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- Ethnic Relations and Population Migration
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REGIONAL CONFLICTS

**SOUTH CAUCASIAN CONFLICTS:
RECOVERY BEGINS WHEN THE DISEASE
IS RECOGNIZED AND THERE IS A DESIRE
TO CURE IT**

Mikhail MAYOROV

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The medicine cannot command over the disease.

Tacitus

At the end of 2003, the Southern Caucasus experienced several political earthquakes. New heads of state came to power in Azerbaijan and Georgia, thus compelling politicians to ponder the future of the Georgian-Abkhazian, Karabakh and Georgian-Ossetian conflicts in a new light. The Georgian events caused the greatest waves. Late in November 2003, the heads of Abkhazia, Adzharia, and South Ossetia came to Moscow immediately after Shevardnadze's resignation. Tbilisi betrayed its displeasure by saying that had not certain serious forces in Russia supported the separatists, the conflicts in Abkhazia and South Ossetia would have been settled long ago.

Regrettably, this was not the first time such statements were made. However, the Moscow consultations organized on the initiative of the heads of the above-mentioned republics were completely justified. Russian Foreign Minister Igor Ivanov remarked: "No one should suspect a plot or moves behind the scenes. Russia has never been engaged in such activities and is not engaged in them now."¹ The heads of the Georgian republics came to Moscow to express their attitude toward the events, as well as their concern over a possible spread of the Tbilisi crisis to their regions.

Everybody knows that both Sukhumi and Tskhinvali were following the shift at the top in Tbilisi with a great deal of anxiety; they were especially troubled by the statements of the new leaders that the

¹ See: *Diplomaticheskij vestnik*, No. 12, 2003, p. 59.

Abkhazian and Ossetian problems could be resolved by force. They were particularly concerned by the willingness of some people to "send one son to fight for the return of Abkhazia, while dispatching another to South Ossetia," or "to don military uniforms themselves and live in the barracks" in order to build up the army.

The future alone will show how the situation will develop. Moscow firmly supports a peaceful settlement. When talking about the settlements in the Southern Caucasus during the live television broadcast held on 18 December, 2003, President Putin pointed out: "Those who believe that the problems can be resolved at Russia's expense are wrong" and added that the sides should find mutually acceptable solutions themselves, while Russia could act as a guarantor. He further stated: "We are completely supporting and will continue to support Georgia's territorial integrity. We do hope that the problems in its relationships with Abkhazia and South Ossetia will be resolved in a way that will not damage the interests of those living in these territories."

The South Caucasian storm, however, did not take the limelight away from a meeting held in Vienna on 14 October, 2003 designed to start a direct dialog between Belgrade and Priština within the Kosovo settlement. The representatives of international organizations and countries (Russia, U.K., Italy, the U.S., Germany, and France) who make up the Contact Group suggested that all practical issues (the return of refugees and internally displaced persons; the search for missing persons; cooperation in power engineering, transportation, and communication) should be discussed in Vienna. They emphasized that a discussion of the political aspects of the Kosovo problem (its final status included) was premature. At this stage international efforts should focus on the previously agreed principle "standards first, status later." Russia supported this decision.²

In fact, the Vienna meeting is directly related to the South Caucasian situation. The conflicting sides and international intermediaries are sparing no efforts to find solutions to the issues discussed there, which have been impossible to resolve so far. The Kosovo forum just happened to coincide with the tenth Hague meeting (convened on the initiative of the current OSCE chairman) of expert groups of the plenipotentiary delegations of the sides in the negotiation process on a full-scale settlement of the Georgian-Ossetian conflict. This meeting was a failure. For the first time in the history of such meetings it did not produce a final protocol, the draft of which caused disagreements. The Hague demonstrated once more that until the sides agree at least on minor issues, no serious talks are possible.

The difference between the way the Kosovo issue was discussed in Vienna and the situation regarding the so-called Boden Document on the Georgian-Abkhazian settlement is striking. One of the regular resolutions on the conflict issued in July 1999 by the U.N. Security Council unanimously recommended that the sides reach "a comprehensive political settlement, including with regard to Abkhazia's political status within the Georgian State, in the shortest time possible." It was in accordance with this resolution that, in the first half of 2000, Dieter Boden, former special representative of the U.N. Secretary-General in Georgia, drafted a document delineating the constitutional powers of Tbilisi and Sukhumi, over which the sides failed to agree. The negotiations stalled.

This confirms that today the status issue of the self-proclaimed republics is derailing a dialog that has taken a lot of effort to arrange. The question is: What next? Should the sides bide for time and suspect one another of evil intentions? Or should they try to avoid all difficulties and create conditions conducive to other political agreements? The second alternative is much more preferable. Over time new generations will appear and this will change the situation inside the conflict zone. The Hague meeting was very interested in a contribution made by I. Dulaev, member of the North Ossetian delegation, research associate of the North Ossetian Institute of Humanitarian and Social Studies of the Vladikavkaz Scientific Center of the RAS.

He presented the results of a public opinion poll in the zone of the Georgian-Ossetian conflict conducted in 2002 and compared them with the results of a similar poll conducted in 1997-1999 with the help of the John F. Kennedy School of Government at Harvard University. In South Ossetia the number of those who supported political-legal relations with Georgia (an autonomous region, auto-

² See: *Diplomaticheskii vestnik*, No. 11, 2003, p. 170.

my, or confederation) dropped from 21 percent in 1999 to 7 percent in 2002. Among the younger generation (between the ages of 20 and 29) there were no supporters. According to the latest poll, the number of those who preferred independence and orientation toward Russia was increasing. Humanitarian ties between the South Ossets and the Georgians have weakened considerably.³ The results provide food for thought.

My personal involvement in settling the internal conflicts in Liberia, and the conflicts involving Nagorny Karabakh, South Ossetia and Abkhazia convinced me that restored confidence between the conflicting sides is of primary importance for peace settlement. Stronger confidence-building measures are an important component of what any intermediary has to do. No noticeable advance toward a full-scale settlement is possible without real shifts in this sphere.

Across the post-Soviet expanse Russia is working hard toward this goal. At working meetings on 6-7 March, 2003 in Sochi, Russian and Georgian Presidents Putin and Shevardnadze paid particular attention to the Georgian-Abkhazian settlement, and the Abkhazian side was invited to discuss certain practical measures. It was pointed out that specific measures were needed to resolve the most urgent problems, such as the dignified and safe return of refugees and displaced persons, and economic rehabilitation of the conflict zone. It was recognized that the sides should concentrate on the following priorities: return of refugees and displaced persons (primarily to the Gali District); renewed railway communication between Sochi and Tbilisi; modernization of the Inguri hydropower plant, and identifying the prospects for the construction of other hydropower facilities on the upper reaches of the River Inguri. According to President Putin, life has demonstrated that "mutually advantageous business initiatives and projects relieve confrontation, contribute to the region's economic development, and serve the interests of the local population."⁴

Moscow initiated the meeting in Sochi with a clear understanding that the present impasse in the Georgian-Abkhazian settlement caused by a total absence of confidence between the sides required fresh approaches. It was becoming increasingly clear that all the existing problems could not be settled in a hurry and that the situation called for a more lucrative and gradual approach. In fact the principle formulated in Vienna "standards first, status later" demonstrated a similar tactic.

Recent experience is proving with increasing clarity that this approach to a full-scale settlement is absolutely justified. At the present stage of the peace process, when the wounds inflicted by the military confrontation are still bleeding, the sides should tackle the easiest problems conducive to their reconciliation and look for ways to move toward agreements in areas where such agreements are possible. This line of conduct will help achieve understanding on individual problems and create favorable conditions for talks on a political settlement.

In this context Russian diplomacy has been always supporting and actively contributing to meetings between the Georgian and Abkhazian sides on confidence-building measures within the Geneva peace process under the aegis of the U.N. (the first meeting took place in November 1997). These meetings have already been witness to numerous statements and declarations of good intentions. In particular, the third meeting held in Yalta on 15-16 March, 2001 pointed out that confidence-building measures were an important component of the peace process, which would help the sides move closer to a full-scale settlement of the conflict. On the strength of this the sides agreed to adopt a Program of Confidence-Building Measures between Georgia and Abkhazia.

This program was never elaborated, politics held sway over reality once more. An absence of specific steps aimed at creating a more or less normal atmosphere during the Georgian-Abkhazian dialog is worsening the political climate in the settlement process. In his interview to *Nezavisimaia gazeta*, former vice-speaker of the Georgian parliament V. Rcheulishvili made an important statement: "The time has come to revive all forms of contact with the Abkhazians and Ossets. We should say to the leaders of Abkhazia and South Ossetia that discussion of the status and the future model of state relations in Geor-

³ For more detail, see: I.S. Dulaev, "Gruzino-osetinskiy konflikt: opyt sotsiologicheskogo issledovaniya," *Voprosy pedagogiki i psikhologii*; *Sb. Nauchnykh trudov*, Vladikavkaz, 2003.

⁴ *Diplomaticheskii vestnik*, No. 4, 2003, p. 58.

gia, of all sorts of federations and confederations, should be postponed. Let's first establish peace among our nations. We have declared the present (2003.—*M.M.*) year a year of restored confidence between the Georgians and the Ossets. The same should be done in relation to Abkhazia. This will call for Russia's help and support."⁵

There is no need to convince Russia of this, it needs a belt of good-neighborly relations and stability around the country, of which the Southern Caucasus is part. This is what the nations on the other side of the Caucasian Mountain Range also want. Eduard Shevardnadze said the same after the Sochi meetings: "Nobody doubts Russia's special role in the process. It can function as the main guarantor of Georgia's post-conflict arrangement as a whole and of Abkhazia's, in particular. This is in keeping with Georgia's long-term interests, as well as those of Abkhazia and the Abkhazian nation and of Russia itself."⁶

I should say once more that Russia is sparing no effort to revive the process of conflict settlement in the Southern Caucasus. Restored confidence will promote this process to the greatest degree. Confidence-building measures can be classified as follows: first, a stable cease-fire regime and greater stability in the conflict zone. This can be achieved by coupling the international-legal framework of this regime (of which much has been said in the memorandums and agreements signed in connection with the conflicts in South Ossetia and Abkhazia) with the sides' political will to observe it. The continued presence of peacekeeping forces in the conflict zones is of great importance, since often one of the sides regards this as a guarantee against resumed hostilities. This should be taken into account.

To stabilize the situation the sides should agree that those who have participated in the armed conflict, but have not committed either war crimes or crimes against civilians, should not be persecuted. I have in mind a mutual amnesty for this category; and the exchange of POWs and hostages is another important element of mutual confidence. The trip by Evgeny Primakov, then Russian Foreign Minister, to Baku, Erevan, and Stepanakert in May 1996 is one of the best examples. In the course of the visit, the sides in the Karabakh conflict liberated all POWs and hostages (110 people in all) according to the lists of the International Committee of the Red Cross.

Cooperation between the sides' law enforcement bodies is another indispensable condition of the sides' rapprochement. All negotiation difficulties aside, the law enforcement bodies should be interested in a joint fight against crime and in joint efforts aimed at improving the crime situation in the conflict zone. This cooperation will create conditions conducive to preventing and repressing all illegal actions and infringement on human rights for ethnic reasons.

Second, continuous negotiations are another sign that the sides do want to restore mutual confidence. World experience has demonstrated that talks are the most important, efficient, and most flexible instrument of peace settlement. Russian diplomacy has done a lot to ensure that the time between cease-fire and talks be as short as possible.

The negotiation process reaches its highest level when it turns into a direct dialog between the conflicting sides, especially if it occurs between the top figures. Between 1999 and 2003, the presidents of Armenia and Azerbaijan met regularly; the Georgian President and Head of South Ossetia met three times between 1996 and 1998. In August 1997, Head of Abkhazia Vladislav Ardzinba arrived on board a Russian aircraft together with Primakov to talk with President Shevardnadze.

Third, return of refugees and forced migrants is another sign of how far peace settlement has progressed. People's willingness to come back reflects the degree of their trust in the agreements the sides have reached. It should be said that so far there have been no positive shifts in this respect. The refugee problem created by the Abkhazian and Karabakh conflicts is as acute as ever. Certain progress has been achieved in South Ossetia, but no radical changes have taken place so far.

Fourth, the restored and developing economic ties between the sides are an indispensable condition of their progress toward a complete settlement. In some cases (Abkhazia and South Ossetia), the

⁵ *Nezavisimaia gazeta*, 28 March, 2003.

⁶ *Svobodnaia Gruzia*, 11 March, 2003.

return of refugees is directly related to rehabilitation of the local economy ruined by the fighting. Restored economic ties will inevitably draw people into economic activity and alleviate the hostility and alienation that is obvious on both sides. Joint steps may promote conflict settlement in the Southern Caucasus.

Fifth, the potential of "people's diplomacy" should be tapped. There are no particular barriers and no considerable differences between the sides in this question. The Memorandum on Security and Confidence-Building Measures signed in Moscow in May 1996 describes such confidence-building measures as meetings between politicians, public figures, and academics attended by representatives of the Russian Federation and other countries, round tables of representatives of the creative intelligentsia, as well as the exchange of information among journalists. In the Karabakh context contacts among religious figures are of special importance.

In fact, the range of such measures is much wider than described above.⁷ These measures will prove effective in future only if everything that has been attained is carefully preserved. By this I mean that the sides should strictly abide by their agreements and avoid steps that might separate them.

The Sochi meeting generated numerous comments ranging from the hope that the sides would finally find a way out of the Georgian-Abkhazian impasse to another salvo of accusations against Russia's "imperial designs." There appears to be no doubt that Russia wants to settle conflicts on post-Soviet territory, including the conflicts in Georgia. This resolution is much more justified than the "honest broker" position (an American term for U.S. policy in the Middle Eastern settlement), since the conflicts and the developments around them directly affect Russia. Moscow is involved in what can be called "conditioned mediation." Russia has to mediate in the conflicts in the post-Soviet expanse for many reasons, while the conflicting sides agree on its involvement for an obvious fact that otherwise no stable settlement will be possible. Not everyone likes this, but all have to accept it for geopolitical reasons obvious in the Southern Caucasus. Sergei Markedonov, department head of the Institute of Political and Military Analysis, was absolutely right when he wrote that the "success coefficient" of Russia's involvement in Abkhazia and South Ossetia "is higher by an order than that of any of the 'humanitarian operations' of the West in the last decade."⁸

History saw fit to place the final dot in the Georgian-Ossetian armed confrontation on 24 June, 1992, also in Sochi where the leaders of Russia and Georgia signed an Agreement on Settlement Principles. Its fulfillment demonstrated that efficient negotiation mechanisms are one of the indispensable conditions of any peace settlement. As distinct from the Georgian-Abkhazian settlement, a new mechanism has been functioning for over 11 years, a Joint Control Commission for the Georgian-Ossetian Settlement. Set up under the above-mentioned agreement, it has become a standing body of the four sides (Russia, Georgia, South Ossetia, and North Ossetia) involved in the settlement and liquidation of the damage done by the conflict. The OSCE mission in Georgia is also involved; in July 1999 it was decided to invite representatives of the European Commission as observers in the discussion of economic issues.

Under the 1994 provisions on the Joint Control Commission, it is expected to monitor fulfillment of the agreements and understanding between the sides; to elaborate and carry out measures conducive to positive solutions to the political, military (peacekeeping), law enforcement, economic, humanitarian, information, and other issues. The Commission concentrates on promoting dialogs and political settlement. There are three groups functioning within the Commission's framework: one responsible for peacekeeping forces and cooperation with the sides' law enforcement structures; the second for economic rehabilitation, and the third for refugees.

Today, the voices of those who insist that the Commission has lost its significance, "failed and exhausted itself," have become louder. This cannot but cause amazement: in the last few years the Commission has survived numerous tests and proved itself to be an efficient hospital for treating many of the

⁷ For more detail, see: M.V. Mayorov, "Konflikty. Otoydi ot zla i sotvori blago," *Mezhdunarodnaia zhizn*, No. 12, 2002, pp. 73-78.

⁸ S.M. Markedonov, "'Gruzinskiy paradoks' v rossiiskoy politike," *Mezhdunarodnye protsessy*, No. 1, 2003, p. 120.

diseases caused by the conflict. Can the Commission's "well-wishers" point to another permanent negotiation mechanism that involves all the sides?

There may be different attitudes toward the results the Commission has achieved. We can speak of its comparative inefficiency or an absence of real breakthroughs in the economic sphere and return of the refugees. We are not completely satisfied either, yet the Commission's activity in recent times has shown that the negotiation format created in 1992 is effective and helps maintain peace and relative stability in the confrontation zone. We should cherish what we have and work together toward resolving the urgent settlement problems.

In 2000, when the Ministry for the CIS was disbanded, the Commission's Russian part was transferred to the Foreign Ministry of Russia. From the very beginning we set ourselves the goal of final coordination and signing of a Russian-Georgian Intergovernmental Agreement on Cooperation in Economic Rehabilitation in the Conflict Zone and Return of Refugees. The ministry proceeded from the assumption that this document might prove to be another confidence-building measure.

According to the document signed in Tbilisi on 23 December, 2000, Russia and Georgia recognized the need to continue funding the efforts in the confrontation zone. The sides agreed that two interstate programs—on cooperation in economic rehabilitation and on the return of refugees—would be elaborated together with representatives of South and North Ossetia.⁹

This document is being implemented with great difficulty. Recently the Joint Commission has been working hard to normalize the situation in the conflict zone, which became aggravated in 2002-2003. The South Ossetian side, however, treats the program's economic side as a priority and is displeased with lack of agreement in this sphere. Today, we must do much more than before to restore confidence between the sides, and the road to this lies through real progress under the Agreement.

The Sochi meeting revived the Commission's activity in this sphere. In May and June 2003 Gori and Moscow hosted the Commission's regular meetings, at which the measures needed to implement the Agreement were discussed. It was decided to work more actively on a Russian-Georgian program of interaction in economic rehabilitation; the same can be said about the Commission's Special Committee for Refugees.

The pessimistic assessment of the results of the Gori meeting expressed on 17 June, 2003 in Vienna at the OSCE Permanent Council was out of tune with the real developments. Indeed, if a discussion of specific problems of economic rehabilitation in the conflict zone was rated negatively, what can be rated as a positive assessment? Settlement is a hard and even tortuous process that requires patience. The wall of confrontation and alienation must be gradually removed in order to advance, step by step, toward a full-scale settlement. Obvious improvements in the economic sphere and the return of refugees are visible signs of progress.

It should be added that the Sochi meeting was not the first attempt to deal with the central issues of the Georgian-Abkhazian settlement. In June 1998 the personal representatives of Shevardnadze and Ardzinba met in Moscow to draft documents for a meeting between the two heads. Russian diplomats cooperated in drafting two documents: an agreement on peace and guarantees of preventing armed clashes, and a protocol on returning refugees to the Gali District and on economic rehabilitation. These were fundamental documents drafted and essentially coordinated by the sides. The meeting, however, did not take place, the documents remained unsigned and the opportunity to reach a settlement slipped through the fingers.

It seems that not even the most dedicated optimists believed that the meeting in Sochi would produce immediate results in the Georgian-Abkhazian settlement. However, the meeting between the presidents of Russia and Georgia demonstrated that the achieved agreements would serve as milestones marking the way toward agreements on specific problems now existing between Tbilisi and Sukhumi.

It would be highly naïve to pretend that we see nothing, hear nothing, and say nothing. The results of the Sochi meeting were not hailed by everyone. We cannot exclude the possibility that the change of leadership in Georgia will be used to denigrate the significance of the Sochi agreements, to put them

⁹ See: *Diplomaticheskii vestnik*, No. 2, 2001, p. 43.

on a backburner, or to ignore them altogether. A difficult situation has also developed in the Georgian-Ossetian settlement process. Despite its past progress, the Joint Commission has been stalling for several months already. Time keeps going—we do not want to remember it as a “time of lost opportunities.”

THE CHECHEN CRISIS: GENESIS, DYNAMICS, AND RECENT TRENDS

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The Chechen war has been widely discussed in scholarly and media writings. However, many of these comments, too simplistic or biased toward one or the other side, help little in understanding the nature of this complex phenomenon. With this in mind, the present article has been thought as an attempt of an impartial analysis of the conflict,

emphasizing its long-rooted reasons and immediate causes, and displaying its most recent developments. Referring to open sources and the author's own information, it highlights both sides' responsibility for bringing violence to Chechnia, and examines all possible scenarios and potential solutions.

The Chechen Separatism: A Reaction to Tsarist-Soviet Reprisals and Socioeconomic Problems

The origins of the confrontation between Moscow and the Chechen separatists should be traced back to the period of the tsarist conquest of the Caucasus in the 18th and 19th centuries.¹ The Russian Empire aims to strengthen its southern borders and get access to warm-water seas, essential for its security and trade. The Chechens, who live largely on trophies from military raids, constantly attack Cossack settlements and Russian garrisons and thus become a headache for the conqueror. In 1816, Russia starts the “pacification” of the region. It prohibits military raiding, confiscates firearms and takes other unpopular measures, which are interpreted by the Chechens as an assault on their dignity and traditions, and thus provoke their fierce resistance. Despite their overwhelming numerical and technical superiority and extremely brutal methods—destruction of villages and forests, burning fields of wheat, capture of livestock—the Russian military subdue the region only by 1859, after decades of a devastating war.

¹ For more information on this period, see: M. Gammer, *Muslim Resistance to the Tsar. Shamil and the Conquest of Chechnia and Daghestan*, Frank Cass, London, 1994.

Nevertheless, the Chechens do not accept the defeat, and the region remains a powder keg, which risks exploding at any time.

The Bolshevik reprisals—confiscation of farming lands, disarmament campaigns and persecution of “reactionary” Islamic rituals—also prepare a fertile ground for the future conflict. During World War II, the Chechen mountain areas are the center of an important nationalist guerrilla. This fact is used by the Stalinist regime as a pretext to accuse all the Chechens of collaboration with the Nazis and deport them to Kazakhstan.

The period of exile (1944-1956) strengthens a separate ethnic identity of the Chechens and increases their alienation and hostility vis-à-vis Russia. Until the late 1980s, despite strong modernizing impact of the Soviet rule, industrial and social progress and improvement of living conditions, the Chechens continue to live with a feeling of trauma and discrimination. Moreover, since the 1960s, Chechnia suffers from a demographic explosion, growing unemployment and increasing socioeconomic and cultural disparities between townspeople and villagers. Economic activities, particularly oil extraction and refinery, deteriorate the ecological situation in the republic, while all incomes flow into the central budget. At the same time, the Soviet authorities do not trust the Chechens and confer them only secondary roles at local ministries and law enforcement agencies, dominated by ethnic Russians.²

Perestroika gives birth to a multitude of political parties in Chechnia and provokes intense money- and power-based struggles between the old Soviet nomenklatura and the “newcomers.” An ecological movement, initiated by local democrats, gradually transforms into a powerful separatist force, based on the thesis of constant confrontation and incompatibility of the Russian and Chechen “worlds.” The separatists exalt the “uniqueness” of the Chechens, their role in the 19th century Caucasian War, their bravery and love for freedom, while at the same time skillfully speculating on the memory of tsarist-Soviet offences.³ Explaining all existing problems by the Russian-Soviet domination, they consider the violent overthrow of the local regime and independence as the only solution. These populist and extremist statements find fertile ground in conservative Chechen mountain areas, which become the stronghold of the separatists.

The “Chechen Revolution” of 1991: Radicals Seize Power

The so-called All-National Congress of the Chechen People (ANCCP), convened by a number of political parties in November 1990, soon develops into a leading force with permanent structures opposed to the local communist leadership. In September 1991, the ANCCP succeeds a coup d'état, establishes its control over Grozny and disbands all Soviet institutions. On 27 October, following hurriedly organized elections, Djohar Dudaev, a former Soviet general, is sworn in as president of Chechnia. On 1 November, the new leader proclaims Chechnia's sovereignty and its secession from the Soviet Union.

The separatists want to build an independent and prosperous Chechen State, obtain its international recognition, and affirm its leadership in the region. Chechnia therefore refuses to sign the Federation Treaty, adopts its own Constitution, and obtains the departure of all the Russian troops stationed on its territory. At the same time, in an attempt to get access to the outside world, Grozny establishes close contacts with Gamsakhurdia's nationalist regime in Georgia and searches for other alliances in the region. Yandarbiev, Udugov and other Chechen hard-liners go even further, advocating for the “Islamization” and liberation of the entire Caucasus from the Russian “yoke.”⁴

Soon it becomes clear that Dudaev has strong charisma, but little experience in politics and public affairs. His ultra-nationalistic and anti-Russian statements and actions lead to growing confrontation with

² See: D. Gakkaev, *Ocherki politicheskoi istorii Chechni* [<http://www.Chechniafree.ru/index.php?lng=rus§ion=historyrus&row=5>], 14 October, 2002.

³ See: M. Gammer, “Nationalism and History: Rewriting the Chechen National Past,” in: *Secession, History and the Social Sciences*, ed. by B. Coppieters, M. Huysseune, VUB Brussels University Press, 2002, pp. 117-139.

⁴ *Obshchaya gazeta*, 14 November, 1996; *Nezavisimaya gazeta*, 30 November, 1996.

Moscow, political isolation and militarization of Chechnia, collapse of its economy and explosion of crime. The separatists stress the superiority of the “ancient Chechen nation” and distribute key positions in the government and administrations to ethnic Chechens.⁵ Meanwhile, thousands of Russians, Jews, Armenians, Ingushes and Daghestanis, confronted with systematic physical intimidation, assassination and expropriation of property, flee from Chechnia. Encouraging the population to buy weapons, which are on free sale, and professing the cult of brute force and little regard for honest work, the new regime creates a pseudo-culture, which erodes traditional Chechen values.⁶

A nationalist dictatorship succeeds to the totalitarian communist regime. All those who criticize Dudaev’s ideology and refuse to stand under his banner are persecuted as “enemies of the nation.”⁷ The official Grozny establishes close links with criminal circles in Russia and makes fortunes on illegal financial operations and all kinds of trafficking, while at the same time the majority of the population lacks articles of prime necessity. Kidnappings, looting, illegal oil extraction and smuggling, arms and cars trafficking become major sources of revenue and shape Chechnia’s reputation as a safe haven for organized crime and banditry.

Gradually, a large part of the Chechen population and influential political forces turns against Dudaev. The opposition, composed of members of the parliament, intelligentsia and businessmen, and supported by the Constitutional Court and a number of heads of districts, starts secret talks with Moscow. At the same time, it claims Dudaev’s resignation, blaming him for the economic collapse, growth of crime, and authoritarian methods. In the spring-summer of 1993, inter-Chechen struggles attain their peak. In April, Dudaev accuses the opposition of being Russia’s “fifth column,” dissolves the parliament, and introduces direct presidential rule. When the parliament retorts by initiating an impeachment procedure against him, Dudaev resorts to force: his guards storm the office of Grozny’s Mayor—the headquarters of the opposition—and brutally disperse a street demonstration of the opposition’s supporters. This marks the beginning of the armed confrontation between the two camps.

Alarmed by Dudaev’s radicalism, Moscow soon invalidates his election, turns toward the opposition, and imposes an economic blockade on the republic. Sporadic inter-Chechen clashes take place all throughout the summer of 1994. By August, the opposition builds a force of several hundred men, equipped with tanks,⁸ and twice unsuccessfully assaults Grozny. Its last attack turns into a disaster: Dudaev destroys a large number of tanks and captures Russian mercenaries fighting on the opposition’s side.

The First War: Moscow’s Failed Attempt to “Restore Order”

President Yeltsin seeks ways to put an end to a dangerous separatist rebellion, regain control over the local pipeline, demonstrate his authority, and warn other Russian regional leaders. The lack of political culture and ambitiousness of both Russian and Chechen leaders finally result in an armed confrontation.

In December 1994, Yeltsin states that all peaceful initiatives have failed, and sends troops to disarm all belligerents and “restore constitutional order” in the insurgent province. However, this decision is taken without a comprehensive analysis of the situation. It neglects the history of the region, mentality of its residents, determination and strength of separatists, and warnings of some Russian generals that troops are utterly unprepared for the war.

⁵ V. Avioutskii, *Chechnia: Towards Partition?* [<http://www.amina.com/article/partition.html>], 27 November, 2002.

⁶ See: M. Yusupov, *Report on Chechnia (November 1998)*, Forum on Early Warning and Early Response (FEWER) [<http://www.fewer.org/caucasus/chech.html>], 18 December, 2002.

⁷ R. Khasbulatov, “Ot nesvobody k tiranii,” *Nezavisimaia gazeta*, 21 June, 2001.

⁸ See: M. Galaev, *The Chechen Crisis: Background and Future Implications* [http://amina.com/article/cris_hist.html], 18 November, 2002.

Conversely to the Kremlin's expectations, the military operation provokes fierce Chechen resistance and strong criticism of Russian and Western human rights activists, anti-war groups and intellectuals. The situation in the entire Northern Caucasus is sharply deteriorating because of the influx of advancing troops and refugees. Demonstrating solidarity with the Chechens, the Dagestani and Ingush civilians build human shields to stop the advance of military columns. At the same time, the federal troops' poor performances and heavy casualties prove that doubts about their combat readiness have been well founded. The troops' ideological preparation also appears to be inadequate. Because of the hostile public opinion and lack of clear arguments justifying their action, young Russian conscripts show passivity and poor combat morale.

By the late December, Russian forces grow to 38,000 troops equipped with 230 tanks, 450 armored vehicles and 400 pieces of artillery.⁹ Dudaev, according to contradictory sources, has between 3,000 and 55,000 fighters,¹⁰ including Bassaev's experienced "Abkhaz battalion," volunteers and mercenaries from the Caucasus, Ukraine, Baltic States and some Muslim countries, and thousands of ordinary Chechens. The rebels possess a large amount of arms left by the Soviet troops in 1991: some 140 tanks and armored vehicles, more than 150 artillery and rocket systems and a large number of anti-tank and antiaircraft weapons.¹¹ Many Chechen commanders and fighters have either graduated from Soviet military schools or served in the Soviet Army, and therefore know Russian tactics. Unlike the Russian troops, the rebels are highly motivated and enjoy the support of a large part of the population.

The battle for the Chechen capital Grozny (December 1994-February 1995) displays the real balance of forces and the tactics used by the warring sides.¹² The federal troops encircle the town, leaving the South open for the rebels' withdrawal to the mountains, where they should be blocked and progressively eliminated. However, instead of fleeing, the rebels fight with strong resistance, using the South as the main route for getting reinforcements. The Russians lose 1,200 servicemen¹³ and destroy all buildings that could serve as fighting positions, before capturing Grozny by February 1995. After the fall of the capital, the rebels adopt guerrilla "hit and run" tactics, inflicting significant losses to the Russian forces. On the opposite side, the Russian tactics—massive use of aviation, artillery and tanks—have limited effectiveness against the guerrillas, while gravely damaging the Chechen settlements and infrastructures and provoking heavy civilian casualties.

During this period, both sides commit massive human rights abuses and violate humanitarian law. A number of independent reports accuse the Russian military of systematic torture and extra-judicial executions of Chechen combatants and civilians, while the rebels are made guilty of execution of Russian POWs and brutality toward the civilian population.¹⁴

By the summer of 1995, the federal troops already number 80,000.¹⁵ They control the bulk of the Chechen territory, when Bassaev's terrorist raid into Budennovsk forces Moscow to stop its advance and accept a cease-fire and the withdrawal of its troops against the rebels' disarmament. However, Russia does not want peace at this price. Soon, it resumes the fighting, using a bomb attack against a high-ranked Russian general in Grozny as a pretext. In May 1996, on the eve of Russian presidential election and after Dudaev's elimination in a missile attack, the Kremlin signs another truce with the rebels, but hostilities resume only a few days after Yeltsin's re-election. However, confronted with the inability of its military, hostile

⁹ See: A. Malashenko, D. Trenin, *Vremia Iuga. Rossia v Chechne, Chechnia v Rossii*, Gendalf Publishers, Moscow, 2002, p. 143.

¹⁰ See: M. Galaev, op. cit.; T.L. Thomas, "The Russian Armed Forces Confront Chechnia: The Battle for Grozny, 1-26 January, 1995 (Part II)," *Low Intensity Conflict and Law Enforcement*, Vol. 6, No. 1, Summer 1997, Frank Cass, London, p. 148.

¹¹ Ibidem.

¹² For the Russian and Chechen tactics, see: T.L. Thomas, *The Chechen Conflict and Russian Security: The Russian Armed Forces Confront Chechnia*, Foreign Military Studies Office, Fort Leavenworth, KS [<http://www.amina.com/article>], 20 January, 2001; G. Troshev, *Moya voina. Chechenskii dnevnik okopnogo generala*, Vagrius Publishers, Moscow, 2001.

¹³ See: M. Galaev, op. cit.

¹⁴ See: *War Crimes in Chechnia and the Response of the West*. Testimony before the Senate Committee on Foreign Relations by Peter Bouckaert, HRW Emergencies Researcher, 1 March, 2000 [<http://www.hrw.org/campaigns/russia/Chechnia/peter-testimony.html>], 15 September, 2002; *Chechnia—Human Rights under Attack* [<http://www.amnesty.org/russia/Chechnia.html>], 4 November, 2002.

¹⁵ See: A. Malashenko, D. Trenin, op. cit., p. 143.

public opinion and strong international pressure, the Kremlin is already searching ways out of this unpopular war. The rebels' August offensive on Grozny, where they encircle thousands of Russian troops, becomes such an opportunity. The Russian generals prepare a tough reply, but Alexander Lebed, the new Russian Security Council secretary, arrives in the region and agrees on a cease-fire. On 31 August, 1996, he signs the Khasaviurt Agreements, which imply the withdrawal of the federal troops, the dissolution of the rebels' units and the joint reconstruction of Chechnia, while postponing the decision on its political status until 2001.

Chechnia's Post-war Transition toward the Taliban-styled Regime

On 27 January, 1997, Aslan Maskhadov wins the OSCE-monitored presidential election. He forms the "coalition government" including a few members of the pro-Moscow opposition, and promises to reduce crime and establish neighborly relations with Russia. A Peace Treaty with the latter is signed in May 1997. However, Bassaev, Udugov, Yandarbiev, Raduev and other Chechen "hawks" soon rise against Maskhadov's allegedly "pro-Russian" policy, insisting that Chechnia must break relations with its northern neighbor and turn toward the Muslim countries. In the summer of 1998, Bassaev and his team dismiss from the government. They accuse Maskhadov of betraying the ideals of Chechen independence, and claim his resignation. The confrontation between the former allies is growing, and armed clashes become common. In December, alarmed by the degradation of the situation, Maskhadov accuses his adversaries of intending to grab power in Chechnia and orders partial mobilization. However, despite the support of thousands of his armed supporters and the approval of the parliament, Maskhadov fears civil war and soon prefers to retreat. In February 1999, he accepts the radicals' conditions, announces a Shari'a reform, and proclaims Chechnia an Islamic State. The parliament loses its legislative function. A new Shari'a-based Constitution inspired by the Iranian and Pakistani models, is also under preparation. At the same time, Shari'a tribunals replace secular courts, and the authorities start public executions of alleged criminals.

Meanwhile, Chechnia is sliding into anarchy. The security situation drastically worsens. Around 160 gangs, specialized in illegal oil extraction, car theft and hostage taking, divide Chechnia into criminal "counties."¹⁶ Thus, only during the first six months of 1998, 130 homicides and 66 ransom kidnappings are registered in Chechnia.¹⁷ Looting raids on neighboring territories and attacks against Russian checkpoints on the border happen on a regular basis. Hostage taking attains an unprecedented level and specifically targets Russian servicemen, international humanitarian staff, and journalists,¹⁸ while Chechen law enforcement agencies reveal their complete ineffectiveness. Maskhadov makes kidnapping punishable by death, bans arms sales and creates a special task force for crime prevention, but hesitates to take radical measures that could worsen relations with some influential commanders benefiting from these crimes. Chechnia also becomes a safe heaven for international terrorism, with several training camps functioning on its territory.¹⁹

The separatist regime completely neglects the economy and the social sphere. Since 1992, Chechnia does not know what a state budget is and does not control its incomes and expenditures. Transit through the republic is paralyzed. 4/5 of its economy is destroyed, and up to 90 percent of its active population has no jobs. Poverty and social inequality are rampant. A tiny new "elite" lives in luxury, while the majority of Chechens is struggling for survival. More than 50 percent suffer from malnutrition, and more than 100,000 have been injured or handicapped at the war.²⁰ Few schools and hospitals still function. Salaries and pensions are not paid. Money received from Russia is systematically stolen or used to maintain armed gangs. The civilians massively flee to central Russia or abroad.

¹⁶ *Priroda i evolutsia sovremennogo chechenskogo konflikta* [<http://www.Chechniafree.ru/index.php?lng=rus§ion=historyrus&row=3>], 15 March, 2003.

¹⁷ See: M. Yusupov, op. cit.

¹⁸ See a detailed report at: [<http://www.vif2.ru/static/569/111390.html>], 22 January, 2003.

¹⁹ See: *Priroda i evolutsia...*

²⁰ See: M. Yusupov, op. cit.

Moscow and Grozny both bear responsibility for this situation. They fail to comply with their commitments under the Khasavurt Agreements and to build a constructive relationship. Thus, Russia withdraws its troops, but does nothing for the reconstruction of the ruined Chechen economy. As for the Chechen president Maskhadov, he demonstrates a lack of determination and leadership skills and, instead of focusing on economic reconstruction, institution building and fight against crime, concentrates on appeasing former warlords and Islamic militants. However, this policy only earns him the reputation of a weak personality, compromises the very idea of Chechen independence, and transforms Chechnia into an uncontrollable and heavily armed enclave—a classical example of a “failed State.”²¹

Return of the War

Constant looting incursions from the Chechen territory, shootings on the border, ransom kidnappings and terrorist acts deteriorate the security situation in the region and make a new Russian military action inevitable. Bassaev’s “liberation raid” on Dagestan in August-September 1999 and bomb explosions in several Russian towns in the same period, attributed to the Chechens, approach the deadlines and provoke the beginning of hostilities.

On 1 October, 1999, after a four-week artillery and aircraft bombardment of the Chechen territory, 100,000 Russian troops²² cross the administrative border of the rebel province. Moscow first announces its intention to create a security zone around Chechnia, but declares a few weeks later that its objective is the complete destruction of “terrorists.”

Confronted with a common enemy, the Chechens stop quarrelling and unite against the federal troops. Maskhadov takes over the coordination of all the resistance forces: the *national guard* and *law enforcement agencies* (15-17,000 men equipped with some 30-40 tanks, armored vehicles and artillery), *independent militias* (including Bassaev’s 1,000-strong unit) and *Wahhabi forces* (3,000 fighters).²³

The Chechen units are too small and too poorly equipped to wage a classical war against the Russian armored columns, but they enjoy superior mobility, compensating to some extent for these disadvantages. Their tactics consist in inflicting maximum losses to the enemy from ambushes and in direct clashes. However, the Russian military have learned some lessons from the first war. They try to avoid direct contact with the rebels, massively using artillery and aircraft instead. The Russian authorities also pay special attention to the positive media covering of the conflict. In parallel with military operations, the Chechen provisional administration is set up in 2000 and a police force is formed.

Antiterrorist Operation or Struggle against Armed Separatism? Russia’s Declared and Genuine Goals in the Second War

To win the support for its Chechen campaign inside and outside the country, the Kremlin defines it as an operation against international terrorists²⁴ and Islamic radicals, and tries to place it in the framework of global war on terrorism. However, terrorist tactics and the presence of Islamic militants from

²¹ For more information on this period, see: G. Murklinskaia, *Islam i politika v sovremennoi Chechne* [<http://www.nns.ru/press-file/dagestan/expert/dag12.html>], 16 November, 2002; M. Yusupov, op. cit.; F. Longuet-Marx, “La Tchétchénie et le Dagestan face à l’empire russe,” *Esprit*, No. 260, January 2000, pp. 6-14.

²² See: A. Malashenko, D. Trenin, op. cit., p. 143.

²³ See: *Moskovskii komsomolets*, 11 August, 1999.

²⁴ Interview with Igor Ivanov, *Le Figaro*, 12 April, 2001.

abroad have been a visible, but not the determining feature of the Chechen resistance. The latter displays more similarities with the Corsican or Basque separatist movements than with al-Qa'eda.

It is true that Islam forms part of Chechen identity, and has always been closely linked to the cause of national liberation. Even under the Soviet regime, despite anti-religious reprisals and destruction or closure of all 2,675 local mosques,²⁵ the Chechens continued practicing Islam clandestinely.

