own in the parliament: the Armenian Revolutionary Federation Dashnaktsutiun (ARF(D)) and the Democratic Party of Artsakh (DPA), a product of transformation of the Democratic Artsakh Union (ZhAM). From this it follows that on the eve of the 2005 parliamentary election the Central Election Commission consisted of seven members, three of whom were delegated by the president and four by the ARF and DPA.

The city (district) election commissions as well as polling station election commissions are formed on a different principle. Under Art 42 of the Law on the Election of Deputies to the National Assembly of the NKR it was local administrations that formed the city or district election commissions on recommendations of industrial enterprises, organizations, political parties and public organizations.³ The polling station commissions were also formed on recommendations of enterprises, organizations, political parties, and public structures. Today, when the Election Code has been enacted the city (district) election commissions are formed according to the principles applied to the Central Election Commission (three members recommended by the president, while the parties and blocs with factions in the functioning or disbanded National Assembly have the right to recommend one member each).⁴ The polling station commissions are formed out of people recommended by members of the city (district) election commission (one member has the right to recommend one candidate).

In 2005 the parliament was elected by a new system: 22 deputies were elected in single-member constituencies, while 11 deputies were elected by party lists. Before that all 33 candidates were elected in single-member constituencies. (In the Supreme Soviet of the first convocation elected in 1992 there were 81 seats.)

Today, there are 22 single-member constituencies in the republic: eight of them are found in the republic’s capital Stepanakert; the rest are found in seven districts: four of them are in the Martuni

³ Ibid., p. 725.
District; three, in the Gadrut District; two, in the Askeran District, and one, in the Shaumian District. Each of them can have several polling stations. The largest number of them (23) is naturally found in the capital; each of them should have no more than 2,000 voters.

The above has amply demonstrated that in recent years the election normative base has become more democratic and more transparent. This fully applies to the mechanism of forming election commissions at all levels. In the past, local administrations had an important role to play in the process—today they have been completely excluded from it; the same applies to the Cabinet of Ministers, which no longer recommends members to the Central Election Commission. The election commissions of all levels are formed by the elected bodies—the President and the National Assembly. The executive structures (the Cabinet of Ministers and the regional administrations) were removed from the process. These seemingly technical details are in fact very important politically: today, it has become hard if not impossible to tap the administrative resource.

Election Race

These progressive or even radical changes in the republic’s domestic life were caused by a mighty democratic impulse of the well-known events of 1999-2000. They affected the sentiments of the masses and their electoral behavior. The election race of 2005 was not merely the most active among the parliamentary campaigns but the most active among all election campaigns that have taken place in the Nagorno-Karabakh Republic since the time of its independence.

One hundred and sixty-seven candidates competed for the seats in the parliament: 115 of them ran in single-member constituencies; the rest 81, by party lists. Twenty-nine of the latter also appeared in the ballot papers in single-member constituencies. In 2000, there were 113 registered candidates at the parliamentary elections, 88 of them were nominated by public organizations, 25, by the parties⁵; at the 1995 parliamentary elections there were 81 candidates.

In the capital one seat was contested by ten candidates; in the districts there were fewer of them: from 4 to 5. Fifty-four party members ran for the parliament in single-member constituencies (47 percent of the total number of candidates); 61 candidates, or 53 percent, were nominated by civil initiative—a sure sign of high public activity.

The political pattern at the parliamentary elections was the following: 25 candidates ran from the DPA (five of them also ran in single-member constituencies); 18 were nominated by the Dashnaksutiun–Dvizhenie-88 bloc (six of them, in single-member constituencies); 17, by the Free Fatherland Party (nine of them also ran by majority lists); 10, by the Communist Party (four of them also ran in single-member constituencies); 4, by the Armenia Our Home Party (three of them also ran by minority lists); 4, by the Social Justice Party (one also ran in a single-member constituency); 3, by the Moral Resurrection Party. As I have already written the members of political parties also ran in single-member constituencies. On the whole, the picture was the following: Dashnaksutiun–Dvizhenie-88—20 people, from the Communist Party, 12; from the DPA, 10; from the Free Fatherland, 9; from the Armenia Our Home Party, 4; from the Social Justice Party, 1, and from the Armanakan Party, 1.

This spoke of the coming fierce rivalry for the seats in the National Assembly. Some of the political structures demonstrated their absolute confidence in their future triumph: Ashot Gulian, the DPA leader

said in one of his interviews: “We count on winning the majority in the parliament. We shall win in single-member constituencies and by party lists. All other political forces will be given a chance to join us in our work.” On 18 June, a day before the elections, Gegam Bagdasarian and Atrut Agabekian, leaders of the Dashnaktsutiun–Dvizhenie-88 bloc tried to convince American observers Jim Hooper and Paul Williams of the International Law and Policy Group that their bloc would win with 17 seats. On the same day talking to the same Americans observers members of the Free Fatherland Party, headed by its cochairman Arpat Avanesian, promised that at least 13 or 14 of their candidates out of the total number of 17 would make it for the parliament. The Social Justice, Moral Resurrection, Armenia Our Home and the Communist parties expected to get more than 10 percent of the votes needed to get into the parliament.

It would be wrong to think, however, that only the above-mentioned parties ran for the parliament. I have already written that in single-member constituencies party members comprised 47 percent of the total number, while 53 percent were independent candidates. Some of the parties deemed it necessary to put non-party members on their lists: the DPA had the largest number of them (six names) followed by the Dashnaktsutiun–Dvizhenie-88 with three names.

These elections were very special: for example, Dashnaktsutiun and Dvizhenie-88 that formed a bloc had very little in common in the ideological sphere. In fact, Dvizhenie-88 was much closer to the Social Justice Party, while its bloc partners shared much more values with the Armenia Our Home Party. The local people attach practically no importance to the party programs: as a rule, they guide themselves by personalities and by what they say about their ideas. In a small country (the Nagorno-Karabakh Republic is a small country with a small population of 145,000 according to the 2000 figures) nearly all candidates are well-known, therefore none of them is bold enough to promote ideas that have nothing in common with his image or his life. As the key component of public control in our country this is one of the democratic elements. While in large democratic states the media are the only mechanism of public control and the nation’s involvement in political processes, in our country the public that has more detailed and reliable information about the politicians can better control them.

Naturally enough, election programs of parties and candidates differ on some issues and have much in common on others. Parties disagree over the country’s socioeconomic and political present and future. The DPA, for example, believes that in the past five years the republic has done a lot to develop its statehood, economy, democracy, a civil society and its institutions and agrees that much more should be done in other spheres. The same party is convinced that it has done a lot to improve the republic’s international image. It favors continued market reforms and social protection of the vulnerable population groups; it suggests that the city of Shusha should become a special economic zone and that the republic’s natural resources (minerals, water, forests, etc.) should be used to maintain the high economic development rates. The party believes that the republic needs a constitution and is actively fighting for the country’s ecological security.

The Dashnaktsutiun–Dvizhie-88 bloc points out in its election documents that the country has not acquired reliable mechanisms of its own statehood. It describes the socioeconomic policies as tactical rather than strategic: there is no competitive private sector; social security of the most vulnerable population groups leaves much to be desired; not enough is done to return the refugees to settle them in the liberated territories, especially in the city of Shusha. The bloc leaders believe that the Nagorno-Karabakh Republic and Armenia should be described as the homeland of all Armenians liv-

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ing across the world so that each of them could become a NKR citizen to strengthen the ties between Artsakh, Armenia and the Armenian diaspora. The bloc deems it necessary to limit the president’s powers and extend those of the parliament.

The Free Fatherland Party intends to combat the post-war syndrome that drives the younger generation away from the republic; it insists that power in the republic should belong to the most worthy of its citizens.\textsuperscript{10} The party wants to achieve: adoption of the constitution, creation of a civil society and stronger democracy, social justice and cutting down unemployment and poverty, continued economic reforms and slashed down taxes; it intends to fight corruption, support new privatization of state property, set up unions of the youth to draw the younger generation into the republic’s political life, etc.\textsuperscript{11}

The Armenia Our Home Party is resolved to fight for justice; it wants to change the republic’s name into the Armenian State of Artsakh or the State of Artsakh; at the same time, it wants firmer democracy and a civil society, a better demographic situation in the republic, economic resurrection of the liberated and war-ravaged territories and dual (Armenian and Nagorny Karabakh) citizenship.

The Moral Resurrection Party supports the idea of a radical renovation of the republic’s state and social order. According to Murad Petrossian, the Party’s leader and main ideologist, a war might flare up again if this remains undone. He is convinced that his country needs a “revolution from above” not a “revolution from below.” He insists that the president agrees with him yet finds it hard to overcome the already fossilized traditions and powerful bureaucracy. For this reason, Petrossian believes it critically important to gain confidence of the voters rather than seats in the parliament to encourage the president and put pressure on him.\textsuperscript{12}

The Social Justice Party concentrates on man, the fundamental values of justice, kindness, love, and morality. In the economic sphere the party favors market reforms, socially oriented policy and minimal yet efficient state regulation.\textsuperscript{13} It describes itself as democratic opposition, a party of ordinary people rather than a party of bosses of all sorts. It believes that the constitution should be promptly adopted. The party’s leader and ideologist Karen Oganjanian is convinced that his party is the only truly professional one and the only one able to overcome the problems the country is facing and to counter all challenges.

The Communists concentrate on the republic’s economic resurrection; they are convinced that privatization was carried out in favor of the few; they want to see the Nagorno-Karabakh Republic a state of the people in which the rights of the working people are treated as a priority. The Communists believe that a republic of the people alone can protect the entire range of human rights.\textsuperscript{14} At the same time, the Communist Party believes that economic life should be completely changed to create a system in which dominating state ownership coexists with private, collective, and other types of property.

The candidates who ran by party lists promoted the ideas of their parties, while the election rhetoric of independent candidates can be divided into four groups. The first contained severe criticism of the authorities; the second, more moderate criticism of individual failures combined with moderate encouragement; the third, complete approval of the current policies, while the fourth called not to divide society but to concentrate on dealing with the national problems and on the still lingering conflict with Azerbaijan, in the first place.

On several issues, however, all parties and candidates running in single-member constituencies agree: first, the conflict settlement (under no circumstances should the republic become part of Azer-
baijan, while its independence cannot be haggled about). Second, all of them, the Communists includ-
ed, favor the democratic choice. Third, they look at a battle-worthy and strong Defense Army of the
NKR as the key guarantee of its security and non-renewal of fighting.

Voting Results

No serious violations of the law were registered during the voting procedure, therefore practi-
cally all international observers (there were 130-odd of them) recognized that the elections were free,
fair, and transparent. The American observers of the International Law and Policy Group were the
first to offer their comments. On 20 June Jim Hooper, one of the Group’s leaders, called the elections
free, fair, and transparent.\footnote{See: Press-konferentsia amerikanskikh nabludateley po itogam vyborov. Press tsentr pri TsIK NKR, Stepanakert, 20 June, 2005.} He pointed out, in particular, that the amendments to the Election Code
allowed all political forces to take part in the election race, which, the group members agreed, corre-
sponded to the international standards. The American observers pointed out that the NKR had made
another important step toward democracy, while transparency would positively affect the country in
many respects. Paul Williams of the same group said: “Small country can sometimes achieve great
results. We go back leaving behind the nation striving toward a higher level of democracy.” He said
that he was convinced that the elections would produce a positive impact on the OSCE Minsk Group.
Other observers agreed with this. Speaking at the press conference of 20 June Konstantin Zatulin, RF
State Duma deputy and Director of the Institute of the CIS Countries, pointed out that the people had
voted for differently organized parties yet chosen democracy.\footnote{For more detail, see: L. Grigorian, “Narod NKR dokazal, chto zhivet v nastoiashchem demokraticheskom gos-
udarstve,” Azat Artsakh [http://www.artsakhtert.com/rus/index.php?id=2345], 23 June, 2005.} He added that the parliamentary elec-
tions in Nagorny Karabakh had demonstrated that the voting process and the criteria were much high-
ner than in certain neighboring states which refuse to recognize the republic.

The elections brought the Democratic Party of Artsakh 5 seats (the largest number); it was fol-
lowed by the Free Fatherland Party and Dashnaktsutiun–Dvizhenie-88 with 3 seats each. In single-
member constituencies the independent deputies carried the day with 8 seats; the DPA and Free
Fatherland deputies 7 seats each. The votes were distributed in the following way: the DPA got
37.6 percent of the votes; the Free Fatherland, 26.7 percent; the Dashnaktsutiun–Dvizhenie-88,
24.4 percent; the Communist Party, 4 percent; the Moral Resurrection Party, 3.6 percent; the Armenia
Our Home Party, 2.1 percent; the Social Justice Party, 1.3 percent.\footnote{For more detail, see the Central Election Commission’s website [http://www.elections.nkr.am/rus/rezultaty.htm].} On 30 June the National Assem-
bly of the fourth convocation met for its first sitting; by 30 votes “for” against 3 invalid ballot papers
it elected DPA leader Ashot Gulian speaker of the parliament; a Free Fatherland Party member was
elected vice-speaker. These two parties equally divided between themselves the posts of heads of six
standing commissions. The DPA set its faction which it called Democracy; the Free Fatherland called
its faction Motherland; the bloc deputies united into a faction of their own.

The parties do not agree in their assessments of the election results. Murad Petrossian, leader of
the Moral Resurrection Party, addressed the nation with the following: “We mourn the election re-
sults and offer our condolences to you. You have rejected our concrete ideas about an overhaul of our
system of state administration; you have rejected the idea of primacy of moral principles in choosing
the country’s leaders… We have not abandoned, however, our plans of offering you a more active
role by setting up a public organization For Moral Resurrection.”\footnote{“Partia ‘Za Navravstvennoe vozrozhdenie’ skorbit po povodu itogov parlamentskikh vyborov v Nagornom Karaba-
doubt either the elections’ democratic nature or their transparency.
The Dashnaktsutiun–Dvizhenie-88 believes that the elections were neither free nor transparent. The bloc was puzzled by the fact that while being third to cross the finish line by party lists it failed to win a single seat in single-member constituencies. “We regret that we have failed to repeat the breakthrough we achieved at the 2004 municipal elections.” At a press conference its speakers said that the time had come to analyze the mistakes. There were two major miscalculations responsible for the bloc’s failure at the 2005 parliamentary elections: first, even before the election race started the bloc had tried to create a “bi-polar” situation by forming a broad coalition of all opposition forces to set up two camps—the pro-government and the opposition—in the race for the seats. The logic of this maneuver was simple: one of the camps could pose as the only defender of the interests of the masses; by the same token the elections could be presented as a competition between the people and power in which more seats could be won. This pattern had worked in 2004 when the opposition won the municipal elections. It proved impossible to reproduce this model in 2005: only two parties—Dashnaktsutiun and Dvizhenie-88 agreed to form a bloc; others ran separately and competed for the same elector- ate. From the very beginning of the election race the bloc opened a vehement campaign of criticism—this was its second miscalculation. After a while the people got tired of piling up accusations; many took this criticism as a deliberate substitute for an absent election program.

It should be said that all parties were waging fairly active election campaigns.

Conclusion

The elections confirmed once more that Nagorny Karabakh remains devoted to democracy and had moved closer to it than its neighbors. Not only the public but also the republican leaders demonstrated their loyalty to the principles of democracy and a civil society. In fact, it is much more logical for the leaders of non-recognized states to run totalitarian or, at least, authoritarian regimes in order to preserve their positions invariably threatened by fair and free elections. The status of an unrecognized state creates greenhouse conditions for totalitarian leaders: indeed, for political reasons most countries refuse to contact with such states; the same applies to the international structures designed to extend economic and technical assistance to the states that need it. Naturally enough, people at the helm of unrecognized states are tempted to perpetrate their power at any cost, which makes a civil society their main opponent. What the NKR leaders say about their devotion to the democratic principles and the civil society ideas are not mere declarations as the 2005 elections confirmed.

These elections became another step on the road toward stronger democracy and a civil society that could develop only when the public and power agree that they are vitally important. Otherwise we cannot expect democratic developments, while democratization will take the form of revolutions and social upheavals. This was what happened in Nagorny Karabakh in 1988 at the very beginning of the Karabakh movement, a movement for democracy and human rights and against discrimination. This created a disbalance between the sentiments and ideas of the people of Karabakh and the official ideology supported by Moscow and Baku. Tension that developed into the still smoldering conflict was a natural result of this. Karabakh society could overcome the post-war hardships (1994-2000) thanks to the democratic nature of the Karabakh movement. Naturally enough, democratization of the Nagorno-Karabakh Republic will directly affect the future settlement of which democratization is the only effective mechanism. This may raise doubts: indeed, the settlement expected to deal with the fundamental problems of the status, the territory, and refugees, etc. calls for mutual concessions. The
final settlement will create a situation that will differ radically from that of 1988, something, which the losing sides will find hard to accept. Over time, suppressed dissatisfaction will call for a revanche with unpredictable consequences. To prevent undesirable developments mentality and traditional values should be changed, while the old ethnic-political myths forgotten. Democracy and a civil society is the answer without alternatives.

NAGORNO-KARABAKH: SEPARATISM AND ELECTORAL LEGITIMACY

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Introduction

The conflict known throughout the world as the “Nagorno-Karabakh” conflict arose during the disintegration of the U.S.S.R. The situation that had taken shape in the Soviet Union at that time was conducive to the emergence of this conflict, while the confrontation over Nagorno-Karabakh, encouraged by the country’s authorities led by Mikhail Gorbachev, served as a catalyst of centrifugal processes, triggering off numerous ethnic and territorial conflicts in the post-Soviet space and transforming the evolutionary process of the U.S.S.R.’s disintegration into a revolutionary breakup.

The active phase of the conflict started in February 1988, when the separatist forces of the Nagorno-Karabakh Autonomous Region (NKAR) of the Azerbaijan Republic, instigated by the Republic of Armenia, began to organize rallies, strikes and other civil disobedience actions, seeking a secession of the region from the Azerbaijan Republic and its incorporation into the Republic of Armenia. Ethnic cleansing of Azeris started in that Union republic of the U.S.S.R. and in the territory of Nagorno-Karabakh, with the creation of monoethnic Armenian areas.1 As a result of the first stage of the conflict, the parliament of the Republic of Armenia took a decision to incorporate the NKAR into the Republic of Armenia, whereas the Azerbaijan Republic abolished the NKAR and extended its uniform administrative-territorial division to that territory.2

It goes without saying that any electoral system is based on the legal system. Let us examine the “legal system of the NKR” and try to prove that the “NKR” today has no law, no legal system and, accordingly, no electoral system. If this is the case, the elections held in that territory cannot be regarded as legitimate.

In order to support the first thesis, let us consider the essence of law in general. In Ancient Greece and Ancient Rome, the content of human rights was connected with the polis (city-state), which made it possible to generate and to pass on to future generations immense spiritual wealth, including the ideas of citizenship and democracy. According to ancient beliefs, law in general and the rights of individual people (members of the polis) do not derive from force, but from the divine order of justice. Neither law in general nor the rights of individuals are possible without a general standard of behavior expressing the measure of what is permitted and prohibited that is the same for all subjects, an equal measure of freedom. Where there is no equal measure (common standard, single scale), there is no law either.

Solon (c. 638 BC-559 BC), the famous statesman and legislator known as one of the Seven Sages of Greece, understood “law” (and its rule) as a combination of “right” and “might.” Apart from drawing a distinction between right and law, such a construction included an understanding of polis law as a universal form and generally valid measure of the official recognition and expression of the rights of polis members. Such universality of the law signifies a demand for legal equality. All citizens are under equal protection of the law and have to comply with its universally binding rules.

So what do we find in the “NKR”? The Armenian community numbering 120 thousand out of the 180 thousand population of the NKAR (part of the Azerbaijan Republic) refuses to obey the laws of the Azerbaijan Republic, a state recognized by the world community; with the support of the armed forces of the Republic of Armenia invading the territory of the Azerbaijan Republic, it expels from this territory the Azeri community numbering 60 thousand, seizes other lands adjacent to Nagorno-Karabakh, driving out hundreds of thousands of Azeris, and gets down to building an organizational (except international legal) barriers to the forcible annexation of Nagorno-Karabakh by the Republic of Armenia had been removed.