Since the early 1990s, hundreds of mosques are built, and the number of practicing Muslims rapidly increases. The militant trend of Islam, which claims political power, attacks the adepts of moderate Islam, and preaches violent methods of struggle, appears at the same time—as believed, “imported” by Arab and Daghestani missionaries.²⁶ However, it remains marginal in Chechnia. During the first and the second wars, it earns some popularity among the rebels. Some rebels' fractions, supported by Islamic fanatics from abroad, define their struggle as *jihad* against “pagan” Russia, and declare the “liberation” of Caucasian Muslims and the creation of an Islamic State as their ultimate goal. However, for the majority of the rebels, despite repeated reference to Islamic values, their cause is primarily political and not religious.²⁷

Although Moscow points at terrorist and Islamic threats as causes of its struggle, in our opinion, the true reasons for the Russian operation lie elsewhere. Russia cannot accept Chechnia's independence: this would be perceived as its defeat, threaten its strategic interests in the region, probably entail the loss of the entire Northern Caucasus, and provoke the growth of crime and extremism near its southern borders.²⁸

Eradication of armed separatism in Chechnia and its reintegration into all-national political space is therefore the primary Russian objective. The loss of the Chechen territory as such (around 17,000 sq. km) would not constitute a major problem for Russia. What Moscow fears most is the “chain reaction,” which could lead to the disintegration of the Russian Federation, composed of 89 constituencies,²⁹ and the destabilization of its southern borders.

Despite its little interest from the economic point of view (even in Soviet times, it hardly produced 4 million tons of oil annually³⁰), Chechnia also holds strategic geopolitical importance for Russia. It lies in the heart of the Caspian-Caucasian area, which presumably possesses up to 15 percent of world oil reserves, and is close to the oil-rich Persian Gulf. The Chechen policy makes part of Russia's overall efforts to secure its positions in this very sensitive region vis-à-vis the increasing expansion of the West.³¹

Finally, the victory in Chechnia would be for Moscow an important step toward the restoration of Russia's status of a great power, eroded by the collapse of the Soviet Union, socioeconomic decline, and the humiliation at the first Chechen war.

Lack of Optimistic Scenarios

The situation in Chechnia lets little place for optimism. Most probably, the Kremlin will continue its current hard-line policy, but it is unlikely that this will put an end to the resistance. On the contrary, it radicalizes the rebels and risks protracting guerrilla warfare for years or even decades to come.

Probability that the sides in the conflict could come to a compromise solution through negotiations is also minimal for a number of reasons, listed below.

As for the idea of granting independence to Chechnia, even if Russia accepted it, it would exacerbate the situation and have a negative impact on both Russian and European security.

²⁵ See: *Gortsy Kavkaza*, No. 8-9, Paris, 1929, p. 55.

²⁶ See: G. Murklinskaia, op. cit.

²⁷ Interview with Maskhadov, *Libération*, 2 October, 2000; for more information on Islam in Chechnia, see: F. Longuet-Marx, op. cit.; A. Koudriavtsev, *La présence de l'islam dans la guerre en Tchétchénie* [<http://www.geocities.com/CapitolHill/Senate/3313/islam.html>], 18 November, 2002.

²⁸ See: “Regards russes sur la guerre en Tchétchénie,” *Esprit*, No. 260, January 2000, pp. 170-178.

²⁹ See: *Le Monde*, 12 November, 2002.

³⁰ See: *Priroda i evolutsia...*

³¹ For an analysis of Western-Russian rivalry in the Caucasus, see: N. MacFarlane, *Western Engagement in the Caucasus and Central Asia*, The Royal Institute of International Affairs, London, 1999; T.L. Thomas, J. Shull, “Russian National Interests and the Caspian Sea,” *Perceptions*, Vol. IV, No. 4, December 1999-February 2000.

1. Excessive Price and Destructive Results of the Current Russian Policy

Relying on its military superiority, the Russian side currently refuses any contacts with Maskhadov and insists that “terrorists” must “die or surrender.” The major part of the Russian intelligentsia and political establishment backs the Kremlin’s policy arguing that the inter-war period proved that Chechnia is unable to survive alone and, therefore, should be dragged back into Russia. There have also been suggestions of dividing Chechnia into northern (“peaceful”) and southern (“insurgent”) parts: the former would become a sort of safe haven under Russian control, while the latter would be isolated and combated.³²

In the aftermath of the 2003 referendum and presidential election in Chechnia, which endorse its status within Russia and drive to power the Kremlin’s candidate, Akhmad Kadyrov, Moscow announces the “normalization” of the situation in this crisis-torn republic. However, despite their inability to launch large-scale operations, the rebels still number between 1,500 and 6,000 men.³³ They have proven their determination and capability of waging a prolonged guerrilla war, and their constant attacks against the Russian checkpoints and convoys disprove Moscow’s optimistic reports. Moreover, the protraction of the conflict contributes to the radicalization of their tactics. Thus, since 2000, the indiscriminate suicide-bomb attacks against both the Russian military and civilian targets become a new feature of the Chechen resistance. The arbitrariness of the federal servicemen, the lack of any peaceful alternative and the increasing Russian-Chechen mutual alienation help the rebels recruit new fighters among young Chechens.

The ongoing hostilities impede the reconstruction of Chechnia and worsen the living conditions of the population. Despite considerable budgetary expenditures, the rebels’ attacks, as well as mismanagement, corruption and conflicts between more than 20 Russian ministries and agencies involved in the reconstruction process prevent any serious socioeconomic improvements in the republic. Only 30 percent of the active Chechen population has a regular job; in rural areas, the rate of unemployment amounts to almost 100 percent.³⁴

Russia pays a heavy price for its current policy in Chechnia. Since September 1999, according to official figures, close to 5,000 Russian military have been killed and 16,000 wounded (other sources quote the casualty toll two or even three times higher than that).³⁵ Financially, too, it has been a heavy burden. Apart from that, this situation damages Russia’s reputation abroad and strengthens pro-Western moods in the Southern Caucasus.

2. Little Chances of Peace Talks and a Compromise Solution

Russian human rights activists and right-wing forces urge to start negotiations with the separatists.³⁶ The rising cost of the conflict in terms of casualties, budget expenditures and damage to Russia’s security and reputation seems indeed to be a good incentive for its peaceful settlement. Apart from that, the separatist leadership constantly shows signs of its readiness to negotiate with Moscow.³⁷

Despite this, there are very few chances that such negotiations will take place. The primary reason for that is the current tough position of the Russian leadership, which refuses any contacts with “terrorists” and seems to be determined to resolve the conflict militarily. The events of 11 September, 2001, the

³² See: V. Avioutskii, op. cit.; *Rossiiskie politiki po-raznomu vidiat politicheskoe uregulirovanie v Chechne* [<http://www.strana.ru/print/162993.html>], 31 October, 2002.

³³ See: *Moskovskii romsomolets*, 16 August, 2001.

³⁴ See: *Chechniu perepisali ran'she vseh* [<http://www.nns.ru/press-file/perepis/info6.html>], 18 November, 2002.

³⁵ See: *Second Chechen Campaign Takes its Toll* [<http://www.gazeta.ru/2003/02/18/SecondCheche.shtml>], 2 November, 2001.

³⁶ See: *Le Monde*, 11 November, 2002.

³⁷ See: *Chechen Leader Gives up Independence Claim, Seeks Kremlin Talks* [<http://www.ocha.ru/news>], 20 June, 2003.

hostage taking in a Moscow theater in October 2002 and the suicide attacks by the Chechen “shahids” have radicalized this position. The Russian authorities accuse Maskhadov, previously considered as a moderate and acceptable interlocutor, of being implicated in terrorist actions, and cut off any contacts with him.

At the same time, the Kremlin increases its pressure at the international level, stating that its bilateral relations would depend on how countries respond to terrorism. At the 10th EU-Russia summit in November 2002, Putin compares the hostage taking in Moscow with the terrorist attacks in New York and Bali and urges his colleagues to join their efforts against terrorism.³⁸ Russia also forces Georgia, Azerbaijan and Turkey to close down representations of the Chechen separatists functioning in their capitals, and warns Tbilisi of possible strikes against the Chechen terrorist centers allegedly based on its territory.

It is unlikely that Moscow’s policy will change in the near future. Putin’s enormous popularity almost excludes the appearance in the Kremlin of a right-wing candidate, who could make a radical shift over Chechnia. The probability that Russia softens its position if threatened by large-scale terrorist attacks is also minimal: the result of such terrorist strikes would most predictably be further radicalization of the Russian public opinion and the escalation of violence in Chechnia. At the same time, any coercive measure by Western countries or international organizations against Russia would be unproductive and cannot be seriously considered because of the latter’s political and military weight.³⁹

Little ground for consensus between Moscow, which rejects any discussions about Chechnia’s political status, and the rebels, who keep claiming independence, has been another problem. This reduces the likelihood of peace talks and the probability of a positive outcome—should such talks ever take place.

The inter-Chechen confrontation—between the separatists and the “pro-Moscow” Chechens, on the one hand, and between the rebels’ fractions, on the other hand—also constitutes an obstacle to a compromise solution, due to the multiplication of potential interlocutors. The second war has indeed deeply divided the Chechen society. The Chechens collaborating with the Russian authorities have become the rebels’ favorite target.⁴⁰ At the same time, they have an uneasy relationship with the federal troops and with each other. Akhmad Kadyrov, the newly-elected president of Chechnia, has Moscow’s support and his own mini-army, but his legitimacy is contested by a number of influential Moscow-based politicians and businessmen, such as Aslakhanov, Khasbulatov, Saidulaev, Maïgov and others.

Despite some optimistic reports,⁴¹ the Chechen resistance has also broken into pieces and seems to have lost coordination because of internal struggles. Neither Maskhadov nor Bassaev has Dudaev’s charisma and leadership skills, and they both have lost much of their popularity. As for the other field commanders (Arsanov, Basnukaev, Gelaev, Geliskhanov, Khambiev, etc.), no one has the necessary authority and potential to become a new leader.

The “moderates,” associated with Maskhadov, struggle for an independent Chechen State, member of the international community. Considering independence as a necessary condition of the “survival [of the Chechens] as an ethnic group,”⁴² they do not accept any status within Russia, but admit having common economic and political interests with the latter. The “moderates” seek negotiated peace and civilized relations with Russia, and are ready to make concessions for that,⁴³ although they do not make precise how far they would go.

Opposed to the “moderates,” Bassaev’s “radicals” and groups of foreign Islamic fanatics aim to drive Russia out of the Caucasus, create an Islamic State in Chechnia and merge it with the Muslim world.

³⁸ See: *International Herald Tribune*, 12 November, 2002.

³⁹ Solutions to the conflict and the role for the international community are discussed in: V. Tishkov, *Puti mira na Severnom Kavkaze*, Institute for Ethnology and Anthropology of the RAS, Moscow, 1999; *Chechnia: The International Community and Strategies for Peace and Stability*, ed. by L. Jonson and M. Esenov, The Swedish Institute of International Affairs [<http://www.ca-c.org/dataeng/bk02.00.cont.shtml>], 27 November, 2002.

⁴⁰ See: “Chechen Violence Turns Inward,” *The Wall Street Journal Europe*, 30 December, 2002.

⁴¹ See: “Former Maskhadov’s and M. Vachagaev’s Contribution to a ‘Round Table’ on Chechnia,” IISMM, Paris, 5 June, 2003.

⁴² *Full text of interview with Chechen president Aslan Maskhadov by IWPR* [http://www.iwpr.net/index.pl?archive/cau/cau_200206_aslan_eng.txt], 15 March, 2003.

⁴³ Interviews with Maskhadov, *Libération*, 2 October, 2000; *Le Monde*, 3 October, 2003.

Considering Chechnia as the center of the anti-Russian liberation movement in the region, they are strongly opposed to Maskhadov's "pro-Russian" course.⁴⁴ The discord between the "radicals" and the "moderates" is not only about the goals, but also about the methods of struggle: the former largely resort to suicide-attacks against the Russian military and civilian targets, while the latter condemn such actions.⁴⁵

Support of the war by the Russian public opinion due to the reassessment of the Chechen resistance, a sharply increased censorship and propaganda, and a growing anti-Chechen resentment pose another obstacle to peace initiative. Initially perceived as freedom fighters, the Chechen separatists have discredited themselves by their involvement in terrorist acts, ransom kidnappings and all kinds of trafficking. The 1999 explosions in several Russian towns boost anti-Chechen and anti-Caucasian moods. The Russian population, tired of the permanent feeling of national humiliation resulting from worsening living conditions and Russia's geopolitical defeats, considers the second Chechen war as an occasion to take revenge. The Kremlin's affirmations that the army is now better prepared and more successful than at the first war also nourish hopes that the Chechen problem could be solved militarily. Finally, the October hostage taking in Moscow and the following suicide-attacks have radicalized the minds to the extreme and decreased the number of those who supported talks with the rebels.

The softening of Western criticism in the aftermath of the terrorist attacks of September 2001 also serves to Russia as an additional argument legitimating its military action in Chechnia. Indeed, the above-mentioned attacks considerably diminish sympathy for the Chechen separatists in the world. Western analysts, alarmed by the threat of Islamic radicalism, almost abandon the theory of the revival of Russia's "imperial ambitions" and its struggle for oil.

The EU makes clear, at its 10th summit with Russia in November 2002, that its relationship with its eastern neighbor is too important to let it be dominated by the Chechen question. The summit results in an agreement on cooperation against terrorism, while the Chechen question is hardly mentioned.⁴⁶ NATO Secretary-General Lord Robertson even defends the Russian action in Chechnia, stressing Russia's right to "face the violations of law and order on its own territory" and fight "terrorist elements from outside."⁴⁷ Washington also reduces its criticism vis-à-vis Moscow, adds some Chechen groups on its list of terrorist organizations, and declares that the separatist leaders completely discredited themselves and can no longer be acceptable interlocutors because of their links to terrorists.⁴⁸

3. Impossibility of "Releasing" Chechnia

The idea of granting independence to Chechnia suggested by a number of experts as an act of repentance or the "amputation" of an alien territory,⁴⁹ seems to us a dangerous utopia. As mentioned above, Russia cannot accept this option. As for the rebels, they are no longer able to win their cause militarily. In addition, they are losing the support of the civilian population, who deeply dislike them and make them "responsible for bringing renewed war to Chechnia."⁵⁰

From both economic and geopolitical points of view, a sovereign Chechen State cannot seriously be considered.⁵¹ Chechnia is a small landlocked region, surrounded by the North and South Caucasian republics suspicious of it. It has insignificant oil reserves, a ruined economy, and little prospects of attract-

⁴⁴ Interview with Shamil Bassaev, *Izvestia*, 25 April, 1996; *Moskovskii komsomolets*, 11 August, 1999; T. Muzaev, *Vnutrichechenskie protivorechia: veliko li ikh znachenie teper'?* [<http://www.temadnya.ru/spravka/04mar2003>], 15 March, 2003.

⁴⁵ Interview with Maskhadov, *Le Monde*, 3 October, 2003.

⁴⁶ See: *International Herald Tribune*, 12 November, 2002.

⁴⁷ *Le Monde*, 12 November, 2002.

⁴⁸ See: "Amerika meniaet otnoshenie k Rossii posle 'Nord-Osta,'" *Nezavisimaia gazeta*, 4 November, 2002.

⁴⁹ See: M. Rozanova, "Kavkazskaia plennitsa," *Nezavisimaia gazeta*, 11 May, 2001; V. Aviouetskii, "La Russie face au 3^{ème} Jihad," *Politique Internationale*, No. 98, Winter 2002-2003, p. 202; S. Arutiunov, *Possible Consequences of the Chechnia War for the General Situation in the Caucasus* [<http://www.amina.com/article/chapter1.html>], 18 November, 2002.

⁵⁰ *War Crimes in Chechnia and the Response of the West*.

⁵¹ See: S. Kazennov, V. Kumachev, *Chechnia: tselesoobrazen li razvod s Rossiei?* [<http://www.nns.ru/analytdoc/sad16.html>], 1 April, 2003.

ing any investments. If excluded from Russia's political and economic space, it would be paralyzed by its socioeconomic and security problems. Apart from that, growing international rivalries over the Caucasus would transform the Grozny regime into a puppet manipulated by Moscow, Washington, Ankara and other capitals.

Moreover, neither the West nor the regional powers desire Chechen independence—despite their evident objective to weaken Russia's grip on the Caucasus. They realize that an independent Chechnia, heavily armed and torn to pieces by internal conflicts, would undermine all their efforts in the region. Criminal gangs and religious extremists from Chechnia would pose a serious threat to Europe. Chechnia's independence would also encourage the separatists in Abkhazia, Corsica, the Basque Country or Kosovo, creating a dangerous precedent.

C o n c l u s i o n

The Chechen secessionist rebellion was a justifiable reaction to tsarist-Soviet crimes, but nothing could justify the ensuing bloodshed, for which each side bears responsibility. The Chechen separatists, instead of discussing long-rooted problems with Moscow, preferred the way of confrontation, challenging the Kremlin by their extremist statements and actions. The Russian authorities, in turn, fully manifested their political ineptitude and reactionary character, resorting to brutal force.

The nature and goals of the Chechen resistance have gradually changed. If the 1991 "revolution" started as a national liberation movement and aimed at the creation of an independent democratic State, after Dudaev's death, the rebels turned toward the Muslim world and announced their intention to introduce Islamic rule. Propaganda of a Shari'a regime replaced initial slogans about democracy. However, despite the wide use of Islamic phraseology, for the majority of the rebels, it is Chechnia's political status which is still at stake in the conflict.

Today, the situation in Chechnia is in an impasse. The lack of consensus between the belligerents renders prospects of peace unrealistic. The Kremlin continues to qualify the Chechen guerrilla as a matter of terrorism, refusing to accept its predominantly political nature, and thus contributes to its growing radicalization and "Islamization".

The resolution of this protracted conflict could however be possible if the warring sides succeeded to:

- Make mutual concessions, the Kremlin accepting the dialog with the separatists, while the latter temporarily abandoning their claim of independence.
- Prioritize humanitarian and socioeconomic issues: return of refugees, reconstruction of economy and infrastructures, and fight against crime.
- Postpone any decision on Chechnia's political status for a period of 30 to 50 years. During this period, the separatists could be given the chance to struggle for their cause by political methods. Moscow, at the same time, could try Chechnia's peaceful re-integration through special projects targeting its youth, civil society, rural and mountain areas, and guaranteeing Chechens' equal representation at federal ministries and administrations.

Such measures could considerably reduce violence in Chechnia, while leaving the final decision on its future to generations to come, in a hope they will find a pragmatic solution.

REGIONAL SECURITY

**TERRORISM TODAY:
HOW IT IS FINANCED**

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The globalizing world is encountering non-traditional forms of conflict with increasing frequency. These forms of conflict are often characterized by “the power of the weak,” that is, by the ability of the aggressive minority to terrorize the “big” countries and call the shots. Terrorism is becoming an active way for various political forces to fight for power and influence. “Terrorism is the way people choose to fight who do not have and do not see the possibility of having a legitimate and legal way of declaring their interests and defending them. In this sense terrorism is eternal and the struggle against it, or, to be more precise, the efforts to prevent it, should be concentrated primarily in the socioeconomic sphere. We need to recognize the profound crisis in which contemporary civilization finds itself and to search for new ways to structure and develop it.”¹

Whereas until recently international terrorism was understood as a various transborder organizational phenomena, frequently not interlinked, but

interactive at the international level, at present, as it becomes increasingly in tune with the meaning of its name, it is turning into an organization with a single control center. In October 2003, six terrorist groups announced they were joining to form the *Qa‘eda al-Jihad* (Jihad Base) organization and declared war on “Zionism and crusaders.” This terrorist “international” comprises *al-Qa‘eda*, the Egyptian Jihad, the Yemen Jihad, the Aden-Abyan Army, the Saudi *Ahfad Al-Sahaba* and the Algerian *al-Jama‘a al-Salafiya al-Daawa*. *Al-Muatazz Al-Yamani* was elected the leader of the new alliance.²

Terrorists today have drawn conclusions from the bitter lessons of the past, whereby their dependence on sources of financing, primarily on sponsor states, was their most vulnerable spot. For a variety of reasons, these states soon stopped protecting terrorists, curtailed their financing, and even surrendered them to other countries. So terrorist organizations began looking for ways to become independent and finance themselves.

¹ O.A. Belkov, “Mezhdunarodniy terrorism—slova i smysly,” *Vlast*, No. 2, 2002, p. 24.

² Analytical Reference of the CIS Antiterrorist Center for October 2003.

An important feature of terrorism today is its well-structured and organized nature. On 9/11 in the U.S., terrorists demonstrated how highly professional they were at planning, preparing, and carrying out large-scale terrorist acts. For example, they were able to create reliable rear support, including in other states, build global, regional, and national systems for financing their acts, set up channels for the easy conveyance of weapons and ammunitions, organize combat training centers and camps, and create mechanisms for cooperating with similar organizations.

In this way, terrorism today has turned into a completely self-sufficient force with its own interests. First, it has created a perfect military-political organization, the main advantage of which is its financial independence. Second, its network structures in different countries are financed through sophisticated channels, which makes it hard even for the world's leading special services to expose them. Terrorists make active use of the latest technology—offshore Internet banks, in which they have created monetary support and information transfer systems that are difficult to detect. Third, they do not stop at any form of criminal activity to ensure the financial and material support of their organizations. During the Cold War, political terrorism usually did not engage in other kinds of criminal acts, but today it has become an extremely profitable worldwide business with a developed “labor market” and appropriation of capital amounting to billions of dollars (weapons trade, drug smuggling, and so on). For example, during the war in former Yugoslavia, the Croatian and Albanian forces were sent annual deliveries of weapons and military hardware totaling more than 2 billion dollars. The main flow of drugs also reaches the world markets through the active zone of terrorist groups.

It is difficult to expose sources and channels of financing because funds are gathered through third persons or organizations that function under plausible covers. At this level, it is essentially impossible to expose the true intentions of both the sponsors and the sponsored organizations.

The military achievements of the U.S. and their allies in Afghanistan and the continuous onslaught of the antiterrorist coalition forces on the Taliban and al-Qa'eda's military and financial structures have caused them to lose their foothold in the country and be deprived of a significant part of their monetary and personnel resources. Between 11 September, 2001 and November 2003, the assets of terrorists (more than 200 million dollars) were frozen in 148 countries of the world and more than 1,400 bank accounts belonging to 300 associated organizations were arrested.³ As a result of these measures, they had to renege on some major campaigns and resort mainly to ineffective, but frequent, “demonstrative” incursions.

But their organizations are gradually restoring the channels of financial and political support and continuing to procure and send money to their activists, using the most sophisticated methods for this, which is particularly evident from the recent activity of the Taliban movement.

It will not be possible to completely eradicate terrorism in the near future, particularly since we have no mechanism to adequately protect us from it. But the threat can be minimized by cutting off its financial support. This is an urgent problem requiring an urgent solution. It is not a case of exposing and preventing specific acts, but of intercepting all terrorist activity.

³ See: *Washington ProFile*, 19 September, 2003.

Where the Money Comes From

Terrorist organizations are born and thrive on money, weapons, and a reliable place to hide. Their subsequent healthy development requires time, space, and (again) money to reproduce and build their human and material resources. Financial resources are used for the following purposes:

- creating a material and technical base (computer support, state-of-the-art communication means, transportation, the latest weapons);
- recruiting new members;
- military training of shock teams and mercenaries;

- preparing and carrying out terrorist acts;
- ensuring support of the organization's members in the regions and abroad ("sleeping" (secret agents are trained, wait for the command, but do not know what assignment they will be given and are always ready to act);
- carrying out social campaigns with the aim of luring sympathizers onto their side (building hospitals, schools, hostels; financial aid to the needy);
- PR campaigns in the mass media to give their organizations the image of fighters for freedom, justice, and the protection of public interests.

According to official data from the PRC, "the terrorist forces led by bin Laden have given much financial and material aid to the 'East Turkistan' terrorists."⁴

Access to weapons also implies a network of training centers with qualified personnel. Special-profile experts are needed to train terrorists and diversionists, who can only be found in state defense and security structures.

A reliable place to hide also means sponsor states that provide the necessary conditions for terrorists in their own country and beyond it. According to western experts Kazimir Kowalski, Joseph P. Cangemi, Robert Lukabo, and G. Edward Fuqua, terrorists today are trained militarized groups with their own military bases who receive support from nations and governments.

Today's terrorist organizations are financed by foreign and domestic resources through a widespread infrastructure of sources. Self-financing is achieved with the help of domestic sources—revenue from legal activity, as well as from semi-legal and criminal structures. Foreign sources also constitute quite a large percent: aid from sponsor states, money injections from religious, humanitarian, charity, and other organizations, as well as from well-to-do individuals, and the targeted collection of donations, which are largely made through particular religious and social groups in countries in the West and Middle East.

Almost all the well-known experts on terrorism are unanimous in their opinion that it is very difficult to trace the financial channels used by terrorists.

Sponsor States

The financial independence of today's terrorists does not mean that they refuse help from countries that offer it. Quite often sponsor states offer them money, weapons, and their territory, and create all the necessary conditions for them to function. According to a version by the U.S. State Department, terrorism today is supported by seven countries: Iraq, Iran, Cuba, Libya, North Korea, Syria, and Sudan. Despite pressure from the United States, these countries are not taking (or have not completely taken) the measures necessary for completely breaking their ties with terrorists.⁵

It is convenient for terrorists to have a sponsor state since this spares them the task of looking for the money to implement their dastardly deeds, but this contact is also their Achilles' heel. First, their financial dependence turns them into a policy tool for sponsor states. This is shown in particular by Libya and the Palestinian organizations, as well as by well-known terrorists, such as Abu Nidal, Ahmed Jibril, Ilich Ramirez Sanchez (a.k.a. Carlos the Jackal). In their search for patrons, they changed countries and sometimes even their convictions.

Second, under pressure from other state or international sanctions, sponsor countries stop supporting their "sponsees," evict them, and at times even surrender them to the other side. (For example, the government of Sudan handed Carlos over to France where he was sentenced to life imprisonment.) So terrorists today are looking for independence, including financial.

⁴ "East Turkistan" Terrorist Forces Cannot Get Away with Impunity, Information Office of the State Council Monday, 21 January, 2002, p. 22.

⁵ [<http://usinfo.state.gov/>].

It is interesting to note that on the recommendation of Osama bin Laden, Taliban leader Mullah Omar did not begin building an Afghan state, in particular, he stopped convening the Kabul Council, which was performing the role of the country's government. "Mullah Omar, it appears, has made his choice between building an Afghan state and accepting the theses of bin Laden, according to which, until the Muslim community as a whole is subjected to repression, there is no need to create an Islamic state in an individual country. Internationalism holds sway over nationalism."⁶

We believe that Osama bin Laden did this deliberately. If a state is created in Afghanistan, the world community would be able to put political, diplomatic, and other pressure on its government to hand over "terrorist No. 1," and eliminate the terrorist training bases and camps. If viable, the Kabul Council could also be influenced in some way. For this reason, the U.S.'s frequent demands to evict Osama bin Laden from Afghanistan, reinforced by international sanctions against the Taliban, fell on deaf ears. Mullah Omar simply ignored them.

Talking about sponsor countries, it should be noted that accusations of backing terrorism are frequently used for political purposes. For example, O. Schröm, a German journalist, describes an incidence when Ronald Reagan's presidential administration officially accused the Soviet Union of participating in a special-purpose program for training international terrorists and rendering them assistance, including supplying them with weapons. A book by Claire Sterling called *The Terror Network. The Secret War of International Terrorism* was taken as the basis for these assertions. But an experts' examination of the information in this book carried out by CIA agents showed that several western special services gave the journalist false facts for the purpose of disinformation.⁷

Individuals and NGOs as Sponsors

Money can come as help from the diaspora, like-minded supporters, and religious groups abroad (for example, people from Northern Ireland living in the U.S. who support the Irish Republican Army). According to some data, descendents of people who emigrated from the Ferghana Valley, some 700,000 Saudi Uzbeks and approximately 2 million Afghan Uzbeks, make up one of the financial sources of the Islamic Movement of Uzbekistan (IMU). An organization like al-Qa'eda receives much of its money from wealthy private foundations and individuals from oil-producing countries. According to the estimates of experts, in the CIS, religious extremists and terrorists are helped by some 60 international Islamic organizations, more than 100 foreign companies, and dozens of banking groups. A. Malashenko, an expert from the Moscow Carnegie Center, believes that the situation in Chechnia has developed due to solidarity "between the Chechen separatists and international Islamic organizations, such as Tayba, the Saar Foundation, Al-Igasa (with headquarters in Saudi Arabia), al-Qa'eda, Muslim Brothers, the Kuwait Social Reform Society, the Palestinian Hamas group, the Qatar Charity Society, the Algerian Al-Jama'a al-musallyaha (Armed Community), and others."⁸

According to the Russian Federal Security Service, the key structure involved in the unofficial financing of mercenaries and extremists in Chechnia, as well as of the Wahhabis in Daghestan, is the international Islamic organization, Al-Haramain, which has its headquarters in Riyadh and the general director of which is sheikh Aqeel Bin Abdul Aziz Al-Aqeel. It was created to support the mojahideen in Afghanistan; since 1997 it has been actively financing the Daghestani Wahhabis, who are trying to overthrow the constitutional structure and create a "great Islamic state" in Chechnia and Daghestan and secede from Russia. It has branches in Georgia and Azerbaijan, and in recent years it has also been illegally operating in Russia. Under the guise of an international charity organization, it carries out reconnoitering

⁶ O. Roy, "Kriegsziel erreicht? Bin Laden bewirkt den Untergang der Taliban," *Internationale Politik*, No. 12, December 2001, p. 55.

⁷ See: O. Schröm, *Pod teniu shakala. Carlos i zachinateli mezhdunarodnogo terrorisma*, Ai-Erkin, Bishkek, 2002, pp. 207-208.

⁸ See: *Internationale Politik*, No. 3, March 2002, p. 67.

and insurgent activity against Russia. This structure created the Chechen Support Foundation, the employees of which supply gangs with weapons, food, and medication from the border regions, pay the mercenaries fighting on the side of the extremists, and control the money supposedly spent on "religious undertakings and celebrations." The emissaries of Al-Haramain are citizens of the Kingdom of Saudi Arabia and can be found among the warlords.⁹

Among the sponsors of the IMU are representatives of well-known religious and political organizations, such as Muslim Brothers, Hezbollah, and Hizb ut-Tahrir, as well as small groups and individuals in Afghanistan, Iran, Pakistan, Saudi Arabia, Sudan, Turkey, and other countries. Analysts in Uzbekistan claim that the head of the Turkish Refah (Welfare) party, Necmettin Erbakan, who was once even prime minister of Turkey, gave Tohir Yoldosh, head of the IMU, \$100,000 in 1997. And acting under the protection of Erbakan in Germany (Cologne), a commercial organization of Turkish emigrants, Millii guruh (National Revival), signed a contract the same year with Tohir Yoldosh on the purchase and gratuitous transfer to the IMU of weapons costing hundreds of thousands of dollars.¹⁰ The supreme court of Uzbekistan established that the activity of the militants who organized the explosions in Tashkent on 16 February, 1999 was financed by Tohir Yoldosh, who allotted \$920,000 for this purpose.¹¹ Some Uzbek experts are saying that official Tashkent's information is not objective, but unfortunately do not have their own version to offer.

The author of the article "Kto razygryvaet kozyrniu kartu very..." ("Who is Playing the Trump Card of Faith...") states that the flow of money going to the Islamic extremists in the Ferghana Valley comes from England and the U.S. "This is where all the largest centers of the aggressive Muslim organizations are located."¹²

According to the data of Kyrgyzstan's special services, in 2003 the IMU received \$400,000 from international sponsors to shift the conflict from Afghanistan to Central Asia. Experts claim the involvement of some members of this organization in the explosions at the Oberon market in Bishkek at the end of 2002 and in Osh at the beginning of 2003.

Charity organizations are exempt from taxes and camouflaged by humanitarian campaigns gather and can transfer large sums of money to whomever they want. As a rule, for this purpose, they use Islamic banks. It is believed that Islamic banks are manipulated, frequently unbeknown to themselves, by such humanitarian organizations as Afghani Hezb i-Islami, the Committee of Charity and Solidarity in France, and the Islamic Relief Agency and Let's Save Bosnia Today in the U.S.

Based on the data received from informed officials in the U.S. administration, on classified documents (including those presented by agents of the American special services, which they found on Abu Zubeyda, one of Osama bin Laden's closest associates, who they caught on 28 March, 2002 in Pakistan) and on the results of his eighteen months of research Gerald Posner, author of the best seller *Why America Slept: The Failure to Prevent 9/11*, came to the following conclusion: three members of the Saudi royal family, as well as an air force marshal, one of the former Pakistani intelligence directors, Mushaf Ali Mir, were involved in financing al-Qa'eda operations, in particular the 9/11 terrorist act.

On 15 August, 2002, 600 relatives of the 9/11 terrorist act victims, as well as of the firemen and rescue team members who were killed, who founded an association called Families United to Bankrupt Terrorism, made civil appeals in American courts against the three Saudi princes. Among them were Sultan bin Abdul Aziz Al Saud (minister of defense and aviation), Turki Al-Faisal Al Saud (former head of the General Intelligence Service), and Muhammad Al-Faisal Al Saud (head of three foreign banks). What is more, this list also featured eight Islamic charity organizations, as well as several Saudi companies accused of financing al-Qa'eda. The claims against these physical and legal entities filled a total of 259 sheets of paper. On the same day, the District Court of the District of Columbia accepted the appeal for review. In the event of a positive verdict (a total of tens of billions of dollars), certain Saudi assets in the U.S could be arrested.¹³

⁹ See: *Komsomol'skaia pravda*, 27 June, 2000.

¹⁰ See: Said Burhoniddin Qilich, "Islamskoe dvizhenie Uzbekistana": khronika prestuplenii" [www.stability.uz].

¹¹ See: *Slovo Kyrgyzstana*, 10 June, 1999.

¹² *Pravda*, 28 July, 2000.

¹³ [http://news.findlaw.com/cnn/docs/terrorism/burnettba81502cmp.pdf].

Incidentally, the mentioned princes still deny all the accusations against them, emphasizing (as for example the richest of them, al-Waleed bin Talal, did in the name of the entire royal family) that the accusations were preposterous and that the appeals essentially stood no chance of being satisfied.¹⁴ But according to reports in the western mass media (in particular *Financial Times*), the Saudi oligarchs have begun withdrawing their money from the U.S.

Revenue from Legal Activity

In this respect, spheres that permit rapid capital turnover are the most attractive (banking transactions, commerce, the restaurant business, construction). International terrorists are forming their own production enterprises, financial structures (for example, the Bank of Credit and Commerce International—BCCI, investment concerns, foundations), construction and transportation companies, agricultural farms, lumber businesses, and so on.

Most of these enterprises belong to members of terrorist organizations, as well as their like-minded supporters. The revenue of enterprises for mining diamonds and precious metals in the Congo and Sierra Leone, a fishing company and ostrich farm in Kenya, export-import companies in Great Britain, Kenya, Luxembourg, Russia, the U.S, Germany, and other countries, commercial ships (from 23 to 80) and freight planes all goes to al-Qa'eda's independent financing. Some sources have it that Osama bin Laden also uses the honey business in Yemen and other Middle East countries to transport drugs, cash, and weapons. As for the IMU's sources of financing, the chairman of its political divan (council), Tohir Yoldosh's deputy on religious questions, Zubair ibn Abdurahman, stated that "we have our own enterprises, including in Tashkent, and they are helping us."¹⁵

Use of the Banking System

Dirty money is laundered through the banking system in the interests of terrorists. This mainly works by means of transactions through Islamic banks using the "double accounting system." The large amount of assets in thousands of accounts belonging to terrorists testifies to the degree of infiltration in this area. Western experts, in particular, Roland Jacquard, the president of the Paris-based International Observatory on Terrorism and the Center for the Study of Contemporary Threat Factors, have information that Osama bin Laden and his associates started using the banking system of former Soviet Muslim republics for transferring significant amounts of money.¹⁶

Due to the increase in the price of oil at the beginning of the 1960s, the countries that produced it needed to invest their oil dollars in the world economy, which they wanted to do by bypassing the western financial structures. The idea of creating a system of Islamic banks was proposed by King Faisal of Saudi Arabia in 1964 at the first meeting of the Organization of the Islamic Conference (OIC). In 1975, the Islamic Development Bank (IDB) was opened in Jiddah with a total capital of 2 billion Islamic dinars (1 dinar was equal to 1 standard unit of the European communities).¹⁷

The system of Islamic banks is extremely rich in deposits. But not one of its banks is among the ten largest in the world, and was never used to deposit the assets of oil-producing countries. Roland Jacquard thinks the reasons for this are partly the fact that the world economy, primarily the United States, would

¹⁴ See: *Nezavisimaia gazeta*, 5 September, 2003.

¹⁵ Radio Azattyk, 8 June, 2001.

¹⁶ See: R. Jacquard, *In the Name of Osama Bin Laden: Global Terrorism and the Bin Laden Brotherhood*, Duke University Press, Durham, 2002.

¹⁷ See: *Vostok/Zapad: Regional'nye podsystemy i regional'nye problemy mezhdunaronykh otnoshenii*, Textbook, ed. by A.D. Danilevskiy. Moscow State Institute (University) of International Relations, Rossiiskaia politicheskaiia entsiklopediia Publishers (ROSSPEN), Moscow, 2002, p. 276.

never agree to the mass drainage of Arabian deposits, and Saudi Arabia would never dare oppose the U.S. or even other western banks in this delicate matter. Due to this ambiguous and timid stance by Saudi Arabia, the Islamic banks are restricted to the status they have today: wealthy and financially powerful banks which almost always lurk in the shadows of the international financial markets.¹⁸

The West's complicated attitude toward these financial structures can also be seen in the example of the well-known bank, Dar al Mal al Islami (DMI), and a branch of the Faisal Islamic Bank Group. With an initial capital of 315 million dollars, DMI and its investment societies turned over billions of dollars on the international financial markets. They wanted to use their Geneva Office as a bridge to the western world, but this was not welcomed by the authorities in European countries. However, the African continent threw its doors wide open to them.

The relatively isolated position of these banks forces them to look for other ways to survive. In most cases, along with their main deposit functions, they are creating currency exchange shops, through which the money of shadow structures and gains received on the black market are changed into hard currency. These enormous amounts of course slip past the classical banking system.

This unenviable status of the Islamic banking sector in the world very much suits international terrorists, who find it hard to adapt to the tough control and declaration system of the international financial structures. (Western banks as a rule do not permit a single transaction with a set amount of money without being sure where the money comes from and who the payer and receiver are.) Islamic extremists use these banks to finance their organizations through agents or under the cover of legal entities. It is believed that in most cases these banks have no inkling of what is going on.

Business activity in semi-legal spheres is revenue from prostitution, gambling, and the "revolution tax:" major terrorist organizations periodically require that their supporters pay them.

Criminal Financing Methods

As a rule, political terrorism did not in the past engage in other criminal acts, resorting to them only in extreme cases. For example, in Colombia, terrorist groups did business in drugs, exchanging them for weapons. But today most of them use criminal self-financing methods and try to legalize the capital they need to organize and carry out their acts. In this respect, certain experts are claiming that a criminal component is emerging in terrorism today, which is basically not true. There is no such thing as non-criminal terrorism, any terrorism is a criminal act and bloody murder.

Nevertheless, we should not confuse criminal terrorism with criminal ways of financing present-day terrorism. In terms of motivation, the latter is classified as political, religious, criminal, and so on, since violence can be expressed either in political struggle, or in strictly criminal activity. Criminal terrorism differs from political in that its purpose is to receive profit from any type of illegal act. Criminal methods of financing terrorism imply using any kind of criminal activity for obtaining money to prepare and carry out terrorist acts.

At a meeting of the council of heads of security agencies and special services of the CIS states held on 28-30 October, 2003 in Bishkek, Russian FSS Director N. Patrushev emphasized that revenue from illegal economic activity is one of the sources for financing terrorist groups, just as is revenue from drug trafficking.

Terrorist organizations obtain a significant amount of their financial resources from criminal or unofficial shadow activity in the following areas: contraband transactions with precious stones and metals (specialists claim that al-Qa'eda has been smuggling gold and diamonds through the United Arabian Emirates and Pakistan), as well as dealing in counterfeited goods; the illegal dispatch of immigrants; the manufacture and sale of forged money and bonds; embezzlement in the financial sphere (taxes, insurance, credit cards); robbing banks, enterprise and company cash registers, and cash messengers; stealing

¹⁸ R. Jacquard, *op. cit.*

paintings and robbing museums. For example, in the past seven years, approximately 500 canvases by world-renowned artists have disappeared from the Grozny Art Museum in Chechnia. At the request of Interpol in November 2001, two paintings on this list were removed from the auctions at Sotheby's in London (their initial bidding price was \$90,000) and returned to Russia.¹⁹ Nor do terrorists have any qualms about trading in stolen cars. Their profit from this type of crime is more than the revenue of the car giants and amounts to approximately 21 billion dollars a year.

On 27 March, 2003, 19 Chinese commercial agents carrying a large sum of money were shot to death and burned in a bus that was going from Bishkek to Kashgar. According to the law enforcement agencies, this crime was committed by militants from the East Turkistan Liberation Organization.

In recent years, terrorists are increasingly interacting with organized criminal groups based on mutual interest. In so doing, each side uses the potential of its "partners" to achieve its goals. The most active terrorists participate in the illicit production, transit, and circulation of drugs. The structures of organized crime, on the other hand, are interested in using terrorist methods for getting rid of their competitors, divvying up spheres of influence, and so on.