By mid-1994, Armenia’s armed forces, supported by illegal Armenian armed formations of Nagorno-Karabakh, occupied areas of Azerbaijan bordering on the Republic of Armenia, the territory of the former NKAR proper and other areas adjacent to it, totaling about 20% of Azerbaijan’s territory. All Azeris were expelled from these lands, tens of thousands were killed and hundreds of thousands wounded. A so-called “Nagorno-Karabakh Republic” (NKR) with its own government bodies and attributes was established in the occupied territories. However, not a single state in the world and not a single international organization have recognized such a state as the “NKR.”

On 19 June, 2005, yet another round of elections—this time parliamentary elections—was held in the self-proclaimed “Nagorno-Karabakh Republic.” But can these elections, just as the “NKR” itself, be regarded as legitimate?

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1 See: S.L. Uitchenko, _Politicheskie uchenia Drevnegro Rima_, Moscow, 1977, p. 41.
“democratic” state with a “democratic legal and electoral system.” What is the substance of this legal system, covering territories from which most of their indigenous inhabitants have been expelled? Incidentally, the number of those expelled is six times larger than the Armenian community remaining in these territories. As we see, the “creation of law” in the “NKR” violates the basic principles of law: justice, equality and freedom, without which it is impossible to create a democratic legal system.

Let us turn to the second thesis. Any law student knows from his very first days in college that law does not exist without the state, and the state without law. Evidently, in order for the rules regulating life in the “NKR” to be recognized as legal, it is first necessary to recognize the “NKR” itself as a state. In the theory and history of the state and law there are numerous scientific doctrines on the origins and nature of the state. From this diversity, modern science singles out two basic and particularly popular theories: natural law theory (also known in the literature as contractual theory or the theory of the contractual origin of the state and law) and the theory of coercion, which sees the main reason for the emergence of the state in conquests, violence and subjugation by others.⁶ (It should be emphasized that the advocates of both these theories advance compelling arguments.)

The world community today does not encourage the emergence of new states, so that in practice such cases are quite rare. This happened, for example, when the Soviet Union fell apart into 15 independent countries, when new states emerged in place of the Socialist Federal Republic of Yugoslavia (SFRY) and the Czechoslovak Socialist Republic (CSSR), and when Germany was unified. Despite the dramatic events that accompanied these processes, the emergence of new independent states was based on legal treaties (in various legitimate forms), that is, agreements on the creation of these states recognized by the world community. This made it possible to go over in a civilized way from state entities created with the use of arms, through violence, conquest and subjugation (U.S.S.R., SFRY, CSSR) to independent states set up on the basis of voluntary treaties and therefore recognized by other democratic states.

In that period, other events took place as well. On the tide of democratic processes, certain forces using democratic and nationalist slogans as a cover tried to create new states by force (Nagorno-Karabakh in Azerbaijan, Abkhazia and South Ossetia in Georgia, Transdnistria in Moldova, Chechnia in Russia). However, none of these cases has to do with a treaty recognized by the world community. The reason here is obvious: the world community does not regard violence or coercion as a way or method of creating a new state. The creation of such a state in today’s democratic world is possible only in the presence of a legal treaty, concluded by voluntary mutual consent of all the parties concerned. If one of the parties is coerced into signing a treaty with the use of arms, this treaty can have no legal force; such a document is legally null and void and, sooner or later, is bound to be violated or denounced. It will constantly be a potential source of instability in the region. The fact of international recognition of a state created through the occupation of another state’s territory could be regarded in the world as a precedent, entailing unpredictable consequences for the global community. It is no accident that none of the above-mentioned entities has been recognized by a single state, including the Republic of Armenia.

Since law is made by duly authorized government bodies, it necessarily follows from the above that rules adopted in unrecognized illegal entities are not legal by their very nature. Consequently, the system of elections to illegitimate government bodies created in these entities is not legitimate either.

In trying to justify the legitimacy of “NKR independence,” virtually all Armenian sources refer to the referendum held in the NKAR on the issue of secession from the Azerbaijan Republic in accordance with the U.S.S.R. Law on the Procedure for Resolving Issues Related to the Withdrawal of a Union Republic from the U.S.S.R., adopted on 3 April, 1990. The illegal and unlawful nature of that referendum, and also the absurdity of references to the aforesaid U.S.S.R. Law are evident even after a cursory examination of the content of that document.

First of all, let us note its title: it deals with the possible withdrawal (secession) from the U.S.S.R. of a Union republic, and not of an autonomous region or even an autonomous republic. An explicit statement to that effect is also contained in Art 1 of the said Law.

Second, the Law considers the possibility of a separate referendum for each autonomy in the Union republics holding a referendum on secession from the U.S.S.R. and having constituent autonomous republics, autonomous regions or autonomous areas. In this case, the autonomous republics and other autonomies retain the right to an independent solution of the question on whether to stay within the Union of Soviet Socialist Republics or within the Union republic seceding from it, and also the right to raise the question of their state-legal status. This is by no means what happened at the 1991 referendum in the NKAR and of what S. Sarkisian, defense minister of the Republic of Armenia, spoke at the parliamentary hearings on the Nagorno-Karabakh problem on 30 March, 2005. In order to support our thesis, let us cite the following factors.

1. The right to “constitute themselves as independent entities of the Union Federation, including secession from the Union republics of which they were part (in case of the Union republics raising the question of secession from the U.S.S.R.),” as S. Sarkisian says, could arise under the Law of 3 April, 1990, not from the time of “the Union republics raising the question of secession from the U.S.S.R.,” but at the holding of a referendum by the Union republic on the issue of secession from the U.S.S.R.

2. In accordance with Art 4 of this Law, “in order to organize a referendum on secession from the U.S.S.R., to set the date for the referendum and to sum up its results, the Supreme Soviet of the Union republic shall set up a commission with the participation of representatives of all the parties concerned,” including the autonomies. As we know, that was not the case.

3. A referendum on the secession of a Union republic from the U.S.S.R. (pursuant to Art 2 of the Law of 3 April, 1990) could be held not earlier than six months and not later than nine months after the day of adoption of a decision on raising this question. The
Supreme Soviet of the Azerbaijan Republic passed the Constitutional Act of State Independence on 18 October, 1991, so that in accordance with the Law, so shamelessly and confidently invoked by Armenian sources, no referendum could take place before 18 April or after 18 July, 1992. So, in accordance with the Law of 3 April, 1990, the right to hold a referendum on self-determination did not and could not arise for the NKAR. Theoretically speaking, it could have arisen only in the period between 18 April and 18 July, 1992, at the holding of a referendum by the Azerbaijan Republic itself.

4. Finally, the Law of 3 April, 1990, did not say a single word that would entitle autonomous regions to hold a referendum on their own.

- Third, let us turn once again to Art 3 of the given Law. Part one of that article, as we noted above, says that at the holding of a referendum on secession from the U.S.S.R. by a Union republic, its constituent autonomous entity retains the right “to raise the question of its state-legal status.” Let us note the following: not the right to self-determination and secession from the U.S.S.R., but only the right to “raise the question,” whose decision (in accordance with the given Law) was within the competence of the Union. This provision was included in the Law with only one purpose: in case of attempts by any Union republic to secede from the U.S.S.R., to have a legal mechanism for keeping its constituent autonomous republics or other autonomous entities within the Soviet Union. It would be naive and unprofessional to think that the U.S.S.R. sought to create conditions for a withdrawal, in the wake of a Union republic leaving the Federation, of its constituent autonomous entities as well.

- Fourth, under the Law of 3 April, 1990, the results of a referendum on secession from the U.S.S.R. of a Union republic together with its autonomous entities did not as yet provide sufficient grounds for an actual withdrawal from the Federation. In order for these results to have legal force, it was necessary to go through a long and complicated procedure ending with an examination of the results of such a referendum by the U.S.S.R. Supreme Soviet and the U.S.S.R. Congress of People’s Deputies. Naturally, that did not take place.

- Fifth, at the time when a referendum in Nagorno-Karabakh was being prepared in December 1991, the NKAR itself as an autonomous entity was no longer in existence: the Nagorno-Karabakh Autonomous Region had been abolished by a law of the Azerbaijan Republic adopted on 26 November, 1991, in accordance with the Constitution of the Azerbaijan Republic and the Constitutional Act of State Independence. Consequently, the provisions of Art 3 of the U.S.S.R. Law of 3 April, 1990, no longer applied to that territory of the Azerbaijan Republic.

- Sixth, by the time of the referendum in the already abolished NKAR, the Soviet Union itself had also ceased to exist as a result of the “Belovezhskaiia Pushcha Agreement” between the Russian Federation, Ukraine and Belarus of 8 December, 1991. In other words, in this case even an attempt to appeal to the laws of a nonexistent state is incorrect.

So, the myth about the establishment of two equal independent states (the second of which is the “NKR”) in the territory of the Azerbaijan Republic after the breakup of the U.S.S.R. and the myth about the legitimacy of “NKR independence” are just another two falsifications propagated by the separatist regime.

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12 See: Arts 3-12 of the said Law.
13 For more detail, see: Art 7 of the Law of 3 April, 1990.
The Purpose and Outcome of the Elections

According to the well-known political scientist Zardusht Alizade, the purpose of the elections held at different levels by the separatist regime of Nagorno-Karabakh is to try to legalize its rule, the right to govern the people, to control the budget and to pocket certain amounts. 15

Evidently, the parliamentary elections of 19 June, 2005, ended very much like the municipal elections in 2004. They were followed by a number of statements from various quarters on the recognition of the territorial integrity of the Azerbaijan Republic, 16 on the non-recognition of the Nagorno-Karabakh Republic (by the U.S.), 17 on the non-recognition of the independence of Nagorno-Karabakh (by Russia), 18 on the recognition of the elections to the “NKR parliament” as illegitimate, 19 etc. The Internet site PanARMENIAN Network stresses that “in view of the non-recognition of the NKR, international organizations have refrained from sending their observers” to the elections. 20

It should be noted that virtually all democratic states have dissociated themselves from the attempts by the Republic of Armenia and the “NKR” to regard the presence of “observers at the elections” as tacit recognition of “NKR” independence. Thus, a statement by the Information and Press Department of the Foreign Ministry of the Russian Federation of 22 June, 2005, says that “Russia does not recognize Nagorno-Karabakh as an independent state… It should be emphasized that the citizens of the Russian Federation who acted as observers at these elections were present in Nagorno-Karabakh on their own initiative and exclusively in a private capacity.” 21 “The elections held by the Karabakh Armenians in the occupied Nagorno-Karabakh region of Azerbaijan are illegal,” said Namik Tan, a spokesman for the Turkish Ministry of Foreign Affairs. “The elections in Nagorno-Karabakh, which still remains under Armenian occupation, are a violation of the rules of international law and the principles of the United Nations, the OSCE and the Council of Europe.” 22 And Jean-Batiste Mattier, press minister of France, said on 23 June, 2005, that France, like the whole world community, recognizes Azerbaijan’s territorial integrity and does not recognize Nagorno-Karabakh as an independent state. He emphasized: ‘The ‘parliamentary elections’ held in the Nagorno-Karabakh region of Azerbaijan will not have any effect on the process of peaceful settlement of the conflict or on the subsequent status of that region.’ 23

Conclusion

As we see, when speaking of the “NKR” or of “parliamentary or other elections in the NKR,” no one would even dream of regarding them as legitimate. All these concepts have nothing to do with law, with international rules and customs or simply with moral norms. The reason for this is a vio-
Iath of the basic principles of law: justice, equality and freedom, without which, as noted above, it is impossible to create a democratic legal system. The unrecognized “NKR” and “its institutions” are based on the force of arms, aggression and occupation, which runs counter to the belief of the contemporary world community that the creation of a new state is possible only in the presence of a legal treaty, when all the parties concerned reach a voluntary agreement directed toward peace and prosperity.

It is gratifying that David Shakhnazarian, one of the leaders of the Armenian National Movement party, former national security minister of the Republic of Armenia, ambassador extraordinary and plenipotentiary, and currently chairman of the Concord Center for Political and Legal Studies, has openly admitted in one of his interviews: “The Caucasus can develop and prosper solely as a united region and market… Georgia and Azerbaijan are trying to ensure their national security by joining Euro-Atlantic structures, including NATO. And the leaders of Armenia have declared that the country’s national security will be ensured by Russia’s armed forces and patronage. I do not think that in the 21st century any armed forces, especially foreign ones, can provide the basis for any country’s national security… Today there is a big danger that as the result of such a policy Armenia could become a serious destabilizing factor for the whole region.”

There is no need to comment on such a revealing statement. However, one can say in addition that the Republic of Armenia has long become a serious destabilizing factor, and not only for the South Caucasus.

All of this invites the following conclusion: the attempts of the Republic of Armenia to simulate (including by means of “elections”) the establishment of an “independent and democratic Nagorno-Karabakh state” in the occupied territories of Azerbaijan lead to its isolation not only in the South Caucasus, but also throughout the whole democratic world.


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IRAN:
ILLOGICAL ELECTION
OR THE END OF THE REFORM ERA

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Iran has no equal in the Muslim world in terms of population size and demographic situation (71 million people), oil supplies (second largest in the world), and special features of its people, military power, and nuclear strivings. And as far as the political destiny of Islam, international terrorism, and the future of the Middle East, shuddering in a convulsive fit, is concerned, this coun-
try is again inciting Islamic theocracy against the democratic model of the West.¹

Of course, this brief and largely subjective description of Iranian reality (as of June 2005) highlights only the most general features of the current situation in a country held in the grips of a systemic state-political crisis: socioeconomic and political life is still extremely tense. This situation can be explained by the policy failure of both the moderate and the radical reformers who grouped around President Hojatoleslam Seyyed Mohammad Khatami in 1997-2005 but were unable to bring about any successful transformation of society. Even though political life did undergo a certain amount of democratization at the beginning of this president’s rule (liberal newspapers appeared, but were soon closed, and the number of political parties, associations, and movements increased to two hundred, in particular, the secular party Kargozaran and the rightist-centrist Mosha Karat-e Islami were formed), the economic policy of the reformers did not achieve any palpable results with respect to ensuring social justice and social guarantees for the poor strata of the population, eliminating unemployment, and creating new jobs. The extremely modest rise in budget employee salaries, pensions, and stipends, as well as in subsidies for the poor, traditional for Islamic Iran, hardly made a dent in a situation beset by galloping inflation and essentially universal corruption. The positive changes in investments, including foreign, also made little impact. So it is sad but true that the reformers in Iran’s domestic political milieu were unable to throw anything new in the face of the conservatives who rallied round the country’s religious leader, Ayatollah Ali Khamenei. And this is not surprising: President Khatami himself has often openly admitted that he only implements, but in no way makes important decisions. The country depends entirely on Ayatollah Khamenei, who holds all the reins to governance.

It was this that caused legislative power to be transferred into the hands of the conservatives, who were able to obtain more than 200 mandates (out of 290) in the Islamic Consultative Assembly, or Majlis (the official name of the current Iranian parliament) of the seventh convocation at the parliamentary elections held in March 2004. The reformers only received about 40 seats in it. By way of comparison, we will note that in the former parliament, they had more than 220 seats, while the conservatives had only 55. And although for the first time in the history of the Islamic Republic of Iran (IRI), the representative branch of power was headed by a non-religious figure, Golamali Haddad Adel, who admittedly belongs to the neo-conservatives, clerical dominance in the Islamic Consultative Assembly became obvious. It primarily means that legislative power places top priority on executing the will of the supreme religious leader. The judicial system is also under the conservatives’ control. During recent months, political figures who identify themselves with the reformers were removed from most of the prominent posts and replaced by representatives of the neo-conservative majority. The country is also in a state of prolonged foreign political isolation, which is becoming increasingly extensive and more profound in light of the unceasing attempts by the Iranian leadership to create nuclear weapons.

Analysts justifiably evaluated concentration of legislative power in the hands of the conservative wing of the political elite as the beginning of the end of the reform era in Islamic Iran. The presidential election held in June 2005 brought it to its ultimate conclusion.

¹ See: Le Point (France), 8 July, 2005 [inosmi.ru/translation/220858.html].

Personalities

One thousand and fourteen candidates applied to participate in this election, more than twice as many as applied during the previous one in 2001. According to the Constitution adopted in December
1979 and amended after the referendum in July 1989, the Council of Guardians gives the final “go-ahead” to candidates wishing to participate in the presidential race. This specific theocratic institution of power, which stands above the single-chamber parliament, essentially ensures that all legislation enacted by the Majlis conforms to Islamic principles and the constitution and functions as an upper chamber of parliament. Eight candidates were approved to run in the presidential race, who essentially represented the entire spectrum of the Iranian political establishment. Among them were such serious and experienced veterans of Iranian policy as twice ex-president and current head of the Expediency Council Ali-Akbar Hashemi-Rafsanjani (he occupied the post of president for two terms in a row between 1989 and 1997), as well as former Majlis speaker Mehdi Karrubi. Along with them, less experienced and relatively younger politicians were included on this list: Mayor of Tehran Mahmoud Ahmadinejad, former commander of the Islamic Revolutionary Guards Corps (IRGC) Mohsen Rezai, former chief of the national police force Mohammad Baqer Qalibaf, former head of Iranian radio and television Ali Larijani, former minister of science and education Mostafa Moin, and head of the country’s Sports Committee Mohsen MehrAlizade. Only two of them, Mostafa Moin and Mehdi Karrubi, are reformers, the rest are conservatives who differ from each other in degree of radicalism from moderate (like experienced Hashemi-Rafsanjani) to harder-line politicians of the new wave, bearers of the neo-conservative idea, Mahmoud Ahmadinejad and Ali Larijani.

It stands to reason that Ali Akbar Hashemi-Rafsanjani with an election race rating of 32% and as one of the most experienced figures in the Islamic regime was the main and most realistic candidate. At one time, he was one of the closest supporters and advisors to now deceased Ayatollah Khomeini, and this on its own gives him particular charisma. As a politician, this highly experienced representative of the religious elite has long proven himself to be an extremely moderate liberal and rather cautious Islamic-type reformer able to reconcile different segments of Iranian society, since he has the ability to come to real terms with the most democratic-oriented part of society, the students. He even suggested it might be possible to hold a constructive dialog with the U.S., and people believe he will be able to close the constantly widening gap between young people and the conservative clergy, a seemingly impossible task. Hashemi-Rafsanjani’s election platform, which was much better elaborated than that of the other candidates, contained such democratic items as ensuring personal safety, non-interference of the state in the personal life of citizens, and the unconditional recognition of freedom of speech and confession. The economic aspect of his program was also attractive, the accent being placed on increasing the efficiency of the economy, fighting unemployment, and creating new jobs. It is definitely important for Iran that this program included a promise to put an end to the discrimination of women and of national and religious minorities. In foreign policy, Hashemi-Rafsanjani believes it important for the country to extricate itself from political and economic isolation and, consequently, begin full-scale integration into the world community.

The election platform of moderate reformer and former parliament speaker Mehdi Karrubi (with an election race rating of 5%) looked quite progressive. He declared his main goal to be forming a civil society, including resolving youth problems. The second reformer, former minister of science and education Mostafa Moin (with an election race rating of 4%), whose views are distinguished by extreme radicalism, placed top priority in his election platform on ensuring basic democratic rights and freedoms and liberalizing the economic and sociopolitical system. Part of his election program was truly revolutionary for present-day Iran. Mostafa Moin was in favor of steadily reducing the power of the non-elected Islamic bodies (the Council of Guardians, Expediency Council, and others) and of increasing the president’s powers. The latter essentially means a gradual minimization in the power of the country’s religious leader, which to a certain extent can be considered a clear infringement of the principle of velayat-i-faqih (governance by jurisprudence) (combining supreme secular and spiritual power in the hands of the rahbar, the country’s religious leader).
The election platform of Mahmoud Ahmadinejad, who was not that well known until now and whose rating on the eve of the first round of the presidential election reached to approximately 6%, was distinguished by very pronounced conservatism, although its economic part was quite attractive to the voter. As mayor of Tehran, he was in favor of changing the situation whereby most goods and services are produced in the capital. He felt that a reduction in this disproportion would make it possible to resolve many of the periphery’s economic problems, which would lead to the triumph of “economic justice” in the country. At the same time, his program contained several items which make it possible to maintain that the increasing liberties in recent years with respect to women’s clothing will gradually be done away with in the IRI, and tougher standards of Islamic morals will also be enforced. This is in full keeping with the program precepts of the neo-conservatives, who are trying to toughen up conduct codes and lifestyle.

In international policy, Ahmadinejad declared the unequivocal priority of relations with Muslim and neighboring countries. Policy in the Persian Gulf region, where Tehran still has many bones of contention in its interrelations with neighbors, must shift to a policy of peace and friendship. With respect to the United States, Mahmoud Ahmadinejad’s policy is based on the fact that “…as it moves along the path of progress, Iran does not particularly need the U.S.” The anti-Western orientation of his campaign statements was also quite noticeable. For example, at one point, he said there was no place for people with a Western mindset in the Islamic Republic of Iran. “The goal of the Islamic revolution was not only to achieve independence, freedom, and the establishment of an Islamic republic. We did not have a revolution to establish democracy. The goals of the revolution will only become real when all ideas inherent in velayat i-faqih are realized.”

Elections: The Blatant…

According to the data of the Interior Ministry published on the eve of the elections, 46,800,000 citizens (over the age of 15) have the right to vote in the country and a record number of voters was expected to show up at the polls. But it did not even reach 63%, which was significantly less than on 23 May, 1997 when Mohammad Khatami became president. Since Iran now has the most up-to-date system for counting and processing ballots, information on the voting results began coming out as early as voting day (17 June), whereby the headquarters of each candidate made presumptuous announcements that their man was in the lead.

Taking into account that several political organizations and movements in opposition to the regime, which are mainly located abroad, called for a boycott of the elections, the authorities took countermeasures. On the eve and day of the voting, Ayatollah Khamenei addressed the people three times, emphasizing that by participating in the elections, each citizen of the country was supporting the Islamic structure. “By voting, you are stating your support of the Islamic republic, its Constitution, and our Islamic ideals.” But by midday it was clear that the worries about the boycott were not justified.

Much more serious, as always, were the voters’ preferences. The country is gradually getting used to the fact that presidential elections are a source of surprises. For example, on the eve of 23 May, 1997, everyone predicted the victory of then parliament speaker Ali Akbar Natek Nouri, but it went to Mohammad Khatami, who in no way led the election race. This time, although there were seven candidates

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2 IRNA (Iran), 6 July, 2005. This is actually not quite so unequivocal. According to the information website Mignews, Ahmadinejad is taking specific steps to come closer to the West, in particular to the United States [mignews.com], 25 July, 2005.
3 Aftabe Iazd (Iran), 21 June, 2005.
4 ISNA (Iran), 18 June, 2005.
(not long before voting day former commander of the IRGC Mohsen Rezai voluntarily left the race), Ali Akbar Hashemi-Rafsanjani appeared to be the most realistic prospect, since he was the most prestigious political figure of those who passed through the Council of Guardians’ screening system.

The results of all the previous presidential elections were determined in the first round. It seemed the same would happen again, particularly since, as the newspaper Ediot ahronot wrote, “…the other candidates are simply dwarfs next to someone who was a member of Ayatollah Khomeini’s inner circle.” Hashemi-Rafsanjani’s chances of success were also confirmed by the results of the numerous public opinion polls—the head of the Expediency Council held a very impressive lead. On election day, and even the next morning, there were not too many clear signs that the patriarch of Iranian politics would lose to any rival, particularly the capital’s mayor, 49-year-old neo-conservative Mahmoud Ahmadinejad, who was hardly known outside of Tehran.

On Saturday, 18 June, at 15:45 Tehran time, the website of IRNA, the government’s news agency, announced that Hashemi-Rafsanjani was leading, followed closely behind by the mayor of Tehran. But just a few minutes later, another prestigious official agency, Mehr, referring to the Iranian Interior Ministry Central Elections Headquarters, announced that Ahmadinejad had lurched ahead. Following this, the Interior Ministry publicized data for Tehran, Ahmadinejad had received most of the votes from the 2,144,000 people who had come to the capital’s polling stations. It became clear that these two politicians headed the list of candidates, but due to the electorate’s vacillation among all the candidates (we will remind you there were seven), neither one of them would gather the required number of ballots. For the first time in Iranian history, a second round of the presidential election became inevitable, which the country’s religious leader Ayatollah Ali Khamenei confirmed the same evening in his official address to the nation. Khamenei did not fail once again to shower curt accusations on U.S. President George Bush, who called this election undemocratic.

It is interesting to analyze the ratio of votes in favor of each candidate at mobile polling station No. 110. It is assigned to the region where the residence of Ayatollah Khamenei is located and many high-ranking leaders of the IRI vote there along with the country’s religious leader. Of course, the results of the voting at this polling station cannot be called typical of the entire cross-section of Iranian society, since they show the real ideological preferences of only the country’s supreme political elite. (They were undoubtedly in favor of Hashemi-Rafsanjani.) On election day, 170 ballots were dropped in the voting urns at this polling station, 65 of them for Hashemi-Rafsanjani, 34 each for Ahmadinejad and Mohammad Baqer Qalibaf, 24 for Mostafa Moin, 3 for Ali Larijani, and 1 vote for Mohsen Mehralizade. 6

The final vote tally showed that Hashemi-Rafsanjani, twice ex-president and the second (after Ayatollah Khamenei) person on the Iranian political Olympus, had gathered less than 21% of the votes, while 50% plus one vote was needed for victory. His main and for many unexpected rival Mahmoud Ahmadinejad received approximately 19% of the votes. In this way, as the Iranian BBC service reported, in the second round “the Iranians will have to choose between a reformer who promises to heed the hopes of the youth, and a conservative, the follower of Islamic conservative socialism.”

...and Latent

There is a very banal explanation for this phenomenon. On election day, persistent rumors circulated that the Tehran mayor was unconditionally supported by Ayatollah Khamenei himself. The

5 Ediot ahronot (Israel), 19 June, 2005.
6 See: ISNA (Iran), 18 June, 2005.
mechanism for introducing the administrative resource into practice had different interpretations. The opposition mass media reported that two days before the election, the country’s religious leader sent a special classified letter to the headquarters of the Juma (Friday) imams, Muslim learning institutions, and the Qom Theology Center. He asked their leaders to help draw as many voters as possible onto Mahmoud Ahmadinejad’s side, which largely explains the reason for this candidate’s success in the first and victory in the second round of the election. On the other hand, the reality of that power still possessed by the rightist-radical circles in Iran was confirmed. For example, Ayatollah Mohammad-Tagi Mesbahe-Yazdi, who heads the IRI’s largest Center of Theological Education in Qom, advised his students to go immediately to the polling stations after the Friday prayer and vote for Mahmoud Ahmadinejad. The heads of Islamic learning institutions throughout the country did the same thing.

The fact that the administrative resource was activated to ensure Ahmadinejad’s success was also confirmed by the Western press. For example, when analyzing the election campaign tactics of the Iranian religious establishment, the Italian newspaper *La Republica* reported: “During the past year, Ayatollah Khamenei has been personally engaged in choosing the possible successors of Khatami, keeping in mind all the necessary factors. He gave his preference to the mayor of Tehran because ... the poor and religious ultras, who find modernization and the increasingly rapid move away from traditions abhorrent, love him ... two weeks before the election, the special services held a secret meeting with the leaders of military and semi-military formations, ordering them to vote for Ahmadinejad. So here there is increasingly open talk about a ‘military conspiracy,’ and former parliament chairman Mehdi Karrubi, who took third place, accused the Basij (irregular military formations, a kind of national guard.—V.M.) and guards of the Islamic revolution of gaining votes for Ahmadinejad with the support of the Islamic Revolutionary Guards Corps.”

According to the opposition mass media, Ayatollah Khamenei latentely supporting former officier of the Islamic Revolutionary Guards Corps Mahmoud Ahmadinejad in the struggle against one of the strongest political heavyweights of the ruling regime, decided to remove his recently devoted associate from the political game as quickly as possible.

This is no exaggeration. Since the very first days the Islamic republic was established in Iran, both politicians—Ali Akbar Hashemi-Rafsanjani and Ali Khamenei—have been engaged in a common cause. What is more, it is no secret in the country that the relations between the two pillars of the regime have been very tense all these years and occasionally escalated into harsh squabbles, which nevertheless almost always ended peacefully. Now it appears that Khamenei no longer needed his tried-and-true associate, after sensing not only a strong rival in him, but also a very significant threat. If Hashemi-Rafsanjani won the current election, he might question the need for the religious leader to have so much power, that is, encroach on the inviolability of the principle of *velayat i-faqih*. The thing is that recently Hashemi-Rafsanjani called on more than one occasion for the provision of the Constitution regarding the religious leader’s prerogatives of power to be reconsidered.

Khamenei was also irritated by the fact that in many statements, including in his campaign platform, Hashemi-Rafsanjani talked about the need for a dialog with the United States. In Iran, where in recent months anti-American and anti-Western moods have become aggravated, including among the most politically active group of the population, the students, such statements are surefire losers. By the way, Hashemi-Rafsanjani’s chances of success were not augmented by the fact that, according to the Iranian mass media, he tried to establish exclusive contacts with the European Union behind the religious leader’s back. Admittedly, this did not seriously go against the precepts of the moderate conservatives, but Khamenei was very irritated by such an aspect of this platform as abandoning the idea of exporting the Islamic revolution. Nor were the radical conservatives who were supported by Ayatollah Khamenei enthused with the economic views of the twice ex-president, who defended the...

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principles of a free market economy and promised to bring about significant changes in the status of Iranian women.

Khamenei also undoubtedly knows that one of Hashemi-Rafsanjani’s qualities is keeping his word, which to a certain extent places this politician at the opposite pole to Khatami, who gave out promises right and left, but essentially did not fulfill a single one of them. Hashemi-Rafsanjani is dexterous and disingenuous and knows how to achieve the goal he sets himself. He could have probably claimed the role of an Iranian Gorbachev, a man of the System, who is trying to radically change it. But this just happens to threaten the regime in which he came to his prime as a politician. It is for this very reason that Khamenei needs an entirely different president. One like Mahmoud Ahmadinejad, for example: young, inclined to sudden about-turns, but at the same time acquiescent and easy to control, someone who knows his place. Aware of who brought him to power, he will be obedient and accountable and will never forget the difference between the post of rahbar (religious leader) and the post of president (head of executive power). (While the first truly rules, the second mainly has only symbolic functions and rights.)

What is more, Ahmadinejad is a veteran of the Islamic Revolutionary Guards Corps (IRGC) and is still very popular among the old-timers of this powerful organization who occupy extremely prestigious posts in Iran. It was views of the IRGC, which enjoys the benevolence and particular attention of Ayatollah Ali Khamenei, that became the watershed between the two leaders in the last presidential race. Hashemi-Rafsanjani is well known for the fact that for many years he was against the strengthening of these alternative military formations, which were fanatically devoted to the ideas of Khomeinism. During the Iranian-Iraqi war (1980-1988), as the chief military advisor to now deceased Khomeini, Hashemi-Rafsanjani put forth the idea of “dissolving” the IRGC into the Iranian army. The idea did not take on then, and now the IRGC is so popular that Ahmadinejad’s old ties helped him to attract a significant number of voters onto his side. The powerful and well-organized IRGC structures and Basij formations were able to bring about a turn in the situation and ultimately ensure Ahmadinejad’s mass support.

There is another important reason why Khamenei did not want Hashemi-Rafsanjani to win the presidential race. It lies in the never-ending financial abuses assigned to him (Rafsanjani) and his involvement in the horrendous corruption corroding the Islamic regime from the inside. As a prestigious French newspaper wrote after the elections, “…on the summit of power, the Koranic moral virtue of the mullahs recoils in the face of state corruption.” Much is being written and talked about this in Iran, the mass media have repeatedly linked the name of Hashemi-Rafsanjani with the corruption scandals, he is called the “Islamic oligarch,” and there have been several reports about his personal wealth. Of course, such a reputation of the No. 2 man in the Iranian echelon discredits the very idea of the Islamic republic as a system of social justice. In all likelihood, Khamenei believed that if Hashemi-Rafsanjani was defeated at the election and disappeared into political oblivion, this might help to appease those demanding an investigation of the instances of corruption in the upper echelons of state power.

Some analysts believe that by trying to remove Hashemi-Rafsanjani from the political arena and ensuring the victory of the neo-conservative representative, Khamenei was not acting independently, but under pressure from the IRGC leadership and radical conservatives, who have immense influence on him.

In this way, for many, the results of the first round came as rather a surprise. The second round scheduled for 24 June was decisive. Naturally, this time the reformers and moderate conservatives tried to rally together and support Hashemi-Rafsanjani in his fight against ultra-conservative and hardliner Ahmadinejad. The regrouping of forces was also caused by the fear among many Iranians that if Ahmadinejad won, the situation in the social sphere and regarding human rights would worsen, as a result of which citizens would be deprived of even the smidgen they acquired during the presiden-

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9 Le Point, 8 July, 2005 [inosmi.ru/translation/220858.html].
cy of moderate reformer Khatami. After the first round, candidate from the reformers Mostafa Moin, who left the race, warned of this danger. He accused Ahmadinejad of embodying anti-democratic forces in the country. Another, although less odious representative of the reform camp, former parliament speaker Mehdi Karrubi, noted that Ahmadinejad’s arrival in power would mean the likely strengthening of militaristic forces in the country. Conservative Mohammad Baqer Qalibaf, who, contrary to the forecasts, achieved quite a good result in the first round, also spoke out rather unexpectedly in support of Hashemi-Rafsanjani.

During the preparations for the second round, it became clear that Ayatollah Khamenei supported the conservative candidate. Of course, as the head of state he did not have the right to openly influence the voters’ declaration of intent. But his statements betrayed definite sympathies. By calling for the choice to be made in favor of the person who went against Iran’s enemies and upheld a hard line in relations with the West, Khamenei made it understood that his preference indeed fell on staunch anti-Westerner and Islamic fanatic Ahmadinejad, and not on Hashemi-Rafsanjani, a pragmatic looking for understanding in the West and to a certain extent a revisionist.

What Will Change with a Conservative in Power?

So, in the second round of voting, which took place on 24 June, Khamenei’s protégé sustained victory, whereby with a clear lead. Ahmadinejad received 17 million votes (62%) and Hashemi-Rafsanjani—30%. The main outcome of the election, as we see it, was the end of the brief reign of the Islamic reformers in Iran and control over all branches of power going to the conservatives. At one time, president-reformer Khatami had to repel attacks from both the conservative majority of parliament and the judicial bodies controlled by it. And he also had quite a number of adversaries in executive power. Now the conservatives dominate everywhere, and a common ideological field will create the best conditions for the new president to carry out his plans. “The second Khordad in the Islamic Republic of Iran has been replaced by the third Tir.”

Ahmadinejad’s victory was largely made possible by his populist slogans, which placed the accent on raising the standard of living of the most impoverished strata of the population. And although the coordinated support of three authorities—Ayatollah Khamenei, the IRGC, and the conservative clergy—brought him to power, the new president understands that a large number of ordinary citizens voted for him, who are hoping he will improve their lives. So it is no accident that right after the election, Iranian television began repeatedly running a clip with a recently popular song in the country called “Iare dabestani-ie man” (My School Friend), although many words in it were replaced with others explaining the gist of the new president’s socioeconomic plans. “He will put an end to poverty and corruption,” the song’s refrain goes. As for corruption, between the two election rounds and after his victory, Ahmadinejad frequently made rather loud statements about his resolve to eradicate it, primarily in the Ministry of Petroleum, where he is ready to launch into a brutal fight against the powerful clans raking in the flow of petrodollars. For example, when talking at one of the election race meetings, he noted, “It is difficult to explain why our people are still living in poverty 26 years after the victory of the Islamic revolution, while a handful of nouveau riche wallowing in corruption are plun-
dering the nation’s wealth. I swear I will put an end to this.”

And on 11 July, in an interview on the first channel of Tehran television, the newly elected president confirmed this statement and added that he had taken this high post in order to ensure that the ideas of social justice hold sway in Iran. Judging from how often Ahmadinejad brought up the Ministry of Petroleum at his campaign meetings, this is where he intends to begin his anti-corruption program. During the past year more than 20 billion dollars have passed through this department, a significant percentage of which, as Ahmadinejad said himself, came to roost in the pockets of the highest-ranking officials and was sent to foreign banks. If the new president is true to his promises, he will be able to finance the most pressing programs for combating unemployment (it is currently at approximately 30%) and create new jobs, primarily for young people with secondary and higher education, using the superprofits gained by this ministry alone due to the abrupt upswing in world prices for oil, thus defusing the social tension in the country.

Despite the fact that not much time has passed since the election, new aspects of the IRI’s foreign policy initiated by the new president are increasingly appearing. It is probably no accident that his public statements contain such words as “a new revolution has occurred in the country, one of the purposes of which is to restore the movements calling for export of the ideas of Islamic Iran throughout the world.” A similar motive could also be heard in his speech at the parliament’s plenary session when, after rating his victory at the elections as an important event, he spoke in favor of global dissemination of the idea of Islamic fundamentalism: “Thanks to Allah, Islam will conquer new key bastions in the world in the near future.” In this way, Iranian ideology is rekindling the idea of exporting the Islamic revolution at one time declared by Ayatollah Khomeini, but which in recent years has been forgotten or gone out of circulation. His resolve to restore the largely tarnished theory of exporting the Islamic revolution was also noticeable in his speech at a parliamentary session: “My election will have an indubitable influence on the balance of power in the country.”

As for the sociopolitical system in the country, Mohammad Ahmadinejad noted that religious democracy is the best for social governance in the world. In his words, placing emphasis on the true principles of Islam guarantees the security of the people and country. Ahmadinejad believes that in an Islamic state, the people are the boss, and there is no room for the shortcomings of contemporary society in such a country.

According to Ahmadinejad, Iran’s foreign policy will aim to develop relations with all states “which do not conduct an aggressive and imperial policy and which officially recognize the legal and natural rights of the Iranian nation.” As for restoring relations with the U.S., “...a solution to this problem should be found when we are sure and have all the necessary guarantees that all of Iran’s national interests will be ensured.” The policy of the new Iranian president will most likely become even more hard-line and uncompromising in relation to Israel. For example, in an interview with the Saudi press, he said, “I will try to develop relations with everyone apart from Israel.” Israeli analysts are predicting that Tehran will make even more energetic attempts to undermine the recently developing rapprochement between Tel Aviv and the Palestinian Authority (through Lebanon’s Iran-sponsored Hezbollah, as well as with the aid of HAMAS and Islamic Jihad financially supported by Tehran).

Just as when the reformers held the helm, the new president intends to give priority to the regional approach in international relations. (In addition to the countries of the Islamic world, he also has in mind the Caspian states and Central Asian republics.) Certain changes relating to the fact that

12 See: ILNA (Iran), 22 June, 2005.
13 IRNA, 13 July, 2005.
14 Ibidem.
16 IRNA, 28 June, 2005.
Iran has the status of observer in the Shanghai Cooperation Organization (SCO), of which all the region’s countries (apart from Turkmenistan), Russia, and China are members, can be predicted in the country’s relations with the Central Asian states. At the last SCO summit, which was held in the Kazakhstan capital of Astana with Iran’s participation, a declaration was adopted demanding the United States to withdraw its military bases from Central Asia. According to analysts, this shows that the region’s countries intend to adjust their foreign political orientations again and distance themselves from the West. In practice, this could mean stronger footholds for Russia and China in Central Asia, as well as Iran’s broader participation in the regional integration processes.

Iran’s relations with Turkmenistan, which are largely dictated by economic and political expediency, stand alone, as it were, in its relations with the Central Asian region. Neither side bothers about its partner’s internal collisions, and their international isolation is increasing the mutual attraction. The coming to power of the conservative wing of the clergy in Iran and the intensification of isolationist trends expected in this respect could strengthen the current level of good neighborly feelings between Tehran and Ashghabad, but cannot give their relations a new boost.

The transfer in power in Iran to the conservatives is unlikely to have a significant impact on the Iranian-Caucasian dialog. The desire of the Caucasian states to build a regional security system involving partners from outside the region is still a thorn in Iran’s side. This particularly affects the relations with Armenia, the country of this region closest politically to Iran. An upswing in pro-Western trends in Georgia’s political life could slow down the development of relations between Tehran and Tbilisi, but they are being maintained at a level acceptable to both sides, since they are of strategic significance for the IRI. It is unrealistic to expect the relations between Tehran and Baku to take on greater depth. Despite the well-known thesis of former president Mohammad Khatami that Iran and Azerbaijan are two states of the same nation, the advance in the American-Azerbaijani dialog noticeable in recent months will be accompanied by stagnation or even by a decrease in the level of interaction between Baku and Tehran. Azerbaijan’s integration in NATO will logically compel it to defend the West’s interests in the petroleum sphere, which will inevitably come in conflict with Iran’s stance on oil production in the Caspian region.