The Drug Business

An analysis of the situation in Afghanistan shows that in an atmosphere of military political and economic instability strong ties form among terrorism, the drug business, and illicit trade in arms. The results of the antiterrorist operation in this country are not having any effect on the level of opium and heroin production, or on their transit through Central Asian states. With the arrival of the new administration, the production of drugs in Afghanistan has even increased somewhat.²⁰

According to an annual U.N. review on the monitoring of illegal planting of opium poppy for 2003, Afghanistan produces more than 75% of its world volume. Drugs are pernicious for Afghanistan itself, since they prevent stabilization of the situation in the country, and their smuggling is related to organized crime and terrorism, which pose a threat to the whole world. The U.N. International Drug Control Committee (UNIDCC) is expressing its concern about the fact that the "continuing production of opium in Afghanistan and, as a result, the illicit circulation of opiates and related criminal activity are undermining economic and social stability and creating a threat to peace and security in this region."

According to the U.N., the annual revenue of transnational crime from illicit drug trafficking reaches 400 billion dollars. In the golden crescent countries, the total revenue from the drug business amounts to approximately 45 billion dollars a year. Whereas in Afghanistan 1 kg of heroin costs \$1,000 and in Bishkek \$6,000-8,000, in Moscow the wholesale price is as high as \$50,000 and the retail price is \$100,000-170,000, while in Europe and the U.S. the price is hiked 200-fold. So it is profitable for drug dealers to send heroin to Western countries where there is a vast drug market.²¹

According to the evaluations of CIS specialists, the main source for financing the Taliban was revenue from the Afghan-Pakistani drug mafia (more than 10 billion dollars a year), and U.S. experts assess the annual revenue of the Taliban at 7 billion dollars.²² Some of this money goes to feed terrorist activity in the region. At first, the Islamic extremists concealed their involvement with the drug business, then they began saying that drugs are also jihad against the infidels. First, deliveries go to infidels, and second, the money obtained is used to buy weapons to fight infidels.

The drug business creates prerequisites for corruption in the law enforcement structures of the region's countries. There is the great temptation to claim for themselves at least some the vast amount

¹⁹ See: S. Bazhanov, "Zakupaiut oruzhie na sredstva ot krazhi kartin," *Novosti razvedki i kontrrazvedki*, No. 5-6 (165), 2002.

²⁰ See: Iu. Spirin, "Zhertva chuzhogo kompromissa," *Izvestia*, 29 August, 2003.

²¹ See: "Sodeistvie stabil'nosti Tsentral'noi Azii," *Papers from an International Conference of 15-19 May, 2000*, Tashkent, 2000, p. 39.

²² See: *Komsomol'skaia pravda*, 5 October, 1999.

of loot that circulates in this sphere. Often people are engaged in this business who have close kinship ties with state bureaucrats. Criminal groups are gradually merging with corrupted officials, including (which is more dangerous) with employees of the “power” structures, whose job it is to combat the drug business.

The Central Asian states should view the fight against drugs and corruption as an important part of the fight against terrorism.

Taking Hostages, Kidnapping People, Extortion, Racket, Blackmail

In the CIS, the first hostage for ransom was seized in the Caucasus in the summer of 1994 (the son of Elzon, a Kizliar Cossack ataman), for whom \$50,000 had to be paid. In 1999, there were already 1,500 cases of kidnapping in the Northern Caucasus. The total amount of payments for kidnapped people, in the opinion of experts, amounts to 200 million dollars (more than the Russian Federation budget for Chechnia). Mr. Boris Berezovskiy made it possible to pay the ransom for journalists by forking out millions of dollars. Among the more well-known kidnappings were Ruslan Khasbulatov's brother, for whom a ransom of \$100,000 was paid,²³ an NTV film crew for 2 million dollars, an ORT film crew for 1 million dollars, Italian photo correspondent Mauro Galligani for 800,000 dollars, and two Ingushetian FSS officers for 1.5 million dollars. Authorized representative of the Russian President V. Vlassov was released only after 7 million dollars in ransom was paid.²⁴ In 1999, during attacks by IMU gangs on Kyrgyzstan, the parliamentary deputies seized were returned for \$50,000.²⁵

The same year, a member of a terrorist group, N. Chotchaev, a Russian citizen on the federal wanted list for kidnapping, including the 13-year-old son of the head of the Stavropol Territory, for whom 1 million dollars was demanded, was arrested for organizing a series of bombings in the Kyrgyz city of Osh.²⁶ It is interesting to note that three PRC citizens and one Turkish citizen, members of an underground anti-Chinese separatist structure called Free Turkestan, which is closely associated with the Turkish terrorist organization Boskurt, also belonged to this criminal group.

The members of the terrorist East Turkistan Liberation Organization arrested in Bishkek kidnapped Chinese businessman Khairullo Imin, for which they received a ransom from his brother in Urumqi, the PRC, of \$100,000. This money was sent through Turkey to terrorist training camps in Pakistan.²⁷

Along with kidnappings, terrorists use racket and extortion. Even large corporations, oil-producing companies, and airline companies pay “safety” money. In July 1999, a Chinese citizen armed with a Makarov pistol was detained in Almaty, who was involved in organized racket at the city's central market. The criminal chose only Uighurs as his victims, periodically traveled home to the Xinjiang-Uighur Autonomous Region (XUAR) of China, where, according to the national security structures of Kazakhstan, this “visitor” financed an underground terrorist organization with the revenue from his racket.²⁸

A similar incidence took place in Bishkek where the members of an extremist organization swindled Uighur commercial agents out of \$55,000. In November 2001 in Bishkek, a trial ended on a criminal case of members of the East Turkistan Liberation Organization (Shark Turkistan azatlyk tashkiloty). On

²³ See: R. Khasbulatov, “Ya vykupil v Chechne brata za 100 tys. doll.,” *KP*, 25 February, 1998.

²⁴ See: *Speech by A. Schmid. Materialy mezhdunarodnoi nauchno-prakticheskoi konferentsii 18-19 aprelia 2001 goda “Mezhdunarodniy terrorizm: istoki i protivodeistvie,”* ed. by Ye.S. Stroeve and N.P. Patrushev, Secretariat of the Interparliamentary Assembly of the CIS member states, 2001, p. 54.

²⁵ See: N. Omuraliev and A. Elebaeva, “Batkenskie sobytiia v Kyrgyzstane,” *Tsentral'naia Azia i Kavkaz*, No. 1(7), 2000, p. 25.

²⁶ See: *Delo No.*, 8 December, 1999.

²⁷ See: “Killery jihada,” *Vechernii Bishkek*, 4 January, 2002.

²⁸ ITAR-TASS, 21 July, 1999.

the defendant's bench were Chinese citizens, Muhammad Tohtoniaz and Ablemit Kerim, an Uzbekistan citizen, Otabek Akhadov, and a Turkish citizen, Kasarji Jalal Mahmud. Along with other crimes, they killed the chairman of the Kyrgyzstan Uighur Society, Nigmat Bazakov, who refused to finance their activity, and kidnapped a Chinese businessman (in order to receive a ransom).

These incidences show that while the world community is looking for ways to join efforts to fight new threats to global security, international groups of terrorists are blithely carrying out joint crimes, including obtaining funds for financing their sallies.

Investment in Legal Business

The significant profit obtained by criminal methods is laundered by devious means and finally incorporated into legal trade and economic circulation. Terrorists are creating "cover" companies for this; special terminals (under the guise of different agencies and charitable organizations), their own (or controlled by them) financial credit and commercial organizations (banks, companies, foundations, insurance companies, and so on). What is more, terrorist organizations invest in legal business by means of non-commercial charitable organizations.

In so doing, they use the following main channels:

- a network of financial and credit structures, with the help of which money is transferred to dummy agents or organizations (the main forces and resources for combating the financing of terrorism are concentrated here, and the recommendations of the Financial Action Task Force on Money Laundering (FAFT)²⁹ are aimed at it); systems of Islamic banks spread essentially throughout the whole world;
- non-traditional financial operations (including with the aid of underground "bankers:" the structure acts on a "gentleman's agreement"—the funds transferred to the "banker" go to the person he indicates); non-banking operations—the transfer of funds through tourist agencies; work with financial agents (lawyers, notary publics), money transfers on the Internet; conveyance of cash by special couriers; the exchange of cash at currency exchange shops (according to British specialists, on the order of 4 billion pounds Sterling annually).

Today's terrorists are using the following states and territories, where there are centers for legalizing their illegal financial resources: Vanuatu, Hong Kong, Western Samoa, Cambodia, Nauru, Singapore (the Asia Pacific Region); Zambia, Mauritius (Africa); Great Britain, Gibraltar, Cyprus, Ukraine, Switzerland, and the Isle of Man located in the Irish Sea (Europe); Antigua and Barbuda, Aruba, the Bahamas, the British Virgin Islands, Dominica, the Cayman Islands, the Netherlands Antilles (Caribbean Basin); the U.S.A. (North America); the United Arabian Emirates (Southwest Asia); Argentina, Venezuela, Panama, Chile, Ecuador (South America).

The countries and territories which do not cooperate with the FATF in combating the legalization of criminal revenue and financing terrorism include Ukraine, Egypt, Guatemala, Indonesia, Myanma, Nauru, Nigeria, and the Philippines.

Suppressing the Financing of Terrorism

Terrorism today is so widespread and brutal that an international system must be created to fight it. And suppressing its financing is a vital task to be urgently addressed, whereby it is just as difficult as fighting terrorism itself.

²⁹ FAFT was founded by leading industrial nations (the U.S., Japan, Germany, Great Britain, France, and Italy) and the European Commission in 1989. At present, 31 countries and two international organizations are the members of FATF.

First, in most cases, terrorist acts, as opposed to other kinds of international criminal activity, do not require large amounts of money to organize and carry out. Specialists believe that \$500,000 was spent on the preparations for 9/11. But on average no more than \$10,000 are spent on a single terrorist act, which makes it difficult to expose them. Second, it is extremely difficult to trace the flows of money going to these ends. Third, the new independent countries do not have any experience with tracing money being pumped through different channels.

All the same, an antiterrorist strategy, including suppressing the financing of terrorism, has essentially been drawn up. At the G-7 and Russia summit in Lyon in July 1996, a packet of measures made up of 40 recommendations was adopted. This packet contains specific proposals on the four main areas: refusing to offer refuge; depriving criminals and terrorists of the necessary resources (countries should exchange information on combating money laundering); protecting national borders (the matter concerns strengthening the fight against organizations engaged in illicit arms trade and people smuggling); exposing and preventing crimes, including terrorist acts committed with the use of state-of-the-art technology.³⁰

The Final Report on the assembly of ministers responsible for fighting terrorism in the G-8 countries (Paris, 30 July, 1996) set forth recommendations to adopt measures suppressing the financing of terrorist activity, which envisaged:

- to prevent and take steps to counteract, through appropriate domestic measures, the financing of terrorists and terrorist organizations, whether such financing is direct or indirect, through organizations which also have, or claim to have charitable, social or cultural goals, or which are also engaged in unlawful activities such as illicit arms trafficking, drug dealing, and racketeering. These domestic measures may include, where appropriate, monitoring and control of cash transfers and bank disclosure procedures;
- to intensify information exchange concerning international movements of funds sent from one country or received in another country and intended for persons, associations, or groups likely to carry out or support terrorist operations;
- to consider, where appropriate, adopting regulatory measures in order to prevent movements of funds suspected to be intended for terrorist organizations, without impeding in any way the freedom of legitimate capital movements.³¹

What is more, corresponding measures are also being undertaken by the international community. For example, the European Union sponsored a conference on the problem of financing terrorism held in Luxembourg in 1997 and a similar seminar in Vienna in 1998. At the London conference on terrorism on 7-8 December, 1998, principles shared by the Group of Eight were formulated, including a plan of action. It stipulates ensuring that all structures participating in the fight against financing terrorism cooperate and exchange information with each other, and other specific measures. The declaration of the Second Inter-American Specialized Conference on Terrorism adopted in 1998 in Mar del Plata (Argentina) contains recommendations for the member states of the Organization of American States (OAS) on deterring the financing of terrorism.

The search for efficient ways to cooperate led to the creation of the U.N. International Convention for the Suppression of the Financing of Terrorism adopted by the General Assembly of the United Nations in resolution 54/109 of 9 December, 1999. Art 8 reads: "Each State Party shall take appropriate measures, in accordance with its domestic legal principles, for the identification, detection and freezing or seizure of any funds used or allocated for the purpose of committing the offences set forth in Art 2 [of the Convention] as well as the proceeds derived from such offences, for purposes of possible forfeiture."

This Convention sets forth how people should behave with respect to commercial enterprises whose funds might be used to support terrorism. It also states the measures to be taken against those who support

³⁰ See: J. Shaeffer, *The G-7 Countries Adopt a Packet of Measures on the Fight Against Crime and Terrorism*, ERF20 4 7 USIA. Wireless File, 3 July, 1996, pp. 5-6.

³¹ See: *Ministerial Conference on Terrorism. Agreement on 25 Measures*, Paris, France, 30 July, 1996.

terrorism. All money which passes through the territory of the signatory states to the convention must be carefully traced. Sums of money confiscated under Art 8 should be used to compensate for the consequences of terrorist acts.

International organizations, in particular the OSCE and U.N., are taking measures to look into the problem of laundering money in Central Asian countries used for financing the activity of terrorist organizations, as well as to draw up legal and administrative mechanisms for fighting them. For example, between 10 and 12 October, 2003 a seminar was held in Dushanbe on the technical and legislative aspects of the fight against laundering money and questions related to financing terrorism, the initiator of which was the OSCE Center in Dushanbe, the U.N. Office for Drug Control and Crime Prevention (UNODCCP), and the Prosecutor-General's Office of Tajikistan. On 14 October, 2003, a consultative assembly was held in Tashkent under the aegis of the OSCE, the UNODCCP, and the Central Bank of Uzbekistan on the fight against money laundering and financing terrorism. During its work, the OSCE representatives emphasized that in this area the main problem of the Central Asian countries is not having a specific legislative base for fighting this kind of crime, and also expressed their willingness to render Uzbekistan the necessary assistance in these issues.

Why is the international community unable to effectively suppress the financing of terrorism? First, the well-known assertion from the Cold War era is still alive and well that says "for some a terrorist, for others a freedom fighter." For example, Russia calls someone a terrorist and demands that person's extradition, while other countries consider him a representative of the national liberation movement and refuse. Second, one of the main reasons why the search for the link between various foundations and terrorists is so ineffective is the low level of cooperation and interaction among the countries fighting terrorism, including with respect to intercepting the financial flows of its support. (This is the main obstacle to international cooperation.) Third, the methods of financial control over laundering money obtained by criminal means have become outmoded. At the same time, we should not only be fighting terrorism, but also the types of organized crime that go along with it, such as the drug business, arms smuggling, illegal migration, and so on.

The war against this evil requires vast amounts of money. The more a state or antiterrorist coalition spends on an antiterrorist war, the more successful it will be. Here it is appropriate to present the statement by Chinese thinker Sun-ji, who back in the fifth century B.C. said: "...to grudge titles, awards, and money and not know the position of the enemy is the height of inhumanity. He who grudges this is not a commander of the people, not an aide to his sovereign, not the master of victory."³²

When we talk about fighting this evil, society hopes that specialists will find a universal way, a "magic recipe" for eradicating it, but this is essentially impossible. An international mechanism must be created capable of reliably tracing and closing all channels used to finance international terrorism, and political and religious extremism in the world monetary system. We should not limit ourselves to publishing lists of these organizations and the most dangerous criminals, corresponding sanctions must be imposed on sponsor countries and anyone giving refuge to terrorists.

The world community must look the problems of poverty and impoverishment square in the eye, first and foremost by breaking the vicious circle of injustice. As Karl Liebknecht said: "Any injustice corrupts both sides: it corrupts he who tolerates injustice, as well as he who commits injustice."

The roots of socioeconomic and political inequality creating fertile ground for extremist ideologies must be exposed. If we do not change the ingrained and customary stereotype of "rich North-poor South," the marginal elements will forever be a social base for feeding terrorism and other manifestations of extremism.

³² N.I. Konrad, *Izbrannye trudy*, Moscow, 1977, p. 44.

THE CENTURY OF GLOBAL ALTERNATIVE: A NEW SECURITY EXPANSE IN POST-SOVIET EURASIA

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International Relations and Security in the 21st Century

Today it is impossible to correctly describe the present state of international relations and predict their future without a careful analysis of security-related problems as an inalienable part of the world political scene. This is amply confirmed by the fact that all discussions on security problems are breaking the bounds of traditional ideas and encompassing an ever-wider area, which in turn is assuming an independent or even central role in these discussions. This is quite natural: the list of threats generated by the realities of the globalizing world and the transitional state of international relations is growing.

In the 1990s, it included uneven regional development, depleting natural resources, environmental pollution, illegal migration, ethnic and religious conflicts, transnational organized crime, and international terrorism. Today we are aware of a shift from “blatant” military threats to “subdued,” mainly humanitarian, ones which are spreading to and infiltrating more than one state. This is confirmed by the growing terrorist threat felt everywhere, which is rooted, in part, in the growing economic and social inequality.

Interdependence, the key term of globalization, changes the traditional nation-state’s internal and external contexts, which is leading in turn to corresponding changes in the international security sphere. As a result the security threats are changing, while the structures designed to regulate international relations and security (the U.N., OSCE, NATO, etc.) are being undermined and weakened. Indeed, they have already demonstrated their impotence in the face of new, non-military threats and their inability to handle the crises in Yugoslavia, and the Northern and Southern Caucasus. Today we should ask ourselves whether these structures can be adapted in any way to the dramatically changing world.

It is equally important to ponder over the future of international relations and their role in setting up a system of international security. Discussions in recent years have testified that the present ideas about the future of international relations have not yet produced a definite answer to this question. This has happened for several reasons. Analysts and experts proceed from a varied range of methodological and theoretical approaches; states and blocs pursue interests that are difficult to harmonize. At the same time, the majority of academics and politicians agree that globalization cannot be stopped and that the world will continue to develop in this direction. This raises a question about the most probable systems of international relations and their impact on all the entities involved in them.

The above led me to conclude that the key features of the future world security system are taking shape in “strategic indeterminacy.”¹ The term aptly describes the state the system of international re-

¹ N. Omarov, *Na puti k global'noy bezopasnosti: Tsentral'naia Azia posle 11 sentiabria 2001 goda*, Tsentr OBSE v Bishkeke, Bishkek, 2002, p. 25.

lations was in at the beginning of the 1990s and means that the global security system will remain in a state of “strategic indeterminacy” for an indefinitely long transition period. While immediately after the Cold War the world had to promptly and painlessly, if possible, re-adjust to the universal values and formulate a generally acceptable answer to the new challenges and threats, today a concerted approach to the world problems remains formally recognized while the variety of positions and approaches is growing.²

Logically, the 21st century is described as “the century of global alternative,” all others (such as “the APR century”) being secondary and limited. This description is an objective one since there is no doubt that in the age of globalization international relations are dominated by a multitude of alternative development scenarios. At the same time, I am convinced that this definition offers a clear understanding of the dynamics, nature, and trends of transformation in international relations in the new century and makes an analysis possible.

The experience of the last decade of the 20th century shows that international relations are still at the crossroads of a unipolar and a multipolar world, negative and positive scenarios of global developments, Euro-Atlanticism and its Asian alternative, neo-liberalism and “power of the fist.” Similar processes can be observed in the security sphere; they are rooted in the dynamic, or fluid state of international relations. One would like to ask: What will prevail—cooperative or corporate security; a multisided or one-sided approach to the world security priorities; security of isolated communities or much more just (yet much harder to achieve) genuine global security? Today it is harder to answer this question than it was in the early 1990s when the theory of international relations was dominated by the romantic notion of a conflict-free and just world ruled by an abstract global government.

How long will the transition stage last? Today we can say that the world is unlikely to make a prompt and painless choice of development model. The widening gap between the North and the South, the egoistic desire of the rich minority to preserve the status quo as long as possible and to enjoy the advantages created by globalization will hardly be hailed by the countries that have found themselves by the wayside. There is no doubt that the politics of the world leaders imposed on the rest of the world community will be readjusted by its deprived members, protests of anti-globalists, and by terror as the extreme manifestation of discontent.

We can expect that new blocs and alliances will come to the fore with regional and global development strategies of their own. The growing ambitions of the most successful integration alliances (the European Union) and individual states (China, for example) to pursue policies different from those imposed by the “only world superpower” (together with the stronger positions of new actors represented by international organizations and NGOs) have caused collisions and recurring confidence crises. The highly divergent opinions about the Iraqi crisis displayed inside the bloc of Western states, which have long been knit together by common interests and prolonged partnership, illustrate the above. Which side will the passive majority of the international community choose? The answer will depend on the newly formed international combinations and configurations of the most influential and active states.

It should be added that the “century of global alternative” as an independent idea can describe not only the prospects for the future world order, but also adequately assess the organization and development of a new security expanse in post-Soviet Eurasia.

Formation of the New Security Expanse

Today the states and the world in general are facing transnational and transborder threats. After departing from the traditional, “militarist” understanding of security the world now needs a wider con-

² See: *Ibid.*, p. 26.

ception that stems from multisided involvement and universal decisions. We cannot but entirely agree with what Kyrgyzstan President Akaev said in November 1999 at the Istanbul OSCE summit: "International terrorism, religious extremism, drug trafficking, and illegal trade in arms not only threaten the security and stability of states. They may destroy these states."³

The above makes the question of creating a global "security landscape"⁴ based on regional systems or regional security landscapes an important one. It is equally important to understand whether it can justify the hopes the "old" and "new" participants in international relations have pinned on it.

Eurasia, which at the turn of the 21st century found itself for objective reasons in the center of world politics, is especially interesting in this respect. The "geopolitical vacuum" left by the Soviet Union developed into a "security vacuum" that affected the Eurasian states and nations. In the latter half of the 1990s, the expanse was rapidly filled with various regional and sub-regional entities very different in "weight" and "size." Certain states outside the region were also drawn into the project. Many of these new entities claim regional leadership and a monopoly in the Eurasian security system. This suggests that late in the 20th and early in the 21st century Eurasia and post-Soviet Central Asia (as its inalienable part) became a patchwork of variegated approaches at different levels to the common security problems.⁵

This phenomenon stems from two synchronous and mutually connected processes. On the one hand, the post-Soviet Eurasian states joined the already existing global and regional security structures (the U.N., OSCE, NATO, etc.); on the other, qualitatively new alliances were formed: the Collective Security Treaty Organization; the Organization of Central Asian Cooperation, the Conference on Interaction and Confidence-Building Measures in Asia, the SCO, and GUUAM.

When analyzing these processes through the prism of cooperation among the world powers in Eurasia, it must be pointed out that each of them has its own ideas about the roads leading to security in Eurasia and the methods for ensuring it based on their long-term national interests. They can be described as independent "projects" actively realized with the help of the tools available to them. The projects clearly identified the dominants that determined the centripetal and centrifugal trends in the globalized world, revealed in the need for a consolidated response to the common security threats and in the disuniting urge obvious in the world powers' actions to seek domination and limit the influence of third countries.

For example, Russia's "post-imperial" project aims at restoring influence in post-Soviet Eurasia in order to use the re-united local states as an instrument for influencing America's global policies. After taking into account the present realities, Russia is obviously steering toward a new model of relations in which the sides' interests are more or less equally respected.

The American "neo-imperial" project aims at filling the "geopolitical vacuum" in Eurasia and creating a new Washington-dominated global context. To achieve this the American administration plans to encircle Russia and China with political regimes economically and financially dependent on the U.S. The extended "living expanse" in Eurasia will contribute to U.S. global domination.

The American designs, however, are opposed by China's "assimilation" project born by a combination of the present global realities and the desire of the political elite (rooted in historical traditions) to restore the country's influence in the "lost territories." And although this implies Central Asia and Russia's Far East, Beijing is obviously displeased with Washington's increasing influence in Eurasia as a whole.

The project based on the EU members' intention to set up similar integrated regions in Central Asia and the Caucasus arouses a lot of interest. Little by little the EU leaders are overcoming the centrifugal

³ "Vystuplenie glavy kyrgyzskoy delegatsii Prezidenta Kyrgyzskoi Respubliki A. Akaeva na sammite OBSE v Stambule, Turtsia (18-19 noiabria 1999 g.)," *Slovo Kyrgyzstana*, 19 November, 1999.

⁴ The term "global security landscape" as one of the forms of the "security community" was offered by B. Boene, W. von Bredov, and C. Dandsker in their article published in: *Military and Society in 21st Century Europe: A Comparative Analysis*, ed. by Juergen Kuhlmann and Jean Callaghan, LIT Verlag in Hamburg and Transaction Publishers in the U.S., 2000.

⁵ See: N.M. Omarov, *Gumanitarnye aspekty bezopasnosti Kyrgyzskoy Respubliki v XXI veke: vyzovy i otvety*, Bishkek, 2001, p. 46.

trends of recent times and, together with the local states, are looking for the most acceptable integration alternatives. European policies are playing a stabilizing role in the CIS countries in general and promoting “a new détente” among Russia, China, and the United States. The European Union betrays no hegemonic designs; there are no historically rooted negative associations among the local people, therefore its geopolitical and geostrategic plans in Eurasia translated into concrete political steps are not rejected in the same way as happens with other actors.

It is expected that each of the above projects will ensure security of the corresponding states and the countries involved in them. This is nothing more than a theory—in practice most of the small Eurasian countries remain outside the security zone. The gap between their security problems and the true motives behind any of these organizations “erodes security” and discredits these structures in the eyes of the world community. The above has demonstrated that the world giants inevitably prefer their selfish interests to the security problems of the small Eurasian countries. The situation around the Caspian-Caucasian energy basin is the best illustration of the above. Most of the small states must take into account a multitude of circumstances caused by their destitution, dependence on foreign factors, and the burden of the past that weighs heavily on their present and future. When forced to make a choice or look for alternatives they have to agree on compromises, “multi-vectoral diplomacy,” and involvement in blocs and alliances.

As a result, nearly all Eurasian countries participate in several, either horizontal or vertical, security structures; they tend to establish horizontal ties in the organizations representing their interests at the regional level. This differs from the blocs of the olden days with their mainly vertically arranged connections. To a great extent, this new situation reproduces the current global realities with several centers of power, each of which wishes to extend its sphere of influence. The resultant “global network of states” is reproduced in a much more complicated organization of global and regional expanses through structures based on a fairly involved indirect intertwining of horizontal and vertical ties between states and international organizations and among the latter. Indeed, in post-Soviet Eurasia there are several international organizations with superimposed boundaries and “responsibility zones”—a sure sign that in the mid-1990s a new security system emerged based on multifarious cooperation among entities of international relations realized at different levels. According to its organizational principles and the relationships inside it, this security system can be called an “associative” one.⁶ It is a new organizational system of the Eurasian expanse taking shape here after the Cold War. Based on the principles of cooperative and collective security, the “associative” system makes it possible to describe in detail the state, mechanisms, and nature of cooperation of various security structures at the regional (sub-regional) and global levels. This approach is conducive to an analysis of actions of all relevant security subjects/objects (small, medium, and large states and international organizations) actively involved in setting up new structures and mechanisms of Eurasian security.

To correctly understand its regularities we should recognize that the system is a transitional type that includes both elements of a new global society (interdependence, rejection of conflicts in favor of compromises, active involvement of international organizations) and the relicts of the old bipolar system (the “friend or foe” opposition that provokes confrontation). To a great extent it is this combination that is responsible for the system’s spontaneous emergence born by its natural trend toward self-organization in the fundamentally new security expanse, in which numerous varied foreign influences clash.

When describing the main facts behind the “associative” security system we should point to the following.

In 1992-1994 the post-Soviet Eurasian states joined the U.N. and CSCE/OSCE, and became actively involved in their work. This was the first step along the road toward universally recognized global and

⁶ N. Omarov, “‘Assotsiativnaia’ sistema bezopasnosti kak novaia model’ organizatsii evraziyskogo prostranstva v nachale XXI veka,” in: *NATO i Tsentral’naia Azia: regional’naia i natsional’naia bezopasnost’ i strategicheskoe partnerstvo*, ed. by T.A. Kozhamkulova *et al.*, Almaty, 2003, pp. 25-34.

regional security structures. The majority of the new independent states were guided by security considerations and the need to integrate into the world community. For their part, the U.N. and OSCE leaders were prepared to integrate these countries in order to prevent uncontrolled conflicts and mass violence across the post-Soviet expanse. As a second step, the majority of the post-Soviet states became actively involved in bilateral and multilateral cooperation with the EU and NATO structures (the Partnership for Peace program and the Euroatlantic Partnership Council) and participated in creating a European security expanse based on more or less similar tasks and principles assigned to each of the participants. Turkmenistan was the only exception: it opted for a positive neutrality policy officially confirmed by a U.N. General Assembly decision of 12 December, 1995.

The CIS was set up in 1991 in a similar way: at the initial stage the new structure had to reduce the conflict potential and formulate the new “rules of the game” in the relationships among the post-Soviet republics. A Collective Security Treaty signed in May 1992 was the second step, cooperation within which significantly changed over time. In April 1999, three CIS states discontinued their membership because of its low efficiency. In 2002-2003, a new regional structure appeared—the Collective Security Treaty Organization—with a fairly complex and ramified structure that included the Collective Rapid Reaction Forces and an air base in Central Asia. According to the heads of member state, this organization was based on the principles of maintaining collective security within the CIS and was not hostile to any outside state.

The Shanghai Five set up in April 1996 is another security structure with a unique mechanism in post-Soviet Eurasia, which opened the way toward fundamentally new relationships between China and the bordering post-Soviet states.⁷ This structure further increased its influence in the security sphere in the region when it was transformed into the Shanghai Cooperation Organization (on 15 June, 2001 Uzbekistan joined the Shanghai Five) and the SCO Declaration was signed (on 7 June, 2002). The format of its activity was extended to include certain economic issues, a fact that speaks of the organization’s positive integration potential.

The constantly growing role of economic factors in the security conceptions (including the internal stability and sustainability of the states) has made the EurAsEC (1994, 2001) and the CACO (1994, 2002) fundamentally new sub-regional security structures. Emerging as integration organizations with purely economic goals, they gradually took on the tasks of fighting organized crime, international terrorism, and religious extremism. Their aim is Eurasian stability and security.

In recent years the Conference on Cooperation and Confidence-Building Measures in Asia has been moving to the fore. It was set up on the initiative of the leaders of Kazakhstan formulated in 1992. Today it is addressing practical issues—a fact amply confirmed by its summit held on 3-4 June, 2002 in Almaty.

GUUAM (1997) has undertaken the task of creating a security system in the Black Sea-Caspian Basin as an alternative to the one supported by the Collective Security Treaty Organization. Uzbekistan, after leaving the Collective Security Treaty to join GUUAM, suspended its membership in this structure in 2002. The GUUAM leaders insist that the United States does not influence their organization, yet their regular meetings with American military and political leaders raise doubts about their sincerity.

The Central Asian states and Azerbaijan are actively involved in the Organization of the Islamic Conference (OIC), the Economic Cooperation Organization (ECO), and the Council of Heads of Turkic-Speaking States, all three organizations striving within their competence to oppose the most glaring security threats. They are very important as political and consultative forums through which some of the post-Soviet states have successfully integrated into the Islamic world. Significantly, in October 2003 Russian President Putin participated as an observer in the OIC summit in Malaysia.

Late in 2001 armed forces of the international antiterrorist coalition (IAC) composed of the military of some of the NATO countries appeared in Central Asia. According to numerous official statements they

⁷ See: Cha Yishan, “Mekhanizm ‘Shankhayskoy piaterki’ i strategicheskoe vzaimodeystvie Kitaia i Rossii,” in: *Kitay v mirovoi politike*, ed. by A.D. Voskresenskiy, Moscow, 2001, p. 340.

concentrated on the antiterrorist campaign in Afghanistan and on greater security and stability in the adjacent countries. All assessments of this fact aside, I can say that the deployment of U.S.-led military forces caused serious and long-term geopolitical shifts in Eurasia. We cannot ignore that the aims and tasks of the antiterrorist coalition coincide (even if formally) with the long-term security problems in post-Soviet Eurasia. This created an unprecedented situation: in Kyrgyzstan the air base used by the America-led antiterrorist coalition is operating in close proximity with the air component of the CSTO Rapid Reaction Forces⁸ composed mainly of Russian military.

The combination of the main regional and sub-regional structures described above created “intersecting” systems as part of the global security landscape, offering additional guarantees to the countries involved in them. The “superimposed” structures with highly flexible degrees of involvement testify that early in the new century Eurasia switched from the rigid bloc system of the past based on the “friend or foe” principle to a more pragmatic and flexible international security model. It allows the countries involved to respond to changes and threats promptly and adequately. This system can be described as an “associative” system—its main element being the direct (or indirect) involvement of big and small states in many different organizations, especially where their interests are concerned. Together these organizations form a “security association” of different countries and alliances.⁹

By bringing together the majority of the states (illustrated above in relation to post-Soviet Eurasia), the “security association” has created an absolutely new framework of relationships designed to overcome possible conflict potential by means of multilateral consultations, a “multi-layered” security system at the regional and global levels. As a result, and despite the different approaches evident in this sphere, Eurasia is gradually moving toward a relatively homogenous security expanse kept together by the majority’s shared desire to achieve conflict-free and mutually advantageous development by using the mechanisms of the “associative system.” This arrangement is especially favorable for the small states doomed to the defensive development strategy on the global scene. Within all sorts of structures, however, they enjoy a more or less equal partnership with the great powers, and are given a chance to realize their national interests and actively oppose new challenges and threats by collectively exploiting the partnership potential.

As a result the Central Asian republics can easily move beyond regional boundaries and territorial alliances (the Central Asian Cooperation Organization and the CIS) to become actively involved in the global security processes. They can use the accumulated potential of preventing conflicts and averting threats on a wider scale. This is especially important for the post-Soviet states that are still carrying out political and economic reforms. Kyrgyzstan, for example, can work simultaneously in such different organizations as the OIC and NATO to ensure security in the Asian and European foreign policy sectors.

The system is highly flexible—this is another of its advantages. It can alter its configuration and respond to new challenges. It is just as important that the most urgent problems of economic and social development as a basis of stability at home and conflict-free development form part of the traditional security agenda. This is especially important today when domestic threats are obviously more pronounced than outside challenges. The “compensatory” function of the “associative” system is equally important. On the one hand, it is realized through the active involvement of certain world powers in addressing security problems, which deprives any one of them of absolute domination in Eurasia. As a result, they have to coordinate their interests at the regional and global levels. On the other, this reduces to the minimum the threat of dictatorship and hegemony of any of the world powers to which the small states are exposed; this also creates a leeway when selecting the best possible foreign policy strategy.

Certain factors deeply rooted in the bipolar past do not allow the “associative” system to fully reveal its positive potential. There are countries that are still entertaining their ambition to claim “monop-

⁸ The decision to deploy the air component of the CSTO Rapid Reaction Forces in the town of Kant was adopted in June 2002. On 23 September, 2003 during the Moscow visit of Kyrgyzstan President Akaev to Moscow a relevant official agreement was signed. The air base was officially opened on 23 October, 2003 during President Putin’s visit to Kyrgyzstan.

⁹ See: N.M. Omarov, *Gumanitarnye aspekty bezopasnosti Kyrgyzskoy Respubliki v XXI veke: vyzovy i otvety*, p. 48.

oly governance” and to curb the influence of other world powers. As a result the small states are exposed to greater pressure—an obvious and negative factor—and are turned from subjects of international politics into objects of variegated foreign influence. In this context some of the states regard the regional and sub-regional security mechanisms as an instrument of unilateral geostrategic domination in Eurasia. The process is especially acute because the countries trying to transfer from authoritarianism to democratic values are weak and depend on foreign influence. The great powers, which proceed from the primacy of their national interests, provoke other Eurasian states into emulating them. In Central Asia we are witnessing how Kazakhstan and Uzbekistan are competing for domination. From time to time the regional giants deem it necessary to instruct the weaker states which countries they should select as allies—this is another negative factor born by the Cold War approaches. It contradicts accelerating globalization as an objectively conditioned path of development.

The “associative” security system is a fairly “loose” structure: there are several centers of power and coexistence of several structures in it. Another important factor is that the Eurasian regions and sub-regions (Central Asia and the Caucasus) have not yet developed into political and economic entities able to independently identify themselves in the system of international relations. This is why the “associative security system” can only be conditionally described as a system in the strict sense of the word. This term, however, can be applied to this system to describe it as a new means and form of organization of spatial security in post-Soviet Eurasia based on the gradually increasing importance of the principles of cooperative and corporate security in the relations between states and international organizations.

In order to function successfully, the “associative” security system should use new adequate and mutually acceptable terminology so that all those involved in the dialog can understand their partners and be understood by them: “mutual responsibility,” “devotion to common values,” etc. Recent years have shown that the inability and ineptitude of the Eurasian states to find mutually acceptable solutions in the course of the discussions are the main obstacles to successful and mutually advantageous cooperation.

These faults, however, cannot destroy the system’s high positive charge and the fact that it is providing the world community with a chance to consciously participate in ensuring long-term security and stability in post-Soviet Eurasia. This is conditioned by the functional content of the gradually emerging regional security landscapes: they will have to become “open” entities and include, along with internal security guarantees, mechanisms for extending them to outside environments. This will make it possible to transfer to a new security formula designed for the different entities of international relations and to lay a foundation for their concerted efforts to oppose the threats to the global community.

In Lieu of a Conclusion

Even though the terms and descriptions offered above are debatable, there is no doubt that the dramatic changes in international relations give rise to new approaches to international security.

This is convincingly confirmed by the developments in post-Soviet Eurasia in which the great powers and respected international organizations are involved. This imposes certain responsibilities on them and calls for a coordinated and balanced approach to the small countries, which are weak for objective and subjective reasons.¹⁰

The first attempts of the U.N. Office for Drug Control and Crime Prevention and the OSCE (with the financial support of the EU and the United States) to fight transnational organized crime and inter-

¹⁰ They are their limited resources, which give them little clout on the world arena, and the current transitional stage of their history.

national terrorism in Central Asia¹¹ should be transformed into an anti-crisis strategy¹² by supplementing it with economic and social measures. This kind of strategy cannot be created and successfully realized if the regional countries and the states with special interests in the region (Russia, China, India, etc.) are not involved. In fact, their participation has been prepared by their contribution to the “associative” security system. This strategy should then be extrapolated to the entire Eurasian expanse so as to create a wider security zone for the subjects/objects of security in their contemporary, extended interpretation: man, society, state. A new security formula should dominate relations between post-Soviet Eurasia and its partners. It can be described as “security for a state rooted in internal stability and sustainable economic growth within multisided partnerships. It will be extended beyond the limits of the state in order to protect the national interests of its allies.” This formula should guide these countries in their contacts with the global community as a whole and help them prevent the threats to their security, rather than eliminate their consequences as is happening today.

The alternative is a grim one: further alienation of the Eurasian states and mounting crises. We have already learned that it is precisely crisis phenomena that breed international terrorism and Islamic radicalism, which threaten not only individual ethnic and social entities, but also the international system of states. The possibility of this has been confirmed by the U.S.’s desire to become the “only world superpower” and to deal with the problems the world is facing single-handedly. This has already created contradictions between Washington and its European partners and caused the world community to sort of ostracize the U.S. As paradoxical as it may be, this is becoming clearly obvious: America and its policies, intended as the cornerstone of long-term global security, are no longer popular. The U.S. leaders are inclined to use force as their foreign policy instrument. This revives the pattern of international relations aptly described by Thucydides in the fifth century B.C. as “the strong do what they will; the weak suffer what they must,” the principle Hobbes put into words as “the war of all against all” and the priority of the great power state interest.¹³ It seems that to achieve a global and regional balance of interests as the key to worldwide stability, the United States should change the priorities of its considerable economic and innovation potential.

The current choice between cooperative or corporate security, prosperity for the majority or for the isolated “golden billion,” has found its practical embodiment in the painful process of organizing a fundamentally new security expanse in Eurasia. It is being born amid the contradictory trends toward alliances and conflicts, compromises and domination of one single country, common interests and the limited interests of certain states. The nations must make their choice in the next few decades. Will the “global project” based on a consolidated and balanced approach, and cooperation among different security communities within the “associative” security system triumph over isolated and highly divergent projects pursued by individual players on the international scene?

¹¹ The program of action adopted by the Bishkek International Conference “Strengthening Security and Stability in Central Asia: Intensified Concerted Efforts in the Antiterrorist Struggle” organized by the UNODCCP and OSCE on 13-14 December, 2001 in Bishkek (Kyrgyzstan) [www.osce.org.]

¹² It can be presented in concise form as a conception of “security through sustainable national development” that will take into account the great powers’ desire to maintain stability in the region and to see the local states developing thanks to their own resources, and the regional states’ desire to successfully complete the reforms and dynamically integrate into the world community.

¹³ V.M. Kulagin, “Mir v XXI veke: mnogopoliusniy balans sil ili global’niy Pax Democratica?” in: *Gipoteza “demokraticheskogo mira” v kontekste alternativ mirovogo razvitiya* (see: *Polis*, No. 1, 2000, p. 24).

CENTRAL ASIA AND THE SOUTHERN CAUCASUS: REGIONAL SECURITY IN THE NEW WORLD ORDER

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The Big Game-2 Territory?