The review of the fundamental principles of relations with Baghdad, which coincided time-wise with Mahmoud Ahmadinejad’s victory at the election, can be considered a certain innovation in Iranian foreign policy. Iraqi Prime Minister Ibrahim al-Jafari’s visit to Tehran (in mid-July 2005) and the signing of a set of documents on bilateral cooperation show that these countries are willing to give up their traditional hostility and develop a mutually advantageous dialog. The fact that the new Iranian president received the Iraqi leader emphasizes that the government of reformers’ last foreign political campaign is in full harmony with the fundamental principles of the conservatives’ regional policy.

There is no point in expecting liberalization of the IRI’s policy with respect to the nuclear program, which is justifiably associated with the creation of non-conventional weapons. As early as Khatami, the Supreme Council of National Security, which is directly subordinate to Ayatollah Khamenei, was responsible for this work. Despite all the economic upheavals, such an expensive project, which is financed by revenues from the sale of Iranian oil, is being implemented consistently and implacably. Concentrating all political power in the hands of the Islamic conservatives can only aggravate the already complicated situation involving this program and prompt the world community to take more decisive measures to prevent Iran from acquiring its own nuclear weapons. In this respect, the speech by Mahmoud Ahmadinejad in Mashhad on 22 July was very symptomatic, in which he stated that his country does not accept nuclear weapons, but at the same time threatened: “We will not give up our legal right to possess a complete nuclear cycle.”

What is more, the new president has already spoken out more than once on questions of Muslim morals, in particular concerning adherence to religious rituals. He believes that deviating from the fundamental principles of Islam will deal a perceptible blow to the spiritual and cultural foundations of Iranian society. At the meeting with members of the Political Council of the Association of Juma Imams of the IRI (7 July, 2005), Mahmoud Ahmadinejad stated that the Friday namazes will be given particular attention and he intends to combat the disdainful attitude characteristic of a certain percentage of the population toward this important religious act, which is "...the sweet fruit of the Islamic revolution." He also promised to allot more funds to the building of new and the restoration of old mosques.

Of course, the arrival in power of the new president will be accompanied by new personnel reshuffles. Ahmadinejad has already made it understood that he will replace all the leaders of executive power in the provinces and cities. The key posts should be occupied by people who enjoy his trust, which will make it possible for him to implement his intended innovations in domestic and foreign policy. Some questions in this sphere were resolved even before he officially took up his duties. For example, the press reported that Hasan Ruhani would leave the post of secretary of the Supreme Council of National Security and special emissary of Ayatollah Khamenei at the talks on Iran’s nuclear program. In recent months, Hasan Ruhani has repeatedly been subjected to attacks by the Iranian mass media for “softness and extreme acquiescence” at the talks with the IAEA, Great Britain, Germany, and France. His departure signals a toughening up in the IRI’s policy in this area. There are also to be serious reshuffles in the security bodies. In this respect, we can already note the appointment on 10 July of Ismail Ahmadi Mogaddam, one of Mahmoud Ahmadinejad’s closest associates, as commander of the law-keeping forces. (This post belongs to the competence of the country’s religious leader, Ayatollah Ali Khamenei.) Joint work in the IRGC and Basij formations, where he made it as far as deputy commander responsible for the capital district, links him with the new president. According to the prestigious Internet Agency, Baztab, his close relationship with Ahmadinejad is the main factor promoting his climb up the career ladder. Joint participation in the Iran-Iraqi war also links Mogaddam with the new president, when both served in the Islamic Revolutionary Guards Corps. Whereby Mogaddam occupied a leading post in one of the formations, and the future president served in the engineering corps. This move up the career ladder indicates there are already close ties between the new president and Ayatollah Khamenei.

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20 ISNA, 7 July, 2005.
ISLAM IN THE CASPIAN AND
THE CAUCASIAN FOOTHILLS BORDERLAND:
SOCIAL AND RELIGIOUS REVIVAL
ON THE FRINGES OF THE MUSLIM WORLD

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Tested by Islamophobia:
Russia and the Muslim Question

Islam is rapidly gaining weight across the world. Islamophobia is escalating just as rapidly in the
West, while in Russia certain highly influential segments of its political class have begun aping
the West. By 2004, the unchecked wave developed into anti-Islamic hysteria.

After writing *The Rage and the Pride* in the wake of 9/11, Italian journalist Oriana Fallaci pro-
duced an anti-Muslim Western manifesto. She poured her hatred out on Islam and the Islamic world and
addressed her affection and pride to the West. Her ideas are limited to only one thought: an anti-Islamic
struggle without conditions and without mercy. In Russia, certain sources have done their best to familiar-
ize the Russian public with her ideas. Vagrius Publishers put out a Russian translation of her book in 2004.¹

We can only marvel at the tenacity of the anti-Islamic and anti-Islamist ideas: the passions bring to mind the atmosphere of the anti-Communist “witch hunt” of the early 1990s. In 2002, guided by her anti-communist syndrome, Margaret Thatcher tagged Islamism as “new Bolshevism.” Two like many others, Daniel Pipes equated fascism and Islamism in his article “Contemporary Fascism” translated and published in the Moskovskiy komsomolets newspaper. In the West, people no longer distinguish between Islamism and fascism—it was Alexey Malashenko who familiarized the Russian audience with the state of affairs in this sphere.

In Russia, it is the media controlled by the liberal Russophobic circles that are zealously promoting anti-Muslim sentiments. The best evidence of this was the Vremena program run by famous TV personality Vladimir Pozner. In the fall of 2004, he suggested that the Islamists as a whole, and the Muslims living in Europe, in particular, should be treated with more severity. Some of the members of Russia’s Muslim clergy went as far as accusing the anchorman and the ORT channel of deliberate anti-Muslim propaganda.

The National Organization of Russia’s Muslims (NORM) circulated a statement in which it called on the country’s leaders “to revise in the most radical way the information policies of the state-owned TV channels with respect to Islam.”

At the same time, we can hardly agree with Islamic Committee Chairman Gheidar Jemal, who described “demonization of Islam” as the “conceptual guidelines of Russia’s political class.” It has become obvious, however, that anti-Islamic information policy is on the agenda of the most influential groups in Russia’s establishment: political clans, business groups, and media corporations are openly promoting their anti-Islamic ideas. Here is a typical example: after 9/11 a State Duma deputy, who represents the Union of Rightist Forces, called on the law enforcement bodies to start checking the contacts of all Russian Muslims to find out whether any of them were connected with Osama bin Laden.

The same circles tend to present any attempt to check anti-Muslim campaigns, as well as any pro-Muslim sentiments, as “the threat of Wahhabism” or connivance of terrorism. This has become an effective instrument of political pressure willingly used by political opponents, as well as rivaling Muslims organizations. Despite its sensation mongering and doubtful statements, this approach has struck root in the academic community: there are people who look at Islam, and also Russia, as an opponent to be carefully studied.

They tie the Koran and the Sunnah to terrorism and assert that evil was allegedly present during the very act of Islamic creation. By the same token they argue that the Koran and the Islamic world’s spontaneous radicalization are a cause and effect. Here is what well-known Deacon Andrey Kuraev has to say: “If terrorism is a product of the distorted interpretation of the Koran, it must be stressed that we are talking here precisely about the Koran, and not the Winnie-the-Pooh book. And it was distorted by learned Islamic ulema, not by illiterate Arabian skinheads. It is not poor students who bring together the Islamic world and the world of terror, but excellent and very popular teachers!… At this level, the terrorist message is an ailment of the entire Islamic community.”

This approach has pushed aside the key parameters of development: alternatives, turning points, phenomenological evidence, and borderline cases to replace them with tags and teleological formulas. Strange as it may seem, the latest works by prominent Russian academics Alexey Malashenko and Alexey Vassiliev also betrayed certain signs of anti-Islamic academic didactics. In an effort to identify...
the rhythms and pace of the Islamic world’s activization and the causes of its “overheating” at the turn of the 21st century, the authors ask: “Why is Islamism dangerous?” This alone shows that they treat Islam as an enemy. Regrettably, they never formulated another important question: “What is behind the radicalization of Islam?” Meanwhile, an answer is urgently needed. The respected scholars are holding forth about the evil and immutable line of Islamic development associated with anti-modernism. They look at the Islamic world as an impasse of modernity caused by the sick cells of the Islamic tradition.

Why does the renovated form of Islam, including its radical forms, prove attractive to the broad masses? Indeed, extremism is no answer to social problems. Do people look at the “Islamic order” as an alternative to “democracy Russian style” (“Uzbek,” “Kyrgyz” or Afghan style) as the greatest delusion of their past?

In an effort to identify and assess the signs of Islamic revival today, the Russian academic community has obviously been driven to despair. It was Editor-in-Chief of Otechestvennye zapiski Vitaly Kurennoy who measured the deepness of this feeling by saying that as a source of study Islam is developing into an evasive object.9

Research Landmarks

The Islamic community is a very complicated phenomenon with a lot of phenomenological features manifested in different spheres: the economy, socio-territorial organization, communication, and the reproduction channels. Some Russian academics believe that the possibilities offered by investigative neo-classicism, understood as “predominantly empirical studies of specific groups (trends, movements, schools, etc.) which appear and function in Islam as Islamic phenomena,”10 should be tapped to help understand the phenomenon of Islam.

We shall copy this approach—it alone will help us explain changing Islam as a social and political enigma. It should be said that certain analysts have correctly identified the phenomenon of Muslim regionalization as a situation under which the Islamic leaders concentrate on religious developments at the local level.11 We shall try to explain this phenomenon through the de-modernization conception. We regard the Islamic answer as part of society’s crisis conscience.

Working hypothesis. In Russia, radical Islam is, first and foremost, part of a nationwide political protest and social adaptation. The Islamic jamaats are a variant of local Muslim completeness and a form of self-defense under the conditions of a systemic crisis. We believe that this variant has proven successful and viable in the context of the tormenting and vague transformations, which are especially painful in their marginal forms.12 This explains why the local level of the “Islamic alternative”13 can be regarded as an extremely fruitful unit of political analysis.

Here are several preliminary yet necessary explanations.

Nature of the research. It is not our aim to discuss the forms of Islamic existence and its religious-teaching component; we favor the wider approach typical of political science in which there is

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10 V. Ignatenko, “Raskolotaya umma v ozhidani Sudnogo dnia (Novy vzgliad so starykh pozitsiy”, Otechestvennye zapiski, No. 5 (14), 2003; V. Kurennoy, op. cit.
11 It should be noted that professor of the Center of Slavic Studies at Hokkaido University Kimitaka Matsuzato has arrived at a truly novel approach within the research project “Islam and Politics in Russia: Multilayered and Comparative Approach (April 2003-March 2006).” A. Malashenko’s idea about the “multilayered” nature of Islamic alternative that exists at four layers—local, national, regional, and global—can be described as heuristic and fruitful. (see: A. Malashenko, op. cit., pp. 22-23).
12 In their latest work Magomed-Rasul Ibragimov and Kimitaka Matsuzato described the role of the jamaats as the basic system-forming territorial stability of Daghestani society (see: M.-R. Ibragimov, K. Matsuzato, “Chuzhoy, no loial’niy: prichiny ’nestabil’noy stabil’nosti’ v Daghestane, avanposte slavianskoy Evrazii,” Polis, No. 3, 2005).
13 A. Malashenko’s term.
a component of Islamic studies. We are turning to the problem’s religious side in order to better and more adequately understand the phenomenon of Islam and politics in multiethnic transition societies, of which Russia is one.14

It is highly important to reach an agreement about the terms used: they should be easily understood and should not offend anyone. We are convinced that in Russia today the term “Wahhabis” is a tag rather than a description of confessional identity. We do believe that the more neutral term “Salafis” is much better suited to describe radical Islam.

This is important: the term “Wahhabis” has become one of the symbols of the post-communist “witch-hunt.” In this context, we cannot accept as sincere M. Roshchin’s arguments that “the North Caucasian Islamic fundamentalists who are frequently called “Wahhabis” do not like the term for not quite clear reasons”15 (italics ours.—A.M., V.V.). We shall demonstrate that the reasons are clear and absolutely justified.

We have posed ourselves the task of analyzing Islam’s borderland within the Caspian-Caucasian Foothills Muslim communication lines. We have asked the question: What is the nature of the Islamic religious revival “from below” and what is the nature of the local “Islamic alternative” on this periphery of the contemporary Islamic world?

Our article is structured in the following way: first we analyze the historical and geographical roots of the Astrakhan political “flexibility” which predetermined the specific features of Caspian borderland Islam. Then we look at the key social and migration features responsible for the phenomenon of the Caspian-Caucasian Foothills Muslim case. Finally, we try to identify the nature of the “local Islamic alternative” by studying the community of the Astrakhan Salafis.

1. The Phenomenon of Astrakhan Political Flexibility

Historically, Astrakhan has been always associated with the Caspian-Caucasian Foothills Muslim communication lines. We have asked the question: What is the nature of the Islamic religious revival “from below” and what is the nature of the local “Islamic alternative” on this periphery of the contemporary Islamic world?

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14 Our inadequate knowledge of the subtler points of Islam limits us in our more detailed use of the results of Islamic studies; we want to avoid profanation of Islam, a fascinating and monumental phenomenon.
In the religious context Astrakhan proper is seen as a perspective Eurasian borderland. Scottish missionary W. Glenn, who visited the city long before Dumas’ father, pointed out that the city was a strategic coordinating center of Turkic, Persian, and Armenian missionary efforts.\(^{17}\)

The geopolitical feature—the region’s strategic importance for Russia—which revealed itself once more late in the 20th century played an important role in adding new characteristics to Islam in Astrakhan. When the Soviet Union disappeared from the map of the world, it was through Astrakhan that Russia overshadowed the Caspian Sea—and the Islamic world—with its continental mass. The city’s geographical location between the Islamic world in the south and the emerging “strategic Caspian initiative” of the Kremlin has transformed the region into an important compositional element of the Caspian meso-area.

The geographic factors were also responsible for the historical specificities of the Caspian-Caucasian Foothills Islamic synthesis.

Islam came to the Lower Volga in the 10th century together with Arabian travelers and merchants; the Tartar-Mongol invasion intensified its spread across the area: under Khan Berke, Islam was accepted as the Golden Horde’s official religion. In the middle of the 14th century, under Khan Uzbek, Islam claimed an even firmer foothold.

Russian Orthodox Christians came to the region when there was no longer the Golden Horde and the Astrakhan Khanate had become part of Russia. The area fell under Russian administration; the large Muslim stratum was represented by the Turkic-speaking descendants of the Polovtsians and the settled descendants of the formerly nomadic Nogais. Late in the 14th century, during the process of their formation, the latter adopted Sunni Islam of Hanafi madhab, which allowed the local people to preserve their customs and rites (adat and maslagat as norms of customary law). At that time, the nomads had not yet fully embraced Islam. According to 17th-century traveler Jean de Luc, the Nogais “are Muslims, yet they never obey the rules of their religion, they do not fast and not gather together for prayers; there are hajjis and mullahs, Muslim theologians, yet they do not live among them since they cannot get used to the Nogais’ way of life.”

In the late 17th and early 18th centuries, the Nogais, as well as merchants from Bukhara and Persia (Gilan) and migrants from Kazan were the only Muslims in Astrakhan. The newcomers were Muslim Kalmyks (Sheret), Turkmen, and Kazakhs from the Inner Bukheev Horde.

There were Sunnis in the region: Tartars, Nogais, Turkmen, Kazakhs, Uzbeks from Bukhara (Sarts), and Shi’as (Persians from Gilan). There were rather specific sects, such as mendicants, which were reminiscent of the Persian and Central Asian Sufi dervishes. There were 23, mainly Nogai, “aulias”—burials of saints served by “mutshafirs”—the saints’ descendants.

This all speaks of the highly specific nature of local Islam generated by its borderland location and of the mutations of Islamic trends in the fringes.

2. The Nature and Trends of the Caspian-Caucasian Foothills Islamic Communication Lines

In the recent past, Astrakhan Islam has been developing under the strong impact of the social-Muslim transformations in the Northern Caucasus and primarily under religious-political pressure from another Caspian region, Daghestan (see Fig.).

Let’s have a look at the key stages and basic characteristics of the Muslim communication lines in the Caspian-Caucasian Foothills area, in which Astrakhan played the role of a useful crossroads and a cozy asylum.

1. Astrakhan became a center of Muslim revival in Russia at the beginning of the 1990s: on 9 June, 1990, an “informal” congress convened by activists from Daghestan and Islamic ideologists from Moscow set up the Islamic Revival Party (IRP) Nadkhat, the first ever Islamic political structure in the Soviet Union that described its aim as “defense of the right of all
Muslims to live according to the laws of Allah.” People from the “revivalist” Islamic society based in Kizil-iurt in Daghestan headed by the Kebedov brothers, Abbas and Bagautdin, were among the founders.

2. Astrakhan was where the notorious Khachilaev brothers convened a legal congress of the Union of the Muslims of Russia on the eve of the 1996 elections. The leaders were quite open about their intention to replace the local clergy and put all local Muslim communities under their control. This forced Mufti Nazymbek-khazriat to appear at the congress uninvited to quench these ambitions.

3. It was under pressure from Daghestan that plans were formed to open a branch of the Buynaksk Islamic Institute in Astrakhan under the aegis of the Spiritual Administration of the Muslims of the Northern Caucasus. The local clergy rebuffed the onslaught by opening a madrasah of their own under their own spiritual administration based in Ufa. In 1999, it became an Islamic Institute.

4. Finally, the North Caucasian factor was clearly manifested in the environment of so-called “radical Islam.” By the mid-1990s, the Avar family of the Omarovs, well known for its profound religious knowledge, took over leadership in Astrakhan “fundamentalist revivalism” (so-called Wahhabism) from the confessionally ignorant local Tartar-Nogais (Khalikov and Abuliasov).

Table 1 and the text below offer detailed social and migration descriptions of local Islam.

The increase in the number of Muslims can be explained by two factors: the high birth rate among the Kazakhs living in rural areas and the Russian-dominated migration of the 1990s, which also brought people of other nationalities (Tartars and Muslims of other ethnic origins) to the region. Since 1988, over 80,000 passed through the region, while 63,000-65,000 of them settled in it. There were about 45,000 Russians (75 percent) among them; 4,000 Tartars (7 percent); 3,500 Azeris and Talyshes (5.5 percent); 4,300 Daghestanis (7.1 percent); 3,000 Chechens (5 percent); 2,300 Meskhetian Turks, Tajiks, and Uzbeks (3 percent).

The political representation problem. On the whole, the regional bodies of power correspond to the region’s ethnic composition. This is especially true of the State Duma of the Astrakhan Region—no deputies, however, were elected for their ethnic origin. Young Duma deputy and prominent businessman Alikper (Alikerim) Pashaev, a Kumyk from Daghestan and political leader of the North Caucasian Muslims, is supported by the trade quarters of Astrakhan. Leader of the regional Tartar Duslyk Society Anver Almaev, who was elected to representative bodies of all levels and who in December 2004 ran for the mayor of Astrakhan, is inclined to more fully tap the ethnic and religious factor. The chairman of the regional court and the minister of construction and road building are Kazakhs; an editor of one of the most popular newspapers is a Tartar of Nogai-Bukhara extraction; another such paper is headed by an Armenian (a descendant of those who arrived in the area in the 18th century to escape the Persians).

The share of Muslim students. The share of Muslim students in the secular higher educational establishments (the State University, the State Technical University, Medical Academy, Conservatory, and numerous branches offering paid education) on the whole corresponds to the share of Muslims living in the region. The share of educated Muslims has grown due to those studying new subjects (Oriental tongues—Persian, Turkish, Arabic, and also the Kazakh and Tartar languages) at Astrakhan State Technical University and graduates from the Turkish lyceum.