Recently, the American and Russian presidents have been repeatedly confirming their resolution to move toward a new strategic partnership in order “to meet together the challenges of the 21st century.”¹ But these relations have still not been raised to the level of an alliance for several reasons: the disagreements on the Iraqi issue; American concern over the trends toward curbing democracy in Russia (“in Russia capitalism triumphed while democracy was defeated”²); the YUKOS case and arrest of its head Mikhail Khodorkovskiy; Russia’s policies in Georgia, Moldova, and Ukraine, which many in America perceive as “aggressive,” etc.

The numerous recommendations by the American “hawks” and certain members of the Bush Administration to pursue a harsher policy toward Russia are creating the impression that the United States wants to squeeze Russia out of its traditional zone of interests and the settlement process of the post-Soviet conflicts. Russia is suspicious of the EU’s enlargement. The doubts remained even after Russia reached an agreement with the EU leaders on the Iraqi crisis in the spring of 2003. Moscow is responding nervously to any changes in the international security system: NATO’s movement eastward; U.S. military bases in Central Asia; the growing presence of NATO and the U.S. in the Southern Caucasus; Washington’s plans to use military force to guard the Azeri sector of the Caspian, the Caspian pipeline systems, etc. The Russian political establishment cannot ignore the consistent efforts to squeeze Russia out of its traditional spheres of influence in the Far and Near abroad, as well as the direct interference in the domestic affairs of the formally independent CIS countries to topple the regimes the U.S. and NATO find objectionable (at first in Georgia, and then in other countries). Under this pressure Russia is hastily readjusting its foreign policy strategy.

The “lost positions in the CIS” is a pet subject of the Russian critics of Atlanticism who are out to find an enemy in the United States. They were enraged by Moscow’s support for the U.S.-led antiterrorist operation in Afghanistan. Certain political forces are putting pressure on the Russian leaders in order to force them, the president in the first place, to compete with U.S. military might, its defense funding, and the money poured into military operations outside the United States. On the other hand, some of the politicians and members of the expert community warn against spoiling relations with the West. They suggest that the country should promote its own economic and political interests by using its geographic proximity to the post-Soviet South and the traditional ties with it.

The public in the West is equally concerned about the recently revealed strategic rivalry with the Kremlin and the anti-Russian rhetoric that appears more and more frequently in political statements and

¹ Joint U.S.-Russia Statement on the New Strategic Relationship [<http://www.state.gov/p/eur/rls/rm/2003/21112.htm>].

² “Ekspertnoe zakliuchenie po problemam rossiisko-amerikanskikh otnosheniy Nikolaia Zlobina,” *Nezavisimaia gazeta*, 23 January, 2004.

the media. The relations between the U.S. and the EU are not simple either. Its members (with the exception of the U.K., the traditional American ally) betray no readiness to promote American interests in the CIS members. They would rather pursue their own policy and object, in particular, to simultaneous containment of Russia, Iran, and China in southern Eurasia.

The new global alignment of forces that moved the “sphere of vital interests” of the U.S. and the West too close to the western and eastern borders of Russia is obvious. Still, this can hardly be taken to mean that America aims to push Russia away from the CIS, including Central Asia and the Southern Caucasus.

America aims at energy security that calls for America’s presence in the oil- and gas-rich countries and in the regions of ramified pipeline systems. Central Asia and the Southern Caucasus do not belong to these categories—from Washington they look like a reserve to be tapped when all other energy sources (the Persian Gulf and the Northern Sea) are depleted. In the post-Soviet South the U.S. (as other Western states) is aiming at maintaining security around the military bases used for the counterterrorist operation in Afghanistan, stability for business operations, and security for the future pipelines. Crossing Azerbaijan and Georgia, the Baku-Tbilisi-Ceyhan pipeline to be completed in 2005 will connect the Azeri-Chirag-Gunashli oil field with the Turkish Mediterranean port Ceyhan. It will be one of the longest in the world (1,760 km) with a daily carrying capacity of up to 1m barrels. The region has already acquired two pipelines: the Northern one that goes to Novorossiisk and the Western with terminals in the Georgian township of Supsa, both with limited carrying capacities. The Baku-Tbilisi-Ceyhan line will by-pass the ecologically vulnerable Black Sea and Straits to reach the new American bases in Eastern and Central Europe. British Petroleum is planning a Baku-Tbilisi-Erzurum line to move Azeri oil to Turkey to be realized in 2006.

The U.S. Administration is extending its military presence in Azerbaijan and Georgia to protect the pipelines; in the summer of 2003 the former was included in the zone of USEUCOM’s responsibility; and in January 2004 NATO conducted large military exercises, Cooperative Best Effort-2004. In 2002 the U.S. started a GTEP—Georgia Train and Equip Program in Georgia (that became permanent as soon as Mikhail Saakashvili had been elected president) to modernize the Georgian armed forces and adjust them to NATO standards. American marines are training the Georgian army for counterterrorist operations: the republic has already acquired four marine battalions and one mechanized brigade to deal with the potential threats emanating from the Pankisi Gorge. The program is expected to boost the Georgian state’s ability to control its territory.

Since Baku and Georgia have not yet resolved their internal conflicts, their chances of becoming NATO members are slim. In December 2003 during his visit to Baku, U.S. Defense Minister Donald Rumsfeld confirmed that his country intended to “broaden and strengthen its military cooperation with Azerbaijan” and pointed out that “so far the conception of the deployment of U.S. military bases on the territories of certain countries has not yet been completed.”³ It seems that Azerbaijan and Georgia will play a secondary role in future international operations similar to the one they played in the Afghan and Iraqi campaigns. Objectively, while helping the South Caucasian and Central Asian countries resolve their vital problems (in the security sphere as well) the U.S. is encouraging economic reorientation toward foreign markets and their course away from Russia.

Still, on the eve of his Moscow visit that took place on 26 January, 2004, U.S. State Secretary Colin Powell expressed his hope that the United States and Russia could cooperate in the spheres in which they were commonly believed to be rivals.⁴ He probably had in mind the post-Soviet expanse. To a certain extent the Americans, bogged down in Iraq, the Middle East and Afghanistan, and the Europeans, busy sorting out their own urgent issues, would welcome, under certain conditions, Russia’s efforts to preserve stability in the south of the CIS. A compromise between Washington and Moscow on certain security issues in Central Asia and the Caucasus (including settlement of the South Caucasian conflicts) is possible: the conflicts have been frozen, yet they can easily be defrosted if needed.

³ E. Alekperov, N. Ramizoglu, “Pentagon podverdil vidy na Azerbaijan,” *Ekho* (Baku), No. 299 (721), 4 December, 2003.

⁴ Quoted from: A. Dubnov, A. Zlobin, “Powell—v Moskve, Bush—v ume,” *Vremia novostey*, 26 January, 2004.

Russia as a Mediator and a Peacekeeper

Moscow is convinced that it holds the key to the Abkhazian, South Ossetian and Nagorny Karabakh settlements, since for the second decade now it has been enjoying great influence in these autonomous and independently functioning, yet internationally unrecognized communities. In certain respects they can be counted as states and subjects of international law: they have permanent populations; authorities that control the territories; and they can enter into diplomatic and economic relationships with other countries. Having tasted independence, they will hardly agree to return to their old status on their own free will.

The Georgian conflicts are hard to resolve because real power in Tbilisi (which can boast of a fairly developed, within the CIS, civil society and relatively free media) belongs to several ruling groups dominating their own territories, where they appropriate natural riches and the poorly collected taxes. The local conflicts are also rooted in acute economic contradictions.

For example, Irina Sarishvili-Chanturia, who heads the opposition *Novaia sila* (New Force) movement, explained the removal of Shevardnadze on 23 November, 2003 by the "intrigues of the international Armenian lobby" that allegedly supported his opponents in exchange for a promise to change the oil route in Armenia's favor.⁵ There is a certain logic in this (mainly intended for the Georgian audience: the opposition leader offered proof of betrayal by the "ethnically impure" post-Shevardnadze elite). Because of its ethnic homogeneity and the resultant absence of ethnic strife, the West has always regarded Armenia as a more stable state than its neighbors, Georgia and Azerbaijan. At the preliminary stage, Western companies discussed an Armenian transit for the Baku-Ceyhan pipeline. Hence the attempts in the early 1990s to cut the Gordian knot of the Karabakh conflict (plans of Gobble, Maresca, etc.). Eduard Shevardnadze, however, convinced Western investors that the Georgian route was absolutely safe and much more profitable. As a result, for many years he exploited the nation's expectations of a small economic miracle created by the transit money that would deliver Georgia from its economic and political dependence on Moscow. It seems that current instability in Georgia is somehow related to the Baku-Ceyhan pipeline in the same way as back in the early 1990s the project somehow destabilized the domestic situation in Azerbaijan and contributed to the Karabakh conflict.

The latter is still a political priority for the newly elected president of Azerbaijan Ilkham Aliev and his Armenian colleague Robert Kocharian elected to a second term on 19 February, 2003. Nevertheless, the positions remained the same: while Erevan wants a package agreement that should cover the status of Nagorny Karabakh, the refugees, and the occupied territories issues and suggests that Nagorny Karabakh should be represented at the talks as an equal partner, Baku prefers a step-by-step settlement that includes return of the "occupied territories" outside the "Republic of Nagorny Karabakh" under international guarantees and the refugees issue.

The 2003 presidential elections in both countries aroused numerous unfavorable comments from the OSCE and Council of Europe observers (both countries are members of these organizations), which weakened the positions of the newly elected presidents. Being aware of this, they will succumb to outside influences while trying to settle the conflict. For the same reason they cannot foil the talks or build up tension in the contact zone.

Until recently, Russia, in turn, was encouraging one-sided actions and mutual blockade and did nothing to settle the conflicts in order to preserve its influence there. Today, because of the radical changes in the region, Moscow can hardly expect to remain the sole ruler of the destinies of the local nations: tempting economic projects and a resolute diplomatic offensive from the United States and other countries challenge Moscow's role. Russia can still occupy a highly desirable niche by using its economic instruments, primarily in the energy sphere. The United Energy System of Russia joint stock company

⁵ A. Gordienko, "Shevardnadze ubrali iz-za bol'shoy truby," *NG-Dipkur'er*, No. 18, 8 December, 2003.

controls 80 percent of Armenia's energy capacities (part of the energy will go to Azerbaijan) and nearly the entire Georgian energy market.

This, and the fact that a considerable percentage of Georgian, Abkhazian, and South Ossetian citizens are living on the money earned by their relatives in Russia, serves as a basis for cooperation between the two countries, but leaves Tbilisi free to coordinate the key issues with Washington. A negative scenario is equally possible: the new Georgian leaders may fail to resolve the main problems or will find themselves involved in civil wars. On 24 January, 2004 during the first part of the inaugural ceremony in the Gelati monastery complex in western Georgia, Mikhail Saakashvili called on the nation "to unite and restore Georgia's unity." He described this task as "the aim of his life."⁶ Before that he had promised that if he were elected president, the elections of 4 January, 2004 would be the last ones in which people in Abkhazia and South Ossetia did not participate. He hinted at the use of force. This promises another useless war in Georgia that will bring nothing but chaos. The rivalry between Russia and the United States in Georgia, as well as certain contradictions with the new Georgian leaders who are looking to NATO and EU, may provoke a conflict between the West and Moscow and destabilize the situation even more.

It should be said in all justice that Saakashvili admitted that Russia and Georgia should take account of each other's national interests. This is a promising statement since "restoration of Georgia's unity" by force will hardly be hailed in Moscow, which wants more stability in the Caucasus. In this respect both the West and Russia want to restore law and order in Georgia to prevent chaotic developments.

The Kremlin has the opportunity to maintain its dialog with all the sides in the conflicts, which makes Russia an important member of international peacekeeping and intermediary efforts related to the Abkhazia, South Ossetian and Karabakh issues. Moscow, on its part, wants more than the role of an intermediary: the Russian elite is determined to upgrade Russia's economic, as well as political role on the post-Soviet expanse. Two Russian military bases (the 12th in Batumi and the 62nd in Akhalkalaki) not only deprive Russia of a greater role in the conflict settlement in Georgia; they are financial burden as well. Their withdrawal, however, will cost even more, therefore Russia insists that Georgia should partly fund new military camps and related infrastructure on Russian territory to deploy the bases. The Russian military is convinced that the process will take not less than 11 years, while the Georgian side insists on 3 to 6 years.⁷

While offering its help to the Azerbaijanian side in the Karabakh conflict, Moscow is extending its military cooperation with Erevan called for by Russia's strategic interests: Armenia is one of the two members of the Collective Security Treaty Organization that has a common border with a NATO member. Baku finds it hard to accept this. In November 2003 the defense ministries of Armenia and Russia signed a plan of cooperation for 2004 that included supplies of new surface-to-air missile systems and outlined new conditions, under which the 102nd Russian military base would function in Armenia (all its objects should be united into a single whole, while Armenia agreed to finance its infrastructure). In the latter half of November 2003 while visiting Armenia, the Russian defense minister made public the plans to set up "a united Russian-Armenian military group" in the future.⁸ On 18 November Azerbaijan responded with an official harshly worded protest. It condemned Russia's efforts to boost the military potential of a state with which Azerbaijan is in a conflict.⁹

Obviously, when trying to control and resolve old regional conflicts, Russia is confronted with the old problems and also has to deal with the new ones created by the changed geopolitical situation. The country obviously needs new approaches, fresh ideas and adequate conceptual support to develop its relationships across the post-Soviet territory with international organizations and the new influential centers of power (the U.S., NATO, the EU, and transnational corporations). Any claims to a special role should be supported by adequate economic and military arguments—something that Russia has not yet acquired.

⁶ [http://newsgeorgia.dmz-web.off/news.html?nws_id=224075/24.01.2004/].

⁷ See: "V Moskve obsuzhdalas' sud'ba rossiiskikh voennykh baz...", *Izvestia*, 9 January, 2004.

⁸ A. Gordienko, "Baku trebuet ob'iasneniy ot Moskvyy," *Nezavisimaia gazeta*, 21 November, 2003.

⁹ See: *Ibidem*.

If Russia wants to remain the peacekeeper and mediator in the Southern Caucasus, it should abandon its attempts to use confrontation to separate the region from the rest of the world; it should also abandon its practice of quarreling with the local countries and multi-sided international structures. It seems that Russia's active neutrality, a balanced approach to the regional processes, concerted actions with the multi-sided forces, and the use of their potential in its own interests is the best possible policy.

Militarization of the Caspian Sea

The arms race that has been going on in the Caspian for a long time was spurred on when foreign companies (British and American companies control, directly or indirectly, 27 percent of oil and 40 percent of gas reserves¹⁰) and extra-regional players (primarily the U.S.) came to the region. We cannot exclude that the region, which is rich in energy resources, will be re-divided by force. China, India, and other countries may be drawn into the confrontation together with the already present United States, European countries, and transnational corporations.

The Caspian navies of the former Soviet republics are based on the Soviet Caspian Navy, which was equally divided after the U.S.S.R. disintegrated among Azerbaijan, Russia, Kazakhstan, and Turkmenistan (the latter rejected its 25 percent in favor of Moscow).

So far, Russia has the largest amount of military equipment and the largest flotilla in the Caspian with a 15 thousand-strong personnel. It includes brigades of surface vessels, screening ships, support ships, a command post of search-and-rescue operations, a group of hydrographic vessels, an air group of skimmer planes, and a guards marine brigade. Russia also has missile-carrying vessels to control its marine communications.¹¹ On top of this, it intends to use new surface-to-air S-300 complexes to protect its zone of the Caspian from the air.¹² Judging by what the defense minister said in November 2003 about the most urgent tasks related to army reform, Russia is determined to build up forces in order to adequately protect the Caspian border.

Other Caspian countries increase their defense spending every year; they insist on more military aid from NATO, the U.S., and Turkey, as well as China and Russia. Obviously, they mistrust each other; the resultant arms race suggests that conflicts are possible.

Kazakhstan leads in this process: its military spending comes third in the CIS (after Russia and Ukraine); twice during the years of independence (in 1996 and 2003) it announced its intention to create its own Caspian Navy. So far the country has no adequate naval forces. According to its military doctrine of 2000, Astana is concentrating on setting up mobile forces and guarding the borders, including the marine borders. The country plans to complete the formation of a navy which will include ships, a marine corps, and units of logistics and technical support. In March 2003, the country was included in the responsibility zone of the NATO South European Fleet; in September the Kazakhstani leaders signed a five-year plan of cooperation with the United States under which the American side pledged to supply military launches of 1 thou ton displacement each.

Defense Minister Mukhtar Altynbaev announced that the Kazakhstani Navy would control "the air space over the Caspian, as well as the surface and the underwater part of its sector." He said: "The Fleet will have to protect the state borders and the Caspian oil fields with large foreign investments."¹³ It is not quite clear whom the country is setting up defenses against: the oil fields with American and British investors border on Russia alone. The Western Military District set up along the Caspian coast (next to Russia) and the Caspian Fleet have already invited a lot of criticism because the southern and southwestern bor-

¹⁰ See: Z. Vil'danov, *Kto na Kaspii vsekhn sil'nee?* [<http://www.iamik.ru/04/11/2003/>].

¹¹ See: Z. Askarova, *Kaspiyskaia piaterka* [www.gazetaSNG/11.Nov.2003/].

¹² See: V. Mukhin, "Voennye vyzovy Kaspiyskogo regiona," *Nezavisimoe voennoe obozrenie NG*, 16 January, 2004.

¹³ [<http://www.kompromat.kz>].

ders remain unprotected and highly vulnerable should the situation in Uzbekistan, Kyrgyzstan, or Tajikistan destabilize.

Azerbaijan is seeking closer cooperation with the United States in guarding "its" Caspian sector. In August 2003 the two countries first conducted joint military exercises; in December, after the talks between Ilkham Aliev and U.S. Defense Minister Donald Rumsfeld, it became known that Washington intended to continue helping to guard the marine borders of Azerbaijan against terrorist attacks. At his meeting in Baku with Ilkham Aliev, Deputy Commander of the U.S. Army in Europe General Charles Vold announced that complete control of the underwater expanse and water surface would be organized.¹⁴

Neutral Turkmenistan formally has no navy (with the exception of picket boats made in Ukraine, which belong to the border guards). Still, the country is actively arming itself and strengthening its aviation group, the largest in Central Asia, deployed in Turkmenbashi.

Iran is also strengthening its military presence in the Caspian 1.5-fold and moving its fleet there from the Persian Gulf. In 2003 it adopted a new development program for the National Tanker Company: a series of tankers will be built in Iran, which will acquire, in future, its own tanker fleet in the Caspian.¹⁵ Even though the numerical strength of the Iranian Caspian navy is second among the coastal states after Russia, most of its armaments are morally and physically depleted. Tehran will have to work hard to modernize them.

The Caspian states have obviously caught the "arms race fever" and will be strongly tempted to use the most radical of arguments when talking about the sea's legal status or about contended oil fields. On the whole, militarization of the Caspian Sea and the adjacent politically unstable region is proceeding against a very negative background. First, the coastal states have not yet agreed on the sea's legal status—consequently, no commonly accepted rules of the game are possible. Second, there is tension between some of them (between Turkmenistan and Azerbaijan and between Iran and Azerbaijan). Third, the situation is further aggravated by the presence of extra-regional powers and transnational corporations: while controlling the key oil projects in Azerbaijan and Kazakhstan they claim a special role in the region.

Russia, as well as Iran, remains devoted to its initial position on the militarization issue: since the Caspian is a domestic sea of the coastal states, they have the right to guard their borders themselves and do not need third countries to do this. Militarization of the Caspian served no useful purpose, Russian Deputy Foreign Minister Viktor Kaliuzhnyi said on 26 December, 2003 in an interview to the ANS TV channel (Baku), and added that the sides involved should avoid extremes. He also pointed out that it was hardly necessary to have five different military flotillas for the five coastal states.¹⁶

Moscow believes that militarization could be checked by a clause on inadmissibility of armed forces of third countries in the Caspian in the convention on the sea's legal status now being discussed by the coastal states. More than that: the agreements between Russia, Iran, Azerbaijan, Kazakhstan, and Turkmenistan rule out such a presence.

Late in 2003 Kazakhstan President Nazarbaev, who had already formulated numerous integration initiatives, offered another one: a Caspian OPEC of sorts made up of the coastal states and the transit countries. On 9 January, 2004 when discussing his new initiative with President Putin, who visited Astana, he said that the new project might defuse local tension, but complained that his project had drawn no enthusiastic response.

Who Will Guarantee Central Asian Security?

There are no ripples on the surface, but below the surface are many dangerous undercurrents and as yet unresolved contradictions. Here are some of them: the inefficient economy, which has not yet reached

¹⁴ See: "'Kaspiiskiy gambur' poka ne s'edoben. Ranniaia skhvatka za 'pozdniiu' nef'," *Evrazia segodnia*, January 2004 [www.gazetaSNG.ru/ 20.01.2004/].

¹⁵ See: Caspian information channel [www.caspian.ru/ 23.01.2004/].

¹⁶ [http://www.rian.ru/ 26.12.2003/].

the level existing on the eve of the Soviet Union's disintegration and depends on one or two exportable items. This increases the risk of social upheavals and corruption. The list goes on to include the non-representative political structures that are using inadequate mechanisms of power transfer; there is no effective regional cooperation on key issues (guarding of borders, security, trade, distribution of water resources); the region cannot combat the mounting religious and political extremism and organized crime, especially the groups smuggling drugs from Afghanistan; the health system has deteriorated; the younger generation, the numerical strength of which is rapidly increasing, has little hope of obtaining an education and good job; the situation is further aggravated by the large powers' rivalry for domination.

Today, there are parallel military structures in the region funded by Russia, on the one hand, and by the U.S. and NATO, on the other.

The American model of "democracy enforcement" combined with peace enforcement tested first in former Yugoslavia and then in Afghanistan and Iraq is stalling. The NATO-supported attempt to pool the local armed forces into a single Kazakh-Kyrgyz-Uzbek battalion (Tsentrzbat) failed. The U.S. military bases are unlikely to protect anybody in the event of aggression, while the U.S. contingents deployed there will hardly interfere in regional conflicts to settle them. The U.S. bases in Central Asia were not intended to ensure its security: they are an instrument of Washington's global policy and control over its potential rivals.

All this taken together testifies to the fact that Moscow is the only real security guarantor in the conflict-prone region. Moscow is proceeding from the assumption that a vacuum of power should be avoided to deny extremist elements the chance of filling it and that measures are needed to prevent instability along the southern borders. Russia has armed itself with the U.S.-elaborated and tested forward basing strategy, the key element of which is to meet potential threats as far from one's own territory as possible. Russia has already renewed its military-political ties with Kazakhstan, Kyrgyzstan, and Tajikistan. On 23 October, 2003, it opened a military base in Kyrgyzstan (the first one in Central Asia in the post-Soviet period). Although staffed with Russian personnel, it serves as an air component of the Rapid Reaction Forces of the Collective Security Treaty Organization (CSTO).¹⁷ The talks on a military base in Tajikistan (at which the Russian 201st motor rifle division will serve the core) are nearing completion. Together with the air base in Kant, it will protect the rapid reaction forces from the air and will serve as the main transshipment base, a "lily pad" in the Pentagon parlance.

The Russian initiatives of spring-fall 2003 show that, on the one hand, Moscow is trying to repair the harm done by the previous period of inaction during which centers of stronger attraction moved in. Whereas on the other, these initiatives betray Moscow's painful response to the obvious desire of the local countries to huddle together under the "umbrella" of the victor in the war against the Taliban and Iraq.

Meanwhile, other possibilities of resolving conflicts are coming to the fore. The CSTO has very good prospects; significantly, this structure within the CIS looks at NATO as an ally in the antiterrorist struggle and the fight against other threats. Its General Secretary Nikolai Bordiuzha said in Bishkek that the members intended to pursue their own line in dealing with the North Atlantic Alliance.¹⁸

The Shanghai Cooperation Organization (SCO) is developing into another factor of Central Asian security. It can be described as an embryo of the cooperative security model. D. Feldman, a prominent Russian political scientist, has pointed out that this model "takes into account different dimensions of international security, and the interests of non-state actors in international relations ... it does not exclude the use of military force and does not rule out rivalry over resources and influences combined with cooperation on the basis of mutually complementary interests."¹⁹ As distinct from the more popular collective security model in the CIS, in which there is a leading country and a common enemy, the SCO is an alternative regional security system based on the Russian and American military presence in Central Asia.

¹⁷ The Organization includes Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia, and Tajikistan.

¹⁸ Website of the Caspian information channel [<http://www.caspian.ru/18.11.2003/>].

¹⁹ D.M. Feldman, "Modeli mezhdunarodnoy bezopasnosti: vybor dlia rossiiskoy elity," *Natsional'nye interesy i problemy bezopasnosti v meniaushchemsia mire. Materialy seminara*, Moscow, IMEMO RAS, 2003, p. 14.

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The above suggests that stability in Central Asia and the Southern Caucasus mainly depends on foreign factors that are responsible for the local states' domestic problems. The latter will probably persist for a long time to come mainly because of poverty and corruption—two evils hard to deal with. A large-scale conflict in Central Asia can hardly be expected, while the local border and ethnic conflicts that have become fairly common will continue.

No one can exclude the possibility that one of the South Caucasian conflicts (frozen but not settled) may flare up again and destabilize the situation in the South Caucasian states and Russia.

It seems that since the majority of the Central Asian and South Caucasian states are potentially politically unstable, it is extremely important to upgrade global and regional controllability. This is important because the countries of the post-Soviet South are joining the world community.

IN SEARCH OF “ITS OWN LAND.” THE RULE OF LAW AND SECURITY IN THE CAUCASUS

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“Security” is a word equally applied to private lives and society as a whole. Thomas de Waal, Caucasus Editor for the London Institute for War and Peace Reporting (IWPR), is convinced that in the Caucasus individuals and societies are no longer secure.¹ One tends to agree with him: the words “the Caucasus and conflicts,” “the Caucasus and war,” “the Caucasus and refugees” were paired at the last stage of Soviet history and remain paired at the early stages of post-Soviet developments. On the eve of the Soviet Union’s disintegration the region lost its stability, today it is emanating instability that threatens not only Russia and the new South Caucasian states. In fact, the EU members are looking at it as a source of threat, too. The steadily increasing outflow of migrants from the North Caucasian republics that are part of the Russian Federation and from the South Caucasian countries (the same happened earlier when people were leaving the zone of the Balkan conflict en masse) forces Europe to look deeper into the processes unfolding in one of the most unstable post-Soviet areas. They can no longer be regarded as something external in relation to Europe—they have already developed into an internal political factor. The United States as the main antiterrorist fighter is fully aware of the Caucasus as a potential source of new terrorist acts that might affect America’s national interests.

Even if Russia, the EU and the United States do not agree on the sources and causes of crises and conflicts in the Northern and Southern Caucasus and on the methods of their settlement, they all agree that sustainable economic development, large investments, partnership and a complete integration of the Caucasian powers (Russia, Georgia, Armenia and Azerbaijan) into the world community will re-

¹ T. de Waal, “Ugrozy bezopasnosti na Iuzhnom Kavkaze,” *Vestnik Evropy*, No. 7-8, 2002, p. 35.

main impossible unless the armed and “frozen” (so far) as well as latent ethnic conflicts on their territories are finally settled. I have included Russia among the Caucasian states deliberately; by doing this I do not aim at saying that Russia has any political claims to a “special mission” in the region and to the neo-imperial status. In fact, Russia’s North Caucasian possessions are twice as large as the independent South Caucasian states taken together. Russia’s role is not limited to geographical considerations. “The Caucasian region delineated by the lower reaches of the Don and the Volga in the north and by the southern borders of three South Caucasian republics in the south (this is stated with a great degree of conventionality) is a most complicated conglomerate of varied languages, anthropological types, religions, social and political traditions that are tearing it apart. At the same time, the past abounds in common and shared features that make it possible to describe the region as a cultural-historical, or even civilizational, entity.”²

The “Greater Caucasus” has been and will remain for a long time to come a single sociopolitical mechanism despite the borders drawn by the Bolsheviks at random and the new state limits created by the collapse of the communist empire. Meanwhile, the academic community prefers to discuss the ethnic and political processes in the North Caucasian constituencies of the RF separately from similar processes taking place in the post-Soviet South Caucasian states. It should be said that some of the gravest ethnopolitical confrontations in the South of Russia are closely connected with the conflicts in the post-Soviet South Caucasian republics. An opposite is equally true of the Georgian-Ossetian and Ossetian-Ingush conflicts; the opposition between Georgia and Abkhazia and the “Chechen question”; the Armenian-Azerbaijani conflict and the relationships between the “local population” in the Kuban area and the Stavropol Territory with the Armenian and Azerbaijani migrants. The North and the South have certain other issues in common, the “divided peoples” (the Lezgians, Ossets and Avars) and the repressed ethnoses (the Meskhetian Turks) being the most outstanding of them.

The conflict over Nagorny Karabakh set in motion large numbers of Armenians and Azerbaijanians who settled in the Krasnodar and Stavropol Territories of the Russian Federation. According to official sources, between 1989 and 2001 the Armenian population in the Krasnodar Territory increased by 42.52 percent (an increase of 244,783 people, or 3.7 percent of the total population).³ Today, Armenians comprise 12 percent of the total population in Tuapse, 15 percent in Sochi and 38 percent in Adler.⁴ In this way the “Armenian question” has developed into a key social and political factor in the Kuban area while the local elite has armed itself with anti-Armenian rhetoric to blame newcomers for its own failures and mistakes. The Georgian-Ossetian confrontation caused a flow of refugees from the former South Ossetian autonomous region to North Ossetia. They were “settled” in the “fraternal republic” at the expense (among other things) of Ingushes driven away from the Prigorodny District. The Georgian-Abkhazian conflict consolidated the Adighes’ national movements in Kabardino-Balkaria, Karachaevo-Cherkessia and Adigey; the Confederation of Caucasian Peoples that also contributed to the opposition between Georgia and Abkhazia stepped up its activities. The Chechen question cannot be resolved without a settlement in the Pankisi Gorge.⁵

The Meskhetian Turks serve the best illustration of the common Caucasian problems. Back in 1944 they were deported from two Georgian regions (Javakhetia and Adzharia) to Central Asian republics. After several failed attempts made in the 1980s to repatriate them, to let them live in central Russia, and the tragic events of 1989 in the Ferghana Valley about 70 to 75 percent of them settled in the Russian part of the Northern Caucasus.⁶ According to the head of the Meskhetian community in the Salsk District (Rostov Region) Vakhit Aslanov, “we found the climate of the South of Russia most congenial. Here we could

² E.B. Rashkovskiy, “‘Kavkazskiy melovoy krug’: tragicheskie sud’by regiona,” *Pro et contra*, Vol. 7, No. 3, 2002, p. 164.

³ See: V.N. Rokachev, “Tolerantnost’ i komplementarnost’ v mezhetnicheskikh otnosheniakh (na primere Krasnodarskogo kraia),” in: *Tolerantnost’ i politkul’turnoe obshchestvo*, Moscow, 2003, p. 99; see also: A.A. Khranchikhin, “Russkie regiony Severnogo Kavkaza: politicheskaya situatsiya, vnutrennie problemy, vzaimootnosheniya s federal’nym Tsentrom,” in: *Sotsial’no-politicheskaya situatsiya na Kavkaze: istoriya, sovremennost’, perspektivy*, Moscow, 2001, p. 121.

⁴ See: S.V. Riazantsev, *Sovremennyy demograficheskiy i migratsionny portret Severnogo Kavkaza*, Stavropol, 2003, p. 125.

⁵ See: S.M. Markedonov, “‘Gruzinskiy paradoks’ v rossiiskoy politike,” *Mezhdunarodnye protsessy*, No. 1, 2003, p. 118.

⁶ See: S.V. Riazantsev, op. cit., p. 134.

do what we knew best—grow vegetables. The local reception was not bad.”⁷ As the local people perceived the danger of changed ethnodemographic situation in the “Russian regions” of the Caucasus and as the ethnically alien migrants started filling the potentially conflicting (at least, highly competitive) social niches (markets and other business spheres, and joined in criminal activities), the initially positive (or at least neutral) attitude developed into a guarded or even hostile treatment.

The regional authorities and heads of territories and regions of the South of Russia spare no words to express their positions. Speaking at the conference on the problems of migration held in Abinsk on 18 March, 2002 attended by bureaucrats of the territorial and district levels (the Meskhetian Turks are living compactly in the Abinsk District), Governor of the Krasnodar Territory Alexander Tkachev said: “We should defend our land and the local population... This land belongs to the Cossacks and everybody should be aware of this. Here we play according to our own rules.”⁸ His initiative was supported in the Rostov Region. The statement issued by the Great Army of the Don made public shortly after Tkachev’s initiatives said in part: “The Rostov Region is in mortal danger—that of tipped ethnic balance. Uncontrolled migration that is going on while the authorities remain inactive has flooded the Rostov Region. The land of the Don may suffer the fate of Kosovo in Yugoslavia.”⁹

In 1999, as Georgia joined the Council of Europe, it pledged to receive the Meskhetian Turks back, yet, at least for two reasons, they could hardly be returned to Samtskhe-Javakheti. First, the territory is home for a considerable Armenian population weakly integrated into the Georgian socium and dead set against the Meskhetian Turks’ repatriation (the memory of the genocide of 1915 is one of the factors). Second, an Armenian-Turkish conflict as an outcome of full-scale repatriation might be accompanied by a Georgian-Armenian conflict and a Georgian-Turkish confrontation (the Turks are not integrated into contemporary Georgian society).¹⁰

The above has proved beyond doubt that the current artificial delineation between the ethnopolitical problems of the Russian Northern Caucasus and the South Caucasian independent states does nothing to promote our understanding of the threats to regional security and stability. Indeed, stability in the Russian Caucasus (that comprises 10 Federation constituencies) cannot, and should not, be discussed separately from stability in neighboring Georgia and across the Southern Caucasus as a whole. The common Caucasian problems can be resolved through a multisided discussion and joint efforts on both sides of the Caucasian Mountain Range and a clear and adequate understanding of the causes behind ethnic confrontations.

I am convinced that an adequate response to the main threat to regional political stability and security requires a correct diagnosis of the grave illness that has affected the region. It should be treated and cured—otherwise no political or economic future is possible. I am not talking about the economic situation in general: in fact, one can look at slave trading in independent Ichkeria, trans-border drug trafficking, illicit circulation of arms and numerous illegal schemes as entrepreneurship. I have in mind an open economic system based on the correct ideas about laws and business activity rather than on archaic institutions. As the first step ethnic intolerance and conflicts should be identified within the legally correct formulas of the international law, the U.N. Charter, etc. These attempts should not be limited to the currently fashionable geopolitical considerations and “geological and mineralogical” arguments about barrels of oil extracted on the Caspian shelf. (We all know that the Caucasus had never been an area of peace and prosperity even before oil and mineral resources became weighty arguments.)

To identify the initial reasons for the current wide-scale ethnic confrontation in the region we should try unconventional approaches going far outside the limits of law and juridical subtleties and employed

⁷ M. Bondarenko, “Na Donu govoriat po-turetski,” *Nezavisimaia gazeta*, 16 September, 2002.

⁸ “The Situation of Meskhetian Turks in Krasnodar krai of the Russian Federation.” The Report Prepared by Russian Net against Racial Discrimination, *School of Peace*, No. 10 (20), October 2002.

⁹ See: I. Burakov, “Na Donu znaiut, kto vo vsem vinovat,” *Vremia novostey*, 17 April, 2002.

¹⁰ About the ethnic-political situation in Samtskhe-Javakheti see: G.V. Novikova, V.I. Dashko, “Samtskhe-Javakheti: v pitsentre interesov,” in: *Gruzia: problemy i perspektivy razvitiia*, Moscow, Vol. 2, 2002, pp. 229-255.

outside the Procrustean Bed of socioeconomic constructs. We should take into account the numerous irrational factors hard to identify and even harder to classify. Indeed, if the problem could be reduced to the issue of resources and finances (and their legal registration), it would have been easy to realize the exchange of territories in Nagorny Karabakh suggested by American academic Paul Goble that was expected to create a corridor between Nakhichevan (an enclave under Azerbaijanian jurisdiction) and the rest of Azerbaijan. To achieve this it was suggested that part of the Armenian territory should be transferred to Azerbaijan in exchange for the Armenian-populated part of Nagorny Karabakh for Armenia. The U.S. and Europe were prepared to pay lavishly: the international community wanted peace at any cost. The plan remained on paper because of an irrational, from the Western point of view, argument¹¹: one cannot give up "one's own" land to the enemy. Those who dare to do this will no longer be accepted as members of their people (ethnos). This argument defeats the best possible business plan, potential investments and impeccable legal constructs.

Throughout the ages all Caucasian peoples acquired their own understanding of ethnic identity that differs radically from the German idea of a nation (based on blood kinship) and the French one (based on citizenship). Caucasian identity is rooted in land regarded as an object of worship completely divorced from its economic or geopolitical importance. Every time the leaders of Abkhazia are offered a plan under which Georgian refugees should be returned to the Gali District (in which Georgians were in the majority) they put forward an argument that in ancient times the place (then called Samurzakan) was populated by Abkhazians. When accused of organizing in 1993 ethnic purges in which over 200 thousand Georgians suffered (the republic's ethnic majority), the Abkhazian elite presents figures that say that by the beginning of the armed conflict (1992) Georgians were in the majority because of deliberate efforts of the heads of the Georgian S.S.R. When asked whether the use of force is justified in Abkhazia, the Georgian side normally answers that the land belongs to Georgia and it alone has the right to rule it as it sees it fit. This is a vicious circle.

The Armenian side in the Karabakh conflict insists that Armenians were Karabakh's earliest dwellers while the Azerbaijanian side reminds that Azerbaijanians formed their own state in Karabakh (Irevan, Nakhchyvan and Karabakh khanates). In the Ossetian-Ingush conflict the Ingushes want their territories back on the strength of the Law on Rehabilitation of the Repressed Peoples (they insist that part of the Prigorodny District of North Ossetia is their ethnic territory and "the cradle of the Ingush people"). The Ossets, on the other hand, do not want to retreat "from their own territory."¹²

At the same time, the idea of one's "own territory" is not limited to the non-Slavic ethnoses of the Caucasus. In the so-called "Russian areas" of the Caucasus (the Rostov Region, Krasnodar and Stavropol Territories) the local people usually insist that they live on "their own territory," which is the "outpost of Russia," the land that was captured by force, developed and integrated into Russia. (I have already quoted typical statements of heads of the Rostov and Krasnodar establishments.) One can describe the mentality of the political regional elites and the mass stereotypes as "settler state" and "border mentality."¹³ This breeds xenophobia (migrant-phobia) and a desire to register the Cossacks as the "autochthonous population" in the regional laws. In this way stereotypes of the past are introduced into contemporary political contexts.

If this approach survives, the conflicting sides will always regard the social-political "pictures" of the world as existing in parallel spheres and having nothing in common. The Georgians will continue looking at South Ossetia as a Georgian territory of Samachablo while the Ossets of South Ossetia will continue fighting the "smaller empire." Armenian historians will look at Sumgait and Baku while

¹¹ See: B. Coppieters, "Federalizm i konflikt na Kavkaze," *Rabochie materialy Moskovskogo tsentra Carnegie* (Moscow), No. 2, 2002, pp. 8-9.

¹² There is a village of Tarskoe (Angusht) in the Prigorodny District from which the ethnic name of Ingushes was derived. The problem of the Prigorodny District was reflected in the Constitution of the Republic of Ingushetia (Art 11).

¹³ M. Bassin, "Tutner, Solov'ev and the 'Frontier Hypothesis': The Nationalist Significance of Open Spaces," *Journal of Modern History*, Vol. 65, No. 3, 1999; A. Rieber, "Changing Concepts and Constructions of Frontiers: A Comparative Historical Approach," *Ab imperio*, No. 1, 2003.

their Azerbaijanian colleagues will limit themselves to Khodzjalla (the sites of large-scale ethnic disturbances). The Georgian side will concentrate on the 1993 ethnic cleansing while the Abkhazians will continue thinking about forced "Georgianization" and an invasion of the troops of the State Council of Georgia in August 1992. The Ossets of North Ossetia will continue discussing the Ingush aggression of October 1992 while the Ingush side will never let the subject of 70 thou refugees from the Prigorodniy District die. Reminded of the "Armenian" or "Turkish" issue, the Kuban and Don regional elites will start talking about the threat of "another Kosovo" while the migrants will continue ignoring the rules established by the "local people" and guide themselves by their own customs rather than the law. This is like a film with cutouts: every side cuts out what it does not like and ignores what its opponent has already removed.

"One's own land" as an ideological construct gives priority to ethnic collective property: an ethnos alone can act as its supreme owner and dispose of it as it sees it fit. As distinct from what civil law says about property, the right of ownership of "one's own land" is formulated in an arbitrary way; it is rooted in the way history is presented to the nation and ignores past realities. The leaders of the national movements in the Caucasus prefer to ignore the fact that any consistent realization of the *jus primae occupationis* principle devalues the very idea of "one's own land." Indeed, the Greeks have as many rights to live in Abkhazia as the Abkhazians and Georgians, while the Udins can be regarded as another side in the Karabakh conflict. Late in the 1980s a fiasco of the communist project (its ideology and practice) and political liberalization that followed left an ideological vacuum filled, in the Northern and Southern Caucasus, with the familiar idea of "one's own land" earlier suppressed by the Bolsheviks. Ethno-nationalist movements that replaced the republican communist elites hoisted the idea as their banner. In the newly formed South Caucasian states and the North Caucasian republics of Russia power acquired legitimacy through the principle of "blood kinship" and by calling to setting up "their own states" (Federation constituencies) to express the interests of "one's own land."