There is another no less important fact: in the last 25 years the share of educated Kazakhs in the local Kazakh diaspora increased by 80 percent between 1979 and 1989. This means that every year 3,000 to 5,000 Kazakhs received higher education, first in the Soviet Union and then in the Russian Federation; the corresponding figure for the Tartars was 60 percent, with less than 40 percent among the Russians.
In the 1990s, the progress of paid education accelerated the process: the number of educated Kazakhs among the more or less recently (until 1939) nomadic ethnic group greatly increased. As a result, this ethnic group acquired young intelligentsia.

The growing number of Muslim migrants influenced the development of Islam in the region.

### 3. The Rise and Fall of the Astrakhan Muslim Revivalists Community

Islam in Astrakhan consists of two components: the structures developing within official policies, the leaders and activists of which have regular contacts and consultations with the region’s authorities (the so-called “official” Islam). The second component took shape much later, in the dramat-
ic circumstances of the 1990s when "revived" Islam was gaining momentum in its peaceful and radical forms.

There are 39 Muslim spiritual communities and 11 groups in the region, which comprise about one-third of all religious communities, as well as 32 mosques (seven of which are registered as historical or cultural monuments of local or regional importance) and 6 prayer houses.

Nazyymbek-khazriat (N.A. Iliasov) is the mufti (previously—imam-mukhtasib) of the region’s Muslims and an elected deputy of Sheik Talgat Tadjuddin, the Supreme Mufti, Chairman of the Central Spiritual Administration of the Muslims of Russia and the CIS European Countries based in Ufa. There are also two Islamic centers based in large mosques, as well as the Khaji-Tarkhan Islamic Institute, which produced its first graduates in July 2003. Muhammed Va-al Abdat from Algeria, who himself graduated from a higher educational establishment in Astrakhan, was its first rector.

The local authorities and local people regard the Muslims as an important historical and cultural component of their region; well aware of the considerable numerical strength of the Muslim electorate, the local politicians deem it necessary to cooperate in a constructive way with the Islamic organizations and their most respected members and leaders. The regional budget regularly allocates money for these purposes.

It should be added that, behind the screen of fairly smooth official Islamic policies, the storm of Muslim revivalism was raging. The sub-regional specifics were generated by the Astrakhan-Caucasian Islamic synthesis, in which the active Daghestani radical Islamic group dominated. I have in mind the community of Astrakhan Muslim revivalists (“mukhmans”), wrongly called Wahhabis.

Their community (mukhmans are supporters of the iman, the Islamic code of piety) was headed by Angut Magomedovich Omarov, better known as Ayiub of Astrakhan, a remarkable figure, known among the Islamic theologians as an expert without equals. He was one of the best pupils of Bagautdin Kebedov. Ayiub, an Avar by nationality, was born in the Tsumada District of Daghestan.

The earthquake of 1970 drove people away from this district to more prosperous Astrakhan. Early in the 1990s, the migration outflow from the North Caucasian republics swelled the ranks of the Muslim community in Astrakhan. The mukhmans group was one of the results of these processes. It occupied a niche of its own in the city’s economy: engaged in trade they mainly live in the Bolshie Isady neighborhood bordering on the city’s central marketplace. Its spiritual leader Ayiub did not want any contact with the authorities, therefore the community remained isolated both from the city and regional official structures, the public, and the mass media. The local “official” clergy preferred to keep away from the well-educated mukhmin theologians who criticized the “apparatchik mullahs” for their abandonment of the religious ethics (“iman”). In the mid-1990s, the mukhmans were actively involved in missionary efforts, which attracted many new members—Tartars, Kazakhs, and Russians, along with people from the Northern Caucasus. By 1994, there were 300 members.

It is not enough to say that Islam in Astrakhan is a unique phenomenon—we have to explain its nature. The members of the local Islamic community observe Russian laws and speak good Russian. On the other hand, their religious fervor is much more passionate than in other places, they preach the revival of Islam’s original purity with a good share of fanaticism. Astrakhan is their home where they seek a social niche in which they must be accepted as true Muslims. They say: “Astrakhan is our home. We want to live and work here without interfering in the affairs of others and without slipping into paganism.” Their leaders consider themselves tied to the region by moral and social obligations and believe it necessary to obey Russia’s laws.

What were the religious ideas of Ayiub and the members of the jamaat of mukhmans? They wanted to profess “pure” Islam cleansed of later additions. Ayiub was fairly strict primarily with his followers

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(his strictness often being interpreted as religious radicalism or even extremism) as far as their traditional appearance and adherence to the religious dogmas were concerned. This strictness, limited to the religious sphere, had no political or military undertones.\(^\text{19}\)

The trend itself was not only dynamic—it was contradictory. Back in 1993, before the first war in Chechnia the community betrayed the first signs of dissent; by the late 1990s it had been divided into several trends—the radical, moderate, and peaceful—as well as several transition groups inclined toward traditional Islam. The split was sealed when, in the early spring of 1999, 200 young supporters of Ayiub left to fight in Daghestan and Chechnia. Their departure strengthened the 70-strong group of supporters of peaceful religious and cultural revivalism.

Ayiub’s community, which had finally acquired its numerical strength and ideological convictions, did not support the Chechen and Daghestani separatists. There is information that at a secret meeting held in the summer of 2000 at some place on the Caspian coast of Daghestan, the revivalists outside the Northern Caucasus (Ayiub-Angut Omarov from Astrakhan among them) condemned the second Chechen war and war in general. Ayiub’s supporters from Astrakhan were united in their opinion that “there was no jihad in Chechnia” and “we condemn this war.” The radical fighters outlawed them in the Caucasus.\(^\text{20}\) Despite this, after the well-known events of 1999 when the so-called Wahhabi enclave in Karamakhi, as well as the Basaev-Khattab detachments had been routed, Ayiub and his followers were branded Wahhabis with far-reaching political and religious consequences and criminal persecutions. Ayiub of Astrakhan was branded as a Wahhabi for purely political purposes: the Daghestani authorities and the supporters of the official “Muslim vertical” wanted to uproot any manifestations of opposition in Islam.

As a result, the leaders and the official clergy of Daghestan suggested that the Law on Banning Wahhabism and Other Extremist Activities in the Republic of Daghestan (adopted by the republic’s People’s Assembly in September 1999 in the wake of the Karamakhi bloodbath) should be extended to the neighboring territories and Russia as a whole. An impressive delegation of the Spiritual Administration of the Muslims of Daghestan which came to Astrakhan on 6 December, 1999 supported the motion. More than that: the prominent figures of the Daghestani Murid societies—the tariqates—accused all the Muslims of North Caucasian extraction living in Astrakhan of Wahhabism.\(^\text{21}\) In the fall of 2000, official Makhachkala used force against the Ayiub community, which the Astrakhan special services described as unjustified.

The Astrakhan “mukhmins” whom official Islam loathed as an internal enemy became an easy prey. The jamāʿat leaders had to adjust to the new realities: they abandoned their previous unwillingness to come in contact with the official structures and addressed the region’s leaders. Driven into a corner, the community had no other alternative. Ayiub kept receiving threats that force would be used against him and his family; in February 2000 he was wounded in an assassination attempt that cost his assistant’s life.\(^\text{22}\) Later, on 4 October and 2 December of the same year, his house was shelled by grenades (luckily no one was hurt as a result). For some time the leader and founder of the jamāʿat had to go underground; and his community was steadily driven away from its trade niche in local business and the city markets.

No wonder, the “mukhmins” twice, on 13 and 18 December, 2000, sent the region’s governor letters in which they asked for their rights to be restored and for people to stop calling them by the derogative term of Wahhabis. Some of the local and central media made the situation even worse by calling Astrakhan “the capital of Russia’s Wahhabism.”

\(^\text{19}\) Interview with Rector of the Astrakhan branch of the All-Russia Institute of Law Prof. O.I. Cherdakov, Astrakhan, June 2004.

\(^\text{20}\) B. Akhmedkhanov, op. cit.

\(^\text{21}\) Interview with the leader of the Daghestani community in Astrakhan A. Pashaev, deputy of the State Duma of the Astrakhan Region, May 2002, June 2004.

Nor did this help the local Muslim population or the region’s leaders. The local religious and official leaders clearly stated that the reports in the press amazed them “by their authors’ lack of information and obviously deliberate falsifications.” 23 Miron Blier, head of the information department of the administration of the Astrakhan Region, had the following to say: “It seems that someone is profiting from the unending discussions of Wahhabism and this someone is not found here, in Astrakhan, but in Moscow. Several people asked me: ‘How can you tolerate the fact that the Wahhabis freely live in your city?’ I should say that Astrakhan and the Astrakhan Region is home to 170 ethnic groups and confessions—so far we have had no ethnic or religious conflicts here. The problem appears when it is constantly discussed. The authorities are creating irreconcilable enemies themselves, against whom they then have to fight. So-called Wahhabism in Astrakhan is a way of life. It is a form of Islamic Protestantism which does not violate Russian laws. All those who are called Wahhabis trade in the Kirov market, this is a merchant guild of sorts which defends its members’ interests.” The mufti of the Astrakhan Region Nazymbek-khazriat pointed to the same specific feature of the Astrakhan “revivalists.” He described them with a great deal of respect as a “fully-fledged community of a fairly large number of Astrakhan dwellers active in the religious and absolutely secular sphere by trading on the market.” 24

The genuine Islamic alternative can be locally realized as jamaats: this has been amply demonstrated by its successful transformation “from below” in the Kadar enclave of Daghestan. This is how this alternative can be realized: it does not need a political party for its realization. In this connection we should say that by formulating a question about the multi-layered nature of political Islam and by identifying its viable local cross-section, K. Matsuzato and A. Malashenko made a significant contribution to Islamic studies.

The “Islamic Protestants” have become perfectly adapted to the business and everyday life of Astrakhan. A Moscow correspondent who wanted to know what the local people thought about the “bearded men” learned that they did not give them a second thought: “They came here long ago and do not interfere with us” was the most frequent answer. 25 They are reserved and ascetic in their personal tastes, they do not drink, smoke, or use drugs—these features are approved by the neighbors of the “mukhmins” and other peaceful “revivalists.” The neighbors of the Karamakhi Salafis also approved them for the same reason (see Table 2).

The above is not intended as an apology for Ayiub’s community; he is a cruel and theologically controversial figure. Whatever the case, the experience of his community has demonstrated that the “revivalist” groups are perfectly viable if they make their aims public; the local social-religious initiatives “from below” profit from such openness—it is secrecy that breeds suspicion on the part of their neighbors and leads to persecutions.

In fact, Islam may avoid radicalization in the revivalist environment and may turn radical in the traditional environment. This suggests a far from simple question: To what degree does a low educational level stimulate radicalism and aggression? The leaders of the Islamic Revival Party which met in Astrakhan for its congress in 1990 were very educated people: a secular scholar and academician, Vali-Akhmed Sadur, a prominent theologian and preacher, Bagautdin Kebedov, his pupil, Ayiub (Angut) Omarov, and others. Their Astrakhan followers, however, (M. Abdurazakov is an unskilled worker and A.-Kh. Khalikov a gardener) demonstrate very aggressive and primitive instincts. Similar religious activists normally acting at the grass-root level of the radical-re-

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25 B. Akhmedkhanov, op. cit.
Profiles and Parameters of the Local Islamic Alternative in Russia Today
(Comparison of Caspian-Caucasian Salafi Case Studies)

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* According to journalist Milrad Fatullaev, “there were no poor in Karamakhi.” An average family possessed 70,000 sq. m of land (a large amount for Daghestan); 12 calves for fattening, and a heavy KamAZ truck. The fertile soils, not much inferior to those of the Kuban area, produce rich yields of vegetables; one thousand and six hundred households own over 700 KamAZ trucks; men are involved in freight hauling in Russia and earn between 30,000 and 50,000 rubles every month, the lion’s share of the total income of local families (M. Fatullaev, “Daghestan: tri goda posle voyny,” Nezavisimaia gazeta, 3 December, 2002, p. 5). These are very good economic results for the republic, produced by the truly Herculean efforts of the Islamic Protestants and their entrepreneurship.

** In 1997, people of the village of Kvanada in Daghestan where Ayiub Omarov was born started burning down the houses of their neighbors who had embraced so-called Wahhabism. Religious enmity between the Wahhabis and those who followed official Islam spread to Astrakhan. In the same way the conflicts, clashes, and murders in the villages of the Kadar zone accompanied the Karamakhi Salafi jamaat as it was being formed. This casts doubts on the arguments of those who say that the radical Islamic communities were tied together by kindred and community bonds. Here we have an opposite process: an Islamic response of sorts to the crisis of public conscience in the country’s remote areas.

Comments to the table:
The table excludes an attempt at typologization—it concentrates on examples of the local Islamic alternatives. The latter are different forms of local Muslim self-organization and adaptation to market conditions. It turned out that sometimes they are realized contrary to the “natural” ethnic features and geographic boundaries and are bonded by social parameters and shared values. Even though the Salafi communities were based on the “area factor” and were formed within enclaves their development caused splits and severed kindred and community ties.

The revivalist movement follow the pattern: ignorance–narrow-mindedness–enemy image–attack. This proves that de-modernization and archaization of society are accompanied by radicalization and aggressiveness.
Conclusion

We have demonstrated that the multi-layered approach to Islam, which identifies its viable local segment, has a considerable heuristic potential. This approach helps understand the inner dynamics of the “Islamic alternative” as a complex social and political phenomenon. This reconfirms the old truth that the deeper the analyst goes into the past the more integral an image of reality he acquires.

The de-modernization conception offers a fairly exact explanation of the roots of the “Islamic alternative,” the different variants of which are society’s response to the systemic crisis of the 1990s and the collapse of the social institutions—the fall of the Soviet Union delivered a cruel blow to the ethnic and Muslim communities. No matter what the liberal ideologists say about the Soviet Union as a “totalitarian monster,” the Soviet epoch was a time of social modernization and flourishing ethnic cultures (even the smallest ethnic minorities acquired their own culture based on their written tongues and elites of their own), as well as budding civil awareness. Socialism gave the Muslims and ethnic minorities a modern free system of education, social guarantees, and free medical services. They were given the chance to increase their numerical strength and realize vertical social mobility. No wonder, says Austrian historian Andreas Kappeler, the Muslim peoples, with the exception of the Crimean Tatars, kept away from the nationalist-separatist movement of the perestroika period and did not contribute to the downfall of the Soviet Union.

The political system of today has deprived the ethnic and religious minorities of fair representation in the bodies of power; this is one of the reasons why the Muslims treat Russian democracy as an alien phenomenon. The ruling classes have unequivocally condemned everything “non-Western” in Russia. The liberal crowd in Moscow and the academic circles that serve it have absolutely openly betrayed their disapproval of the fact that there are ethnic minorities in Russia. At one time Sergey Averintsev said that “the existence of different peoples was accepted as a purely ethnographic fact”—today these peoples “are making their claims.” The state of affairs at the top level is supported by no less eloquent facts: in ten years (between 1992 and 2002), there were only three “ethnic Muslims” in the seven RF cabinets (154 ministers in all) appointed by former president Boris Yeltsin and President Vladimir Putin. There are no ethnic Muslims among the heads of Russian TV channels and the major press. Meanwhile, Russia is home to about 20 million Muslims, or 14 percent of the total population. This is how official Moscow demonstrated its attitude toward the national minorities, including the Islamic minority.

The de-modernization processes are graphically illustrated by the so-called reforms in the sphere of education. Russia’s newly formed educational system, open to commercialization, corruption, and degradation, is turning into a service sphere; it is no longer an institution of professional selection, social mobility, and realization of equal opportunities (we have already written about a direct connection between lack of knowledge and radicalization). Under these conditions, the Muslim youth is easily tempted by the Islamic educational alternative—pilgrimages under easy terms, free education abroad, and the prospect of coming back home an emir or a religious authority.

Islamization is an answer to the ideological “impotence” of the leaders of “new” Russia and the state’s inability to ultimately formulate a national idea and philosophy. By buying short-term political loyalty of the ruling clans of the Muslim regions, something that the Kremlin was doing throughout the 1990s, it pushed away the local people. They, in turn, rallied around the radical Islamic leaders

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27 See: D. Glinskiy, op. cit., p. 17. In the past three years only one more ethnic Muslim—head of the Ministry of the Interior Rashid Nurgaliev—joined the government.

28 State Duma Deputy from Daghestan M. Mammaev said in this connection that school education at the local level has been neglected for a long time. “Young people have no choice,” said he (Zavtra, No. 28 (608), 2005, p. 5).
who could offer a much more comprehensible “truth.” In a way it was the answer “from below” to the corrupt and crippled power in the center and the regions.

Islamic religious feelings grow out of the fact that the ethnic minorities are deprived of channels of vertical mobility and political representation of their interests at the all-Russia level; they are pushed out to the margins of the contemporary educational and information processes. 29

The process of Islamization in the local enclaves (Astrakhan and the Karamakhi) has acquired a logic and dynamics of its own. The story of the Astrakhan “mukhmins” testifies that the local “Islamic alternative” has large mobilization potential; the Muslim self-administering communities have shown that they can survive and protect themselves against persecution and economic risks.

29 See: D. Glinksky has offered the most professional description of this aspect (see: D. Glinksky, op. cit.).

AZERBAIJAN:
IRANIAN VECTOR OF RELIGIOUS REVIVAL

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Together with independence, the peoples of Azerbaijan acquired the freedom of worship envisaged in the republic’s constitution, which serves as the legal basis of religious resurrection in the country. The upsurge of religious feelings is partly explained by what a casual observer may take for a paradox. I have in mind the lack of spirituality caused, among other things, by the absence of religious continuity among the younger generation, which is willingly embracing Islam. Islamic religious and philosophical thought in Azerbaijan is struggling through an ideological fog to bring the nation back to its traditional moral and spiritual values. The traditional clergy and religious radicals exploiting the ideological vacuum left by socialism are little interested in the resurging interest in Islam and its potential contribution to the country’s rebirth.

In fact the clergy, which betrayed its inability to meet the current challenges, has become a serious obstacle for those who wanted to reach religious perfection: many of them cannot accept the archaic and even anti-social tradition which imposes ideological limitations and bans free thinking. Those members of the clergy who have retained their former role as Islam’s social-historical sheath allegedly designed to shape the religion’s environment are rejected together with the fossilized traditions. We should admit, however, that it was thanks to the conservative-minded clergy that religious resurrection in Azerbaijan did not acquire political hues. However, this should not be taken to mean that the clergy is not responsible for the deep internal and external crisis of religion in Azerbaijan.

Today, the revivalist movement, which has already acquired a fairly wide scope, stands opposed to the traditional religious leaders. It has failed so far to grasp the meaning of the key tasks civil soci-
ety should address on its road toward democracy. The revivalists passionately desire to cleanse religion of communist impurities; they cherish its spiritual harmony, while their approach to reforming Islamic rituals deserves attention. They have not accumulated enough internal resources so far to use religion to deal with the country’s major social problems.

In the current context of rapidly developing science and technology, as well as of rapidly progressing social and political thought, it is vitally important to encourage the creative momentum in religious thinking that channels spiritual energy into creation and reformation. We should bear in mind, however, that this may proliferate dangerous radical ideas willingly accepted in the context of weakened traditional religious bonds. In one of his articles, L. Medvedko wrote that it is the oligarchs who often place their stakes on the Islamic card and who spread their influence to the media to promote their selfish interests. This is where religious extremism may find its breeding ground. The author pointed out that everywhere across the post-Soviet expanse confessions are too weak to meet the steadily increasing social demand for spirituality, peace, and stability. The state and science should help religion restore its potential as a spiritual leader.1

To strengthen its statehood and legal system, the state should learn to tap Islam’s positive spiritual, moral, cultural, and intellectual potential in the interests of society. In fact, the absence of strict control by the state triggered the process of proliferation of extremism among the Muslims in some of the countries of what is called the Greater Middle East.