This principle turned out to be a slow-fuse bomb threatening the legitimacy of the new states and national entities. By legitimacy I mean not only the nation's perception of power as a legal one but also perception of power as acting in the interests of its citizens. "One nation (ethnos)-one state" is not the best method of adding legitimacy to power in polyethnic and poly-confessional states with numerous ideas of "one's own land." Ossets, Abkhazians and Armenians of Javakhetia will always look at the state built according to the "Georgia for Georgians" principle as alien and illegitimate, while the Armenian community in Azerbaijan will never accept the "Azerbaijan for Azerbaijanians" slogan. Obviously, Adigey that is regarded as a result of the "autochthonous people's" wish will never be accepted "as their own" by the republic's Russian population that comprises 60 percent of the total population.

The crisis of legitimacy in the Caucasus produced weak and impotent states threatening regional and international security. The international community had recognized three independent South Caucasian states now in a legitimacy crisis; however, in the last 12 years three unrecognized states appeared in the Caucasus: Nagorny Karabakh, Abkhazia and South Ossetia. According to Thomas de Waal, "this is probably the world record that should not be regarded as a temporary phenomenon that will disappear all by itself."¹⁴ They have acquired many of the statehood attributes: state symbols, governments and parliaments, budgets, armies, the police and security structures, and basic principles of national ideology. The self-proclaimed states, however, cannot be regarded as states in the full sense of the word; we have still less grounds to describe them as legitimate. According to Thomas de Waal, "we should not forget that these entities appeared as self-governing units only by delivering themselves from larger communities."¹⁵ The self-proclaimed structures are also justifying their legitimacy by referring to "their own land" principle. Having been born by the wish to escape from the recognized South Caucasian states perceived as illegitimate by the self-proclaimed structures, the unrecognized states fell into the same trap. The circle was complete.

¹⁴ T. De Waal, op. cit., p. 38.

¹⁵ Ibidem.

In Russia the consequences of the realized “one’s own land” principle were less destructive (Chechnia is the only exception). Still, the tendency toward ethnic homogenization in the North Caucasian Federation constituencies is dangerous. According to A. Dzadziev from Vladikavkaz, one can say that Daghestan is developing into a monoethnic republic: the share of the autochthonous peoples in the total population increased from 80 to 85 percent (between two censuses of 1989 and 2002). The share of Russians dropped from 9 to 5 percent; members of other ethnoses, from 11 to 10 percent. The share of the title nations in North Ossetia and Kabardino-Balkaria increased between 1989 and 2002 from 53 to 60 percent and from 58 to 65 percent, respectively; in Adigey and Karachaevo-Cherkessia, from 22 to 24 percent and from 51 to 57 percent, respectively. The share of Russians in these four republics dropped from 29.9 to 23.4 percent, from 32 to 27.2 percent, from 68 to 65.8 percent and from 42.4 to 35.8 percent, respectively.¹⁶ In Chechnia the process of ethnic homogenization can be better described as an exodus of the Russian population. According to the All-Union Census of 1989, there had been 294 thou Russians living in the Checheno-Ingush A.S.S.R. while later 220 thou Russians left the “rebel republic.” The cost of Chechnia’s attempts at sovereignty was even higher: 21 thou Russians lost their lives (not counting those killed during hostilities).¹⁷

Can this vicious circle be disrupted? We should not treat the expectations of the recognized and unrecognized entities in the Southern Caucasus, as well as national entities in the Northern Caucasus, as utopian: they are rooted in many centuries of historical experience. Having been given political freedom, the Caucasian ethnoses rushed to rescue what they believed to be the most precious thing—their ethnic identity. They never realized that by doing this they destroyed the identities of others. Protection of one’s own rights turned out to be a violation of the rights of others. Having recognized this, we should avoid another extreme: recognition of cultural uniqueness of Caucasian civilization, mentality, etc. Had this uniqueness received its impulses in closed geographic (geopolitical) expanse, we should have recognized the same expanse as a unique ethnographic territory. However, in the conditions of globalization the threats emanating from the Caucasus are damaging the interests of not only Russia as a Caucasian power (let me remind you that the North Caucasian territory is twice as large as that of the Southern Caucasus) but also of Europe and the United States. From this it follows that the leading powers should pool efforts to ensure legitimacy in the Southern Caucasus. Money and financial support of the “peace process” cannot resolve this task: we have already seen this in the Balkans and the Middle East.

Those who defend “their own land” willingly spend the money given them to defend peace and progress on their fight for ethnic purity. It seems that large-scale ideological (intellectual) work is needed; it should go on for years and decades and be aimed at changing the very foundations of the ideas about nations, ethnoses, their morals and relationships. This means large-scale cultural transformation in the political and social conscience of the Caucasian nations. Prof. B. Parakhonskiy of the Ukrainian National Institute of Strategic Research has written: “It seems that historical justice is a limited phenomenon. Sometimes attempts to return to the past turn out to be an act of historical injustice in relation to the present.”¹⁸ This is what the leaders of both recognized and unrecognized South Caucasian states should understand. In the Northern Caucasus the Russian state should create a Russian civil nation as an integrative form for various ethnoses of the Federation. Today, ten years after the Constitution was adopted, we should fill the constitutional formula “the multi-national people of the RF” with real meaning and content. Politics should be relieved of its ethnic component and the idea of ethnicity should be de-etatized. The latter cannot be limited to bureaucratic exercises of enlarging regions or calling them “gubernias.” The main thing is to stop looking at ethnically constructed entities as a result of political will of this or that ethnos and stop dividing the population into “autochthonous,” “title,” or “alien.” To do this special laws are to be adopted.

¹⁶ See: A.B. Dzadziev, “Dinamika chislennosti i etnicheskogo sostava naselenia respublik Severnogo Kavkaza v mezhperepisnoy period 1989-2002 godov,” *Biulleten’ Vladikavkazskogo instituta upravleniya (Vladikavkaz)*, No. 10, 2003, p. 148.

¹⁷ See: S.M. Markedonov, “Chechnia. Voyna kak mir i mir kak voyna,” *Ab imperio*, No. 4, 2001. Regrettably, the problems of the Russian population of Chechnia were not systematically studied and were ignored by the Russian state authorities when preparing the referendum on the republic’s Constitution (December 2002-March 2003).

¹⁸ Quoted from: [ww.politcom.ru/2003/pvz140.php].

History should be abandoned to academics and removed from political circulation. Threats to international security and stability emanating from the Caucasian Mountains cannot be removed by simplification and by the efforts to reduce the problem of settlement to oil extraction and exchange of territories.

HOW TO STRENGTHEN STABILITY AND SECURITY IN THE CAUCASUS

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Despite their dynamic diversity, the processes that unfolded in 2003 failed to improve the situation in the Caucasus. The regional countries—Russia, Azerbaijan, Armenia, and Georgia, as well as the contiguous and extra-regional

players—did not change their main policies, and their approaches to the key issues on which local security and stability hinged remained the same. Today, as in the past, the situation can be described as insufficiently stable.

Why?

First, the region is still exposed to the threat of international terrorism. Even though everyday life in Chechnia is noticeably improving and despite the measures (albeit fairly delicate) Tbilisi applied to the terrorists in the Pankisi Gorge, the extremist forces have not abandoned their attempts to turn the Caucasus into a foothold for their machinations. Georgia, which for a long time avoided any adequate steps designed to discontinue the activities of Chechen fighters and international terrorists on its territory, is still irresolute either because it fears the bandits or because it wants to spite Russia. Whatever the case, early in 2004 Georgian tactics remained the same.

Georgia's evasive policies look strange against the background of the recently established close contacts between Russia and Azerbaijan and complete understanding between Russia and Armenia. They will look even stranger if we take into account that Tbilisi insists on making a contribution to the international counter-terrorist coalition. While Georgia widely demonstrated its intention of becoming "America's main ally" in the antiterrorist struggle, it has never tried to bring law and order to its own territory. Former president Shevardnadze was fond of saying that the republic had no adequate forces to do this, but he never wished to pool efforts with Russia to achieve tangible results. Any concrete and straightforward actions would be an important contribution to antiterrorist struggle, to the Georgian-Russian dialog, and to stronger stability and security in the Caucasus.

Second, the situation is destabilized by the seats of tension; Chechnia in the Northern Caucasus and three conflict zones in the Southern Caucasus have been tearing the region apart for over ten years now. I am referring to the Karabakh conflict and the Georgian-Ossetian and Georgian-Abkhazian conflicts. In

2003, the region avoided direct clashes, which is quite an achievement seeing as relations between the sides remained strained. But nor was any progress achieved: continued tension rules out any discussion of the region's stability and of alternatives and systems conducive to regional security.

Third, regional security depends on the domestic policies and the socioeconomic situation in the local states. Last year certain progress was achieved in Russia, Armenia, and Azerbaijan, which carried out elections, raised the level of political stability, and achieved certain dynamism in the economy.

Regrettably the situation in Georgia was different: irresponsibility, corruption, and complete disintegration of the country's economy resulted in November 2003 in a change of power virtually by force while the nation's complete disillusionment in the old leaders created obviously inflated expectations of the new ones. Will the Saakashvili-Burdjanadze-Zhvania triumvirate be able to organize political life, heal the economy, demonstrate a sober understanding of the republic's interests, overcome the anti-Russian psychosis, and establish good-neighborly relations with the adjacent countries? Early this year Saakashvili spoke quite reasonably—yet he limited himself to general declarations about friendship and better relationships.

Fourth, much will depend on developments on the track that may be tentatively called "geopolitical influence in the Caucasus." In the past, Russia repeatedly warned that attempts to turn the region into a zone of geopolitical rivalry would negatively affect the climate in the Caucasus and the world over. The warnings were ignored: today the rivalry is even more pronounced than ever. It is caused by local oil, the "smell" of which irresistibly pulls the American military to the East. Moscow is aware of the continued attempts to isolate it from the sphere of its vital interests—the South Caucasian CIS countries. Russia's integration with its natural partners is threatened while its foreign policy role is shrinking. Nobody can expect Russia to dispassionately watch the negative developments on its southern borders that are threatening its national security.

There are other serious factors like the transportation corridor and oil and gas pipeline projects bypassing Russia, the efforts to oust its military structures from Georgia and the continued blockade of the region's main transportation routes, the Sochi-Sukhumi-Tbilisi-Erevan and the Erevan-Nakhichevan-Megri-Baku railways.

Time has shown that Eduard Shevardnadze's stakes on bringing Russia and the United States to loggerheads were fraught with an escalation of tension and negative consequences for the future of the entire region. The former Georgian president was obviously a shortsighted politician. Hence the present commotion around the Russian bases in Georgia, its military-technical cooperation with the United States and NATO, as well as the talks (that have become much louder recently) about NATO membership for Georgia and the deployment of extra-regional military structures on its territory.

Prospects for the Karabakh Settlement

The still-unsettled Karabakh conflict impairs regional security to the greatest extent. By 2002 the talks that had been going on for many years stalled; in 2003 they were discontinued because of presidential elections in both countries and the grave illness of the then president of Azerbaijan. The dialog at the top level was renewed on 11 December, 2003 in Geneva yet, as expected, it did not produce tangible results. The newly elected presidents outlined their positions and agreed on continued personal contacts, which was a highly positive sign.

Obviously no one can expect any radical decisions on the Karabakh issue, there can be no progress without a dialog between the presidents.

The previous nineteen meetings between Heydar Aliev and Robert Kocharian made it possible to remove certain differences and to reach certain (and rather fragile as time has shown) understandings. Azerbaijan acquired a new president and the dialog will start again from scratch.

Significantly, Russia, the U.S., and France, as co-chairmen of the Minsk OSCE Group, are closely cooperating within the conflict settlement, so the process has been spared any rivalry among the world powers. This is a positive factor, despite the sides' habitual criticism of the group's "passivity." In fact the never-ending deliberations about the intermediaries being either "too passive" or "too pushy" are caused by an overestimation of their role. They play a secondary role in the dialog between Baku and Erevan, even though today their balanced initiatives are needed.

To develop a full-scale negotiation process and enhance direct contacts between the presidents and the efforts of the Minsk Group, a continuous dialog between Armenia and Azerbaijan at the working level is very much needed. They should be able to discuss the settlement and its alternatives non-stop and in greater detail. This dialog did take place in Prague at the deputy foreign ministers level and should be revived.

Two indispensable conditions should be to agree on greater confidence measures and to discontinue the information war. The sides are nursing the insults accumulated throughout the years of conflict and mutual mistrust; this is all blended together to form "explosive material" and the well-known approach of "either all or nothing." The presidents will find it hard to meet each other halfway in the present psychological climate, it must be improved.

Nagorny Karabakh was (and is) excluded from the talks; its leader A. Gukassian repeatedly stated that Karabakh should have the final say in any decision made by the presidents of Armenia and Azerbaijan.

Obviously the talks are concentrated on the status of Karabakh, therefore only drawing up a set of confidence-building measures will make it possible to switch to a package, step-by-step, or any other settlement alternative. Today the sides should improve the refugees' conditions, strengthen security in the conflict zone, and start economic cooperation in the region.

Whence Georgia's Instability?

Today Georgia is a knot of various complex domestic, foreign policy, social, economic and territorial problems, which affect the region's stability. Some of them can be found in other CIS countries, others are purely Georgian. All of them, however, are caused either by objective reasons or by unfortunate economic, ethnic, and other decisions.

In the past Georgia was one of the most prosperous Soviet republics, while in the last decade it became the poorest of the CIS states and plagued by numerous problems. This possibly explains why, in an effort to remove all doubts about his country, its former president Shevardnadze insisted that it was not a "failed state." The doubts, however, were raised not only by Georgia's economic and political instability, but also by the highly unpredictable prospects of ethnic reconciliation with Abkhazia, South Ossetia, Adzharia, and some other regions. It must be admitted that only Russia's active peacekeeping prevented these smoldering conflicts from flaring up.

In November 2003, when the Saakashvili-Burdjanadze-Zhvania triumvirate came to power domestic confrontations lost some of their urgency, yet they are revived from time to time in specific and highly uncivilized forms. The "triangle's" stability will depend to a great extent on Mikhail Saakashvili's popularity at home.

It seems that the continued practice of letting off steam (that Shevardnadze used to relieve pressure) by targeting popular discontent against "foreign and domestic foes" (Russia, Abkhazia, South Ossetia, and Adzharia) will have a negative effect on all efforts to address key issues in future too. It has already boomeranged back on Georgia and raised tension across the region.

Terrorism

This is the central problem in relations between Russia and Georgia. If Tbilisi continues its tactics of failing to implement resolute antiterrorist measures, the negative factors in the countries' bilateral relations will persist.

For several years the Georgian leaders placed their stakes on the "Chechen card" to force Russia to take more resolute steps in Abkhazia (by which Tbilisi meant use of force). In the latter half of the 1990s, Tbilisi established close contacts with Grozny: the visits of Georgian parliamentary delegations were reciprocated by top Chechen emissaries making trips to Tbilisi. In 1997, with the connivance of the country's leaders, a so-called "plenipotentiary representation office of Ichkeria" was officially opened in Tbilisi; later it acquired a ramified structure used to coordinate financial and material aid to the Chechen fighters camouflaged as distribution of humanitarian aid among the refugees. The same structure arranged medical aid for Chechen fighters in Georgia and other states, as well as periods of rest and recuperation in different countries, organized the transit of mercenaries from third countries to Chechnia, etc.

At different times, up to 2,500 Chechen fighters would be located in the Pankisi Gorge; they stored their armaments, ammunition, medicine, and foodstuffs there; they organized communication with other countries (Arab countries included). Part of this infrastructure can still be found in the gorge. Late in 1999 and early 2000, M. Udugov met with Osama bin Laden's personal representative in Georgia; international terrorists doubled their efforts to penetrate the Georgian economy to launder their money through the gambling business, trade, hotels, and the realty market.

Moscow's repeated invitations to cooperate in antiterrorist efforts were interpreted as attempts to draw Georgia into a "large Caucasian war," to move the hostilities to its territory, to encroach on its independent foreign policy, etc. At the same time, the country's leaders flatly denied that the Pankisi Gorge housed terrorists.

After the events of 9/11, President Shevardnadze found it much harder to encourage international terrorists; the Georgian leaders had to look for a solution. Finally, they had to admit that there were terrorists in Georgia. In September 2002, Minister of State Security Valery Khaburdzania declared that there were 700 to 800 fighters in the Pankisi Gorge, 100 of them being Arab mercenaries. In July-September 2002, those who had entrenched themselves in the gorge carried out several attacks against Russia. The relations between the two countries deteriorated even more.

This urged President Putin to express his concern with the situation in his messages to U.N. Secretary-General Kofi Annan and the OSCE member state leaders. Moscow called on Tbilisi to observe the U.N. antiterrorist resolutions.

A widely acclaimed antiterrorist operation carried out in the Pankisi Gorge failed mainly because the terrorists stationed there had been warned in advance. They had moved to other places in Georgia or even left for other countries, so no bandits were arrested and handed over to Russia.

There were positive developments too: in December 2002, a terrorist group that included those who had blasted the apartment blocks in Moscow and Volgodonsk was liquidated in Eastern Georgia. Cooperation between the special services and law enforcement bodies of the two countries improved, yet the information center of international terrorists is still operating in the republic; they cross the borders and continue to store weapons and ammunition on Georgian territory.

This "flexibility" is pernicious for Georgia. Russian-Georgian relations can improve, the visa regime lightened, and Caucasian stability and security be made stronger, if the new Georgian leaders revise the old approaches.

Territorial Problems

At one time Andrei Sakharov described Georgia as a "dwarfish empire." Indeed, this small state comprises several compact ethnic entities; 30 percent of its population is not Georgian, while the permanent ethnic squabbles remained subdued for a long time thanks to Moscow's stabilizing role.

The ultra-nationalist policies of the first Georgian president Zviad Gamsakhurdia, who formulated the principle "Georgia is for Georgians," destroyed any understanding between the Georgian Center and the ethnic fringes. As a result any regular and normal contacts between Tbilisi and Abkhazia, South Ossetia, and Adzharia were severed. Tbilisi is putting harsh pressure on Samtskhe-Javakhetia, where the Armenian population predominates and there is strong influence from the Armenian nationalist movement Javakhk. The crisis of the last decade pushed the ethnic problem to the fore.

The conflicts in Abkhazia and South Ossetia unfolded at a fast pace and culminated in bloodshed. Settlement efforts have been going on for over ten years now without tangible results and positive dynamics.

Will the Georgian-Abkhazian Settlement Move Forward?

We can expect the new Georgian leaders' numerous statements about certain ideas related to the settlement in Abkhazia to develop into concrete steps. So far the political and diplomatic crisis persists. The efforts made by the U.N. and Russia to revive the talks between Tbilisi and Sukhumi were invariably blocked now by one and then by the other side, since their ideas about approaches to the final settlement were absolutely different. Tension in the conflict zone is as high as ever, while the danger of revived hostilities remains real.

The Abkhazian leaders flatly reject any ideas about restoring the vertical of power that existed prior to 1992 when Sukhumi was accountable to Tbilisi. The Abkhazians' previous experience (the attempts to assimilate them within the Georgian state) forces them to firmly insist on independence.

Meanwhile Georgia placed the stakes on economic blockade and isolation that brought Abkhazia to the brink of a humanitarian catastrophe. Thousands of local people live on transborder trade with Russia or on free Red Cross meals.

Regrettably, from time to time Tbilisi reminds the world community that the use of force in Abkhazia is not excluded; it says that the peacekeeping mandate in the conflict zone should be changed in order to turn the peacekeeping forces (the main factor of peace and a guarantee against resumed armed clashes) into an instrument of pressure on the Abkhazians.

While Tbilisi issues official statements about peaceful solutions, some people go on with belligerent statements about the use of force. Nino Burdjanadze, for example, insists that if needed she is prepared "to send her sons to Abkhazia." People have not forgotten how 12 years ago the adventurist actions of Gamsakhurdia (highly popular at the beginning of his presidency) caused seven thousand deaths among civilians, drove tens of thousands out of their homes, and turned the domestic situation in Georgia upside down. We should bear in mind that it was thanks to Russia's mediating efforts that ten years ago, on 14 May, 1994, the sides signed an agreement on cease-fire and disengagement of the Georgian and Abkhazian forces.

Today Tbilisi cannot restore reliable control over Abkhazia single-handedly. After partial U.S.-supported modernization, the Georgian armed forces (about 25 thousand-strong) can theoretically defeat the Abkhazian forces (some five to seven thousand volunteers), yet Tbilisi's total military, economic, and human potential is obviously inadequate since the Abkhazians will inevitably move to a guerilla war.

The problem also defies a military solution because the world community will never approve it; when launching the Train and Equip Program, the Americans made it conditional on a pledge not to use the trained units in domestic conflicts.

It has become clear that Abkhazia cannot be politically and economically isolated and that attempts to do this have augmented hostility and created mistrust between the sides. As a result they are mutually alienated, while hostility is going down from the state to the personal level. Replacing the

“whip” with the “carrot” would have helped Tbilisi to improve its relations with Abkhazia and other breakaway regions.

Efforts to change the nature of the peacekeeping operation in the conflict zone and adjust it to the use of pressure against the Abkhazians by the Russian peacekeepers or by invoking Chapter VII of the U.N. Charter will fail. They will do nothing but raise the tension, not only in the conflict zone, but also between Tbilisi and Sukhumi as a whole.

Recently much has been done under the U.N. aegis to create a document on delimitating constitutional powers between Tbilisi and Sukhumi (the so-called Boden Document). During the period of total confrontation it could not be implemented—today the chances of its implementation remain slim. The diametrically opposed positions of Sukhumi and Tbilisi rule out any agreements on the status, yet this is not an impasse and a compromise may still be reached.

The settlement should preserve Georgia’s territorial integrity, on the one hand, and ensure the rights and interests of all ethnic groups in Abkhazia, on the other. Any progress suggests direct and permanent contacts between the sides, mutual account of each other’s viewpoints, and the desire to reach a compromise as the basis for a long-term settlement.

Today we should, first, patiently restore mutual confidence through mutually advantageous projects and concrete efforts. Second, the movement toward a settlement should be a gradual one and should take into account the political realities. The problem cannot be resolved at one fell swoop—this is an illusion. Third, the process should be a voluntary one: the Abkhazians will refuse to be pushed back into a unitary state by force. This “solution” will bring no peace and no long-term stability. Finally, there is another no less important condition: the peace process and cooperation should go hand-in-hand with the stage-by-stage return of the Georgian refugees to Abkhazia. They should be given the opportunity to come back home: Sukhumi should demonstrate magnanimity and patience.

The meeting of senior representatives of the U.N. Secretary General’s Group of Friends on Georgia held in Geneva in February 2003 became another step toward overcoming the clichés related to the Georgian-Abkhazian settlement. The participants recommended that the sides set up working groups under the U.N. aegis which would concentrate on economic rehabilitation and the refugee question while dealing with the political issues.

The meetings between the presidents of Russia and Georgia held in Sochi on 6-7 March, 2003 attended by Abkhazian representatives rekindled hopes that the negative trends could be altered. The sides agreed that the following issues should receive the greatest attention: the dignified and safe return of refugees and displaced persons to the Gali District, in the first place; renewed railway communication between Sochi, Sukhumi, and Tbilisi; modernization of the Inguri hydropower cascade, and deciding which hydropower projects in the upper reaches of the Inguri River should be implemented (with foreign investments if necessary).

The Sochi meetings were an important milestone on the road to settlement of the conflict: they made it possible to revive the settlement and negotiation process. It was wisely decided to move the status issues aside, along with other issues that defied solution at this stage. The participants in the Sochi meetings believed that restoring a common economic expanse would diminish tension and draw the local people closer together.

Regrettably Shevardnadze retreated from these decisions by creating a number of conditions: he made return of the refugees hinge on progress in the economic sphere, while an agreement on the refugees was made dependent on Sukhumi’s concessions on the political status of Abkhazia.

The events of the last few months have demonstrated that Russia and the Western participants want to coordinate their efforts designed to normalize the situation and create favorable conditions for an advance toward the settlement.

Today, the sides should seek mutually acceptable agreements; the settlement should be based on a stable regime of non-resumption of hostilities, as well as on amnesties and cooperation between the law enforcement bodies. It is equally important to continue negotiations and to set up an adequate mechanism at the level of the leaders. Whether people trust the processes or not will depend on how the economic, transport, and refugee issues are treated. A direct dialog at the grass-root level should be

restored to remove mutual mistrust and to reach a mutually acceptable modus vivendi after many years of confrontation.

In fact, there is no alternative to restored confidence and negotiations on the political issues of the future settlement: politics is still the art of the possible.

A Georgian-Abkhazian settlement could add stability to the Caucasus and strengthen regional security.

Georgian-Osset Conflict: Specifics

South Ossetia differs from Abkhazia: it is much smaller while its population is ethnically connected to North Ossetia, which is part of Russia. The refugee problem is of a different nature there: the refugees are mainly the Ossets who moved from Georgia to North Ossetia and do not want to return. The Georgian population of South Ossetia is still living in the so-called Georgian villages.

The current Georgian constitution contains no mention of South Ossetia: the autonomy was liquidated under Gamsakhurdia. Today the area is called the Tskhinvali District. The Mixed Peacekeeping Forces consisting of Russian, Georgian, and Osset battalions were deployed in the conflict zone under the Russian-Georgian Agreement of 1992 on the Principles of Settlement of the Georgian-Osset Conflict.

Ossets, Georgians, and Russians are mainly involved in peace-seeking within the Mixed Control Commission (MCC) functioning since 1992. This conflict is as acute as that between Georgia and Abkhazia, yet at some point tangible progress in South Ossetia bred certain hope.

Still, the course of both conflicts and the attempts at a settlement are very similar: the same urge toward independence; the same hard talks with Tbilisi; the same humanitarian catastrophe; the same accusation against Russia of issuing Russian passports and establishing special visa regimes. The relations between the sides have been deteriorating synchronously. Still, there are certain specifics: Russia and the U.N. are involved in the Abkhazian settlement, while in the Osset settlement Russia is functioning together with the EU, which is operating in the economic sphere. The OSCE, with an office in Tskhinvali, is actively involved in a political settlement of the Georgian-Osset conflict.

Four years ago Russia and Georgia signed an intergovernmental Agreement on Cooperation in Economic Rehabilitation in the Zone of the Georgian-Osset Conflict and Return of the Refugees, under which the MCC started drawing up intergovernmental programs; the Special Committee for Refugees resumed its work. The talks continued even after a new leader, E. Kokoity, was elected head of South Ossetia after two rounds of "presidential" elections in November-December 2001. All efforts to draw up an intermediary document expected to formalize the political status ran into an impasse.

In 2003, the situation became even tenser: the parliamentary elections in Georgia, the political crisis that followed, and the change of leaders directly affected the relations between Tbilisi and Tskhinvali. Today continued dialog depends on the level of confidence between the sides: here, just as on the Abkhazian track, the prospects of serious talks depend on the level of mutual understanding, without which no progress on the status issue is possible.

On the whole, the prospects are vague; everything should be done to prevent degradation of the negotiation process, demonstrate greater activity on the economic track, and abandon the practice of exchanging unfriendly statements. It is a good idea to revive cooperation between Tbilisi and Tskhinvali on restoring the Trans-Caucasian highway that connects Georgia and the Southern Caucasus with the Russian Federation; these efforts can be associated with the TRACECA program. The European Union has a good chance of contributing to the process; North Ossetia is also playing a positive role.

Just as in Abkhazia, all the problems in South Ossetia can be settled by means of a compromise: on the one hand, Georgia's territorial integrity should be preserved; on the other, the lawful rights of the peoples of South Ossetia should be protected. A settlement should rest on political decisions—this is the central principle.

On Stronger Regional Security in the Southern Caucasus

Today, the regional balance of power is fragile, while the system of mutual containment consists of cease-fire regimes and delimitation lines. Besides the conflicts, the region abounds in debatable situations fraught with further fragmentation.

Many states, international organizations, and research centers have recently been displaying much more activity—a sure sign that regional security is an important issue. Azerbaijan, Armenia, Georgia, Germany, Turkey, and the United States put forward all sorts of ideas; the European political studies center working in close cooperation with the EU also formulated its plan. The dialog within the “Caucasian Four” (Russia, Azerbaijan, Armenia, and Georgia) has moved onto practical matters.

On 8 March, 1996, on the initiative of the Georgian president, called “For the Peaceful Caucasus,” Eduard Shevardnadze and Heydar Aliev signed a Declaration on Peace, Security and Cooperation in the Caucasian Region in Tbilisi that reflected the sides’ desire to play a more active role in the Caucasus. The initiative, however, remained on paper.

In November 1999, at the Istanbul OSCE summit Heydar Aliev invited the U.S., Russia, Turkey, and the South Caucasian countries to sign a Pact on Security and Cooperation in the Caucasus to create a basis for the relations among the local states and the principles of conflict settlement. The document contained the idea of eliminating foreign military presence in the Southern Caucasus, while Armenian President Kocharian spoke of the need to create a system of regional security in which Azerbaijan, Armenia, Georgia, Russia, Iran, Turkey, the U.S., and the EU should be involved.

On 15 January, 2000 during his official visit to Georgia, Turkish President Suleyman Demirel formulated the idea of a Stability Pact for the Caucasus as a multi-sided forum “to be guided by OSCE principles.” He expected all South Caucasian countries to join it, along with the leading world powers. In view of the strong political distrust between Erevan and Ankara, the initiative was obviously aimed at Turkey’s stronger position in the region. As such it was unlikely to succeed; the Turkish president offered the barest of outlines for the future structure.

In April 1999, at the Washington NATO summit the U.S. put forward an idea of the Caucasian Cooperation Forum (CCF) that presupposed a structure of multilateral economic cooperation in the region. Washington planned to hold the forum’s first summit in Tbilisi in October 1999. Heydar Aliev, however, declined the invitation on the grounds of the still unsettled Karabakh conflict. Russia was prepared to take part in the CCF as an economic cooperation structure as one of the co-founders (together with Azerbaijan, Armenia, and Georgia). Those ideas that offered general outlines of regional security on the very limited territory (the Southern Caucasus) and excluded direct Russia’s involvement proved unviable.

It seems that common approaches, tolerant public opinion in each of the states, and willingness to meet each other halfway should be treated as priorities. The use of force and blocs should be ruled out.

There is the opinion that the Caucasus and its interdependent problems should be regarded within the much wider context of the Black Sea-Caucasian-Caspian region.

The Caucasian Four

Today the Caucasian Four is the only regional mechanism of multilateral dialog. The Kislovodsk Declaration of 1996 registered the concerted interests of the Caucasian states. The Caucasian Four is the only forum of promising cooperation in all spheres, including regional stability and security.

The Caucasus can be likened to an organism in which historical, cultural, economic, ethnic, and other traditional ties keeping the local nations together are intertwined. Millions of people moved from

the Southern Caucasus to Russia either temporarily or permanently while the South Caucasian countries are home to hundreds of thousands of Russians. The local states think about their future in very concrete terms rather than vague geopolitical abstractions.

On 25 January, 2000, presidents Heydar Aliiev, Kocharian, Shevardnadze, and Putin met in Moscow for a working session at which they discussed the most topical issues of security and stability, as well as the possibility of ensuring the region's sustainable development. On 20 June, 2000, they met again to discuss conceptions related to peaceful settlement of the conflicts, strengthening security, the antiterrorist struggle, and possible cooperation in the humanitarian and other spheres. The final statement confirmed that the summits of the four leaders would be held regularly twice a year.

The Baku Declaration signed during Vladimir Putin's visit to Azerbaijan on 9-10 January, 2001 confirmed the vital importance of the Caucasian summits.

The final document of the Caucasian Four summit held in Minsk on 31 May, 2001 registered an agreement that the local states should be responsible for elaborating approaches to the security issues and regional cooperation. The presidents confirmed their dedication to peaceful, just, and long-term settlement of the conflicts in the Caucasus as the most important regional priority expected to remove all barriers on the road toward fuller cooperation. They expressed their concern with the spreading terrorism and extremism in the Caucasus as a serious threat to the region's future and announced that they were resolved to increase the efficiency of their meetings.

On the eve of the Minsk summit the four presidents initiated a scientific-practical conference on Peace and Development in the Caucasus in Moscow that attracted academics and politicians from Azerbaijan, Armenia, Georgia, and Russia, who discussed the present state and the future of regional cooperation in the Caucasus.

In November 2001, the Caucasian summit was held in Moscow; in July 2003, it took place in Kiev. "We have always paid much attention to stronger allied relations, conflict settlement and development of projects in infrastructure," with these words President Putin summed up the Kiev summit.

In November 2001, the heads of parliaments of the Caucasian Four met for the first time in St. Petersburg; later their contacts became regular: in 2003, they met three times.

Cooperation among the ministers of the interior (their meetings are called the Borzhomi Four after the place of their first meeting) also became regular. In March 2002, secretaries of the security councils of the Caucasian Four member states met in Sochi.

The Caucasian Four is a unique forum designed to create a calm and non-confrontational atmosphere in which the most sensitive issues of the region's present and future can be discussed.

By Way of a Summary

The region's future and its stability and security depend on whether the most acute and important problems can be successfully resolved. They are conflict settlement, the antiterrorist struggle, greater understanding and cooperation within the region, and a lower level of geopolitical rivalry. The geopolitical environment and the nature of outside influence will play an important role; the nature of cooperation between the regional and extra-regional forces will greatly affect the international climate as a whole. Advancing along the key tracks and more clarity will allow the local countries to move toward more specific discussions of how to ensure their stability and security.

NATO-SCO: STRUGGLE AGAINST TERRORISM AND/OR FOR DOMINATION IN CENTRAL ASIA

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The cardinal changes of the early 1990s altered the geopolitical structure and the map of the world beyond recognition. The world is gradually becoming more interconnected and more vulnerable, as well as more complex and dynamic. Globalization has already destroyed the West-East and the North-South structures; the old thinking along the “friend or foe” line died while the new realities reject the approach that described the regions as the “center” and “periphery” or as of “primary” and “secondary” importance.

The 9/11 events confirmed this paradigm, but anybody wishing to assess their impact on the international system should avoid extremes. The world is changing beyond recognition, yet new realities are rooted in the past while the old ones are not retreating without trace. The situation is very much complicated by this coexistence, which adds uncertainty to international relations, imposes moderation on all participants, calls for caution in political decision-making, and urges to take account of the current varied developments and the wealth of human history.

The global political developments indicate that the great powers are resuming their Big Game in Central Asia; today they are driven by geo-economic (read: resources) rather than geopolitical factors as in the past. Considerable fuel reserves and development projects are turning the region into a nerve center of world politics.

Central Asia, which has found itself at the frontline of struggle the world community is waging against international terrorism, religious extremism, drugs, and organized transborder crime, is gaining weight in the newly emerging system of international relations.

The following describes the new geopolitical situation in a broad strategic context. First, the West’s active presence in the region as a logical consequence of the need to do away with the threat of international terrorism emanating from Afghanistan. Second, America’s long-term politics in the macroregion of Central and South Asia prompted by U.S. national security interests in the 21st century. Third, as a result of the above processes and the considerably reduced threats presented by Afghanistan the region has acquired unique possibilities for integrated development and modernization with the international community’s active support.

Since the very first days of independence the Central Asian countries have been building up a flexible and reliable regional security system to oppose external and internal threats and challenges. The process is slowed down by unresolved problems and contradictions. The first steps have been taken: the region is a nuclear-free zone; it should be said in this connection that the Shanghai Cooperation Organization (SCO) set up in June 2001 is gaining weight and influence as time goes on.

How NATO Looks at SCO

Let me preface the issue of Western presence in the region with a short outline of NATO’s changing attitudes to SCO. From the day the Agreement on Confidence-Building Measures in the Military

Sphere along the Borders was signed in 1996 to the present the attitude of the United States and NATO toward this structure has changed from passive observation to active interest. While the Shanghai Five was being formed, the Clinton Administration and the NATO leaders preferred to think that it would never challenge Western interests and that it was created purely for the delimitation and demilitarization of the former Soviet-Chinese border. At that time the structure to a certain extent indicated that Moscow's position in Central Asia, the region of its traditional domination, had weakened and that China, a new regional player, was actively making strides into Central Asia. The West seemed to be satisfied.

It was in the middle of 1997 that NATO and the U.S. first betrayed their serious concern when the Kazakhstani government made public its multi-billion long-term agreements with the Chinese National Petroleum Corporation on developing the large hydrocarbon fuel deposits in Aktob and Uzen. Washington interpreted that as China's increased involvement in the rivalry over regional fuel resources and a threat to Western interests. Analysts were inclined to regard the situation as China's desire to extend market outlets for its products.

NATO's response to the news about the transfer of the Shanghai Five into the Shanghai Cooperation Organization was a fairly negative one: the new organization was assessed as an anti-NATO structure. The analysts were guided by the following:

- leadership in the new organization belonged to Russia and China, two powers obviously displeased with America's hegemony and clearly wishing to promote the idea of a multipolar world, the conception of which was approved at the 1997 summit of the two countries. Some Western analysts believed that the Central Asian republics joined the SCO under pressure from the two regional powers and in exchange for their support. At least, this opinion was confirmed by the fact that Uzbekistan, which had stayed away from multi-sided military-political organizations, joined the SCO. Tashkent was driven by threats of international terrorism: its participation promised support from both Moscow and Beijing. At that time America was pursuing an inconsistent and far from active policy in Central Asia—the absence of alternative forced the local states to seek closer relations with Russia and China;
- military-political issues on the new organization's agenda. Even though from the very beginning the SCO claimed wider contacts in the sphere of trade, investments and transport as its priorities, NATO paid special attention to the plans for setting up an Antiterrorist Center in Bishkek and creating rapid deployment forces consisting mainly of Russian and Chinese military units. American apprehensions were strengthened by the intention to make the Center a coordinator of the military structures of the SCO and CIS, as well as by more active Russo-Chinese cooperation, which envisaged, among other things, an increase in arms trade with China and training of Chinese officers in Russian military academies.

Operation Enduring Freedom in Afghanistan somewhat decreased the SCO's role in international and regional politics. Moscow and Beijing had to adapt the organization to the new conditions when NATO deployed its armed forces in Central Asia, thus radically changing the balance of forces there.

Time has shown that China and especially Russia are seeking, and finding, new forms of adaptation and that their influence in the region is growing. Some experts believe that a stronger SCO may become a counterbalance to NATO. I doubt this for many reasons. First, the organization is designed to fight international terrorism—a task that calls for constructive mutually advantageous cooperation rather than opposition.

Today, both the SCO and NATO members need more active antiterrorist efforts not only for practical, including international policy, reasons: the ruling elites have acquired a chance to count their own troublesome ethnic minorities and even regions among the international terrorists (Chechnia in the case of Russia, and Xinjiang, Tibet and Taiwan in China). The NATO countries, the U.S. in the first place, have grave problems of their own—al-Qa'eda, Iraq and the Taliban—which accounts for their community of interests. On the other hand, the interests of individual countries and organizations do intersect in

Central Asia: this is a natural development against the background of growing worldwide disappointment with the “American model” for settling conflicts and stemming terrorism.

The Alliance in Central Asia

The American model of antiterrorist struggle, as well as the American and NATO presence in the region, has become a reality. Washington has even described the main Western aim in Central Asia as a new geopolitical context suitable for the United States. Today, NATO armed units are deployed in Uzbekistan, Tajikistan, and Kyrgyzstan. The White House has essentially lost its interest in Afghanistan and in funding its new government; its old interest is rekindled from time to time. We must admit that this is a hard issue calling for careful consideration. There are two aspects worth mentioning. First, during America’s presence in Afghanistan the country started growing much more poppy; today it accounts for over two-thirds of its world production. According to General V. Cherkassov, in 2003, 4 thousand tons of poppy were gathered against 3,422 tons in 2002. Many of the terrorist organizations, al-Qa’eda among them, operate on drug money. Obviously, the United States has either failed or, as Cherkassov put it, has “inadequately” used its huge resources to cut down the production of opium, or continues using its double standards in its antiterrorist struggle. Second, for the first time in its history NATO is operating outside Europe: it commands the five-thousand-strong peacekeeping corps in Afghanistan. Washington seems to think its mission in that country has been completed and decided to share responsibilities with NATO.

This confirms what analysts said about the war in Afghanistan: the “phoney war” will go on until the Americans have reached all their goals in Central Asia. It seems that the goals are numerous.

Whatever the case, Operation Enduring Freedom brought Washington to Central Asia, a zone of its new geopolitical and geo-economic interests. Over the last two years the local attitude toward the U.S. military bases has run the gamut from welcoming and constructive to negative. It depended not so much on the politics pursued by the Central Asian countries as on the situation around them and on the positions of Russia and China, which used all the instruments at their disposal, the SCO included, to become more actively involved in Central Asian developments.