So far experts are unable to agree on the sources of Islamic radicalism. According to Russian academic Alexey Malashenko, the blend of politics and religion in Islamic radicalism was not caused by the geopolitical realities of today. This synthesis, he argues, is rooted in Islamic tradition.2 American Orientalist N. Keddie does not fully agree with those who believe that all aspects of everyday life of the faithful are completely regulated by Islam, thus bringing together religion and politics. He argues that the way of life of any social group is determined not so much by its religious convictions as by the forms of economic and social organization.3 Mahmud A. Faksh agrees that the Islamists are not devoted to the Muslim tradition; they are a product of the urban life style and consumer society: “They desire consumer goods and services, but are frustrated by being unable to obtain them. Indeed, the failure of the social and economic modernization policies in the Middle East is partly responsible for the surge of fundamentalism. The out-of-reach modern accoutrements are a principal cause of the people’s deep anger toward and resentment of their rulers and the West in general, whom they see as the authors of their misfortunes.”4

Ahmad S. Moussalli, in turn, has aptly remarked that the call for a revolution is sure evidence of the Islamic extremists’ non-traditional political orientation: “Muslims have traditionally accepted more or less unjust rulers who nominally adhered to Islamic law. Great jurists and theologians such as Ibn Taymiyya, al-Ghazali, and Ibn Jama’a demanded yielding to unjust rulers because the scourges of revolutions outweighed their possible benefits. The fundamentalists now view revolting against unjust and unelected rulers not only as a political doctrine, but also as an ethical obligation.”5

The problem is obviously rooted in the specific forms of Islam’s politicization, rather than in its basic tenets. The radical movements pursue concrete aims and as a rule are mere instruments of the global or regional actors (not infrequently this role belongs to the countries in which religion is part

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of the state ideology). The Islamic Republic of Iran (IRI) is the best example of this: it claims the role of the leader of the Muslim world and is actively promoting the idea of an Islamic revolution.

In Azerbaijan, which during the past ten years has been engaged in fighting religious extremism known as Wahhabism, which turned the Northern Caucasus into a hot spot, the radical Shi’a movements have been developing unnoticed. According to American researcher Tadeus Swietochowski, official statements never mentioned the danger of Shi’a fundamentalism since Iranian theocracy was at no time regarded as a direct threat to the Azerbaijani Republic’s stability.6

At the same time, according to recent statements by the leaders of Egypt and Algeria, as well as documents issued by the U.S. State Department and the CIA, the Iranian ruling regime is determined to export religious extremism to Islamic and Arab countries as part of its foreign policy. In the past few years, the IRI leaders have been holding forth about their intention to extend the area of the Islamic revolution. During his visit to Khartoum in December 1991, Iran’s President Rafsanjani declared: “The Islamic revolution of Sudan, alongside Iran’s pioneer revolution, can doubtless be a source of movement and revolution throughout the Islamic world.”7

As soon as they came to power, the Iranian clerics felt an urge to pass the revolutionary baton on to other nations: they all agreed that the revolution could be exported by promoting the Iranian model of power, but could not agree on how to do this. Some of them said that material and technical assistance to the oppressed Muslims in other countries was not needed for the simple fact that they would rise against the “Western-oriented, corrupt and repressive dictatorial governments” on their own. Others were convinced that export of revolution could not and should not be limited to propaganda—it should be supported by material and technical assistance in the form of charities, new buildings of madrasahs and clinics, financial support of religious political parties, etc. This was what Ali Khamenei and Rafsanjani were saying.8

Between September 1991 and February 1992, Rafsanjani’s government “spent more than $500 million and sent out 1,300 Islamic fundamentalist preachers to influence the newly independent Muslim republics of Central Asia.” On average, the mullahs have spent $100 million annually in recent years to reinforce and maintain their operatives in Lebanon.9

Azerbaijan obviously belongs to Iran’s sphere of interests, not only because the clerics would like to control the Caspian hydrocarbon reserves, but also because at least over 20 million Iranian citizens are Azeris. This is what brings the two neighboring countries closer together and what creates the differences in their relations.

Today, Iran is the only country demonstrating sustainable development: according to the CIA, between 1992 and 2002, its annual average GDP increased by 4.15 percent, the figure for 2002 being 7.6 percent. It should be said that in recent years the GDP growth rate of Pakistan and Saudi Arabia has been steadily dropping. In 2002, it was slightly over 2 percent in Pakistan and only 0.6 percent in Saudi Arabia. The relatively high literacy level in Iran is one of the factors of its economic success: in 2002, it was 81.9 percent, while in Pakistan only 45.7 percent of adult population could read and write.10

The high diplomatic activity of the IRI leaders adds to Iran’s political weight in the region. The same can be said about its close ties with the Russian Federation, in the nuclear sphere among other things, and, strange as it may seem, America’s foreign policy. On the one hand, the U.S. is striving to undermine Russia’s influence in the Southern Caucasus, while on the other, it wants a stronger Shi’a community in

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9 See: M. Mohaddessin, op. cit., p. 48.
Iraq. The June 2005 victory of conservative Mahmoud Ahmadinejad at the presidential elections in Iran is the Iranians’ response to the harsh statements coming from the American administration.

To translate into practice the idea of a single Iranian nation, the clergy is skillfully exploiting the Shi’a doctrine. What is more, the Shi’as in other countries are absolutely convinced that it is Iran that guards and develops the original Islamic tradition; they worship the Shi’a preachers. It looks as if the dissemination of the revolutionary ideas is intended to make IRI a strongpoint of Islam in the eyes of the faithful. Later the regime may become an uncontested religious authority or even acquire immunity of sorts.

So far nobody would call the advance of the Islamic (read Iranian) revolution across the Muslim world a triumph: it failed everywhere except Afghanistan (where it won at a certain stage of its development) and Sudan. The revolutionary idea lost its glamour because of poverty, corruption, human rights violations, support of terrorist movements abroad, and other ugly features of the Iranian clerics’ internal and external policies. The Iranian propagandists do not despair—this is amply illustrated by what is going on in Azerbaijan.

An Iranian Cultural Center in Azerbaijan promotes Islam and enjoys popularity among the local people. The local press writes time and again that its head, Ojag Nijat, proliferates “Khomeinism.” Since 1993, the Republican branch of the Imdad Charitable Committee named after leader of the Islamic revolution Khomeini has been working in Azerbaijan. According to information supplied by the bulletin published by the IRI embassy in Baku, by December 2002, 19,000 Azerbaijanian citizens (not counting 8,000 students) have been receiving aid from the Committee’s offices in nineteen cities of our country.

According to Ambassador Extraordinary and Plenipotentiary of the IRI to the Azerbaijanian Republic Afshar Suleimani, the Committee’s humanitarian aid to Azerbaijan amounted to $25 million. It was addressed to the refugees and forced migrants, as well as to poor young men. The local people may count on loans or donations to start small businesses.

Iranian influence is especially strong in the south of Azerbaijan: nearly a third of the functioning mosques are found there, as well as in Baku, Gəncə, and Nakhichevan. The Iranian propagandists working there spare no efforts to draw small and medium businessmen, as well as the youth to their side. They pay special attention to the activists courting Western countries and important international organizations and to those who seek the reputation of human rights activists and supporters of democratic changes.

This was what spiritual leader of the Iranian Shi’as Ayatollah Khomeini was trying to accomplish in the mid-1970s when in exile in Paris. He managed to win the Western media over to his cause by promising to respect human rights, guarantee democratic freedoms, put an end to the discrimination of women, and uproot corruption. This was very different from what the Shah was saying.

His true aim—a theocratic state in Iran—became absolutely clear several months after the revolution had finally triumphed in Iran in 1979. The Iranian and world public learned that from that time on the state would be ruled according to the vilaiat-i-fakih principle (a Muslim theologian ruling in place of the “Hidden” twelfth Imam).

In 1990, speaking at a party conference in Baku one of the leaders of the Iranian Tudeh party, Amir Ali Lakhrudi, admitted that the revolution of 1979 had come unexpectedly. Iraj Iskandari, who at one time headed the Central Committee of Tudeh, a pro-Soviet party, was much more apprehensive about the frantic activities of leftist Muslims, rather than of Khomeini supporters, whom he dismissed as a handful of obscurantists. 14

11 See, for example: 525-ci qzet, 5 August, 2003.
12 See: 525-ci qzet, 27 April, 2005.
13 See: M. Ganji, op. cit., p. 68.
As a result, the Iranians, instead of democracy, received a cruel suppressive regime aimed equally against the rightist political forces of the bourgeoisie and against those who had been fighting side by side with the clerics against monarchy. In his *Defying the Iranian Revolution*, M. Ganji supplied a detailed account of mysterious disappearances and deaths of many influential religious and political figures who refused to accept Khomeini’s political course: Defense Minister Mostafa Chamran, Ayatollah Seyyed Mahmoud Taleghani, Admiral Ahmad Madani, and Hossein Ali Montazeri. According to certain sources, nearly 20,000 of the young revolutionaries who took up arms against the ruling Akhonds were executed.\(^{15}\) The clergy limited its political pluralism to one opposition organization—The Freedom Movement of Iran headed by Mehdi Bazargan.\(^{16}\)

To correctly analyze the phenomenon of the Iranian revolution, we should try to understand why the religious radicals won.

First, they were promoting their convictions among the Shi’a Muslims, whose religious doctrine allowed them to act against unfair rulers. The traditional Sunni theologians, on the other hand, flatly ban similar actions. For example, Ahmad Ibn Taymiyya, a Muslim jurist of the 13th century and cherished today as one of the ideologists of radical Islam, asserted that it was much better to live under a despotic sultan than to live without any ruler and added: they say that sixty years with a despotic ruler is better than one night without a ruler.\(^{17}\) The reactionary ideas of the Kharijites, which in the 20th century acquired new political and ideological hues, were also popular to some extent among the Sunni Muslims. In this way in Iran Islam was associated with the struggle against dictatorship. For the majority of the local population, its religion was tied to the name of Imam Hussein, a grandson of the Prophet Muhammad. The traditional story says that he rebelled against an unfair ruler and perished when fighting against vastly superior forces in the city of Karbala. People readily embraced the idea of a revolutionary struggle against tyranny and oppression: for many centuries they have commemorated him by pouring into the streets on the anniversary of his death to follow a white war-horse led out of the city. During the years of the anti-monarchic revolution, millions of Iranians—the faithful Muslims, and secular intellectuals alike who lauded his fight against despotism in their works—accepted the Hussein-led rebellion as an example to be followed.

Second, the Shah regime which came to power as a result of the state coup of August 1953 banned many of the political parties and public movements, thus liquidating the democratic freedoms the nation had fought for and won after 1941. In 1957, the SAVAK secret police was set up with the active assistance of American and Israeli intelligence structures. “The shah’s secret police, SAVAK, brutally suppressed in the 1960s and ’70s all active opposition groups, notably the People’s Mojahedin. When the shah reluctantly eased the repression and restricted the powers of SAVAK in the mid-1970s, the Khomeini-led clerical network was the only entity outside the government capable of acting as a cohesive political alternative.”\(^{18}\) In his antigovernment propaganda Khomeini relied on the discontent of the broad popular masses, including the middle class, displeased with the social and economic problems, the widening gap between the rich and the poor, and the regime’s repressive methods of government. The monarchy had practically no social basis to speak of.

Third, the last period of the Shah’s rule was marked by a search for and elaboration of the conception of the country’s historical and cultural specificity. The culturological discourse

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\(^{18}\) M. Mohaddessin, op. cit., p. 20.
revealed that culture was socially conditioned and closely connected with the sociopolitical processes; it could express the antagonistic positions of various social groups. Such prominent public figures and thinkers as Seyyed Hossein Nasr, Ale Ahmed, Mehdi Bazargan, and Ali Shariati were deeply concerned with the way the country looked at Western culture and market relations. By the late 1970s, the nation had accumulated dissatisfaction with the Western cultural influence. In one of his articles, film producer Ali Abbasi wrote that he was no retrograde to oppose importing good foreign films of high artistic value. Yet, he added, the imported commodity for which the country paid was inferior films about millionaires or about adventures full of sex and cruelty. Being no much better than the vulgar and weak locally produced films, they debased the Iranian film industry even more.19

Khomeini and his supporters exploited the dislike of the Shah and his entourage shared by the ordinary people and intellectuals for their open flouting of the traditional values. Even though many were attracted by the simplicity of the Western mass culture, it had no philosophical and ethical basis to compete with the fundamental moral and ethical conception of Islam. For this reason, the Iranian revolution of 1978-1979 attracted the popular masses on a much larger scale than any other revolution of the 20th century.

This suggests that the revolution in Iran started as an anti-imperialist movement rather than a theocratic coup. Certain influential circles in the West deluded by the religious radicals’ democratic slogans and high-flown statements encouraged them and approved of their propaganda efforts. For certain reasons the attempts of the Shah’s regime to promote Islam mainly among the youth and illiterate villagers turned against the regime itself. The country was flooded with “masterpieces” of mass culture that destroyed culture as an instrument of spiritual improvement and created fertile soil for religious radicalism. It could only be expected because Islam is an instrument of self-identity for the Muslim nations.

The current social and political situation in Azerbaijan is very different from what was going on in Iran on the eve of the revolution. There are certain signs, however, that call for the close attention of our academic community and a careful analysis. It is only under the conditions of natural (evolutionary) development and promotion of Islamic thought, rather than through synthetic (revolutionary) methods, that the Muslim faith can preserve its purity and meet the spiritual requirements of its adepts.

Even in developed Western states, economic transformation is a complex and usually rather painful process. What is more, complete economic transformation during transition to the market is accompanied by extremely strong social upheavals. The fifteen-year practice of reforms in the post-Soviet countries has demonstrated so many diverse nuances that the need for a carefully elaborated individual approach to each problem in each republic and continuous adjustment of their transition strategies and tactics is crystal clear.

One of the most difficult and controversial questions is the degree of the state’s participation in enterprise and economic development management during and after privatization. Debates are still going on between the supporters of the conceptions of a “strong” and a “weak” state. In different countries, both conceptions demonstrate several strong and weak aspects and the arguments of the participants in the debate are becoming broader, but there are still doubts about the specific benefit to be derived from implementing their proposals. However, these countries have already accumulated a fair amount of experience in economic transformation, the study and elucidation of which can promote a more rational solution to the problem as a whole.

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The Issue in Brief

During recent years, a large number of articles by leading Western and Russian experts has been published criticizing the organization of the reforms in Russia. They reflect the approaches of several Western specialists and financial institutions toward the economic changes in the CIS countries and China, where intensive economic progress is obvious. Some leading apologists of the Western economy, as well as Russian researchers (J. Stiglitz, J. Galbraith, D. Ellerman, P. Reddaway, I. Minervin, R. Grinberg, and others) conducted a comprehensive analysis of the mistakes made and their consequences. Most of the conclusions are similar: the Washington Consensus doctrine and shock therapy did not justify themselves. Artificially accelerated reforms, which began without the proper preparations and a precisely adhered-to sequence of measures and did not take into account the economic and social features of the countries undergoing reform, have led to the development of perfunctory pseudo-market institutions, an economic downslide, the formation of oligarchic structures, a crime-prone situation, and serious social consequences.  

This is in spite of the already existing example of successful reform of the Chinese economy. This country, which had less favorable starting conditions than Russia, was able to bring about positive economic changes and achieve a significant rise in the standard of living within a relatively short time without major social upheavals. According to most researchers, one of the main reasons for China’s success is the leadership’s unique approach to the role of the state while carrying out the reforms and forming market relations, as well as to the general development of the economy. Here it is appropriate to remind our readers that the Washington Consensus doctrine actively promulgated by the International Monetary Fund and basically accepted by official Moscow is based on rejection of the state’s active role in the development of the economy and on a severe cutback in its functions. As a result, several of the countries which chose this path lost control not only over the economic, but also over the political situation. Beijing’s strategy, however, was implemented under conditions of a relatively closed economy and within the framework of long-term state programs, which made it possible to maintain strict control over the movement of capital and the use of resources, determine and regulate the priority directions of development in a timely fashion, and slow down market spontaneity by means of stable functioning of the state sector. 

Chinese specialists themselves conclude that the positive features of the reforms (in counterbalance to the Russian doctrines) consisted of the following: 

- Exerting efforts to create something new without destroying the old. Market entities were not formed by destroying state production structures, but by filling in the missing links with new commercial structures. Reform was directed from the very beginning toward decreases...
ing the economy’s short supplies. Internal reserves were mobilized for this and the state actively attracted foreign investments.

- Stimulating economic initiative at the micro level, with strict government control of the macroeconomic situation, as well as timely adoption of measures to prevent its imbalance.
- Ensuring primary orientation toward meeting the population’s demands for food and consumer goods, which ensured universal support of the reforms.

The International Monetary Fund was called upon to play an active role in rendering financial aid to countries undergoing reform. But at that time the granting of privileged loans hinged on these countries executing the Washington Consensus doctrine. Far from all the post-Soviet states followed the example of the Russian Federation and went the path recommended by the IMF. Several of them agreed to only partial introduction of the suggested measures (in exchange for loans), and some, for example, Turkmenistan and Uzbekistan, did not accept the conditions of the Fund and refused to cooperate with it at all. When analyzing the results of these reforms, James Stiglitz, for example, noted in particular that the countries criticized earlier for the slow pace and incompleteness of their reforms, such as Uzbekistan and Slovenia, were able to avoid serious problems and now look much better than the countries where the recommended models were adopted, such as the Czech Republic.\(^5\)

The scope of the reforms in the CIS countries and Eastern Europe has no precedents. It is obvious that there is no clear and direct path, each of these states is undergoing economic and social upheavals to one extent or another. In this situation, the root of the problem is not artificial strengthening or weakening of the state’s economic policy in an attempt to reach the end goal as quickly as possible, but ensuring harmonious coexistence, development of political and economic structures, and optimal distribution of spheres of influence, obligations, and freedoms at different stages of the reforms. In-depth research of the reform models being implemented make it possible to better comprehend the essence of the processes going on and alleviate their negative consequences.

The Central Asian countries are particularly interesting in this respect. At the beginning of perestroika, they all had essentially the same starting conditions, but as time went on their paths significantly diverged: the reforms in each country have a different dose of the special features of both the Russian and the Chinese strategies.

### 1. Conceptions of the Reforms and Economic Development

There are significant differences in the data of the international financial and research organizations regarding the degree of advance of the reforms in the Central Asian countries and their economies. Therefore, to form an overall picture, we decided to use the data of the EBRD as the most complete and convenient for comparison. According to the bank’s indicator assessment, by the end of 1994, the comprehensive final indices of market infrastructure development in Kazakhstan, Tajikistan, and Kyrgyzstan were essentially identical. Uzbekistan stood a little higher, achieving high rates of reform in almost every area from the very beginning, while the Turkmenistan government carried out a very modest series of measures aimed at partial privatization of the housing fund, public service enterprises, and trade.

Further, the picture begins to significantly change. State power in all the republics is building up its influence, but to different degrees. The development of market relations is stabilizing, in several

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cases even decreasing, and very positive aspects of active interference of the “strong” state in the leading branches of the economy and its diversification are being observed. The republics of the region mobilized their own resources and attracted large foreign investments for developing priority branches, and since 1995, the GDP has been growing. It is only decreasing in Turkmenistan, but this does not have anything to do with the reforms; due to price differences, Russia stopped buying Turkmen gas and cut back its transit. Later sales normalized, enterprises of the oil and gas sector diversified, the GDP increased, and by 2002, the country reached the pre-reform indices at the same time as almost universally reformed Kazakhstan, after leaving Kyrgyzstan far behind (see Figure). Despite all their similarities, the economic reforms in each country have significant special features.

As for Kazakhstan (the model of a “weak” state), it carried out its reforms at a rapid rate. By 2001, most small and medium business enterprises had been privatized, as well as a significant number of large industrial and agricultural enterprises. In 2002, the private sector’s share of production in the industrial sphere was higher than 83% of the total production volume, and personal holdings and farmers produced more than 77% of the gross agricultural product, while the state’s share dropped to 1.3% in construction and to 0.4% in trade. Banking reform was also carried out. Between 1997 and 2000, the banking sector’s own capital (in currency equivalent) increased more than two-fold, and total assets 1.6-fold. As of 1 October, 2004, 35 banks were functioning in the republic, the total assets of which increased by 34.4% during the first 9 months of this year alone. The percentage of investments in basic capital increased from 8.2% in 1999 to 28-31% in subsequent years. The main domestic and foreign investments go to the oil production and refining branches. According to the data of the Kazakh Institute of Economic Research (IER), the average annual increase in oil production reached 5.7 million tons, and the petroleum factor ensures approximately 47% of the annual increase in the GDP. So the economic upswing is still largely being maintained by means of the production and refining of rich supplies of minerals.

As for Kyrgyzstan (the model of a “weak” state), this country, which does not have large supplies of minerals or a developed production branch, was in a difficult position. So the republic immediately agreed to essentially all the conditions prescribed by the International Monetary Fund and reformed its economy so intensively that as early as 1995 it had surpassed all of its neighbors in terms of development level of market relations. But this was not followed by a stable increase in the GDP and the foreign trade balance remains negative. Large amounts of aid from international financial structures did not help either: between 1992 and 1994, the country received approximately 258 million dollars in reform support alone, while the total amount, according to the reports of the financial organizations themselves, topped 1.5 billion dollars by the beginning of 2003. When calculated per capita, this is more than four-fold higher than the aid allotted to “disobedient” Turkmenistan and Uzbekistan. But the social discontent, which prompted a forced change in government, and the consistently negative foreign trade balance are very serious signs of an economic downslide, so it is still too early to talk about the efficiency of the reforms (despite the many years market economy institutions have been in existence).

The economic situation in Turkmenistan (the model of a “strong” state) is giving rise to a host of contradictory opinions due to the country’s information vacuum. The official statistics show the presence of functioning market institutions and high development rates of essentially all the branches.

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of the national economy, noting certain failures only when they have already become internationally known. It is very likely that the indices of recent years (the rise in the GDP of more than 20% a year) were in fact somewhat higher than in reality. But the indirect data available confirm the high rates of economic development: in the past 3-4 years, export has increased more than two-fold. Gas, oil, and
petroleum products account for more than 80% of the deliveries abroad\(^\text{11}\) (mainly natural gas and petroleum refining products), the production of which is controlled by the government and is being intensively developed. The foreign trade balance, an index which is extremely difficult to distort in any way, is positive and steadily rising.

Uzbekistan (the model of a “strong” state) immediately began developing market economy institutions at a high rate. Within the framework of legal reform, the functions of the state administration bodies were significantly changed, a corresponding basis for developing the banking sector for small businesses was created, the tax system was reformed, and the social security system became more targeted. But if we take a closer look, the heavy hand of the state can be clearly seen, the economic policy of which contradicts the classic principles for developing market relations, but nevertheless largely promotes overall economic growth.

Primarily a course was steered toward retaining the state’s presence and regulation in all the most important branches of the economy. Budget revenues amount to 35-45% of the GDP, and the overwhelming volume of export-import transactions has been centralized.\(^\text{12}\) Immediately following the liberalization of prices, a distributive-regulatory system was introduced on several types of foodstuffs; most large and medium enterprises have been turned into joint-stock companies to where the state still actually owns them; strict regulation of foreign trade has been preserved; the state established prices for cotton and grain through a state order system and also reserved itself the right to distribute loans and regulate hard currency.\(^\text{13}\) Budget funds were used to reinforce the production base, raise the production of oil and gas, provide the country with its own grain and energy resources, and develop the production of several commodities which used to be imported. This led to economic growth, and since 1998 the foreign trade balance has been positive.

**Dynamics of the GDP as an Indicator of the Development Level of the Market and the State’s Strength?**

At the current stage, it is still rather difficult to determine which state has profited (or is profiting) and whose strategy is the most correct. Particularly since the generally accepted aggregate indices of the rate and the states’ level of economic development can far from always serve as an objective characteristic of the efficacy of the reform processes. Other factors also have an immense influence especially on the development of the economies of relatively small countries oriented toward raw materials and with rich supplies of natural resources. The fluctuation amplitude of their economic indices depends to a much greater extent on the production, refining, and raw material sales volumes than on the level of development of market relations and the efficient operation of industrial enterprises.

In turn, the objectivity of a comparison of the development levels of market relations in these countries is also relative. One of the reasons is legislative and terminological differences, which are not always taken into account when making comparisons. In several CIS countries, for example, joint-stock companies legislatively belong to structures with private forms of property (regardless of the state’s share in them). In this way, large state enterprises and entire branches are theoretically priva-

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\(^{13}\) Ibidem.
tized, while remaining as before essentially in the state’s full ownership, with the ministries and departments fulfilling the functions of surrogate holding structures. So today, it is important not so much to lament over the mistakes made and over the insufficiently universal competence and applicability of the economic theories, as to study and generalize the experience accumulated in this sphere in order to prevent more mistakes in the future. The sooner this happens and the greater the number of factors taken into account while planning further reform, the greater the chance of preventing future errors and difficulties. In this respect, we decided to concentrate our attention on an in-depth analysis of one of the most important aspects, on the special features of privatization and development of corporate management in different reform strategies.

2. Formation of a Multifaceted Economy in Kazakhstan and Uzbekistan

The strategies of these two regional countries based on different approaches were chosen for study. The study was carried out with the participation of specialists from the Institute of Economic Research of the Kazakhstan Ministry of Economics and Budget Planning and the Scientific Research Institute for Intensifying Market Reforms under the State Property Committee of Uzbekistan. During the studies in 2004, a survey of the managers of several enterprises was also carried out, the opinion of whom made it possible to gain a fuller picture of the privatization process and current corporate management system.\(^{14}\)

2.1. Privatization and Development of Corporate Management in Kazakhstan

Among the Central Asian countries, this republic has adopted a reform strategy which is closest to the Russian. Admittedly, it is being carried out in a softer way than in the Russian Federation. At the initial stage (1991-1992), attention was concentrated on partial privatization in trade, public services, and agriculture. During this time, more than 6,500 enterprises shifted to the nongovernmental sector of the economy: about 20% to private individuals, and the rest to work collectives (in forms of collective property or joint-stock companies).

The goal of the second stage (1993-1995) was to create conditions for a transition to a market economy based on the personification of property rights by means of gratuitous transfer of facilities belonging to the state. There were plans to further privatize trade, public utility, and public service enterprises by means of auctions and tenders; “mass privatization” of medium enterprises (with staffs of between 200 and 5,000 people); privatization according to individual projects; and privatization of state agricultural enterprises (collective farms and state farms).

Mass privatization presumed realizing citizen rights to a share in state property. The republic’s citizens received investment coupons on a free basis which, in contrast to the Russian vouchers, could not be passed on to anyone or sold. Shares in special private investment privatized funds (IPF) could be bought with the coupons, and these IPFs bought up the shares of state enterprises at auctions.

On the basis of individual projects, enterprises with staffs of more than 5,000 employees and/or of special state significance (about 170 facilities) were privatized, mainly the extraction industry and

\(^{14}\) The information presented further in the text without reference to the sources was provided by the indicated institutions, obtained on the basis of the survey, or is the result of the author’s own calculations and observations.
natural monopolies. Facilities were sold on a chargeable basis. There were no general conditions for distributing shares and sales; international tenders and contracts were to be carried out. The determining factor was the investor’s consent to settle the debts of these enterprises and attract investments for their further development.

At the third stage (1996-1998), privatization was carried out of large enterprises of the leading production branches and their subdivisions, the state’s share in several corporate structures, enterprises of the social sphere, and the property of bankrupt enterprises (at auctions).

The following programs began in 1999: transfer of the right to own and use the state’s sets of shares to branch ministries and departments; division of state property into republic-level and municipal for the purpose of increasing the income of local budgets and decentralizing investment policy; and attracting capital by selling state property to investors who assumed obligations to carry out relatively long-term investment and/or social plans.

At present, the privatization process has essentially been completed, the nongovernmental sector accounts for more than 85% of investments, it produces more than 80% of industrial production, and government policy is mainly aimed at creating conditions for the efficient use of state property.

Privatization Problems

At the first two stages, a wide range of negative consequences was noted: privatization was carried out during a general economic slump, incomprehensively, and in an economic and legal space not prepared for this process. The legislative system was only just developing, and partial liberalization of prices led to a slump in enterprises selling production at hard prices. And during the actual course of privatization, serious mistakes were made.

At first, there was an attempt to artificially correlate three difficult-to-combine processes: observing social justice during the division of state property; privatizing enterprises in order to increase their efficiency under the management of a private businessman; and retaining state control over their activity. This all began with property evaluation and choosing a buyer according to the subjective assessments of the officials authorized to do this, which led to ubiquitous corruption, the sale of enterprises at artificially low prices, mass dismissals, speculation of acquired property, and a production slump.

In the spring of 1992, the government made an attempt to assume stricter control over the process. A decree was issued defining a single privatization mechanism and standard distribution of shares: 25% to the collective, 10% to related enterprises and physical entities (in keeping with the nominal cost and stock market exchange rate), and another 10% to foreign investors, if such were found, but the control set of shares remained with the state. In other words, the state still had control over the enterprise (admittedly, bonuses were replaced with dividends), and the state bodies appointed directors who, aware that their position was only temporary, strove more often for personal gain than for the promising development of production.

Enterprises included in the mass privatization program found themselves in an even more difficult position. They were transformed into joint-stock companies, then up to 10% of their shares were gratuitously transferred to the employees (in the form of privileged shares), and after that no less than 51% of the shares were put up for sale at coupon auctions for the IPFs, that is, the state was to be left with no more than 39%. The sale was of course perfunctory—shares were exchanged for coupons. As a result, privatization turned into the free handout of state property to an impersonal mass of share-

holders incapable either of efficiently managing this property or of investing in the development of the enterprise. Shareholding played the role of an instrument of property distribution, and shares were viewed as a source of dividends from someone else’s profit, and not as a means for attracting investments in the enterprise’s development. Nor were the IPFs suited to managing production, and the control sets of shares essentially remained in the state’s hands.

The Program of Privatization and Restructuring of State Property in the Republic of Kazakhstan for 1996-1998 adopted at the beginning of 1996 was aimed at privatizing the leading enterprises of the electric power, oil and gas, petrochemical, metallurgical, mining, and transportation-communication complexes. There were plans to carry out parallel privatization of the agroindustrial complex and also begin it in health care, national education, science, and culture. An important feature of this privatization stage was the mechanism for transferring facilities to the external management of foreign investors. The country succeeded in attracting foreign capital, but even here there were problems. Several enterprises fell into the hands of non-core companies, which tried to re-profile them, but not always successfully, or the management quality was not always sufficiently high. It was in these enterprises of the leading branches that a drop in production was noted.

Privatization played its part in aggravating the problems of single-profile small towns. Due to the shutdown of the main enterprise, which was a township-forming base, most of the residents were deprived of their means of survival. Municipal housing facilities are often also on the balance of these enterprises, which is leading to a deterioration in the financial situation and to an increase in debts.

Nevertheless, despite several remaining problems still to be resolved by the government bodies, most small and medium, as well as a significant number of large enterprises were given the chance of running themselves independently. And the state is mainly regulating the further development of the production and non-production branches with the aid of market mechanisms.

Corporate Management

The situation is improving with respect to the development of the institutional and functional foundations of the corporate management system, although several problems must still be overcome. The most striking of them are:

- Participation of the banking system in corporate management is normalizing, although banks cannot provide enterprises with loans in the required amounts. One of the reasons is the relatively low level of personal savings in their accounts due to the deep-seated mistrust of banks and the frequently changing legislation. A significant number of residents with average incomes prefer to keep their money at home, and what is more in freely convertible currency, and those with high incomes keep their money abroad. Due to the insufficient transparency of many corporations, people are not buying company shares either.

- Legislation envisages a certain amount of protection of the rights of small shareholders, but observation of these rights often becomes a problem in itself. On the one hand, local specialists and shareholders believe that judges are still not experienced and qualified enough to resolve such problems. And on the other, according to external observations, judges are in a difficult position due to the gaps and contradictions in the legislation.  


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A survey of the employees of food industry enterprises showed that, in most cases, the director makes decisions on the most important problems, while the influence of the board and supervisory council is extremely perfunctory. But the qualifications of the directors often leave much to be desired. According to the respondents, only about 10% of the directors have sufficiently good knowledge about the market situation and are able to expediently analyze it.

In response to a question on the problems of production growth, all the survey participants noted the shortage of qualified staff and circulating funds, as well as the unavailability of loans. In so doing, the interest rate of banks on investments is 23-25%, as a result of which it is not profitable to take out loans for production development.

At the same time, according to managers, working conditions have significantly improved over the past three years, while the success of an enterprise depends mainly on its own efforts. The responses demonstrate the clear predominance of a feeling of own responsibility and a striving for innovative business, while hopes for government assistance have significantly decreased, as well as for the state’s involvement in the enterprise’s economic activity. A relatively “weak” state is gradually making such people “strong.”

2.2. Privatization and Development of Corporate Management in Uzbekistan

Uzbekistan chose a strategy of strictly controlled gradual reform of property forms (closer to the Chinese strategy). It is based on the idea of parallel development of independent private business and the privatization process. The main goals it envisages are as follows: maximum possible reduction in the production slump caused by the reforms; formation of a property owner capable of acquiring and efficiently using state property; accelerated development of the infrastructure of this business and corporate management; development of competition; and formation of a system of targeted social support of the population. This work was carried out in keeping with the following main principles:

Parallel to the development of independent private business, controlled gradual privatization was supposed to ensure the systemic and smooth implementation of the reform of property forms, based on programs of overall economic development, and eliminate the arising disproportions in a timely fashion.

In contrast to Kazakhstan, total rejection of voucher privatization. The reasons: this privatization deprives the property owner of his personal character, that is, does not provide for his active participation in the enterprise’s management; the enterprise does not receive additional investments; there is a negative psychological aspect—gratuitous property is evaluated and used less responsibly than property acquired for a certain sum; the population is psychologically unprepared for the efficient use of vouchers—the danger increases of oligarchic and criminal structures emerging; and finally, voucherization is incapable of realistically ensuring social justice. Some revenue from the sale of state property was to be used for social needs.

Privatization on a chargeable basis for the same reasons. An exception was made for social infrastructure and environmental protection facilities on the balance of enterprises, as well as for the purchase of property by the work collective. Housing was privatized under privileged conditions, several impoverished categories of citizens received it free of charge.

The transfer of enterprises together with resolving the problem of downsizing large firms and demonopolization of current production and management structures. Trade facilities and service spheres were separated from many enterprises undergoing privatization into independent entities, and if economically expedient and technically possible, into auxiliary and service workshops and sectors.

At the first stage (1992-1993), trade, public service, consumer cooperation, local industrial enterprises and the housing fund were privatized. The main methods used at this stage were sale of the entire enterprise to one physical or legal entity, reacquisition by members of the work collective, and transformation into a closed joint-stock company. In 1993, a small number of open joint-stock companies were created.

The second stage (1994-1998) comprised mass privatization of enterprises of the food and light industries, machine-building, construction engineering, and the building industry, automobile transportation, and other branches (apart from natural monopolies). Some of them went over to physical or private legal entities, others were transformed into limited liability companies (OOO). In order to attract the population, 85 privatized investment funds (PIFs) were formed, of which around 80,000 citizens of the republic became shareholders.

At the third stage (1999-2002), privatization of large enterprises of the main branches of the economy began (based on individual projects). Special attention was paid and continues to be paid to attracting foreign capital. Foreign investors were given the opportunity (on a competitive basis) to purchase enterprises in their entirety, as well as buy large sets of shares in joint-stock companies. What is more, beginning in 2002, permission was given to transfer enterprises to the authorized management of investors with the right to their subsequence reacquisition with a five-year deferment of payment, providing specific investment obligations were assumed.

In keeping with the initial setup, the state’s influence on the management of privatized enterprises was and remains quite strong. And the reform of ministries and their subdivisions into associations and holding companies did little to change the essence and principles of this management. The levers of influence vary here from retaining possession of the control set of shares and changes in legislation to denying those private enterprises which do not wish to obey the right to acquire limited production resources distributed by the managing bodies, as well as making the licensing of activity of disobedient enterprises more difficult.

**Problems of the Privatization Period**

At the first stages, sets of shares of enterprises undergoing privatization were distributed as follows: the state retained ownership of up to 25%, members of the work collective were allotted up to 25%, up to 30% went up for free sale, up to 10% to related enterprises, and foreign investors were given the opportunity to purchase no more than 10% of the shares. In so doing, the sum percentage of government and work collective shares could not exceed 49%. After reform of the investment-attractive enterprises in certain branches, a large percentage of their shares (up to 60-80%) went to private investors. PIFs and foreign investors became the owners of the largest sets of shares. They were sold up to 49% of the shares of several open joint-stock companies on the basis of individual government
decisions. As a result, in some joint-stock companies, the total percentage of shares going to PIFs and foreign investors reached 50-70%.

Soon it was discovered that with less than 25% of shares owned by the state, the government structures which managed these shares were losing control over the enterprises belonging to them. Judging by the fact that less than 0.4% of the population were PIF shareholders, the total size of the funds of these enterprises must have been relatively small. But at the end of 1997, the government adopted a decision which reversed the changes in the structure of share distribution. According to the new scheme, the state’s percentage of shares was to amount to 25%, the work collective’s to 26%, foreign investors’ to 25%, and 24% was to be put up for free sale. During the reform of enterprises of special significance for the country’s economy, the state’s share does not go below 51%.

At the same time, 25% of the funds received from the sale of shares is returned to the enterprises undergoing reform for developing production, and no less than 50% of proceeds from the sale of the shares of enterprises in the leading branches (power engineering, telecommunications, railroad transport, and so on) is left at the disposal of these branches.

According to the republic’s specialists, during privatization, several negative factors were noted:

- The formation of collective enterprises did not yield the expected results—the members of the work collective did not become effective property owners. On the one hand, the percentages of the enterprise’s authorized capital obtained on privileged conditions were insufficient for inspiring their owners to take effective action, and on the other, many members of the work collective did not have the knowledge and experience necessary for carrying out management. Enterprise directors took advantage of this. Having extricated themselves to a great extent from the state’s control, they acted more in their personal interests than in the interests of their enterprise. So the latter were then transformed into open joint-stock companies and limited liability companies.

- At the time of their transformation into open joint-stock companies, more than 80% small and medium enterprises had an authorized capital amounting to no more than 50,000 dollars. It was not taken into account that this process requires additional non-production expenses associated with the issuing and placement of shares, keeping a shareholder register by an independent registrar, publication of the results of economic activity in the mass media, obligatory carrying out of audits, and so on. And such expenses have a negative effect on the results of their financial and economic activity. The highest result was achieved during the reform of these enterprises into limited liability companies or during their sale.

- At the initial stage, a large number of enterprises were sold at their balance cost (much lower than the market price), and over time these same facilities were resold at market cost or re-profiled.

**Corporate Management**

Corporate management of privatized enterprises until 2003 was essentially perfunctory:

- a decision of the supervisory council of a joint-stock company could not be adopted if a state authorized person in this joint-stock company or a trustee managing the state’s set of shares did not vote for it;
a state representative had the right to stop the execution of a decision by the general assembly of shareholders;

the transfer of the state’s sets of shares to the authorized capital of economic associations was allowed (with the transfer of the right of trust management);

the combination of membership in the revision commission and supervisory council with work for hire in the same joint-stock company was allowed and practiced, which led to manager arbitrariness.

All the same, the nongovernmental sector grew. It became obvious that if the state continued to exercise the same control and management over enterprises as before, it would hold back economic development.

In April 2003, all the above-listed provisions were cancelled. The responsibility of joint-stock company managers was legislatively raised, the procedure for their replacement was simplified, and the salary of employees of the corporate management structures was made directly dependent on the efficiency of the particular corporation’s work. The enterprises’ reaction was not slow in coming: general shareholder assemblies were held in 95% of more than the 4,100 joint-stock companies registered in the republic, at which decisions were adopted to replace almost 18,000 members of the supervisory councils, revision commissions, and approximately 500 chairmen of the board. This significant qualitative shift was to lead to a significant increase in the efficiency of the corporate management mechanism. Then the government began paying special attention to reducing the influence of authorized state structures on the activity of privatized enterprises, as well as to the problem of their holding back the privatization process and the development of corporate management.18

The priority areas for 2004 were as follows: “implementing administrative reform aimed at a sharp reduction and limitation of the state’s presence in the economy, radical changes in the structure and system of management, elimination of its unnecessary links; ...elimination of the centralized distribution system, and transfer to market mechanisms for selling material resources.”19

The results of an anonymous survey of the directors of 76 enterprises of the light and food industries carried out in 2004 confirm an improvement in the situation. Interference by state representatives in the resolution of the internal issues of these enterprises has significantly decreased. (Its negative influence was noted by only 11% of the respondents.) Management boards still participate in making the most responsible decisions, but the accent has clearly shifted toward enterprises becoming more independent (a positive evaluation was given by 92% of the respondents). The greatest obstacles were insufficient development of the market infrastructure (36%), bureaucracy (34%), difficulties with obtaining loans (32%), the low efficiency of executing the decisions of economic courts (21%), and the corruption of officials and courts (16%). Current legislation approves most managers, and enterprise directors see economic associations as real assistants in providing material resources, loans, and sales markets.