The SCO as an Instrument of Moscow and Beijing’s More Active Policies in the Region

China and Russia are two leaders of the Shanghai Cooperation Organization, while the radical geopolitical changes in Central Asia have boosted the organization’s strategic status in the system of international relations.

Under the new conditions, the Chinese leaders are trying to readjust their policies in the region as a whole, and in individual countries in the short- and long-term perspective. It is important to note that in the process Beijing has to correlate its ambitions with its limited strategic potentialities; the geopolitical changes in Central Asia forced China to revise its geopolitical aims by shifting the issue of better relations with Washington from the long-term to the short-term group. This is confirmed by the development of U.S.-China bilateral relations.

In an effort to reach genuine strategic partnership in its relations with the United States, China nevertheless is not prepared to revise its ideas about Russia’s place in the regional balance of power. Russia

and China are brought together by their traditional policy of containment of Washington and counterbalancing it. This explains why the Chinese politicians do not mince words when saying that the U.S.'s stronger positions in Central Asia primarily contradict Moscow's interests while China's interests remain unaffected. This is probably promoted by Beijing's secret hope that the Kremlin will actively oppose the White House's military presence in the region. By remaining an "outside observer" and by exploiting the contradictions between the RF and the U.S. the Chinese strategists are trying to prevent the two countries' rapprochement, which is deemed hazardous for China, and hope to profit from this policy in the long-term perspective.

Beijing's corrected Central Asian policy is bearing fruit: the region no longer threatens China as far as the situation in Xinjiang is concerned. In the past the newly independent neighbors extended considerable aid to the autonomous region. The border issues have been removed from the agenda. Despite these positive developments, Beijing initiated the SCO since the People's Republic of China is less important to Central Asia than to the U.S. and Russia. While Washington can count on its global might, Moscow can use its traditionally closer ties with the Central Asian states. It seems that China hopes to use the SCO to close the gap between itself and the main rivals.

Beijing is seemingly convinced that when dealing with global and regional issues, the United States will never be able to ignore China, which has acquired more clout by joining the U.S.-led antiterrorist coalition; equally the United States cannot ignore the alliance between China and Russia, a political force to be reckoned with. This confirms that the Chinese government is heading toward active cooperation with the Central Asian states, since better relationships between the local countries and the West make peaceful competition the only instrument of rivalry. It would be highly naïve to assume that in Central Asia China limits itself to energy, transport and communication interests, while also looking at it solely as a potentially capacious market for its products. The Chinese leaders attach great importance to the political tasks associated with the American factor in Central Asia and the Xinjiang and Tibet issues. China has two trump cards—terrorism and separatism—to use in this situation.

We should not exclude the possibility that the present, mainly political, interests of Beijing in the region may transform into specific economic tasks. It seems that China is gradually developing into a serious rival for the U.S., Russia, Iran, Turkey, and certain other countries in the "big game" over the Central Asian fuel reserves. In fact, the still uncompleted energy projects of the region, which has not yet become a supplier of oil and gas, and the persisting contradictions over the Caspian's status are playing into China's hand. This is graphically confirmed by the intensively developing Western Kazakhstan-Western China project.

It can be surmised that the follow-up of the 9/11 events to a certain extent helped China realize its Central Asian policies as one of its priorities. It seems that it will object to the ever-widening American and NATO presence; it will try to counterbalance Turkey's, and possibly, Iran's presence in the region in view of the latter's positive attitude toward the radical Islamic organizations. To achieve this Beijing will actively exploit the antiterrorist aspects of its policy within the SCO and will extend financial, technical, and other aid to the young Central Asian states. This is confirmed, in particular, by the antiterrorist training exercises of the SCO countries in Kazakhstan and China in August 2003.

Even though the Shanghai Cooperation Organization is less important for Russia than for China, Moscow will tap all the possibilities offered by the SCO to strengthen its influence in the region and will never forget all the other factors at its disposal, that is, the powerful potential of its bilateral relations with the local states. Russia will continue strengthening the SCO to preserve its geopolitical influence on the states in the zone of its priority interests; this is especially important since Tajikistan and Uzbekistan are turning into an area where the United States is realizing its geopolitical interests. The Foreign Minister of Uzbekistan, in particular, missed the recent meeting of the SCO foreign ministers that condemned the U.S. war on Iraq. The NATO troops deployed in Central Asia urge Russia to strengthen the SCO as a regional organization—a priority easy to formulate, but hard to implement. Certain progress has been achieved though: a Russian military air base was opened in Kant (Kyrgyzstan), another sign that the Shanghai Cooperation Organization and the Collective Security Treaty are gaining weight. It should be

said that the new base makes it possible to rapidly deploy considerable forces (from 10 to 100 thousand-strong); NATO, on the other hand, has no similar facilities since troop movement depends on the use of the air space of Russia and its allies.

The above suggests that Russia is skillfully using the “antiterrorist struggle” to set up a powerful and battle-worthy base in the region. I am convinced that it will not stop at this: it has every reason and opportunity (some of them supplied by the SCO) to go further.

China and Russia will continue exploiting the antiterrorist struggle within the SCO to address their own geopolitical and geo-economic tasks.

ENHANCING KAZAKHSTAN’S PEACEKEEPING CAPABILITIES: INTEROPERABILITY AND REGIONAL COOPERATION

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Prior to September 2001, it is fair to say that the principal motivation behind foreign involvement and interest in Central Asia remained strategic and economic, energy; and for the United States its interests were generally secondary and derivative of the interests of others, allies, competitors and commercial actors. Post 11 September and as a result of its commitment to its international, anti-terrorist campaign, however, U.S. relations with the states of Central Asia and its security interests in the region changed dramatically. These states are now on the front lines of the war on terrorism and several states continue to provide critical support to U.S. and allied military forces conducting operations in Afghanistan. The U.S. military has been much more proactive in the region, recruiting states into the counter terrorist coalition, establishing a presence, and expanding its security cooperation and direct military assistance

programs, as well as encouraging several of its allies to do the same. More than ten years after independence, many of these states remain unstable and are confronting growing problems with the illegal cross border movement of contraband, armed opposition and terrorist groups, the possible spillover of combat operations from neighboring states, and tension and disputes among neighbors that could escalate. In this environment the local militaries have a valuable function, if properly structured, equipped and trained to confront these types of missions. In most cases the Soviet legacy has hampered in developing needed capabilities more than helped them and they are not adequately prepared. Moreover, it is unlikely that they will be able to responsively make the necessary transition on their own, without outside assistance being required.

In the post-9/11 world, U.S. and allied formations are operating in several of these states and it

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becomes more imperative that the capabilities of these local forces be improved, along with their ability to operate with Western ground and air units. The following analysis charts the course of the var-

ied progress of Kazakhstan's peacekeeping capabilities, and its focus on interoperability with NATO forces will be considered together with the goal of promoting regional security cooperation.

CENTRASBAT as an Engagement Tool in Central Asia

Since the dissolution of the Soviet State in 1991 and the establishment of five independent states in Central Asia, the United States and NATO have struggled to establish a meaningful and consistent security policy toward the region and each of its states. Washington's modest military engagement efforts initially centered on the development of the Central Asian Peacekeeping Battalion (CENTRASBAT), peacekeeping related training, and English-language training (ELT). NATO's Partnership for Peace (PfP) program complemented this effort and was seen as a means to distribute the cost of engagement and training throughout the Alliance and hopefully supported through bilateral programs from other NATO-member states.

Overview of CENTRASBAT

CENTRASBAT was formed in 1996 as a result of the agreement reached by the Council of Defense Ministers from the Central Asian Economic Community (CAEC)—Kazakhstan, Kyrgyzstan and Uzbekistan. CENTRASBAT thus emerged as a tripartite peacekeeping battalion and U.S. and NATO support was designed to enhance the interaction with the Central Asian states, initially under the sponsorship of the U.S. Atlantic Command, through peacekeeping and humanitarian exercises. This involved Kazakhstan, Kyrgyzstan and Uzbekistan, with participation from Azerbaijan, Georgia, Mongolia, Russia, Ukraine, United Kingdom, United States and Turkey. Tajikistan joined the CAEC in 1998.

In August 1997, CENTRASBAT trained at Fort Bragg, North Carolina as part of an eight-nation exercise. On 14 September, 1997, 500 U.S. and 40 Central Asian troops boarded planes at Pope Air Force Base, North Carolina, for an 18-hour, 7,700 mile non-stop flight to Central Asia, with the drop done in Kazakhstan near Shymkent city, witnessing the longest airborne operation in history.¹ In September 1998 U.S. joint forces returned to the region for CENTRASBAT'98. Soldiers from the 10th Mountain Division trained alongside CENTRASBAT, with participation by Azerbaijan, Georgia and Russia. 259 U.S. personnel took part, in addition to 272 from CENTRASBAT and 200 from the other four countries.²

The field exercises conducted in 1997 and 1998 were augmented by the seminar series hosted 13-19 May, 1999 at U.S. Central Command (CENTCOM), Tampa, Florida. Marking the transfer of Central Asia into the Area of Responsibility (AOR) of CENTCOM, this supplied a unique opportunity to exchange ideas and openly discuss methods and techniques of peacekeeping.³

¹ See: Sh. Gareyev, "Military Cooperation: Uzbekistan and the U.S.A.," Winter 1997-1998 [www.pacom.mil/forum/UZBEK.html]. Four of the Central Asian Republics joined NATO's PfP in 1994, Tajikistan finally joined in 2002. On multilateral military exercises see: J. Moffat, "Central Asia: U.S. to Participate in Joint Military Exercise," *RFE/RL*, 29 August, 1997.

² See: "CENTRASBAT'98," Defense Technical Information Center Web Site [<http://www.dtic.mil/soldiers/feb1999/features/>].

³ See: J. Nichol, "Central Asia's New States: Political Developments and Implications for U.S. Interests," *Congressional Research Service*, 18 May, 2001 [<http://www.cnie.org/nle/inter-76.html>].

CENTRASBAT'2000, held from 10 to 18 September, 2000 in Almaty, saw U.S. CENTCOM personnel joined by elements from the 82nd Airborne Division of Fort Bragg, North Carolina, and the 5th Special Forces Group of Fort Campbell, Kentucky. Its purpose was to conduct a peacekeeping and humanitarian assistance field exercise. The tense situation in the Batken Region in 2000 led to the withdrawal of Kyrgyzstan and Uzbekistan from the exercise. CENTRASBAT'2000 was divided into four phases: deployment and opening ceremonies, unit planning process and preparations, a tactical field training exercise (FTX) and the closing ceremonies and redeployment. During the FTX, many aspects of peacekeeping operations were covered, including refugee control, checkpoint outposts, and patrolling and security operations. In 2001 a command post exercise (CPX) was held in Ramstein, Germany, and the FTX resumed in 2002.⁴

These exercises did achieve a great deal, but the goal of assisting in developing a Central Asian peacekeeping battalion functioning and sustainable at NATO interoperable standards was unrealizable in practical terms. Economic weakness within the region coupled with a lack of political will in the capitals of NATO member states, meant that there was never any question of achieving the level of necessary support, such as had proven accessible in the case of developing the Baltic combined Peacekeeping Battalion (BALTBAT). Within the region, attention was shifting toward enhancing national peacekeeping capabilities.

There was no combined planning or training activities taking place; it occurred only at the national (MOD or company) level. This reflected the unwillingness of national political leaders to release control of CENTRASBAT policies and planning to their MOD and the combined battalion headquarters. Efforts to standardize peacekeeping (PK) training across CENTRASBAT consequently failed. Interoperability problems with a NATO contingent were never merely a technological issue, resulting from differences in operational procedures and techniques. Soviet military doctrine, tactics, and operational procedures and techniques were the military tradition, and that tradition determined how these armies think, operate, and train. How the Soviet military operated was markedly different from that of the U.S. or any other Western army. The differences could easily lead to confusion and mistakes.⁵

The problems created by misunderstandings and unanticipated actions during an operation can be further magnified by the lack of a common operational language. English is the commonly accepted operational language for Peacekeeping Operations (PKOs), and the CENTRASBAT states did not adequately prioritize the acceleration of their ELT programs. Furthermore, CENTRASBAT was unable to technically interface with its operational partners and their information management systems. Soviet tactical communications common to CENTRASBAT could not interface with U.S. or NATO communication or information management systems. CENTRASBAT'2000 may have been a final point for the unit. The following year the exercise in Germany was represented by separate Central Asian nations. It has now effectively been disbanded.

Kazakhstan's Peacekeeping Infrastructure

Kazakhstan emerged from its experience of CENTRASBAT in the 1990s with valuable lessons and more of an appreciation of the practical difficulties involved in achieving NATO interoperability for a peacekeeping unit. But it had also gained in its progress in key areas. Its peacekeeping infrastructure had markedly improved. More officers were gaining proficient ELT skills; the training in this area had reached a good standard. Kazakhstani PK training was becoming more advanced, whilst its participation in PfP

⁴ See: "NATO PfP Exercise Cooperative Nugget'97" [www.saclant.nato.int/pio/EVENTS/Exercises/COOP%20Nugget/cn97.htm]; "Fact Sheet on CENTRASBAT'2000," www.usembassy.uz/centcom/military.htm; "Exercise Cooperative Osprey 2001," February 2001, NATO Web Site [www.nato.int/docu/ims/2001/i010227e.htm].

⁵ Author's interviews with western military officers, October 2003.

exercises further increased during the period. Kazakhstan's military facilities capable of supporting PK training, including training ranges, were equally good and its permanent facilities had reached high standards. One key weakness remained, in common with the militaries of the region, lacking operational experience.⁶

The Formation and Structure of KAZBAT

Kazakhstan's own peacekeeping battalion (KAZBAT) was created on 31 January, 2000. The battalion is an extremely complex unit, which continues to evolve as training, exercises and equipment improve in line with the officially stated policy of achieving NATO interoperability.⁷ Its development has been rapid and will continue to progress toward that goal in the next five years. In what follows, only a brief outline of its structure and challenges will be offered since it is a complex structure, prone to further changes and with that caveat, some recommendations will be made on areas within which NATO members may target their assistance programs.

<i>The Structure of KAZBAT</i>	
Commander	Lt. Col. Zhanibek Sharipov
Location	Kapchagai
Commanding Officers	93
Warrant Officers	63
NCOs	63
Privates	322
Total Personnel	541
<i>S o u r c e:</i> Ministry of Defense of the Republic of Kazakhstan.	

The battalion itself is placed under the command of Lieutenant-Colonel Zhanibek Sharipov and is located at Kapchagai, 70 km north of Almaty. KAZBAT is 100% staffed with professional personnel serving on contracts. These are drawn from the 35th air assault brigade based in Almaty. In fact, Major-General Saken Zhasuzakov, former commander of the mobile forces, played a significant role during the formative years of the battalion. It has access to good quality training facilities, including airdrop ranges, firing ranges and an MOD Linguistic Center.⁸ Within its structure, emphasis has been placed upon the formation of an NCO corps, providing enhanced leadership skills for the management of the battalion. As can be seen from the table above, the battalion also suffers from top-heavy management, which can present its own unique problems. By comparison, a similar U.S. or NATO battalion may have around 46 officers, including one Commanding Officer (CO), a Deputy CO or Chief of Staff, staff officers such as Operations Officer, Intelligence Officer, etc., and three to five company commanders and 1 warrant officer (WO).⁹

⁶ Author's interviews with western military officers and officials from the Kazakhstani MOD, October/November 2003.

⁷ See: "KAZBAT Will Be Equipped on NATO Standards," *Kazinform News Agency*, Astana, 28 October, 2002.

⁸ Author's interviews with military officials from the Kazakhstani MOD, November 2003.

⁹ The notion of WO is not very important in a U.S. battalion as the senior ranking NCO would be the Sergeant-Major assisted at company levels by First Sergeants. See: *U.S. Army: Heavy, Light Brigade Tables of Organization & Equipment (TOE)* [<http://www.orbat.com/site/toe/index.html>].

The percentage of officers to soldiers in a U.S. battalion runs to around 6-7 percent. For the Kazakhstanis, the difference will be that where the U.S. uses senior NCOs in leadership positions they are most likely forced to use junior officers. This could push the percentage up. But the percentage of officers to soldiers in KAZBAT currently stands at around 40 percent—which does not facilitate individual initiative among the troops.

These managerial issues were highlighted by Lieutenant-Colonel William Lahue, U.S. Security Assistance Officer in Almaty, who has recently worked closely with his Kazakhstani counterparts to promote the interests of KAZBAT, as he noted: “However, sustaining this unit for the long-term requires systemic reforms which will further the minister’s [Alтынbaev] force development goal for creating a professional army. For example, the peacekeeping unit will require a complete change in the way officers and NCOs are managed.”¹⁰ These challenges involve developing a thorough understanding of peacekeeping doctrine and introducing military police into the army in order to play a peacekeeping supporting role. The complexity and diversity of the various western national Peace Support Operations (PSO) doctrines makes the task of sharing experience in this area particularly difficult. Nonetheless, it could conceivably be offered in a spirit of cooperation, recognizing Kazakhstan’s need to formulate its own distinct national PSO doctrine, which will take time and must be predicated upon thorough analysis within its MOD. The U.K., for instance, could share a great deal of expertise in this area, as well as offering practical lessons from its own experience of PSO in Iraq, with the 1st Battalion Black Watch deployed to Basra at the early stage of Operation Iraqi Freedom.

In order to remedy these issues, the overall numbers of officers will have to be reduced, with continued focus on developing the NCOs, thus maximizing the efficient management of the battalion. A key challenge in improving the managerial efficiency of KAZBAT will be the acceptance of NCOs as leaders and junior managers.¹¹ NATO members can assist in this area, particularly in sharing their invaluable experience in the transition from Soviet legacy forces to NATO interoperable forces in the new member states such as Estonia, Latvia and Lithuania. Kazakhstan’s MOD will have to overcome manning problems within KAZBAT, as it functions as a professional unit, necessitating improvements in salary, and social conditions for the NCOs, the latter is the key for NCO corps development.

There is no quick fix to achieving interoperability, but the key will be training to U.S. and NATO standards and exposure to Western militaries through *exercises and operations* and through educational opportunities at staff or war colleges. KAZBAT will, therefore, need continued practical security assistance from NATO member states in the following areas:

- Enhancing and developing further its training facilities
- Supporting its MOD Linguistic Center in Kapchagai, and similar ELT structures
- Deploying Mobile Training Teams (MTTs) to carry out training specifically geared toward the needs of the battalion
- Widening the support from NATO members for the transfer of necessary equipment (HMMWVs, Body Armor, C³I)
- Offering more placements for KAZBAT NCOs at western training centers and military academies
- Sharing expertise and knowledge generally and especially in the cultivation of a military police component in the unit
- Designing and implementing more multinational exercises open to KAZBAT
- Eventual participation of KAZBAT in selected NATO exercises, through PARP, possibly using the 26+1 mechanism.

¹⁰ Lt. Col. W. Lahue, “Security Assistance in Kazakhstan: Building a Partnership for the Future,” *DISAM Journal*, Fall 2002/Winter 2003, p. 14.

¹¹ *Ibidem*.

International Support for KAZBAT

The United States has solidly supported the creation and professional development of Kazakhstan's peacekeeping capabilities, reflected in its prioritizing KAZBAT in its five-year military cooperation agreement signed with Kazakhstan in September 2003 and its ongoing estimation of the assistance to KAZBAT as a key foreign policy objective in the region.¹² It is not surprising that the U.S. has also been the lead provider of assistance and training for KAZBAT, sending its Special Forces (SF) 12 man A-teams to train the battalion.¹³ U.S. assistance has taken varied forms, through military-to-military training and assessment, exchange visits and joint exercises. As a result of an assessment of KAZBAT and its needs, Kazakhstan responded by developing the Enhanced International Peacekeeping Cooperation (EIPC) program, through which the U.S. provided an anticipated \$1 million in 2003. Altynbaev created the MOD Center for International Programs (CIP) in April 2002 in order to plan and implement security assistance programs in Kazakhstan. Colonel Igor Mukhamedov was appointed as its first Chief, an experienced officer who had worked in this area since the formation of an international department in Kazakhstan's MOD in 1992.¹⁴ Two key U.S. assistance programs have played a critical part in supporting KAZBAT. The International Military Education and Training (IMET) program which reached \$1,000,000 (\$800,000 in 2001: compared with \$550,000 in 2000) in 2002. Approximately 25-30 percent of IMET funding to Kazakhstan in 2002 was orientated toward peacekeeping training. U.S. military personnel were sent to Almaty in November 2003, training NCO members of KAZBAT. More officers serving in KAZBAT in future will receive training in NATO countries.¹⁵

Dias Asanov, a graduate of the Judicial and Humanitarian University in Kazakhstan, aptly illustrates this. In 2004 he will take up his place at the U.S. Military Academy, West Point, joining two other Kazakhstanis already there; including Elena Milyuk, the first ever female cadet from Kazakhstan. Asanov intends to serve as an officer in KAZBAT on his return to Kazakhstan on the completion of his studies in the US.¹⁶

The Foreign Military Financing (FMF) program has enabled KAZBAT to receive ammunition, Highly Mobile Multi Wheeled Vehicles (HMMWVs), body armor and Thales communications equipment.¹⁷ The first HMMWVs are expected to be sent to Iraq to support KAZBAT engineer contingent.

Bilateral programs between Kazakhstan and Turkey and the United Kingdom have broadly supported American-led engagement activities. Turkey has engaged in joint tactical exercises, assigned a team of instructors to KAZBAT for several months and supplied equipment. It is likely that such assistance will deepen in the coming years as Ankara seeks to play its part in promoting regional security and assisting the Kazakhstani armed forces, which will be reportedly confirmed in a five year cooperation plan between the two countries covering the period 2004-2008.¹⁸

The U.K. assistance has been more modest, restricted to supporting ELT, through the Self-Access Language Center (SAC) in Kapchagai and participating in joint exercises, such as Steppe Eagle in July 2003. The Scots Guards participated with U.S. SF and KAZBAT in high a profile successful exercise.¹⁹ The UK

¹² See: "Foreign Military Training and DoD Engagement activities of Interest: Joint Report to Congress," *III: Foreign Policy Objectives—Newly Independent States (NIS) Region*, May 2003 [www.state.gov/t/pm/rls/fmtrpt/21233.htm]; R.N. McDermott, "The Kazakh Military Looks West," *Central Asia Caucasus Analyst*, Washington DC, 16 July, 2003.

¹³ See: G.W. Goodman, Jr., "Central Asian Partners: Low Key Spadework by Green Berets Reaps Valuable Benefits for War in Afghanistan," *Armed Forces Journal International*, January 2002, p. 60.

¹⁴ In September 2003, the CIP was reorganized into the Main Directorate of International Relations (MDIR).

¹⁵ See: "U.S. Servicemen Improving Kazakhstani Sergeants' Skills," *Interfax-Kazakhstan*, Almaty, BBC Monitoring Service, 0748 GMT, 14 November, 2003.

¹⁶ See: "Kazakhstan Sends another Cadet to West Point," *News Bulletin of the Embassy of the Republic of Kazakhstan to the U.S.A. and Canada* [www.kazakhembus.com], 18 June, 2003.

¹⁷ Author's interviews with military officials from the Kazakhstani MOD, November 2003.

¹⁸ See: "Kazakhstan Receives Military Aid From Turkey," *Khabar TV*, Almaty, BBC Monitoring Service, 1100 GMT, 11 October, 2003; "Kazakhstani Army to Get 1.5 Million Dollars From Turkey," *Interfax-Kazakhstan*, Almaty, 29 October, 2003.

¹⁹ See: "International Military Exercises End in Kazakhstan," *Eurasianet Daily Digest* [http://www.eurasianet.org/resource/kazakhstan/hypermail/200307/0043.shtml], 25 July, 2003.

is keen to support the development of Kazakhstan's peacekeeping capabilities and persuade their counterparts in Kazakhstan of the need to regard peacekeeping training as a process, rather than a fixed and readily achievable set of skills.²⁰

NATO has offered political support for KAZBAT and its enhancement, sending an assessment team to analyze its capabilities, holding numerous talks on the significance of strengthening the peacekeeping dimension in the Kazakhstani armed forces. In addition, representatives from PIMS have sought to bring the benefits of Internet connectivity to KAZBAT, but this process will require more time.²¹

KAZBAT, despite its obvious success, will require continued systemic support and international assistance in order to help Kazakhstan realize its goal in making the battalion interoperable with NATO. International support could be widened to include France and Germany: the former has a bilateral military cooperation agreement with Kazakhstan, and the latter needs to develop further its security relationship with the country. Any assistance given toward enhancing Kazakhstan's peacekeeping capabilities will undoubtedly help, particularly if it promotes further training for members of KAZBAT. It also needs greater participation in international exercises, such as "Steppe Eagle," that these may become the norm in future rather than the result of singular and painstaking efforts. Key individuals within Kazakhstan's MOD, such as Major-General Bulat Sembinov, Deputy Minister of Defense, have played an important role in furthering international cooperation aimed at supporting the advancement of Kazakhstan's peacekeeping capabilities and will also do so in future. Such individuals will demonstrate the determination currently existing in the country to achieve genuine progress in these areas.

Above all, there has to be a coordinated approach, avoiding overlap amongst the various programs or initiatives offered by NATO countries, and this demands carefully long-term handling. Perhaps, a coordination cell, consisting of a designated officer from KAZBAT, the International Cooperation Department of Kazakhstan's MOD, and a NATO liaison officer and U.S. Foreign Area Officer (FAO) and representatives from the UK, Turkey and other NATO members, could be formed in Almaty. Such a cell, operating under the auspices of NATO's PFP, could facilitate longer-term security assistance, planning of training, development of tailor-made programs and monitoring the progress of the battalion. It could liaise between the Kazakhstani MOD, U.S. CENTCOM, NATO, and the MODs of other participating countries.

The Proposed Deployment of KAZBAT to Afghanistan

Clearly, despite its creation and progress in training and receipt of international support, KAZBAT lacked operational experience and therefore military planners in Kazakhstan were justifiably keen to address this situation. Keenly following the progress of the U.S.-led Operation Enduring Freedom, which dealt a serious blow to a key regional threat in stemming the flow of Islamic extremism, opportunities seemed to emerge for such operational experience. Of course, politically such a decision would have been a bold move on the part of Kazakhstan, not least since the memories of the Soviet-Afghan war, 1979-1989, remained fresh and painful. Nonetheless, there is evidence that the government was at least considering the matter with some degree of serious intention, though the deployment to Afghanistan did not occur.

Positive signs were emerging from the Kazakhstani leadership in early 2002, continuing throughout the first half of that year. In January 2002, Army General Mukhtar Altynbaev, Minister of Defense, alluded to the possibility of deploying KAZBAT to Afghanistan, though he cautioned that it would require a "special decision" and must avoid "hot-spots." In his view, the battalion would serve, if the occa-

²⁰ Author's interviews with U.K. MOD, August 2003.

²¹ Author's interviews with military officials from the Kazakhstani MOD, November 2003.

sion arose, in the regions that are most stable, helping to deliver essential humanitarian aid, guarding checkpoints and conducting field engineering.²²

Altynbaev, speaking at a plenary session of the Majlis on 1 February, 2002, seemed to confirm the real prospect of KAZBAT being sent to Afghanistan. Yet he again carefully stressed that a political decision was needed in order to proceed.²³ The nature of that political decision, if taken, was fraught with inherent difficulties. Kazakhstan was already supplying humanitarian aid to Afghanistan, as well as politically supporting Operation Enduring Freedom, granting overflight rights to coalition aircraft, making some kind of physical presence appear natural and providing three airfields for emergency landings.

President Nazarbaev emphasized the humanitarian interests which Kazakhstan had in Afghanistan and speaking to journalists on 7 February, 2002 he made clear his view that KAZBAT could be deployed: "In order to render humanitarian aid for the people of Afghanistan we ship more than two thousand tons of wheat. I am confident in Afghans to remember Kazakhstan's assistance. A Kazakhstani battalion, being formed, is to be sent, though not for battle. Our men will assist in distributing humanitarian aid, keeping law and order and maintaining discipline."²⁴ Promoting good relations with the interim government in Kabul was just as much on his mind as the geopolitical significance of involvement in the country torn apart by more than two decades of war. Crucially, Nazarbaev added that in order to initiate the deployment, Kazakhstan would require a formal invitation, possibly from the U.N.

Potential opposition to sending Kazakhstani soldiers emanated from groups such as the Union of Afghan War Veterans (UAWV), which had held a wreath laying ceremony in Almaty on 15 February, 2002, commemorating the thirteenth anniversary of the last Soviet soldier withdrawing from Afghanistan. Amongst these veterans, whose memories of the many Kazakhstani soldiers who met their deaths in the conflict with the mujahideen are still fresh, opinion could be divided on what assistance the country should offer to the U.S.-led coalition. Yet many, harboring ill-feeling concerning their perceived lack of recognition for their service in the Soviet Afghan war, pointed to the distance of the country from the theater of operations, saying that the threat was not as immediate as Tajikistan's or Uzbekistan's. Other societies, such as the military brotherhood, raised similar concerns, highlighting the contentious nature of sending troops abroad.²⁵

In April 2002, efforts were still being made to calm the rising speculation concerning any possible involvement in Afghanistan. Kasymzhomart Tokaev, Foreign Minister, addressed the Majlis, stating that the peacekeeping battalion would only be sent there in a post-conflict period. It would be conditional, in other words, upon the resolution of the remaining conflict within the country. Simultaneously, Tokaev clarified that the issue was not yet under serious consideration, and though the battalion lacked operational experience, such policy decisions would need to be coordinated with parliament.²⁶ The issue seemed to fade from public attention until June 2002, when Altynbaev paid a visit to the Almaty Higher Military School. Speaking to journalists, he appeared to indicate that KAZBAT would be sent to Afghanistan. For this purpose, KAZBAT was being equipped to NATO standards and, crucially, Kazakhstan joined NATO's Planning and Review Process, which allowed its armed forces to participate in NATO peacekeeping missions and support such operations in conflict zones.²⁷

It seems clear, however, that there was never any real offer by Kazakhstan to send KAZBAT to Afghanistan and that it was not actually requested, either by the U.N. or the coalition countries themselves. What did transpire, based on reporting by the various Kazakhstani government officials, signaled an interest in becoming more involved as part of Kazakhstan's support for the Global War on Terrorism. There was undoubted opposition within Kazakhstan to the sensitive issue of sending young Kazakhstani soldiers to Afghanistan, based on the experience of the Soviet-Afghan war. For many, there was no obvious explanation concerning why such a deployment should take place. Within the govern-

²² See: "Peacekeeping Subdivisions Assemble Volunteers," *Kazinform News Agency*, Astana, 30 January, 2002.

²³ See: "Kazakhstani Peacekeepers May Be Sent to Afghanistan," *Kazinform*, Astana, 1 February, 2002.

²⁴ "President Nazarbaev about Afghanistan, KAZBAT and its Mission," *Kazinform*, 7 February, 2002.

²⁵ See: AP, 15 February, 2002; E. Jumagulov, "Kazakhstan: Afghan Peacekeeping Controversy," *Institute for War and Peace Reporting (IWPR)*, London, 15 February, 2002.

²⁶ See: "The Question of Transferring KAZBAT to Afghanistan is not Aroused Yet," *Kazinform*, 22 April, 2002.

²⁷ See: "KAZBAT Will Take Part in Peacekeeping Operation in Afghanistan," *Kazinform*, 1 July, 2002.

ment, reservations were rooted in an awareness of the political issue in the country itself, needing parliamentary approval, and public support and clear-cut definitions of operational role in any peacekeeping operation. The parameters within which such a decision would be taken to send peacekeeping troops beyond the region also emerged through the controversy. Hot-spots must be avoided, minimizing the likelihood of the soldiers engaging in combat, preferring instead to focus on a humanitarian and technical role, preferably under the aegis of the UN. Finally, the speculation concerning the possibility of deploying KAZBAT to Afghanistan served to highlight in minds of Kazakhstani military planners its key need: *operational experience*. Finding such an opportunity would be a difficult task, and one demanding careful and exact political handling.

The Breakthrough: Deployment to Iraq

On 30 May, 2003, Altynbaev formally conveyed an official request from President Nazarbaev for parliamentary approval to send peacekeepers to Iraq, enabling their participation in the post-war reconstruction of the country. Altynbaev said: "Our state received a message from the U.S. administration. They requested sending a Kazakhstani contingent as a part of coalition stabilization forces within the framework of Operation Iraqi Freedom. The participation of Kazakhstan in peacekeeping and reconstruction process of Iraq is the constituent of the state activity plan to ensure and consolidate regional and international security."²⁸ Distinguishing the decision from the possibility of deploying peacekeepers to Afghanistan, Altynbaev presented the case that Kazakhstan responded to a clear and unambiguous request from the US. Altynbaev, no doubt recollecting the concerns over sending peacekeepers abroad in 2002, made clear that the servicemen would be experts in the area and that only volunteer would go to Iraq. It was likely, in his view, to include 3 interpreters, 8 officers and 14 (enlisted or NCOs) soldiers from KAZBAT. He also laid great emphasis upon the nature of their role during the deployment, stating that KAZBAT would specifically execute humanitarian functions.²⁹ KAZBAT was not being sent to Iraq as part of a UN-led operation.

Again, the presence of internal opposition among ordinary Kazakhstanis was evident, and hardly surprising given the international controversy and popular hostility expressed toward the war. Almost 50 percent of citizens in Almaty, questioned in an opinion poll conducted by ComCon-2 Eurasia, opposed the decision to send peacekeepers from Kazakhstan to Iraq. Surprisingly, 61 per cent questioned were in fact unaware of the decision.³⁰ Given the deterioration of the security situation in Iraq, during the post-conflict period, opposition within Kazakhstan has triggered fears for the safety of those servicemen carrying out peacekeeping duties, particularly after the deaths of Italian servicemen in Iraq and Turkey's continued refusal to send its own personnel. Valentin Makalkin, a Member of Parliament in the Majlis, aroused such anxieties two months after the initial deployment: "Given that the situation in Iraq has changed, and taking into consideration the possible 'Vietnamization' of Iraq, to what extent is the presence of our servicemen in Iraq correct, and does it meet the national interests of Kazakhstan?"³¹ Evidently, the government of Kazakhstan has judged that the presence of their peacekeepers is in the national interests, but many officials will recognize the dangers and potential political costs of any failure in the operation.

Notwithstanding the evident reservations of the populace, a political decision was taken to deploy peacekeepers to Iraq, regardless of these concerns. KAZBAT would soon be practically tested in a hostile and volatile post-conflict environment that witnessed near daily insurgent attacks on U.S. and coalition forces. However, it should be observed that the Kazakhstani government had deviated from its earlier formula. Though it adhered rigidly to the humanitarian nature of its operations in Iraq, as previously stated, there was no involvement with the U.N, and the deployment was not without its own unique risks. It shows that democracy works and the government cares about people's opinion. But in Astana, the calculation had been made; weighing and carefully evaluating the potential benefits the risks were not per-

²⁸ "Kazakhstani President Appealed to the Parliament to Send Kazakhstani Peacekeepers to Iraq," *Kazinform*, 30 May, 2003.

²⁹ *Ibidem*.

³⁰ See: "Nearly Half of Almaty Inhabitants Against Kazakhstani Peacekeepers' Departure to Iraq," *Kazinform*, 1 July, 2003.

³¹ "Kazakhstani MP Queries Presence of Peacekeepers in Iraq," *Interfax-Kazakhstan*, Almaty, 20 November, 2003.

ceived as too great. It was indeed a bold step: for the first time in the short history of the former Soviet republics, a peacekeeping unit was being deployed beyond the region in support of ongoing stabilization and humanitarian operations. Kazakhstan was the first in the region to do so.

The preparations and planning to carry this off successfully necessarily required great skill and care. On the basis of the smooth transfer of these soldiers to Iraq in August 2003, and their performance since that time, which remains in progress at the time of writing, it will be shown that KAZBAT has emerged as an effective peacekeeping battalion whose strengths, rather than weaknesses, demand continued international assistance in order to achieve fully the goal of NATO interoperability.

Throughout the summer of 2003 preparations were made and implemented aimed at minimizing the problems that could arise in transferring elements of the battalion from Kazakhstan to Iraq. Its most intensive period fell in July as the Kazakhstani MOD selected the individuals from KAZBAT for the deployment. After initially beginning that process with a larger group, finally the selection of 27 personnel was completed. The pre-deployment training was minimal and appeared to reflect how far the battalion has progressed in the comparatively short time since its foundation in 2000.³²

The actual deployment of 27 personnel from KAZBAT led by Lieutenant-Colonel Kairat Smagulov, which began on 19 August, 2003 with the first group of 14 servicemen departing for the Middle East, saw them located in the eastern part of Iraq, operating near Baghdad.³³ The second group of servicemen departed on 20 August, and assembled in Kuwait for pre-deployment briefings and training. According to *Komsomolskaya Pravda Kazakhstan*, U.S. military personnel spent around one week briefing KAZBAT on bomb disposal, and provided details of the possible locations of unexploded U.S. ordnance. On 5 September, 2003, after comparatively short period, KAZBAT started carrying out its mission.³⁴ They were tasked with humanitarian duties, including mine clearance and water purification, as part of the international division placed under Polish command.

**Polish-Led Multinational Peacekeeping Division,
Center South Zone, Iraq**

Country	Size of Force
Poland	2,300
Ukraine	1,800
Spain	1,300
Philippines	175
Albania	100
Latvia	145
FYROM	28
Kazakhstan	27
Estonia	Unknown

S o u r c e: The Military Balance, 2003-2004, IISS, Oxford, 2003, pp. 101, 111.

³² Author's interviews with western military officers, October 2003.

³³ See: "Kazakhstani Military Engineers Remove 7,500 Explosive Devices in Iraq," *News Bulletin of the Embassy of the Republic of Kazakhstan to the U.S.A. and Canada* [www.kazakhembus.com], 19 September, 2003.

³⁴ See: "Kazakhstani Defence Minister Sees Off Peacekeepers to Iraq," *Khabar TV*, Almaty, BBC Monitoring Service, 1300 GMT, 19 August, 2003; "Kazakhstan Sends Second Group of Peacekeepers to Iraq," *Interfax-Kazakhstan*, 20 August, 2003; "Kazakhstani Peacekeepers in Kuwait to Learn How to Defuse U.S. Bombs in Iraq," *Komsomol'skaia pravda Kazakhstan*, Almaty, BBC Monitoring Service, 20 August, 2003.

The deployment of multinational peacekeeping forces to Iraq was divided into two zones. The Lower South Zone under UK command, with its operational HQ at Basra, included forces from Italy (responsible for Dhi Qar Province), Netherlands (responsible for Al-Muthanna Province), Denmark, Lithuania, Romania, Czech Republic, Norway, Portugal and New Zealand. The Center-South Zone, under Polish command, with its HQ at Al Hillah, began deploying to Iraq in mid-2003 replacing the 1st Marine Expeditionary Force (MEF). In addition to the forces delineated in the above table, the Polish-led division also included forces from Bulgaria, Honduras, Dominican Republic, El Salvador, Nicaragua, Fiji and Thailand.³⁵ KAZBAT works in close cooperation with the peacekeepers from Ukraine, serving as an important link in liaising with the Divisional command.

Conditions are good for the elements of KAZBAT serving in Iraq. The 27 strong group of peacekeepers lives in a field tent for 80 people, equipped with ten air conditioning units. Plans are underway to receive a building for barracks and staff. Medical treatment is offered at a very high standard and the question of supplies is resolved by the American provision of all necessary foodstuffs and drinks for the members of KAZBAT.³⁶

It is too early to thoroughly assess the success of the deployment to Iraq, which is in any case intended to showcase the battalion. Nonetheless, there are several points that can safely be asserted based on the early stages of the operation. KAZBAT has conducted itself in a professional manner, proving itself capable of carrying out its designated tasks of water purification and military engineering activities, including 400,000 explosives have been cleared by the contingent. Four months into the first six-month deployment, sustaining no fatalities or injuries, KAZBAT had also established good relations with locals, making clear the message that they were deployed in the country for peaceful reasons, explaining to locals that they arrived in Iraq not to fight but to help. Its success can be attested to in gaining sufficient trust amongst locals to receive information on the location of ordnance left over from the Iran-Iraq war (1980-1988). Within five days of the operation commencing in September 2003, the engineers and sappers had successfully detected and destroyed 100 light and anti-tank mines, 10 air-to-ground missiles, and more than 1,000 artillery shells. KAZBAT has also secured a local airfield and provided for the security of its own personnel. It has also efficiently carried out water extraction tasks. The total cost of the deployment is expected to reach \$98,000 in the first six months.³⁷

A more exacting assessment was carried out by the Kazakhstani MOD in October 2003, sending an inspection group to the country between 16-21 October, tasked with examining the progress of KAZBAT's work and preparing recommendations for the later rotation of the peacekeepers. Colonel Adylbek Aldabergenov, Deputy Commander of the airmobile forces, headed the commission. It had to analyze the level of combat readiness of KAZBAT, assess the condition of its equipment, financial arrangements, and familiarize themselves with living conditions and interoperability with the other forces.³⁸ The lessons learned will be acted on during the operation and in future rotations. Personnel were carefully selected for the first rotation, carried out in February 2004 (all volunteers), making improvements or any necessary adjustments to the original deployment plans. KAZBAT would also benefit from entering into multilateral agreements through PfP, or bilaterally, with coalition forces serving in Iraq, such as U.S. or U.K. units, resulting in the placement of senior officers from the battalion with their American and British counterparts; in this case, these officers would return to Kazakhstan with a greater and richer experience of the operational environment and working, albeit in a "placement" or observer role, with Western military forces.