During the privatization process, the “strong” state succeeded in curbing the production slump, and partially corrected the disproportions and mistakes that arose. But in contrast to Ka-

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18 See: Ob itogakh razvitiia ekonomiki i sotsialnoi sfery za pervoe polugodie 2003 goda i realizatsii mer po vazh-
neishim prioritetsnym napravlenium reform v etikh sferrakh. Reshenie zasedania Kabineta ministrov Respubliki Uz-
uk07182003.htm].

19 See: Ob itogakh sotsialno-ekonomicheskogo razvitiia, otsenke khoda ekonomicheskikh reform v 2003 godu i os-
ovnykh napravleniakh dalneishei liberalizatsii ekonomiki v 2004 godu. Reshenie zasedania Kabineta ministrov Respub-
uk07182003.htm].
Kazakhstan, this type of management slowed down the development of initiative and increase in the responsibility of the management of the enterprises themselves. And the fact that they see economic associations (essentially state structures) as assistants in providing material resources shows the absence of an open market of these resources and retaining principles of the distributive system.

3. So is It to be “Weak” or “Strong?”

Both countries are taking different roads to the same destination. Kazakhstan has created a better market infrastructure and corporate management system. But there was a greater production slump in the country at the transition stage. In spite of a certain lag in development of the institutions of a market economy, Uzbekistan is resolving the problems it faces with sufficient confidence. In contrast to Kazakhstan, it managed to avoid such a severe production slump and reached the pre-reform level a year earlier (see Figure). The negative phenomena during privatization were largely similar. Neither collective enterprises, nor pseudo-market branch management structures, nor gratuitous and/or privileged transfer of state property, nor artificially formed privatized investment funds justified the expectations placed on them. In both republics, there is much more efficient development of independent business and purchase of enterprises by private business structures, which have already accumulated a certain amount of work experience under market conditions.

The reforms are continuing and there are still no convincing reasons to draw hasty conclusions about the clear advantage of the strategy of the “weak” or “strong” state at this stage. It is impossible to avoid failures in any strategy, there are no universal remedies. What is more, we do not believe the juxtaposition and comparison of the “strength” of a state and market institutions as the generator of economic development and efficient market relations to be entirely correct. It is utterly obvious that without a “strong” state legislative and executive power, without control and regulation of the institutions of corporate management, and without effective policy in the social sphere, there can be no efficient functioning of the economy. We can present many examples of the building up by “weak” states of their own “strength” in the economy. These processes are usually just as painful as during shock therapy for facilities on which the state bodies have a particularly sharp eye and the population groups associated with them.

The establishment of market relations in the country’s economy and the development of state structures ensuring the correct and efficient development and functioning of the market are two very close and interrelated, but different problems. Their functions are different, and in order to ensure the harmonious development of the economy, each structure should resolve its own tasks and be irrefutably “strong” with respect to its own obligations.
A

n analysis of the formation of federative relations in Georgia shows us there is no clear concep-
tion of their development prospects. The inconsistency of the transformations in this area is
manifested primarily in the ambiguity of property relations, the contradictions in the inter-budg-
etary sphere, and so on. But these facts are not the cause, rather they are the effect of the overall low
level of theoretical development of a corresponding state structure model.

All of these problems have led to a situation where the formation of socioeconomic components
is being confused with the regulatory attributes of a federative state. After all, there is a qualitative
difference between them, and history shows how underestimating them leads to serious negative con-
sequences. The methodological meaning of these differences is as follows.

A federation arises when this form of state is recognized as beneficial to society, in other words,
when it meets society’s interests. So a vital prerequisite of the federalization process is achieving a
certain qualitative level of social relations throughout the entire system, including in the socioeco-
nomic, ethnopolitical, regulatory, and other spheres. From this it follows that even though the con-
stitution and other legislative acts of a state may declare it a federation for all external intents and
purposes, in the historical respect, a different cause-and-effect relation comes into play here. Its gist
lies in the fact that, first, socioeconomic, political, and other prerequisites of the formation of such
a state come to maturity, then a corresponding interest forms among the population, and only after
that does the law register the fact that the fundamental principles of federative relations have been
created.

If we uphold the viewpoint that the appearance of a federative state is largely related to the drawing
up and constitutional enforcement of regulatory instruments and institutions for regulating federative
relations, it is logical to acknowledge that the motive behind choosing this form of statehood is not the
interest of society or citizens, but the desire of lawyers to find ways to substantiate the political de-
mands of certain interest groups. This scenario was played out, for example, in the Soviet Union. But
the collapse of Soviet, as well as of Yugoslavian and Czechoslovakian, “federalism” showed the flim-
iness of the formal federations that arise out of such choices.

If our arguments are accurate, two conclusions can be drawn which do not intrinsically contra-
dict one another. The first is that the sustainability and development of the federative form of state
are ensured by organizing the reproduction process in a specific way. The second is that a specific way of
organizing the reproduction process in federative states also causes the emergence of a specific power
vertical which differs from the corresponding vertical in unitary states.

Unfortunately, our scientists have essentially given no attention to studying the socioeconomic
features of the federalization process. Debate largely revolves around the legal aspect of the problem
or, at best, around questions relating to the technique for improving inter-budgetary relations, the
distribution of property among the federation and its constituents, and so on. But even though they are important, these questions are only the specific. I repeat, technical sides of federalization. Whereas the individual decisions being adopted here can both help to strengthen the foundations of federative relations in Georgia, as well as raise obstacles to this process.

In this respect, we will take a look at three groups of problems: the economic content of the principles of federalism; the special features of Georgia as a reform object and the applicability (or inapplicability) of the principles of federalism to it; and how expedient and promising it is for our country to move toward federalization of social relations.

The socioeconomic aspect of federative relations, just like the socioeconomic sources of their emergence, has far from undergone complete analysis. An exception is perhaps the studies which look at the problems of budgetary federalism. But we find a methodological vacuum when it comes to such questions as the development of property relations, the economic principles for implementing social programs, and so on, which are characteristic of the federative form of statehood. We believe the reasons for this do not lie in the shortcomings of theory, but in the special features of the historical experience of the emergence of contemporary federations. They arose and became consolidated as a special form of statehood, first, during the development of market relations, and, second, during the formation of national states.

These processes, which began to gain momentum approximately 350 years ago, coincided in both time and space. The market adapted to the form of statehood (unitary or federative), but at the same time this form adapted itself to the market. If we remember that market relations developed spontaneously, we can understand why scientific thought at that time concentrated primarily on evaluating the level of civilian freedoms which the federation could ensure within the framework of the bourgeois system. Nor in subsequent periods did the need arise for these studies. Market and federative relations came about historically, which in turn required that economic science pay attention not to theoretical questions, but to practical problems, that is, to improving the mechanisms (techniques) for regulating these relations.

The traditional gap between economic theory and the practice of forming federative relations gave our scientists several principal and unprecedented questions to ponder. They were brought up by the fact that at the end of the 20th century, economically developed federations (like unitary states too) moved into a new qualitative state due to social re-orientation of the economy, which led to a shift toward a different quality of growth. And this transition, in turn, promoted an increase in the regulatory role of the state and the removal of spontaneous elements not only from the economy, but also from the practice of state regulation.

As it tries to find its place in the world community and in the international division of labor, Georgia cannot help but take into account the specifics of the current general civilizational shift. In this respect, special attention should be given to creating a theory of state regulation which is in harmony with domestic reality. Such a theoretical construct cannot be limited only to mechanisms for making a transition from the administrative-and-command system of governance to a socially-orientated market economy. This transition must be fundamentally tied to the formation of socioeconomic principles of federative relations.

If our conclusion is justified, it is logical to presume that Georgia cannot follow the path taken by contemporary federations for more than 300 years. The spontaneous formation of market and federation relations will lead to our country disappearing from the economic and political map of the world. Nor does the so-called “technical” approach to regulating the relations under review currently applied in long-term federations suit us. It can only be carried out in an established state and stable society.

In this way, Georgian science and practice is faced with quite a simply formulated, but extremely difficult-to-solve task. Its gist is to create an economic model which will make it possible to “in-
ject” a society with principles of federalism which has, first, never before had any experience with living under conditions of real federative relations, second, is making the transition from the administrative-and-command system of governance to a regulated market, and, third, is carrying out extensive regional decentralization of the system of governance in the socioeconomic and other spheres. These goals cannot be reached without defining the economic meaning of the principles of federalism. The basic principle, as mentioned above, is equality of the rights of the federation and its constituents within their competence. This is the backbone and basic principle, all the rest are subordinate to it and ensue from it. I will name four of the most important.

- First. A federation and the constituents of a federation within the sphere of their competence are recognized as entirely equal entities of federative relations and are equally responsible for the powers with which they are invested. But the powers of each entity extend only to those spheres which the other entity cannot or should not be responsible for. It is particularly important that the entities are not invested with the mentioned powers by means of any form of arbitration, ad hoc, or political decision. The matter concerns their voluntary transfer from the bottom up.

- Second. Federation constituents should be able to realize the principle of economic self-sufficiency. Its meaning ensues from the equal status of the federation constituents, as well as from their recognition of the fact that genuine equality between entities with an economically different status is impossible. In other words, a real federation appears only when economically self-sufficient constituents join together and obtain equal rights. This is what ensures their subsequent equal political and legal status, and not vice versa. As for regions which are incapable of realizing the principle of economic self-sufficiency, they correspondingly cannot be recognized and are not recognized as federative constituents.

- The third principle is related to the constitutionalization in federations (as opposed to unitary states) of two levels of state property. The state property of a federation and the state property of its constituents give rise to the implementation of specific forms of public property which differ from those we encounter in unitary states. The content of these relations does not boil down to a mechanical assignment of property during the formation of federations. Of course, the redistribution of specific property can and should take place. But this is not the main thing. Most important is that in keeping with the competence assigned to the federation and its constituents, the functions of regulating the rights to ownership, disposal, and use are redistributed primarily and most importantly between the Federation and its constituents. In this context, the federation and its constituents do not act as property owners, and certainly not as economic entities. They regulate property relations (in keeping with federalism principles) on equal terms but at different levels of state governance. And if we remember that the nature of property relations largely determines the nature of all social relations in their entirety, it is logical to conclude that the coexistence (within the framework of the institution of public property) of two forms of state property cannot help but give rise to a specific form of the mentioned relations.

- The fourth principle is equality of the federation and its constituents (within the sphere of their competence) based on ensuring correlation of the parties’ revenue powers to their expenditure responsibility. In order to carry out this principle, we must first transfer to a horizontal model of budgetary federalism. Whereby (in contrast to the vertical model of budgetary federalism implemented in unitary states where the regions’ functions are defined “from above”) the taxation base of federation constituents is defined not by the center, but ensues from the competence they reserve for themselves.
We will single out the special features of Georgia’s financial and budgetary system generated by its unitary-centralized political system, which are still in place and undergoing progressive evolution.

In a unitary state, overall government costs and revenues are regulated centrally by supreme power. It determines the amount of revenues, on the one hand, and establishes the amount of subsequent expenditures based on the general needs of the state economy, on the other. Regulation is carried out by a system of specialized central organizations on the basis of standardization (quoting, the granting of benefits, and so on) and presumes a regular spending procedure and a mechanism for reviewing administrative complaints, which is necessary for adjusting the magnitudes and directions of material and financial flows.

Today, methods of centralized cost and revenue regulation prevail in Georgia. First, legislation on most taxes (essentially impost) is regulated by the Center, and not at the regional level. Second, among the ways for distributing tax powers among the levels of the budgetary system, distribution of central taxes (impost) occupies first place, and the separate use of sources plays an extremely insignificant role. Third, vertical financial flows still play a significant part in the tax system: general government taxes (impost) dominate in the budgets of all levels and constitute an average of 70% of the revenue of the consolidated budget.

The second distinguishing feature of our country’s financial system is that supreme power appoints the main agents of the state’s financial system. Today, this feature is manifested in the appointment of authorized state banks, as well as in the procedure for appointing the minister of finance. At all times in Georgia, supreme power made all the appointment to key posts, while in West European countries, the parties which won the elections placed their representatives in these posts, including in the position of finance minister.

The third feature of the organization of Georgia’s financial system is the principle of mutual responsibility which ensures that territorial and economic entities carry out the financial obligations they assumed. Whereas in West European countries, responsibility for paying taxes is individual in nature, in Georgia a collective and mutual responsibility to supreme power has always prevailed. For example, at present, collective responsibility is characteristic of the procedure for assigning transfers from the central budget to the regional budgets. Non-fulfillment of these obligations led to the Center withholding the assignment of transfers for social needs, and this had a negative impact on all the region’s residents who enjoyed social services.

The fourth feature of our country’s state financial system is the unitary hierarchal budget which constitutes its basis. This budget is an alternative to the budgetary federalism of countries with federative-subsidiary political systems. It is characterized by communality and non-division of part of the funds of the federal and local budgets, while under budgetary federalism, the budgets of territories and the federation are separate and independent. In other words, with a unitary hierarchal budget, the precise distribution of several cost and revenue items among the levels of regional governance is essentially impossible. This is ultimately associated with the fact that the consumers of different levels (federal, regional, municipal, as well as individual citizens) not only maintain a single technically indivisible material and production infrastructure—power engineering, municipal services, railroad transportation, and so on—but also enjoy their services. So separate calculation of costs, which constitutes the basic procedure for forming independent and separate budgets, is technically extremely laborious and cannot be realistically carried out.
At the present stage of market reforms, the matter concerns not so much reform, as modernization of Georgia’s financial system, while retaining the traditional features. Present-day modernization includes the following:

- more precise delimitation of the functions of each level of governance and, correspondingly, distribution of part of the funds of the country’s unitary hierarchal budget among its constituents;
- legal separation of the central, regional, and municipal levels as independent juridical entities, which makes it possible to largely use the contractual origin when defining intergovernmental (intragovernmental) fiscal relations;
- drawing up renewed social standards and regulations of fiscal capacity which make it possible to keep in mind the different conditions of different territories, on the one hand, and the population’s growing social needs, on the other;
- raising the significance of legislative principles in regulating the financial system;
- increasing the role of the population in adopting and executing budgets of all levels (though their representatives in parliament and in local power bodies).

As I have already mentioned, our society does not have any experience in real federalism. So it is impossible to form a democratic federative state within Georgia’s borders merely by declaring it such in the Constitution. The economic, social, political, and other spaces must be rearranged correspondingly. To what extent is Georgia willing to undergo this rearrangement?

Its specifics as an object of management are dictated by the need to resolve socioeconomic, ethnopolitical, and regulatory problems at the same time, that is, carry out a set of measures which take into account the economic-geographic, socioeconomic, sociocultural, historical, and other features of the country. But the socioeconomic crisis in which it is mired has caused a break in interregional economic ties. This process (against the background of the state’s withdrawal from the sphere of economic regulation) led to the autarky of several regional markets and (as a result) to the actual “drop out” of some regional economic complexes from the country’s economic space. And if we take into account that under conditions of the country’s increasingly active incorporation into the world division of labor, the named economic complexes are now being actively drawn into the spheres of influence of the world economic centers, the possible fatal consequences of the mentioned processes of autarky become understandable.

Since as soon as the internal national centers of economic influence prove weaker than the external centers, the latter, by increasingly attracting internal Georgian regional economic complexes toward themselves, will objectively (due to the universal laws of development) withdraw them at a certain stage from the country’s economic space.

The sociocultural traditions of several ethnic groups living in the border territories are closer to the traditions of the citizens of neighboring states than the traditions of the ethnic groups populating other Georgian regions. When socioeconomic motives for integrating the population’s interests are weak and the Center’s national policy is contradictory, there is the increased danger of some regions breaking away from the country’s political and legal space, as well as their “reorientation” toward ethnocultural poles close in tradition.

To sum up what has been said, I will note the absence of currently sufficient economic and sociocultural fundamental principles for forming a real federation in Georgia due to the indeterminate nature and internal contradictions of its legislation, which are promoting disintegration of the country’s single legal space.

Today, there are no good reasons for maintaining that the influence of social and economic mechanisms characteristic of the federative form of statehood is increasing in the Georgian economic
Unfortunately, the federalization of social relations is being replaced with implantation in the economy of certain instruments unrelated to each other and frequently mutually exclusive.

As a result, the special features of the reproduction process observed within the Georgian economic space are not working toward real federalization. This is why the regulatory attributes of domestic federalism do not correlate with the economic realities, which is dooming (if this lack of correlation continues) federalization to failure.

We will try to figure out if this “playing” at federalism is a manifestation of the situation well known in world history when, during social reproduction, it was not economic, but political interest that acted as the backbone. In particular, are we not witnessing the practice characteristic of the Soviet period, within the framework of which the political development model strictly defined the structure and direction of economic development.

Thus, the situation in Georgia is characterized by the following special features.

- First. The reproduction process does not include the necessary minimum of socioeconomic institutions and mechanisms for forming the foundations of a real federation.
- Second. Neither the central government, nor the regions have sufficient economic and organizational resources for introducing economic self-sufficiency in the regions, thus ensuring their real economic equal status and, consequently, their equal rights.
- Third. Under the current system of relations between the government leadership and the regions the possibility of developing federative relations is crippled by the population’s growing mistrust in the Center’s ability to guarantee its interests. This is primarily because the population’s (or to be more precise, its economically and politically active part) interest in a particular form of statehood is the basic prerequisite dictating the choice of this form.

So it turns out that federalism in Georgia has no prospects.

If this problem is viewed through the prism of forming a strictly federative state, this conclusion is correct. But if we approach the question from the viewpoint of the price society is willing to pay for choosing a particular form of statehood, this conclusion does not appear as unequivocal.

Our country has the opportunity to choose among social relations characteristic of a federation, a unitary state, or a confederation. We will try to briefly describe the consequences of implementing these three possible scenarios.

As mentioned above, some of the population does not believe the Center is capable of guaranteeing its interests. This can be interpreted as an unequivocal rejection by this group of the federative development model. In this case, an attempt to create a unitary form of state will most likely be viewed as a return to the administrative-and-command system of governance. And since the Center is not capable (in exchange for an extension in its powers) of providing the country’s citizens with significant economic support, there is little chance they will reject independence of the territories, albeit illusionary (in exchange for real, but economically unmotivated strengthening of the central bureaucracy). If for no other reason than their logical belief that this bureaucracy, in contrast to regional bureaucracy, cannot be controlled at all.

From this it logically follows that the drift toward a unitary form of statehood will be accompanied by an aggravation and spread of social conflict in society, with possible armed clashes and, as a result, with the possible loss of some of Georgia’s territory.

The consequences of forming a confederation are just as dangerous. During autarky of some regional markets, the struggle between the rich and poor regions, socioeconomic indetermination, tension in the system of ethnopolitical relations, and ultimately in a state where administrative-territorial division is based not on the principle of economic expediency, but on the social-regional principle, the transition to a confederation is fraught with a collapse of the economic, political, and legal
space, that is, of the state. But since most citizens and politicians in the regions are in favor of the country’s unity, the result is also entirely predictable.

Consequently, the formation in Georgia of a system of federative relations satisfies the principle of economic expediency more than the formation of a unitary state (or transition to a confederation). The preference for this choice lies in the fact that movement in this direction is accompanied by the fewest (compared with the other alternatives) losses, hence under current conditions it is economically more favorable.

But in order for this choice to become a reality, it must be recognized that the foundations of federative relations are only just being formed in the country. Under these conditions (particularly at the initial stage of transition), two trends will oppose each other in society. What is more, their significance will grow as the noted transition period continues and the economic crisis worsens. The Center will try to concentrate as much power as it can in its hands to keep the situation under control, including interfering in regional affairs. In this way, federalization of social relations should take place under conditions unique for world history. We have already revealed the gist of this uniqueness—the absence of sufficient economic prerequisites for forming a real federation, but with the presence of political prerequisites which still make it possible to preserve our country as a single state.

At the current stage in development, an action plan could be drawn up aimed at forming optimal social foundations for the regional vital activity and at defining a region’s place in the country’s common economic space, but only taking into account the socioeconomic, ethnopolitical, and regulatory foundations of Georgian federalism.