³⁵ See: *The Military Balance, 2003-2004*, pp. 101, 111.

³⁶ See: "Kazakhstani Peacekeepers Destroy Over 300,000 Rounds of Ammunition in Iraq," *Interfax-Kazakhstan*, Almaty, 1208 GMT, 22 October, 2003.

³⁷ See: "Kazakhstan Sending Peacekeepers to Iraq," *Interfax-Kazakhstan*, Almaty, BBC Monitoring Service, 0630 GMT, 19 August, 2003; "Kazakhstani Peacekeepers Destroy Munitions in Iraq," *Interfax-Kazakhstan*, Almaty, 10 September 2003; "Kazakhstani Peacekeepers on Good Terms with Locals—Defense Minister," *Kazakhstan Today News Agency*, 26 September, 2003; "Kazakhstani Peacekeepers Neutralize 100,000 Rounds of Ammo' Mines in Iraq," *Interfax-Kazakhstan*, Almaty, 11 October, 2003.

³⁸ See: "Kazakhstani Peacekeepers Destroy Over 300,000 Rounds of Ammunition in Iraq."

The political importance of Kazakhstan's sending its peacekeepers to Iraq was underscored by Lord Robertson, NATO Secretary-General: "I would like to commend Kazakhstan, its president and its parliament for the nation's support for the peacekeeping mission in Iraq. We live in a dangerous world, and I am sure the growing relations between Kazakhstan and NATO will help stabilize the situation in the world."³⁹ During Lord Robertson's visit to the Kazakhstan in July 2003, publicizing once more the strategic importance of the region to the Alliance, he encouraged Astana to build on the achievement of becoming a member of PARP in order that it might contribute to international PK efforts.⁴⁰

Regional Cooperation in Peacekeeping: Future Challenges

Since the PK experiment in the 1990s, through CENTRASBAT, had limited success in inspiring real regional security cooperation, it is essential that NATO planners seize the opportunity presented in the aftermath of the 11 September attacks and the new security environment to once again return to the question of how best to stimulate PK activities and capabilities in Central Asia. If an initiative can be crafted from within the Alliance, properly supported by member states, there is every reason to believe that the regional governments would take seriously any genuine attempt to formulate a concept that brings together the national PK elements within one forum, for further development.

It is suggested, therefore, that the lessons of CENTRASBAT's failings be learned and that a new PK unit be created in Central Asia, combat capable and designed, trained and equipped in accordance with NATO standards. In the context of KAZBAT's recent advances, and taking into account the improving nature of training facilities, Kazakhstan would make an ideal location for such a unit. Allowing the unit to be adequately supported, first and foremost through prioritizing ELT, this can be carried out by assisting in the MOD Linguistic Center (LC). The HQ of LC is located in Almaty. As matter of fact, small teams from KAZBAT are sent to Almaty to receive language training. Besides Kapchagai, the LC has appendixes in Astana (capital city), Shchuchinsk (Military Academy and NCO academy), Aktau (Western regional command), Karaganda (for Eastern and Central regional command's units). The vision of a new Central Asia PK unit could be realized only through the assistance of NATO member states; perhaps led by the U.S. and U.K. with further support from France, Germany, Turkey. New NATO member states, such as Poland whose experience in leading the PK division in Iraq will be important to draw upon, can play an active and crucial role in sharing PK experience and expertise with NATO partners in the region. Soldiers from this unit could be sent to military academies in China, Russia, Turkey, U.S.A. and the UK as well as within Central Asia itself.

Such an initiative would have to encapsulate the following vital components: provision of training, equipment and furthering operational experience for those serving in the unit.

Central Asian Peacekeeping and Stabilization Unit	
Objective:	Formation of a Central Asian PK unit, enhancing regional security cooperation.
Participants:	Components from the PK forces of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan.
Command:	U.N.

³⁹ "Kazakhstan and the War Against Terrorism," *The Caspian Information Center* [<http://www.caspianinfo.org/story.php?id=5>].

⁴⁰ See: "NATO and Kazakhstan: Meeting 21st Century Challenges Together," Speech by NATO Secretary-General Lord Robertson, Almaty, 10 July, 2003 [www.nato.int/docu/speech/2003/s0370710a.htm].

Initiating such proposals, unlike the origin of CENTRASBAT, must come from the West. NATO has prioritized its partnership with the region since the tragic events of 11 September 2001, yet the political will expressed in the Prague summit in November 2002, needs detail and careful refinement. Forming a new regional peacekeeping unit, utilizing the strengths of KAZBAT, Kazakhstani facilities and expertise, will be one mechanism through which the Alliance can demonstrate its vigorous engagement activities and commitment to promoting security. Furthermore, such a unit would assist in realizing the goal of regional security cooperation. It will require support, lacking in the case of CENTRASBAT, from NATO member states keen to promote regional security, involving practical assistance and sharing of knowledge and expertise.

Training shortfalls represented a major stumbling block to CENTRASBAT's effective participation in U.N. or NATO sponsored PKO. The identified problems cannot be effectively redressed with one, narrowly focused assistance program; rather the program that is developed and implemented must train the current PK cohort to an established standard, put in place the mechanisms necessary to support the maintenance of trained skills or even to expand upon them, and to create an indigenous training organization, program and a qualified cadre of instructors to sustain the program over the long-term. The intent is to concentrate external training assistance on both providing direct instruction and training, as well as planning, programming, and management assistance to the unit through deployed training teams, improving the organization and structure of the indigenous training program, and, in parallel, using the established ELT and PK training programs as a vehicle for creating on a long-term basis the planning and training staff and unit leaders that will sustain the PK unit.

The first step should be implementation of ELT program to support the unit and the Armed Forces of its member states. The next steps needed are: development of an indigenous PK training cadre; refinement of a master training plan to place a more balanced emphasis on PK skills; and to outline a coherent training support program to do this.⁴¹

A new Central Asian PK unit, with genuine support from the Alliance, could be deployed to support ISAF in Afghanistan or in post-conflict Iraq. It could equally be invaluable as a support tool for the Afghan-Tajik border, in certain circumstances, showing willingness to operate beyond the region as well as within it.

The task of enhancing the PK capabilities of Kazakhstan's armed forces, through KAZBAT, and the early engagement activities exemplified by CENTRASBAT reminds the international community of the scale of the task in achieving long-term success in these endeavors. But the new security environment, which has resulted from the Global War Against Terrorism, increasing the strategic importance of the Central Asian region, has supplied a window of opportunity to realize such goals. It will be the task of NATO's political and military leadership to work out in detail practical mechanism for developing the Alliance's relationship and partnership with the region, acting upon the basis of common interests and the search for a closer security arrangement with a once forgotten, or underestimated region. Kazakhstan is exploring ways in which KAZBAT may be expanded and also wants its airmobile forces to develop PK capabilities. Enhanced PK capabilities in a volatile part of the world and encouraging regional security cooperation demand close attention be paid to finding and agreeing a way forward. Kazakhstan's willingness to participate in PKO in Iraq and its continued evolving relationship with the West, places the responsibility for assisting in the formation and improvement of Kazakhstan's PK capabilities and fostering regional cooperation—at least in part—with the West.

⁴¹ Author's interviews with western military officers concerning the shortcomings of CENTRASBAT, June/July 2003.

COOPERATION BETWEEN KAZAKHSTAN AND RUSSIA WITHIN THE FRAMEWORK OF THE COLLECTIVE SECURITY TREATY

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In the new world order that has arisen since the collapse of the Soviet Union, the post-Soviet space has transformed into a new geopolitical and geostrategic field in which the current geopolitical situation is characterized by the major changes that have occurred in the world community since the end of the bloc opposition and the emergence of a new system of international relations. The threat of another world war and the use of nuclear and other types of weapons of mass destruction has been reduced, a multipolar world is continuously evolving, and immense improvements have been achieved in arms control and in strengthening stability and security throughout the world.

At the same time, the global changes are also giving rise to contradictory factors. On the one hand, the international community is taking specific measures to expand cooperation and bring about the peaceful settlement of disputes, as well as put a harness on the arms race and the spread in nuclear weapons, while new risks and threats to security are arising, on the other.

For the CIS countries, the same (or similar) main challenges have developed: international terrorism, religious extremism, and the drug business, which the CIS states are trying to combat jointly in order to ensure regional security. The first attempt to create a mechanism which would embrace the entire post-Soviet space was the Collective Security Treaty (CST), signed on 15 May, 1992 by several CIS states.¹

Pursuant to this document, the parties must coordinate their positions in this area. For example, Art 4 states that members of this structure should view aggression against one of the parties to the Treaty as aggression against all the members of the CST. And Art 1 stipulates that the member states of this organization should not enter any military alliances directed against any other country that is signatory to this document. At the same time, the Treaty permits its members to join collective security systems in Europe and Asia, and Art 10 leaves open the possibility for other states to join the Treaty.²

The CST is originally of a political and open nature and has no intention of forming a military bloc. It became the basis for a qualitatively new solution to the security problems of the member states by largely peaceful means, as well as for joining forces to form an essentially new security system.

The signing of this document is a conscious step by several of the independent sovereign states that have newly arisen in the post-Soviet space aimed at enhancing their national security under the new geopolitical conditions. The Treaty is of special significance today, when the force factor is still very prevalent, only has changed its direction of focus.

The CST guaranteed the fledgling independent states the necessary external conditions for independent nation-building and for conducting democratic and socioeconomic reforms, and helped them to create their national armed forces and strengthen their defensibility.

As T. Mansurov, a well-known Kazakhstan diplomat, notes, "all further developments on the international scene point to the fact that although the danger of widespread regional and particularly global

¹ See: "Dogovor o kolektivnoi bezopasnosti," in: *Sbornik dokumentov po mezhdunarodnomu pravu*, Almaty, 1998.

² *Ibidem*.

conflicts has significantly decreased, there are still hotbeds of tension, including in the regions bordering on the Commonwealth.”³

Participation in this treaty is in harmony with Kazakhstan’s National Security Conception. The Law on National Security adopted on 26 June, 1998 points out that in order to obtain international guarantees of national security, the Republic of Kazakhstan is helping to ensure international security, an integral part of which is Kazakhstan’s national security.

According to the country’s leadership, membership in this organization is very important for our republic, since it is in a very unstable and conflict-prone region. As Kazakh diplomats believe, “there is no direct threat to Kazakhstan. We are taking preventive measures to ensure that our states are not taken unawares.”⁴

On the whole, Kazakhstan has been one of the initiators of the Collective Security Treaty from the very beginning. This was part of the general policy of diversity conducted by the republic’s leadership in the foreign sphere. Signing the CST was supposed to prepare the ground for creating a single defense space in the CIS states. Kazakhstan President Nursultan Nazarbaev said, “The concept of a single defense space was not expressed either in the CST or in the Military Security Conception. Nevertheless, without recognition of a single defense space, it is essentially impossible to plan the building of a strong military system, develop united armed forces, train national armed forces, and form military-strategic regions. It will be impossible to draw up joint operative plans, create strategic reserves, and much more. Therefore, it goes without saying that the idea of creating a single defense space will be an addendum to the Collective Security Treaty...”⁵

By the end of 1999, a situation had developed which required a change in approach to forming the regional security system. This was largely due to the change in the nature of the threats. Whereas before 1999, security in the region was understood exclusively as providing defense against outside aggression (the main danger came from the conflicts in Tajikistan and Afghanistan), at present the threat of terrorism has come to the fore.

Under such conditions, the Treaty member states, especially Russia, are taking steps to retain the CST and enhance it. Of course, in terms of military and political parameters, the Russian Federation is the strongest state today in the post-Soviet space, and the Central Asian states also recognize its definitive role in the region. And so essentially all of them, including Kazakhstan, are closely tied to Russia in the matter of protecting their national interests and ensuring security in the military area by means of bilateral and multilateral treaties and agreements.

Just as in Kazakhstan, the question of ensuring state security is one of the top priorities of the Russian leadership. Russian President Vladimir Putin is focusing much attention on national and military security and the state’s Military Doctrine.⁶ These documents realistically express Russia’s new policy aimed at strengthening and ensuring its security. The Conception defines national security as the security of the state’s multinational people, the bearer of sovereignty and the only source of power in the country.

Since the very beginning of its independence, Kazakhstan has seen Russia as its main ally, but Russia’s current leadership has made perceptible changes to Moscow’s policy in Central Asia. The Russian Federation has become more active and perhaps even tougher, which has prompted most of the states in the region to place top priority on their relations with their northern neighbor. Geopolitical factors served as the basis for bringing Kazakhstan and Russia closer together, and as a reason for developing and intensifying their bilateral cooperation, particularly in the military and political area. The global system taking shape will not be viable if it is not open to national interests and is not built on cooperation between the states.

³ T.A. Mansurov, *Kazakhstansko-rossiiskie otnosheniia v epokhu peremen. 1991-2001*, Moscow, 2001, p. 523.

⁴ Ye.A. Idrisov, “Vneshniaia politika v usloviakh globalizatsii,” in: *Kazakhstan i mirovoie soobshchestvo. Sbornik statei*, Almaty, 2000, pp. 4-17.

⁵ N.A. Nazarbaev, *Strategiia vechnoi druzhby. Kazakhstan-Rossia*, Moscow, 2000, p. 246.

⁶ See: *Kontseptsiia natsional’noi bezopasnosti Rossiiskoi Federatsii* [<http://www.scrf.gov.ru/documents/decree/2000/24-1.html>].

An important mechanism of Russia's participation in the Central Asian processes is still the Collective Security Treaty of the CIS states, which in this case, Moscow can also use to reinforce its influence in the region. At the same time, Central Asia is also playing an important role in ensuring the national and military security of the Russian Federation. For a long time, Russia has been closely tied to the countries of the region and considers it a zone of its vitally important interests. First, the Central Asian states border on Russia and it is important for it to maintain friendly relations with them. Second, Russia and the countries of the region have common interests, primarily in the fight against international terrorism, Islamic extremism, the drug mafia, and drug trafficking.⁷ Along with this, it should be noted that the Russian Federation is trying to regain its influence in the Caspian, and is showing an interest in the region and in the territory where Russian-speaking citizens live.

The Conception names the following as the main threats to Moscow: "the possibility of foreign military bases and large military contingents appearing in the direct vicinity of Russia's borders; a weakening of the integration processes in the CIS; the emergence and escalation of conflicts close to the state border of the Russian Federation and external borders of the CIS member states; and claims to Russian territory."⁸ These threats also apply to Astana to a certain extent.

Central Asia is a kind of "buffer" for Russia in protecting its southern borders from the penetration primarily of Islamic religious extremism and terrorism. So the military aspect of Russia's interrelations with the region's states plays a key role. The Central Asian leaders asked Russia to join their defense alliance because these states still depend on Moscow. And its active participation in the collective security of these countries indicates Russia's special interests in the region, including with respect to maintaining security on its southern borders. Moscow is sure that the Central Asian states will still be tied to it in terms of many strategic, political, economic, military, and other parameters for a long time to come, and often also dependent on it.⁹

What is more, "military cooperation with the CIS countries is developing unevenly due to objective circumstances. The idea of creating a collective security system on a CIS scale has still not been realized."¹⁰ The fact that the new entities of international relations must inevitably go through the stage of national and state self-assertion with its inherent "hypertrophy of sovereignty" is also having an effect. This naturally cannot help but interfere with the establishment of multilateral cooperation. The search by the CIS states for their own place in the world has also given rise to discrepancies in the approaches to security issues and to many regional and global problems. Military cooperation between Russia and the Central Asian states largely corresponded to their possibilities and far from always coinciding interests. By the end of the 1990s, a split had essentially occurred in the post-Soviet security space, which had an effect on the Central Asian security space, in which there are structures primarily oriented toward Russia, on the one hand, and associations striving to create conditions for parity interaction with the western security system, on the other.

Assessing the role of the CIS and the CST, Nursultan Nazarbaev wrote that "unfortunately, the CIS has far from fully justified the hopes placed on it. By creating this integration structure, we were unable to build a system responsible for its fate, which adequately takes into account both the real changes in the interests of the member states, and the dynamics of development throughout the entire post-Soviet space. This was the main reason why many of the constructive proposals put forward earlier in the Commonwealth were not implemented."¹¹

All the same, the official stance of the Kazakh side with respect to the CST boils down to the fact that this collective security system, despite all the problems and difficulties, is a real basis for forming a regional security system, and further steps must be taken to raise the efficiency of this association.¹²

⁷ See: "Deiatel'nost sistemy 'Eshelon' narushaet prava grazhdan Rossii." Interview with Russian Federation Security Council Secretary S. Ivanov, *Nezavisimoe voennoe obozrenie*, 9 June, 2000.

⁸ *Kontseptsia natsional'noi bezopasnosti Rossiiskoi Federatsii*.

⁹ See: S. Razov, "V novoi Tsentral'noi Azii," *Mezhdunarodnaia zhizn*, No. 3, 1997, p. 37.

¹⁰ Yu.N. Merzliakov, "SNG—opyt 11-letnego sotrudnichestva," *Evropeiskii dialog*, No. 4, 2002.

¹¹ N.A. Nazarbaev, op. cit., p. 282.

¹² See: M.S. Ashimbaev, "K probleme formirovaniia sistemy regional'noi bezopasnosti," *Analytic—Analiticheskoe obozrenie*, No. 1, 2001, p. 8.

It is obvious that the only solid foundation for multilateral cooperation is coinciding interests. At present, when the national state priorities of the post-Soviet countries have been largely defined, the principal areas of their coincidence are taking shape. For example, the documents signed recently within the CST have made it possible to begin creating regional collective security systems in the main strategic areas—the Eastern European, Central Asian, and Caucasian. The decisions adopted by the CST member states in Bishkek (October 2000) and Erevan (May 2001) on the formation and functioning of the Collective Rapid Reaction Forces (CRRF) of the Central Asian Collective Security Region are of immense significance. These forces are primarily intended to be used in antiterrorist operations. The procedure was defined for making joint decisions regarding use of the forces and assets of the collective security system. The necessary legal foundation has been laid for the temporary deployment of the military formations of the Treaty member states on each others' territory.

Russian President Vladimir Putin stated that the Treaty is acquiring new content and all the CST members, without any doubt and exception, are interested in joining forces to fight terrorism and extremism in any form, primarily religious extremism.

Kazakhstan President Nursultan Nazarbaev highly appraised the fact that CRRF have been formed in the region. He noted that the session of the Collective Security Council in Erevan is a breakthrough, since three documents were adopted: on the creation of the forces, on the formation of this structure, and on organizing the command and control of these forces.

One of the main results of the anniversary summit of the CST member states held in May 2002 in Moscow was the decision to reform this structure into the Collective Security Treaty Organization (CSTO).

Due to their geopolitical position, the CIS states are the advanced post in the fight against international terrorism, extremism, and the drug mafia, which are posing a threat to the entire international community. An aggravation of the military political situation, caused by an increase in the military potential of foreign states around almost the entire perimeter of the CIS, the ongoing armed conflicts in the world, the intensive spread of terrorism, and the increase in drug aggression are making it imperative for the Commonwealth states to establish more active cooperation not only for efficiently ensuring national and collective security by relying on multi- and bilateral agreements, but also for intensifying coordination of their activity on the international arena. This is where the fastest progress in the CSTO format is occurring.

In this way, along with the bilateral measures, a policy aimed at creating prospective regional and interregional security systems should come to the forefront in combating the manifestations in Central Asia of international terrorism, religious extremism, the drug business, illicit arms circulation, and illegal migration. Maintaining peace and stability in the CIS is a necessary prerequisite for the socioeconomic and political development of each state in the Commonwealth.

The events that occurred after 1991 demonstrated that the Central Asian states do not have a strong enough foundation and do not possess the resources necessary for maintaining stability at the regional level. The main lesson of this period has been that the development of multilateral cooperation in the CIS is not preventing the newly independent states from strengthening their sovereignty. It is also obvious that comprehensive multilateral interaction is impossible without relying on the development of cooperation in bilateral formats. Finally, it has been understood how important it is to create efficient mechanisms for putting multilateral cooperation into practice. Foreign policy cooperation within the CSTO must be enhanced with the prospect of turning it into a regional organization of collective security.

Since under the conditions of globalization, maintaining security at a regional level is acquiring increasing significance, the need to strengthen cooperation both among the countries of Central Asia and with the countries around them is growing. Political, military, and, most important, economic stability in the region is maintained by outside factors. Russia, the West, and China have come forward as the main external stabilizers. The global political players are trying to gain a foothold in the region by creating their structures there. For example, whereas the CSTO is a link that ties Central Asia to Russia, the Partnership for Peace program is a link that ties the region to the U.S.

The strongest players in Central Asia, primarily the U.S., are currently trying to realize their strategic interests by means of their “magnetism” using different levers: financial, ideological (democratization and human rights), military-political (joint military programs and exercises), and strictly military (fighting terrorism). Whereas before 2001 a kind of balance formed between the interests of Russia, China, and the U.S., in which the Russian presence in the region was primarily ensured by military-political cooperation,¹³ at present, the military-political presence of the U.S. is intensifying. In this respect, Russia needs to take a fresh look at its military-political cooperation with the Central Asian states. It must draw up an individual approach to each of these countries. In this respect, the strong bilateral military-political cooperation between Russia and Kazakhstan could become the foundation for a new level of bilateral and multilateral relations within the CSTO.

¹³ See: *Analytic—Analiticheskoe obozrenie*, No. 2, 2002, p. 5.

TAJIKISTAN’S NATIONAL SECURITY: PROBLEMS AND PROSPECTS

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After 9/11, national security in our republic has become a task of global proportions. The fact that Tajikistan and other Central Asian states assisted the U.S. antiterrorist campaign in Afghanistan was conducive to moving the region from the periphery of international life to the center of world attention. Tajikistan has been transformed into a buffer country for opposing the spread of international terrorism, religious extremism, and drug trafficking in the world.

The further normalization of sociopolitical life in Afghanistan, the formation of long-term fundamentals for ensuring security in Central Asia, as well as the growing attention of the international community, particularly of the world’s top nations, are creating unique prerequisites for the comprehensive development of both the region and its individual countries. But here there are still several threats and challenges to security which require the closest cooperation between Tajikistan and other Central Asian republics in order to combat.

Drug Trafficking

The difficult economic and sociopolitical situation in neighboring Afghanistan and the fact that its population does not have any legal sources of existence are the main reasons for the development of the drug business in this country. Despite the fact that the Khamid Karzai government has forbidden the growing of opium poppy, the area on which this drug is cultivated is not shrinking. The local peasants, who for

over twenty years have relied on their own efforts to survive, place all their hopes on opium poppy, each hectare of which yields ten-fold more revenue than one hectare of wheat.

When the antiterrorist coalition troops appeared in the country, the attitude of the indigenous population toward this poison did not change, on the contrary, it continued to be harvested at the level espoused by the Taliban. The weakness of the central authorities only added fuel to the fire. According to the estimates of the U.N. International Drug Control Agency, in 2002, the opium poppy harvest was close to the 2000-level and amounted to 1,900-2,700 tons. What is more, according to the reports of the foreign press, during the antiterrorist campaign in the country, the mini heroin-producing factories remained unscathed.

These days, the Afghani drug emirs increasingly prefer to transport drugs via the Central Asian route, which takes the poison to Russia and then on to Europe. This has turned Tajikistan and other countries of the region into a major junction for drug transit to the West. This is inevitably leading to an increase in drug use in the Central Asian republics as well.

The Drug Control Agency under the U.N. aegis operating under the Tajikistan president is making an immense contribution to the fight against drug trafficking. And our country occupies a prominent place in the world and first place in the CIS in terms of drug confiscation. But the employees of this agency have still not managed to arrest a single major drug emir. And the republic will not be able to erect a sturdy barrier to contain this growing surge on its own. The main reason for this is the huge number of poor people in the country, who are willing for a mere pittance to fill the ranks of drug couriers. What is more, the states of the region are striving to reinforce their own borders in order to prevent the poison from coming into their territory. However, they are not concentrating the necessary attention on Central Asia's outer frontiers, that is, efforts must be exerted to intercept the problem at its source and stop drugs from moving beyond Afghanistan's borders. Sometimes this even causes regional cooperation difficulties in other areas. In addition to reinforcing their borders, which in some cases are quite a distance from Afghanistan, these countries must pay more attention to developing cooperation in drug trafficking prevention. Success in this area will ultimately help to strengthen ties between the Central Asian republics in other areas too.

The Threat of Regional Extremism

Along with drugs, a serious threat to the security of individual countries and the entire region is posed by the activity of religious extremist organizations like Hizb ut-Tahrir and the Islamic Movement of Uzbekistan (IMU). Under the cover of Islamic slogans, they are attempting to overthrow the constitutional structure in the Central Asian states and prevent their further secular development.

There is no doubt that the decisiveness and consistency of the world community's fight against terrorism and extremism, particularly in Afghanistan, have weakened the armed wing of the extremist forces in the region. But they still threaten its stability and, with financial and material support from the outside, could step up their ideological and other activity, of which the penetrating raids by IMU militants are evidence. For example, in 1999 and 2000, they left Afghanistan and passed through the rough inaccessible mountainous terrain of Tajikistan into Kyrgyzstan and Uzbekistan, seriously aggravating bilateral relations between the states of the region. And Uzbekistan even set up mines on its border, stating that it would not remove them until final delimitation and demarcation of its state borders had been carried out. Although, after the antiterrorist campaign, the IMU moved its bases to the border regions of Pakistan and lost several of its ringleaders, it still retained the backbone of the organization and under favorable conditions and with support from regional and world terrorist centers could return to Central Asia, bringing destabilization in its wake.

As for Hizb ut-Tahrir, this party is in favor of building a united technocratic state (Islamic caliphate) not only in an individual Muslim country, but throughout the entire Islamic space, thus posing a threat to

the sovereign development of all Muslim countries. In this respect, particular attention should be paid to the Ferghana Valley, certain parts of which have been divvyed up among three states, which gives them a special responsibility for ensuring national and regional security.

But here we see a different approach to political Islam. Uzbekistan is accused of having an overly tough reaction to it. Official Tashkent not only imprisons members and supporters of Hizb ut-Tahrir and the IMU, but also zealous Muslims. Uzbekistan in turn is accusing Tajikistan and Kyrgyzstan of a liberal attitude toward Islam, especially Dushanbe, where the republic's Islamic Revival Party is legally participating in sociopolitical life. Spread of the ideas of Hizb ut-Tahrir from the Ferghana Valley to the Sogd Region and on to the south is arousing serious concern among the political leadership of Tajikistan, which is paying increasing attention to this radical organization and is beginning to exert efforts to eliminate it.

A common approach of the regional states to eliminating the threats of religious extremism will make it easier to fight it, but a set of military-political, financial, diplomatic, political-legal, and other measures must be drawn up in this area, as well as efforts exerted by the region's public organizations.

Integration and Disintegration Processes in the Region

Threats to regional security as a whole and the national security of each Central Asian country individually may be posed by a deterioration in relations both among each other, and with neighboring countries or with world nations.

The borders of Central Asia are quite extensive, open, and relatively poorly defended, and its republics are building their armed forces on the basis of their own defense strategy. But their aggregate power in terms of numerical strength and force is nowhere close to that of the armies of Russia, China, or NATO, which (in addition to everything else) also possess nuclear weapons. So it is clear that the region's countries will be able to defend their sovereignty and territorial integrity only in a collective security system. Their more than ten years of independent development show that they are ensuring their security primarily on the basis of good-neighborly relations, and not with the help of armed forces.

In order to further develop trade at the international level, these landlocked countries must procure access to the world oceans, that is, free transit of cargo through neighboring states and regions. In turn, Central Asia can become a convenient crossroads between the Far and Middle East, and between North Eurasia and South Asia. So all the countries of the region are exerting efforts to restore the Great Silk Road. A clear example of these efforts is the Silk Railroad (Trans-Eurasian Railroad Beijing-Almaty-Istanbul and on to Europe). What is more, international airports have been reconstructed in Kazakhstan (Almaty), Uzbekistan (Tashkent), and other countries located half way between Beijing, Tokyo, and Singapore (in the Asia Pacific Region). Stabilization of political life in Afghanistan, which is geographically located in Central Asia, is leading to activation of the southern route, which provides access to one of the nearest world ports, Karachi, and this means to the Indian Ocean.

Keeping in mind the region's geopolitical status, as well as the unique ethnodemographic composition of its population, and vast mineral supplies, primarily energy resources, the only possible foreign policy strategy the Central Asian states can conduct, according to experts, is friendly relations with all the states of the world, primarily within the region and with neighboring countries.

Geopolitical Rivalry of the Leading World Nations for Domination in Central Asia

The dynamic military and political changes that began in the region after 9/11 have put an end to Russia's monopoly position here. In the new situation, Moscow has been forced to correlate its status and

strategy, since it has to take into consideration the interests of the “new players,” mainly the U.S., PRC, Turkey, Iran, Japan, India, Pakistan, and the European Union.

Within the framework of the CSTO (Collective Security Treaty Organization), it was able not only to keep its 201st division and significant border contingents in Tajikistan, but also create a new air base in Kant (Kyrgyzstan).

A discussion is gaining momentum in Tajik society about Russia’s military presence in the republic. Giving Moscow’s efforts in the peacekeeping processes and its contribution to the achievement of national consent in our republic their due, many domestic experts are nevertheless displeased with the clear imbalance in bilateral relations, with preference going to the military sphere to the detriment of trade and economic ties. Even the labor migration of many Tajiks (more than 10% of the country’s population) to Russia, the monetary injections into the republic from which are many times higher than the annual budget of our republic, does nothing to appease most of these critics. However, in our opinion, Russia’s military presence is strengthening national security in post-conflict Tajikistan. But Dushanbe must still look for new mutually advantageous spheres of cooperation, which would meet the national interests of both sovereign states.

Recently, due to the destructive appeals and demarches of some of Russia’s political forces regarding nation-building in the Central Asian countries and the formation of contemporary nations in the region’s republics, the West, in particular the U.S., took over the initiative from Moscow in supporting this process.

Washington’s official representatives are trying to explain their interests in the region, including in Tajikistan, by making statements in the mass media that the main objective of their efforts in this area is to create democratic political institutions here, carry out market reforms aimed at accelerating economic development, establish stronger regional cooperation, as well as integration of the Central Asian republics into the world community, conduct effective security policy, including combating terrorism, and intercepting drug trafficking.

There is no doubt that young sovereign Tajikistan must develop ties with the West, particularly with the U.S., in order to carry out structural reform of its economy and ensure infrastructure development in other areas too. But we must keep in mind that further augmentation of the West’s military presence will arouse not only Russia’s displeasure, but also that of Tajikistan’s other partners, China and Iran, which will upset the balance of interests.

In conclusion it should be stressed that in the new geopolitical situation, sovereign Tajikistan will inevitably encounter numerous challenges and obstacles. Some of them the republic is resolving within the CSTO, SCO, and other organizations, in which it is an equal partner. Economic problems are helping to step up cooperation with other players as well, primarily with Western states and with China, whereby special attention must be focused on increasing trade turnover with Beijing. Active cooperation with the West is also necessary for building a civil society and affecting its democratization, and the threats to national security from international terrorism and the drug mafia are causing a further intensification of ties with Russia and the countries of the antiterrorist coalition.

Keeping in mind this complex set of interrelations with foreign partners, which are in direct or indirect competition with each other, a balance must be observed and an obvious list toward one pole of force or the other avoided, while always keeping an eye on the most important thing, the country’s national interests.

IRAN: ARMED FORCES AND SECURITY POLICY

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The armed forces occupy a prominent place in the state structure, playing an active role in the country's socio-political life. Their main distinguishing feature is that for more than 20 years that have passed since the Islamic Revolution began in Iran, they have been comprised of two parallel and independent structures—the Army (Artesh) and the Iranian Islamic Revolutionary Guards Corps (IRGC)—Pasdaran Inqilab.

On the political level, it should be noted that the armed forces' loyalties lie with the regime more than with the general population, a democratic system, or the nation as an abstraction. The main exceptions here are Turkey, where the military sees itself as the guardian of the republic, and Israel. Formed by the ruling regime, they are nonetheless strongly influenced by the ideas of the Islamic Revolution and are more wedded to ideology than to the regime or even the state. This is especially pronounced in the IRGC, where Islamic ideology has a greater impact, than in Artesh.¹

The preamble to the republic's Constitution says: "In the formation and equipping of the country's defense forces, due attention must be paid to faith and ideology as the basic criteria. Accordingly, the Army of the Islamic Republic of Iran and the

Islamic Revolutionary Guards Corps are to be organized in conformity with this goal, and they will be responsible not only for guarding and preserving the frontiers of the country, but also for fulfilling the ideological mission of jihad in God's way; that is, extending the sovereignty of God's law throughout the world." The fundamental concepts underlying the organization of the armed forces are formulated in Chapter IX, Part II of the Constitution, The Army and the Iranian Islamic Revolutionary Guards Corps (Arts 143-151). Furthermore, military organization is regulated by a code of laws and legislative acts.

Khomeini's commandments and the principles enshrined in the Constitution as well as in other documents concerning the armed forces require an all-out political-ideological effort in the military sphere where a distinctive religious and political-ideological indoctrination system was put in place. Importantly, its operation is closely coordinated with counterpart civilian structures.² Amid the ongoing problems with the acquisition of modern weapons, the ideological and religious indoctrination system has in fact become a major factor in the organization of operationally effective armed forces in the post-revolutionary period.

¹ See: B. Rubin, "The Military in Contemporary Middle East Politics," *Middle East Review of International Affairs Journal*, Vol. 5, No. 1, March 2001, pp. 54-55.

² See: V.I. Sazhin, *Islamskaia Respublika Iran: Vlast' i armia. Armia i vlast' na Blizhnem Vostoke: ot avtoritarizma k demokratii*, ed. by V.M. Akhmedov, IIBV, Moscow, 2002, pp. 316-320.

Evolution and Development

Substantial budget revenues, above all from the sale of oil, enabled the shah government by the late 1970s to greatly reinforce and modernize the military, providing it with state of the art (by contemporary

standards) Western made, primarily U.S. and British, weapons. Over the last 10 years of the shah regime, the military's numerical strength had increased two and a half times (from 161,000 in 1970 to 415,000 in 1978) while the number of combat aircraft, anti-aircraft missile systems, tanks, and infantry combat vehicles had more than doubled. These included F-4E/D Phantom-2 and F-5D/E fighters, F-14 Tomcat modern carrier fighters (incidentally, Iran is still the only country that has these U.S. made aircraft), C-130E/H Hercules military transport planes, AH-1J Cobra combat helicopters, M-60 and M-47 tanks, HAWK anti-aircraft missile systems, and other weapons bought in the United States. In total, in the 1970-1979 period, the United States sold Iran nearly \$20 billion worth of arms and military equipment. A large amount of modern weapons was bought also in Great Britain: Chieftain Mk3/-5 main battle tanks, Scorpion light tanks, Fox armored vehicles, Rapier anti-aircraft missile systems, and other weapons. In addition, during this period, Iran was receiving arms supplies from France, the FRG, the Soviet Union, and some other states.³

The military-industrial complex was developing at an accelerated pace. Some types of small arms and artillery weapons were co-produced with Western companies, and the work had begun on production and maintenance of tanks, armored vehicles, and aircraft.⁴ Military advisers and instructors from the United States and Great Britain helped upgrade the army's combat training with thousands of Iranian officers going to military training establishments in these and other Western countries.

The shah government's cooperation with Israel was very important for strengthening Iran's military (especially intelligence and security) capability. Together with the CIA, Tel Aviv's security services took an active part in the preparation and training of the shah's intelligence service, SAVAK. One good example of their close contacts was the support that was given to Kurdish insurgents fighting against the Baghdad government in the north of Iraq. This interaction continued until 1975 when the shah government, seeking to improve its relations with Baghdad, signed with it the so-called Algerian accords and stopped supporting the Iraqi Kurds.⁵

Nonetheless, the armed forces, which toward the end of the shah regime were among the most battle-worthy forces in the Middle and Near East (especially in the level of technical equipment), were badly affected by post-revolutionary purges. The new government saw the military, inherited from the shah regime, as a threat to its authority. True, it had good reason to doubt the loyalty of the top military brass that had been trained and educated mainly in the West. Many within the officer corps, especially among top and mid-level command staff, were either executed or forced to flee Iran. According to some sources, as a result of political reprisals, in the 1980-1986 period alone, the armed forces lost approximately 45 percent of commissioned officers—moreover, their most proficient cadres.⁶

At the same time the country's new leadership, while generally preserving the former military T/O structure, went ahead with the formation of parallel structures, loyal and committed to the ideas of the Islamic revolution. A case in point is the IRGC, which was created in May 1979. Initially, it was a semi-regular, paramilitary formation (approximately 10,000 personnel), manned on a voluntary basis, mainly with youth fanatically devoted to Imam Khomeini and the ideals of the "world Islamic Revolution." Although under the Constitution, the Corps was to ensure the country's internal security, during the Iran-Iraq war, its units fought on an equal footing with regular troops. In the course of the war, the IRGC increased qualitatively and quantitatively, its numerical strength growing several-fold, and emerging as a full-fledged, self-sufficient regular military structure with three branches of service (the ground forces, the air force, and the navy) as well as with local defense forces—the Basij Iranian Islamic militia and the Qods security service.

³ For more detail, see: V.I. Sazhin, "Voennaia moshch Irana dvadtsat' let: ot pepla do almaza (k 20-letiiu Islamskoi Respubliki Iran)," in: *Islamskaia revoliutsiia v Irane: proshloe, nastoiashchee, budushchee*, Moscow, 1999.

⁴ See: Iu. Shangin, "Voennoe proizvodstvo v nekotorykh zarubezhnykh stranakh," *Zarubezhnoe voennoe obozrenie*, No. 7, 1987, pp. 63-64.

⁵ See: R.W. Cottam, *Iran and the Middle East. The Middle East and the Western Alliance*, ed. by S.L. Spiegel, CISA, University of California, Los Angeles, 1982, p. 211.

⁶ See: D.L. Byman, Sh. Chubin, A. Ehteshami, J. Green, *Iran's Security Policy in the Post-Revolutionary Era*, RAND, Santa-Monica, 2001, p. 32.

According to some foreign sources, the relationship between Artesh and the IRGC in the post-revolutionary period was often marked by distrust and hostility, and even open clashes, as was the case in August 1994 near Qazvin (a major town northwest of Tehran). Nonetheless, the IRGC enjoys greater support on the part of the ruling regime and the Shi'ite clergy. Thus, at present Iran's defense minister is Admiral Ali Shamkhani, a former IRGC officer. Although it has a smaller numerical strength than the regular army, the IRGC's combat effectiveness is in many respects on a par with that of the army, and the IRGC has always had more advanced weapons and military equipment. The IRGC was also put in charge of Iran's missile forces and non-conventional weapons programs (which it still controls today).⁷

The 1980-1988 Iran-Iraq war came as serious test for the military. As mentioned above, with the outset of an Islamic revolution, the new ruling authorities purged the officer corps, as a result of which many armed formations were completely demoralized and all but lost their operational effectiveness. By the beginning of the war, the regular army was only 40 percent to 45 percent staffed with commissioned officers and 60 percent manned with rank and file and NCO personnel with only a half of the military equipment and combat hardware being operational and serviceable. Furthermore, after the onset of the Islamic revolution, component and spare part supplies from the West were completely frozen, which naturally affected the military's combat effectiveness since the bulk of arms and military equipment was made in the West, primarily the United States. The attempts to have military hardware, especially armor and aircraft, repaired at the country's defense industry enterprises had little success owing to the insufficient development of Iran's military-industrial complex.

Nonetheless, even in the predicament of wartime, the new government was able within a very short time span to reorganize the armed forces and, despite an international embargo, to supply them with modern weapons, and boost the morale and operational efficiency of both the regular army and the emerging local defense (mobilization) force. A key factor here was the further "Islamization" of the regular army (including by intensifying religious propaganda among the personnel and by enhancing the role of the Islamic clergy in exercising control and supervision over its subunits), on the one hand, and the increasing role of the IRGC, on the other. As a result of these measures, already by late 1982, the armed forces effectively recovered their war-fighting capability and stabilized the front line with Iraq.

Despite the heavy losses in men and materiel, the army emerged from the war far more battleworthy, gaining extensive experience in modern warfare. Moreover, new regular army units and subunits were formed, and the command and control system was considerably improved. During the war years, a new generation of officers and generals had evolved, raised in the spirit of loyalty and commitment to the ideals of the Islamic revolution, and a diversified defense industry was put in place, meeting the armed forces' needs for many types and categories of arms, military equipment, and ammunition. Furthermore, whereas at the outbreak of hostilities (September 1980), the armed forces had a numerical strength of approximately 190,000, by the end of the war (1988), as a result of an all-out mobilization, about 10 million people were under arms (approximately 18 percent of the country's entire population). They were used as replacements for Artesh, the IRGC, the Basij Iranian Islamic militia, and some other semi-regular and paramilitary formations including the police force, in peacetime part of the Interior Ministry.⁸

After the war, there was a pressing need to modernize and repair the aging, run-down military equipment, organize the procurement of modern weapons to replenish the combat losses, and to replace Western made weapon systems that were past repair.

Despite the fact that during the war, Tehran spent approximately \$15.9 billion to buy modern weapons (which, however, was far less than what Baghdad spent for the same purpose—about \$47.3 billion), by the time hostilities terminated, the military had 950 to 1,000 tanks and 250 to 280 combat aircraft (as compared to 1,735 and 445, respectively, in 1980). The armed forces sustained especially heavy losses in

⁷ See: M. Eisenstadt, "The Armed Forces of the Islamic Republic of Iran: An Assessment," *Middle East Review of International Affairs Journal*, Vol. 5, No. 1, March 2001, pp. 17-19.

⁸ See: Iu.G. Sumbatian, "Voiny 'mirovoi islamskoi revoliutsii'," *Nezavisimoe voennoe obozrenie*, 24 August, 2001.

materiel (on certain categories of arms and military equipment, up to 40 percent of the total amount) at the final stage of the war, until the ceasefire (August 1988).⁹ Thus, in 1990, the Iranian armed forces had (excluding unserviceable hardware and equipment) about 500 tanks, 85 self-propelled artillery systems, and 185 combat aircraft.¹⁰

These losses stimulated the efforts to increase arms import. In the late 1980s-early 1990s, the main arms suppliers were China, North Korea, the Soviet Union, and some West European countries. Another factor here was the lifting of an international embargo on arms supplies after the war as well as the position adopted by Iran in the wake of Kuwait's occupation by Iraq. That enabled Tehran to access international arms markets. In Western estimates, in the 1988 through 1992 period alone, the country imported nearly \$4.5 billion worth of weapons, including \$2.2 billion worth from the Soviet Union, \$1.1 billion from China, \$0.4 billion from European countries, and \$0.8 billion from other states.¹¹ The Iranian government regarded the Soviet Union, and later on the Russian Federation, as its principal partner in this sphere. Importantly, Russian weapons were more advanced and effective than those that Tehran imported from other countries.¹²

Practically all analysts note that Iran is the world's third largest importer of Russian arms. This said, it should be taken into account that since November 2000, when Russia withdrew from the Gore-Chernomyrdin memorandum, Moscow and Tehran have not signed a single large-scale contract in this sphere. Whereas in the 1990s, Russia's annual arms shipments to Iran averaged \$300 million to \$400 million, since 2000, they have declined to approximately \$25 million to \$70 million—moreover, mainly on contracts signed back in the 1990s. This is attributed to the fact that despite Iran's needs, neither side is prepared to scale up cooperation in this sphere. This is to a very large extent associated with the far-reaching geopolitical changes that have occurred in the region after the U.S. operation in Iraq, and with the sides' mutual reluctance to exacerbate their relations with Washington. True, the United States has always been the most concerned not so much by Russian supplies of conventional weapons to Iran as by the prospect of their cooperation in the nuclear sphere and the possibility of missile technology transfers to Tehran.¹³

In recent years, other CIS countries also started playing an important role in Iran's arms import. A case in point is Georgia with which Iran negotiated on modernization of Iraqi Su-25K ground attack aircraft that it had and on the purchase of new ones (but under U.S. pressure, Tbilisi had to abandon the plans to develop military-technical contacts with Tehran). Ukraine offered its AN-140 military transport aircraft (known in Tehran as Iran-140). Even despite a recent air accident that one such aircraft had with IRGC elite fighters on board, Iran is soon to take delivery of this aircraft. Moldova was planning to sell MiG-29 fighters that it had inherited from the Soviet Union, but in 1997, the United States purchased 21 MiG-29 fighter aircraft from Moldova (14 MiG-29Cs, described by U.S. officials as wired to permit delivery of nuclear weapons, six MiG-29As, one MiG-29B, 500 air to air missiles, and all the spare parts and diagnostic equipment present at the Moldovan air base where the aircraft were stationed), preempting Iran's efforts to acquire potential delivery systems for weapons of mass destruction.¹⁴

In addition, Iran bought in Poland 104 T-72 M1 tanks (originally, an order was placed for about 300),¹⁵ 10 F-7 fighters, and a large number of C-801 and C-802 anti-ship missiles; in China, M-7 and M-11 ballistic missiles,¹⁶ and was also in negotiations with Belarus, the Czech Republic, and some other

⁹ See: *Iran's Military Forces: 1988-1993*, CSIS, Washington, 1994, p. 22.

¹⁰ See: *Military Balance in the Middle East—IX. The Northern Gulf: Iran*, CSIS, Washington, 1998, p. 25.

¹¹ See: *Iran's Military Forces: 1988-1993*, pp. 22-24.

¹² For more detail, see: S. Minasian, "Russia-Iran: Military-Political Cooperation and Its Prospects," *Central Asia and the Caucasus*, No. 5 (23), 2003.

¹³ For more detail, see: S. Minasian, "The Contemporary Status of Iran's Nuclear Missile Program and the Russian-Iranian Relations," *Iran and Caucasus*, Vol. VI, Brill, Leiden, Boston, 2002; S. Minasian, "Iran's Nuclear Missile Program and Regional Security Problems," *Central Asia and the Caucasus*, No. 4 (22), 2003.

¹⁴ See: W. Boese, "U.S. Buys Moldovan Aircraft to Prevent Acquisition by Iran," *Arms Control Today*, October 1997.

¹⁵ See: M. Eisenstadt, op. cit., p. 20.

¹⁶ See: B. Gill, "Chinese Arms Exports to Iran," *Middle East Review of International Affairs Journal*, Vol. 2, No. 2, May 1998, pp. 57-61; *The Military Balance 2000/2001*, IISS, Oxford University Press, 2001, p. 132.

states. At the same time, it tried to arrange secret purchases of spare parts and components for its Western manufactured military equipment that needed repairing, including via Israel and the United States. Thus, according to some public officials, in December 2000, U.S. customs stopped two foreign citizens from taking out of the country spare parts for Iranian F-14 fighter aircraft.¹⁷

The IRI government gives high priority to further development of its armed forces. Thus, a large-scale 25-year army modernization program, worth \$8 billion, was adopted. Its successful implementation will make Iran's military one of the strongest in the region in technical equipment, operational efficiency, and command and control.

The General Structure, and Command and Control Agencies

Under Article 110 of the Fundamental Law, the supreme commander of the republic's armed forces is the nation's spiritual leader, the head of the Shi'ite community—the *fakih*. He is also the country's political leader, or the *rahbar*, who has virtually unlimited powers on all military and military-political matters. This setup arises from the fundamental principle underlying the IRI's constitutional system—*velayat i fakih* (the rule by a Shari'a theologian).

Yet the Constitution does not grant the monopoly of decisionmaking in security, foreign and defense policies to the *rahbar*, often obscures who makes the decision and how. Furthermore, the Constitution considerably limits the decision-making process in the military-political sphere. For instance, Art 145 provides that "no foreigner will be accepted into the Army or security forces of the country." According to Art 146: "The establishment of any kind of foreign military base in Iran, even for peaceful purposes, is forbidden." In Art 110, the duties and powers of the leadership are defined within 11 different contexts, including issuing decrees for national referenda, the powers of the Council of Guardians (*Shouraye Negyakhban e Ganun Asasi*—it can veto any decisions by the executive branch and nullify election results on any level), and resolving problems unresolvable by conventional means through the Assembly for Determination of Exigencies of the State (*Majma-ye Tashkhis-e Maslahat-e Nezam*). The latter is called upon to resolve differences between the Council of Guardians and parliament, to hold consultations on the expediency of key decisions being made by all state institutions to ensure that these decisions are in conformity with Shari'a laws and the IRI Constitution, and also to approve the general guidelines for foreign and defense policies.¹⁸

The religious leader declares war, peace, and general mobilization; he appoints, dismisses, and accepts the resignation of the chief of the General Staff, the commanders in chief of the IRGC and of Artesh, commanders of these structures and law enforcement forces. He also has answering to him the Supreme Council on National Security (SCNS)—the key advisory body on matters of state security, defense, strategic planning and coordination of government activity in various spheres. Furthermore, the SCNS coordinates military, political, economic, social, ideological/propaganda, information and cultural activities in the country, harmonizing them with the nation's security interests. There are two councils within this structure: the Security Council and the Defense Council (the latter is an advisory body on purely military matters). It advises the supreme commander on matters of war and peace and general mobilization; recommends candidates for top military positions; and decides on forms and methods of interaction between the armed forces and civilian authorities and between the IRGC, Artesh and law enforcement forces; and organizes cooperation on R&D projects, production and procurement of arms and military equipment.

¹⁷ See: V. Loeb, "2 Charged in Plot to Export Jet Parts. Customs Alleges F-14 Components Were Illegally Bound for Iran's Air Force," *The Washington Times*, 10 December, 2000.

¹⁸ See: J. Roshandel, "Iran's Foreign and Security Policies: How the Decisionmaking Process Evolved," *Security Dialogue*, Vol. 31, No. 1, March 2000, pp. 107-108.

The supreme commander exercises direction of the armed forces through the General Staff. The latter exercises administrative and operational command and control of the armed forces in peacetime and in wartime through the joint staffs of the regular army and the IRGC, the branches of service staffs, the police headquarters, and corresponding territorial agencies that, in each of these structures, have their own name, composition, functions, and tasks. It is built on the pattern of the U.S. Joint Chiefs of Staff and is run by the chiefs of staff of the three principal security and law enforcement structures under the supervision of the chief of the General Staff. General Staff directorates—e.g., for counterintelligence, intelligence, or special operations—coordinate the activity of the respective directorates of all power structures.¹⁹

The Ministry of Defense and Armed Forces Logistics (MDAFL) is not directly involved with combat activity of military formations. It is responsible for force development, drawing up of the military budget, current financing, military R&D programs, the operation of the defense industry, and the procurement of arms and military equipment (including from other countries).²⁰

Political, ideological and indoctrination agencies in military formations play an important role in exercising command and control of the armed forces. In so far as the entire political propaganda hierarchy is comprised of clergy who are not servicemen, they do not play such a demoralizing and corrupting role as was the case in the former socialist countries. On the whole (unlike the civilian sector), top military bodies operate according to uniform principles and in a coordinated manner.

The armed forces are faced with a number of serious structural and logistical problems affecting the military's operational effectiveness, preventing the IRI from emerging as a real regional military-political leader, including:

- serious underfunding, which still prevents provision of the armed forces with modern arms and military equipment in amounts on a par with the armed forces of neighboring states;
- the absence of an interregional officer rotation system, resulting in the “entrenchment” of officers in permanent deployment areas, their engagement in small business operations at the expense of combat training, encouraging protectionism, favoritism, and factionalism among the command personnel on the “home-town” basis; the existence of such systems in other countries (e.g., the PRC or India), which are far more exposed to favoritism and regionalism (localism), enables them to maintain and dynamically develop their armed forces;
- the IRGC's special status within the power (security) bloc as well as the pattern of rivalry and factionalism between this and other structures designed to ensure the country's security and to protect the theocratic regime (the Ministry of Intelligence and Security (MOIS) and the Law Enforcement Forces (LEF)).²¹

The IRGC is as a general rule compared either with guards corps in certain Arab regimes or with state security agencies (such as SS troops in Nazi Germany or the NKVD in the Soviet Union) in Europe's “ideocratic” totalitarian states of the 20th century. Nonetheless, it substantially differs from these setups and is unique to Iran. Like guards corps in certain Arab regimes, Pasdaran Inqilab is far superior to Artesh in the level of technical equipment. Say, the IRGC air force has operational/tactical missile units whereas the army does not even have such missiles. Yet, unlike guards corps in some Arab countries, it has mobilization forces and special operations agencies while in wartime it is assigned border protection missions. As for state security agencies in the former socialist countries, the IRGC differs from these in that its special operations subunits mainly act abroad, that it protects state borders only in wartime while internal security is principally ensured by the Iranian Islamic militia, al Basij.

¹⁹ For more detail, see: V. Sazhin, “Vooruzhennye sily Irana,” *Zarubezhnoe voennoe obozrenie*, No. 12, 2000.

²⁰ See: V.I. Sazhin, *Islamskaia Respublika Iran: Vlast' i armia. Armia i vlast' na Blizhnem Vostoke: ot avtoritarizma k demokratii*, pp. 319-321.

²¹ See: W.A. Samii, “Factionalism in Iran's Domestic Security Forces,” *Middle East Intelligence Bulletin (MEIB)*, Vol. 4, No. 2, February 2002.

The Iranian leadership may have advisedly refused to centralize, within the IRGC framework, operational/investigative activities against political opponents and the most battleworthy armed formations, on the one hand, and border protection in peacetime, on the other. Presumably, the greater part of the country's population could have seen such concentration as a sign of weakness and of insufficient legitimacy of the ruling regime, and declaration of a "cold civil war."

Likewise, the IRGC cannot be described as full-fledged Guards since it duplicates and even performs some of Artesh's functions (e.g., defending the country against an external adversary/attack). But the IRGC is provided with the best draft contingent and the most advanced arms and military equipment, which breeds antagonism between the various military structures. Neither is the IRGC optimized in case of internal civil conflicts in so far as it does not have an organizational edge over other power (internal security) structures, and it is even more exposed to regionalism through its territorial formations and units.²²

Yet on the whole, experts believe that the military command and control system enables the country's military and political leadership to exercise effective command and control of the armed forces both in peacetime and in wartime.

The Status of the Armed Forces, and the Basic Propositions of Military Policy

Just as in reviewing the armed forces of other states in the Middle East, it is rather difficult to estimate the actual numerical strength of the IRI armed forces, owing to the strict censorship that exists in the country. Iran itself is reluctant to cooperate with international organizations on conventional arms control and so official materials that it releases oftentimes either are inconsistent with reality or offer a less than complete picture. At the same time, many Western sources also cite diverging figures on the total personnel strength and technical equipment level of the IRI armed forces. So this author used data from leading Western think tanks and research centers for security studies (in particular, the International Institute for Strategic Studies, IISS; the Center for Strategic and International Studies, CSIS; the Jaffee Center for Strategic Studies, JCSS; Rand Corporation, and others), on the one hand, and Russian military publications, on the other.

The ground forces include infantry (motorized rifle units); mechanized and armor units; artillery and missile units; antiaircraft, airborne, air assault, engineers and CW troops; signal subunits, army aviation, and combat service support.

The air force is organized with combat (fighter, fighter/bomber, reconnaissance) and support (military transport, refueler, command and control and communication, and training aviation; air defense troops (antiaircraft missile, antiaircraft artillery, and EW units), and IRGC air force operational/tactical and tactical missile units.

The navy is comprised of surface vessels and submarines, naval aviation, naval infantry, anti-ship missile units, marines, and coast defense and logistics services (see Tables 1 and 2).

By 1 January, 2003, regular army forces (Artesh and Pasdaran Inqilab) numbered approximately 520,000 to 525,000 servicemen; the Basij volunteer militia, nearly 300,000; the Qods security service troops, which are also part of the IRGC, about 15,000, and the Interior Ministry Law Enforcement Forces, approximately 40,000. There is a small IRGC unit (150 to 300 men) based in Lebanon and a team of military advisers in Sudan.²³

²² For more detail, see: A. Krymin, E. Engelhard, "Sistemnaia uiazvinnost' politiko-voennoi struktury Islamskoi Respubliki Iran," *Ekspert vooruzhenii*, January-February 2001.

²³ For more detail, see: *The Military Balance 2000/2001*, IISS, Oxford University Press, 2001; *The Military Balance 2002/2003*, IISS, Oxford University Press, 2002; *The Middle East Strategic Balance 2002-2003*, JCSS, Tel Aviv University, 2003; *Military Balance in the Middle East—IX. The Northern Gulf: Iran*; *The Military Balance in The Gulf in 2000. A Graphic Analysis*, CSIS, Washington, 2000; D.L. Byman, Sh. Chubin, A. Ehteshami, J. Green, op. cit.; M. Eisenstadt, op. cit.; V. Sazhin, "Vooruzhennye sily Irana.;" Iu.G. Sumbatian, op. cit.

Table 1

**The Numerical Strength
and Composition of the Armed Forces**

	IISS (1)	JCSS (2)
Regular Army		
<i>Ground Forces</i>	~325,000	~350,000
Corps HQ	4	4
Armored Divisions	4	4
Infantry Divisions	6	6
Special Forces Divisions	2	2
Airborne Brigades	1	1
Armored Brigades	~	1
Mechanized Brigades	~	1
Special Forces Brigades	~	5
Artillery Groups	5	5
<i>Air Force and Air Defense Forces</i>	52,000	30,000
Combat Aircraft/In Service	306/~210	335/207
FGA sqn	9	~
FTR sqn	7	~
RECCE sqn	1	~
TPT sqn	6	~
SAM Batteries/sqn	16/5	~/30
<i>Navy</i>	18,000	18,000
Basic classes of warships	~135	~123
Marines Brigades	2	~
IRGC		
<i>Ground Forces (3)</i>	~100,000	~100,000
Armored Divisions	2	4
Infantry/Mechanized Divisions	15	16
Special Forces Divisions	1	0
Special Forces Brigades	0	3
Artillery Groups	~	6

Table 1 (continued)

	IISS (1)	JCSS (2)
SSM Brigades	~	1-2
Navy	~ 20,000	~ 20,000
Coast-defense SSM bty/sqn	~ 4	25-30
Marines Brigades	1	1
Air Force and Air Defense Forces (4)	~5,000	~ 5,000
Total:	520,000	523,000
Paramilitary		
Basij (5)	~ 300,000 ~ 1,000,000	~ 2,000,000
Law Enforcement Forces, Ministry of Interior (6)	~ 40,000	
<p>(1) <i>The Military Balance 2002/2003</i>, IISS, Oxford University Press, 2002.</p> <p>(2) <i>The Middle East Strategic Balance 2002-2003</i>, ed. by E. Kam, Y. Shapir, JCSS, Tel Aviv University, 2003.</p> <p>(3) IRGC divisions are smaller in size than in the regular army and have approximately the same numerical strength as the army brigade. Apparently the IRGC ground forces have now been reorganized into 26 divisions, without independent brigades.</p> <p>(4) Little information is available about the IRGC air force.</p> <p>(5) In peacetime and in wartime.</p> <p>(6) Together with border guard units.</p>		

The army has about 35 operational/tactical missile launchers and 84 tactical missile launchers with a large number of missiles of various ranges (mainly North Korean made Scud-B/C as well as CSS-8, FROG, Iran-130, Oghab, Shahin, and Shehab-2/3—modified or built in Iran by using old Soviet, North Korean, or Chinese technology). Furthermore, it is planned to launch development and production of longer range missiles, including intercontinental missiles. Given the present condition of the IRI's military-industrial complex, however, it is very difficult to fulfill this task.²⁴

Manpower acquisition proceeds in accordance with the compulsory military service law as well as on a contract (voluntary) basis. Men who have reached age 19 are subject to military service obligation. The service term for enlisted and NCO personnel is two years (in peacetime); reservist duty, until age 50. Conscripts receive preliminary military training at training centers of the various branches of service while NCOs are trained at arms of service schools. Persons seeking to become commissioned officers enlist for military service voluntarily and receive special training and education mainly at the country's military training establishments.

The IRGC relies for manpower acquisition on civilian volunteers as well as army and police reservists; the service term is not fixed (until retirement). Enlisted personnel is trained at specialized training

²⁴ For more detail, see: S. Minasian, "Iran on the Way to the Nuclear Bomb? (Analysis of Tehran's Nuclear Missile Program)," *Central Asia and the Caucasus*, No. 3 (21), 2003; M. Khodarenok, "V raketnom klube—popolnenie," *Nezavisimoe voennoe obozrenie*, 31 May, 2002; *The Conventional Military Balance in The Gulf*, CSIS, Washington, 2000.

centers or in line units while command and technical personnel is trained at the country's military training establishments.²⁵

Table 2

**Arms and Military Equipment
of the Iranian Army and the IRGC**

	Model	Number	
		IISS (1)	JCSS (2)
SSM launchers	Scud-B/Scud-C	~17 (300 missiles)	~20 (400 missiles)
	Shehab-3	~	~5 (20 missiles)
	CSS-8	30 (175 missiles)	16(-)
	<i>Total:</i>	~47 (~475)	~41(420+)
Tactical missile launchers	FROG, Iran-130, Oghab, Shahin	~	~
Main battle tanks (MBT)	T-72S/ -72M1 (3)	480	422
	Zulfiqar	~10	~60
	Chieftain Mk3/-5	200	100
	T-62	~75	150
	M-60A1	150	150
	T-54/-55 (and modifications thereof) (4)	500	~550
	M-47/-48	150	150
	<i>Total:</i>	~1,565	~1,582
Light tanks	Scorpion	80	~80
	Towsan	~	20
	<i>Total:</i>	~80	~100
AIFV	BMP-1	350	300
	BMP-2 (5)	400	413
	<i>Total:</i>	750	713

²⁵ See: Iu.G. Sumbatian, op. cit.

Table 2 (continued)

	Model	Number	
		IISS (1)	JCSS (2)
APC	BTR-50/-60	300	500
	M-113	250	200
	Boragh	40	120
	MT-LB	—	~
	<i>Total:</i>	~590	~820
Recce	Engesa EE-9 Cascavel	35	35
AIFV/APC/Recce	<i>Total:</i>	~1,375	~1,568
Self Propelled	122-mm, 155-mm, 170-mm, 175-mm, 203-mm	~310	~300
Towed	105-mm, 122-mm, 130-mm, 152-mm, 155-mm, 203-mm	2,085	~1,900
Mortars	60-mm, 81-mm, 82-mm, 107-mm, 120-mm, 320-mm	~5,000	~
MLRS	107-mm: Type-63, Haseb, Fadjr-1	~700	~100
	122-mm: BM-21, Nadid, Azrash, Noor	170	~150
	240-mm: M-1985, Fadjr-3	~20	~
	<i>Total:</i>	~890	~250
ATGW	AT-11, AT-5, AT-4, AT-3, TOW, Dragon	~75	~
AD Guns	Towed/ Self-propelled: 23-mm, 35-mm, 40-mm, 57-mm/ZSU-23-4	1,700 (6)	940/75
SAM	Heavy Missiles: HAWK/Improved HAWK, SA-2, SA-5	~200	
	Medium Missiles: SA-6	~	~10-15

Table 2 (continued)

	Model	Number	
		ISS (1)	JCSS (2)
	Light Missiles: Rapier, RBS-70, FM-80, Tigercat	~	~95
	Man-portable SAM: SA-16 Iгла, SA-7/-14 Strela, FIM-92A Stinger	~	~325 SA-16 Iгла (7)
Combat Aircraft (8)	Su-24MK	30	23
	MiG-29A/UB	25	35
	SU-25K	7	—
	F-14A Tomcat	25	60 [25]
	F-4D/E/RF Phantom-2	71	69 [39]
	Mirage F-1E	24	22 [10]
	F-7M	24	60 [24]
	F-5A/B/E/F	60	60 [45]
	Azarakhsh	—	6
	<i>Total:</i>	~266	277 [207]
Transport Aircraft	Iran-140, Il-76MD, An-74, C-130E/H Hercules, Boeing-707, KC-707, F-27, Falcon-20	~100	136 [~110]
Training Aircraft	Dornier, T-33, F-33A, EMB-312, PC-6/-7, Cessna -180/-185/-150	~	214
Helicopters	Attack Helicopters: AH-1J Cobra	50	100 [70]
	Multi-role Helicopters: AB-206, Mi-8/-17 (9)	~50	~85
	Transport Helicopters: CH-47C, RH-53D/ SH-53D, AB-214A, AB-205A, AB-212A	~150	~195
	<i>Total:</i>	~300	~350

Table 2 (continued)

	Model	Number	
		IISS (1)	JCSS (2)
Submarines	Type 877 Cilo	3	3
	SSI	3	3
	<i>Total:</i>	6	6
Surface Vessels	FFG: Alvand	3	3
	Corvettes: Bayandor	2	2
	Missile Craft: Kaman, Thondor	20	21
	Patrol and Landing Craft, Mine Warfare Vessels	~100	~123
	Support Vessels	23	36
	<i>Total:</i>	~148	~185
Naval Aviation	Combat Helicopters; SH-3D/AB-212	~10/6	3/~
	Naval Aircraft: P-3F/Do-228	5/5	2/4
	<i>Total:</i>	~26	~10
Surface to Surface Cruise Missiles	HY-2 Silkworm	~	300
	C-801/ 802	~	~100
	<i>Total:</i>	~300	~400

(1) *The Military Balance 2002/2003*, IISS, Oxford University Press, 2002.

(2) *The Middle East Strategic Balance 2002-2003*, ed. by E. Kam, Y. Shapir, JCSS, Tel Aviv University, 2003.

(3) The total should be approximately 1,000 units.

(4) Including Chinese made: Type-59, Type-69, Type-72Z.

(5) The total number should be approximately 1,500.

(6) Together with 14.5-mm ZPU-2/-4.

(7) The total number should be 1,000.

(8) Including former Iraqi aircraft that defected to Iran in 1991.

(9) The total number should be 55.

The principal force-development concepts are laid out in the country's Constitution and regulated by laws. According to doctrinal guidelines, it is necessary to build a 20 million strong army. Art 144 of the Constitution reads: "The Army of the Islamic Republic of Iran must be an Islamic Army, i.e., committed to Islamic ideology and the people, and must recruit into its service individuals who have faith in the objectives of the Islamic Revolution and are devoted to the cause of realizing its goals."²⁶

The main propositions of military policy are spelled out in the National Security Doctrine. The political component of the military doctrine, built on the ideology of Khomeinism, is permeated with the principle of the export of the Islamic revolution. The ideological basis of this document—the teaching of Imam Khomeini, or "neo-Shi'ism"—envisions not only protection of the Islamic revolution but also the establishment of an international Muslim community—*ummah*. This policy is carried out, essentially, by three methods: peaceful (propaganda), semi-military, and military. One positive aspect in the evolution of the clerical regime is the overstatement of the importance of these methods regarding the export of the Islamic revolution. For a number of objective and subjective reasons, today priority is being given to the "peaceful" option. Yet it would probably be wrong to say that the other two have been completely abandoned. The fact is that at least one component of the military doctrine is national force development. As mentioned earlier, Imam Khomeini said that it should be a 20 million strong Islamic army.²⁷ The main possible adversaries or rivals are, above all, Israel, the United States and other NATO members, and the Arab monarchies that are actively cooperating with Washington.

A Shift in Regional Security Policy Priorities

The past decade saw the fading of the traditional "threat from the North," caused by the breakup of the Soviet Union and the emergence, in place of one superpower, of several small, relatively weak states that it is a lot easier for Tehran to deal with. At the same time, during this period, major geopolitical changes have occurred on the entire perimeter of the country's borders that have far-reaching implications in the security sphere for both Iran itself and the whole of the Middle East.

In the 1990s, the transformation of Tehran's main priorities in the regional security sphere was brought about by a combination of a number of external and internal factors, including the following:

- The abandonment of the ideological goal of exporting revolution.
- A change in the security environment of the vital (Persian) Gulf region.
- A weak Iraq may have brought a change in regional security, though Saddam Hussein himself is the main cause of that insecurity. But the complexities he has created have in return helped Iran improve its image.
- The increased world interest in regional energy reserves including those of the Caspian Sea.
- A perceived change in Iran's policies has resulted in many Western countries modifying their attitudes. Israel's attitude toward Iran has also altered discernibly. Relations with Saudi Arabia and other Arab monarchies in the Gulf have improved, but the problem of the islands between Iran and the United Arab Emirates is still unresolved.

These changes have created a new environment that has helped the country's political leadership play a more influential role in decisionmaking and reduce its dependence on the republic's theocratic elite.²⁸

²⁶ See: V. Sazhin, "Sistema komplektovaniya i prokhozhdeniya sluzhby v vooruzhennykh silakh Irana," *Zarubezhnoe voennoe obozrenie*, 13, 2000, p. 8.

²⁷ For more detail, see: "Voennaia moshch Irana dvadtsat' let: ot pepla do almaza (k 20-letiiu Islamskoi Respubliki Iran)."

²⁸ See: J. Roshandel, op. cit., p. 111.

Furthermore, since the early and mid-1990s, Iran has been actively involved in conflict and crisis management of both inter-state as well as intra-state conflicts beyond its borders.²⁹ This also made for a measure of liberalization of Iran's security policy, improvement in its relations with most of its neighbors, especially in the Persian Gulf, and de-escalation of the arms race in the region. Nonetheless, the fact remains that Tehran has yet to be integrated into any of the regional security arrangements or to sign an assistance and cooperation agreement in the military-political state with any state. Moreover, placed on the list of "rogue nations" by Washington, it cannot count on assistance from third countries in the event of a possible conflict with the United States. So the IRI has to rely only on its own military-political capability to ensure its own security.

Most foreign experts agree that the country's rather modest military budget is geared above all toward ensuring its defense, not pursuing a robust military policy. Compared to its main neighbors, Iran especially lags behind not only in the general parameters of its military budget (see Table 3), but also in the number of modern weapon systems although many neighboring countries have a smaller population or territory. Despite the fact that the IRI today is the only Gulf state that has submarines (two of them are in need of major overhaul), the majority of its surface vessels are obsolete while some were built way back during the World War II period. Unlike Iran, Saudi Arabia has four U.S. built modern frigates and four corvettes. A similar pattern is observed when comparing arms and military equipment in service with the Ground Forces and the Air Force.³⁰

Table 3

**A Comparison of the Basic Types of Arms and Military Budgets in Iran
and the Neighboring Countries³¹**

Country	Military budget (\$b)			Tanks	Combat aircraft	Warships	Personnel (number of service-men)
	2000	2001	2002				
Iran	2.3	2.8	4.1	~1,700	~270	~190	523,000
Turkey	7.6	5.7	5.8	4,205	485	113	515,000
Iraq (as of 2002)	~	~	~	~2,600	~316	~11	~390,000
Pakistan	2.5	2.3	2.6	~2,357	366	~30	620,000
Saudi Arabia	19.9	20.6	21.3	1,055	294	49	124,500
Kuwait	2.3	4.1	3.9	368	81	10	15,500
Oman	1.75	2.4	2.3	117	40	14	41,700
Qatar	1.2	1.3	1.6	35	18	7	12,400
UAE	1.6	1.6	1.6	~381	101	23	41,500
Israel	9.5	10.2	9.4	3,750	454	~50	161,000
Syria	0.73	0.96	1.0	4,700	611	28	319,000

²⁹ See: K. Afrasiabi, A. Maleki, "Iran's Foreign Policy After 11 September," *The Brown Journal of World Affairs*, Vol. IX, Issue 2, Winter-Spring 2003, pp. 257-260.

³⁰ See: *Jane's Sentinel Security Assessment. The Gulf States*, April-September 2002, p. 237; *The Military Balance 2000/2001*, pp. 41, 78-80, 139-140, 297-298; *The Conventional Military Balance in The Gulf*, pp. 53-54.

³¹ According to: *The Military Balance 2001/2002*, IISS, Oxford University Press, 2001; *Military Balance 2002/2003*, IISS, Oxford University Press, 2002; *SIPRI Yearbook 2003: Armaments, Disarmament and International Security*, Oxford University Press, 2003.

As for the U.S. force deployed in the region, the IRI's military capability is simply no match for it. The country's leadership was perfectly aware of that, seeking to enhance the nation's defense capability by unconventional, untraditional means. Two such approaches, designed to turn the situation around and ensure IRI security with minimum outlays, can be singled out.

The first was to acquire capability, in case of a crisis, to block the passage of tankers through the Strait of Hormuz, the Persian Gulf, and the adjacent Arabian Sea area—a route that accounts for 20 percent to 30 percent of the world's oil transit (up to 2 million tonnes of oil daily). Thus, Iran will be in a position to endanger the economy of its militarily stronger neighbors or extra-regional powerhouses. This is a major factor in any hypothetical action against the United States and/or Arab monarchies in the Gulf. To this end, Tehran bought submarines, surface to surface sea and ground launched cruise missiles, put in place substantial infrastructure, and planned to buy operational/tactical missiles from North Korea and Russia.³²

The second was to create unconventional weapons and means of their delivery. Western analysts believe that a major factor in Iran's nuclear missile program was the relative weakness of its armed forces, compared to those of its main neighbors as well as of Israel and of the U.S. force in the Persian Gulf.³³ Recent statements and moves by the country's leadership in acceding to the IAEA Protocol give cause to believe that this approach (at least in so far as concerns the nuclear program, but not the missile program which Tehran will apparently continue) will gradually give way to other defense and security policy mechanisms.

Thus, there are two main priorities in this sphere: enhancing the role of the navy (including coast defense forces) in the Persian Gulf zone and the development of the missile forces, which are planned to be armed with new types of operational and operational/tactical weapons.

Amid the world's increasing interest in new areas for energy production and shipment routes, the third priority in the security sphere is strengthening the country's military-political presence in the Caspian. Unable to build up its military capacity in the vital Persian Gulf area, Iran has to look for asymmetric ways of standing up to U.S. military-political influence in the region. One of them is the ability to oppose the United States in the Caspian region where the United States has virtually no military presence (even taking into account the U.S. force in Central Asia and Afghanistan).

Not surprisingly, immediately after the active phase of the U.S.-led war in Iraq, in late May 2003, the world media began bandying about a scenario in which Iran deals preventive strikes against Azerbaijan and Georgia to stop them from making their territory available for the deployment of U.S. forces ahead of a "new war"—this time against the IRI.³⁴ Analysts pointed out at the time that should such strikes be dealt, Georgia and Azerbaijan would suffer a crushing defeat, as a result of which within three days, Iranian troops would be at the near approaches to Baku.³⁵

A factor in Tehran's fears and its sharp statements is the increased activity by the United States in the Caspian Sea area, in particular the GOPLAT Azerbaijani-U.S. exercise (August 2003), seen by Iran as Washington's attempt to interfere in the problem of dividing the sea, which has long been a subject of dispute among all five Caspian Sea.³⁶

Even considering that such moves and demarches on the part of Tehran as well as publications in the world media are to a very large extent designed to produce a purely propaganda effect, it must be said that in recent years Iran has considerably strengthened its military capability in the Caspian Sea region which prior to that it regarded as a low military priority. Yet the breakup of the Soviet Union and the prevailing geopolitical setup turned around the situation in the region and so Iran set course for a sharp

³² See: D. Waxman, *The Islamic Republic of Iran: Between Revolution and Realpolitik*, Research Institute for the Study of Conflict and Terrorism, U.K. Conflict Studies 308, April 1998, p. 18.

³³ See: D.L. Byman, Sh. Chubin, A. Ehteshami, J. Green, *op. cit.*, pp. 99-100.

³⁴ See: D. Suslov, A. Useinov, "Bush skolotil antiiranskuiu koalitsiiu: dlia udarov po Tegeranu on nameren ispol'zovat' territorii Azarbaidzhana i Gruzii," *Nezavisimaia gazeta*, 29 May, 2003.

³⁵ See: M. Khodarenok, "Esli by Iran privel ugrozu v ispolnenie... Tol'ko vmeshatel'stvo Soedinennykh Shtatov moglo by spasti Baku i Tbilisi ot sokrushitel'nogo porazhenia," *Nezavisimaia gazeta*, 30 May, 2003.

³⁶ See: A. Useinov, "Iran vozmushchen poiavleniem amerikanskikh voennykh na Kaspii," *Nezavisimaia gazeta*, 19 August, 2003.

increase in its military presence in the Caspian. The country's navy has about 90 combat and support, mostly small, vessels here. These include three Iranian built super-miniature submarines (a North Korean model, capable of carrying a team of demolition underwater swimmers), the obsolete Salman coastal minesweeper (U.S. made), the Khamse government yacht, patrol boats, and gun boats. The navy command announced the intention to deploy new Mouj class fire support craft. In coastal areas, the Iranians can use Bogkhammar small and fast patrol boats. Experts believe that Tehran can within a short time increase its naval force here one and a half times by moving its boats from the Persian Gulf by rail, not to mention, marines, aviation, and infantry.³⁷

There is no doubt that Iran's enhanced interest in building up its military capability in the Caspian is not only due to its security priorities but also the aspiration to ensure its presence in the production and shipment of energy resources and in defining the status of the sea.

C o n c l u s i o n s

Despite all of the aforementioned problems, the IRI's military capability and military-political course as well as the ongoing army modernization program gives cause to say that the country's armed forces can on the whole cope with the task of ensuring the state's security. Being as it is one of the most battle-worthy militaries in the Middle East, the Iranian armed forces are a major factor in the military-political balance in the region. This is fully in line with the objectives of the country's political leadership seeking to enhance the IRI's foreign political influence and to strengthen its security.

³⁷ See: K.V. Chuprin, "Oдно more na piat' flotov," *Nezavisimoe voennoe obozrenie*, 25 July, 2003.

REGIONAL ECONOMIES

THE SOCIOECONOMIC SITUATION
IN ARMENIA

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A. General Assessment

On the whole the processes unfolding in Armenia can be seen elsewhere, in all countries with transitional economies. Still, there are certain purely Armenian specifics caused by the country's economic, political, and cultural specifics and national psychology. It is these specifics and this psychology that force each and every country to choose the path of economic reforms.

Alexander Neklessa has offered a highly original description of the current changes: "Today the neoliberal program, which can be called a 'secular religion of the current century' together with communism and chauvinism, is realized fast in dramatic circumstances."¹ In other words, there are no standard principles or models to be realized with equal success in all countries.

One should accept as the most general observation that worldwide rivalry is based on high technologies and a flexible nation-state system. It is not accidental that the societies based on the nation-state principles (Japan, China, "the four Asian tigers," Israel, etc.) can promptly respond to global developments and create flexible economic systems. In fact, everything that is going on today has displayed two trends: first, an opposition to the architects of the new world order and the efforts to create a relatively independent system that would include certain elements, high-tech production being one of them. No scientific and technological potential is possible without developed production. A nation that loses the prospects for its scientific and technological development is left without one of the key reasons for its continued existence. The second trend of contemporary development calls for an adjustment to the challenges created by the architects of the new world order and survival within their program as a servicing country.

An analysis of what is going on in Armenia says that the country is heading toward the second trend. It seems that it is developing into a servicing country in all spheres, especially where the brain drain is

¹ A. Neklessa, "Konets tsivilizatsii ili konflikt istorii," *ME i MO*, No. 3, 1999, p. 32.

concerned. As soon as the status of a servicing country takes its final shape, Armenia will be robbed of its future: this status creates different survival criteria.²

B. Development Trends

To assess the economic situation let us discuss certain figures.

Table 1

Annual per Capita Incomes
in the South Caucasian Countries (\$)

Countries	1994	1995	1997	1998	1999	2000	2002
Armenia	6.0	14.6	27.7	35.7	37.7	42.1	43.1
Azerbaijan	13.3	14.1	35.8	43.5	44.8	49.5	55.8
Georgia	5.7	10.6	33.4	39.8	33.5	36.6	—

Source: Statistical Yearbook of South Caucasus. Armenia, Azerbaijan, Georgia, 2000, p. 80; Statistical Yearbook of South Caucasus. Armenia, Azerbaijan, Georgia, 2002, p. 57.

The table says nothing about the sources of income growth. In Armenia people's incomes are growing to a great extent thanks to the money their relatives send them from abroad (about \$400 million every year). In fact, the registered economic growth could not push the incomes that high; besides, the incomes are unevenly distributed. The republic's GDP depends, to a great extent, on money from abroad that ensures a definite consumption level, which is part of the GDP structure. Financial aid coming from the All-Armenian Foundation and Linsi Foundation is of great importance, yet the money is never used for the much-needed investments.

To assess how incomes are distributed among social groups the author, together with a group of Armenian economists (A. Markarian, A. Vardanian, S. Avetisian), carried out a research project in which the population was divided into the following groups:

- I. People living on money they earn themselves or on wages.
- II. People with considerable additional incomes: aid coming from other countries; hard currency coming from relatives living abroad; aid from rich relatives living in Armenia; foodstuffs supplied by relatives from the countryside (in Armenia this is fairly important).
- III. Pensioners. They can be divided into those who can still work and earn money; those who are looked after by children or other relatives; inmates of old people's homes; beggars.
- IV. People living on unearned incomes such as bribe-taking civil servants. There are bureaucrats from ministries among them, people working in the city and district executive structures; in law enforcement and military structures; monopoly spheres of economic and other services; a numerous group of those who appropriate incomes produced in the industrial sphere; those who have grown rich as a result of privatization, and bribe-taking people working in the sphere of education, health protection, etc.
- V. Unemployed living on incidental earnings.

² See: S. Davoian, A. Markosian, G. Sargsian, *Reformy v stranakh s perekhodnoy ekonomikoy*, Tigran Mets Publishers, Erevan, 2003, p. 171.

Taking into account the fact that the Gini coefficient has increased, the income distribution among different social groups did not change much: the social polarization level remains practically the same (the lower steps of the ladder are occupied by families with many children, pensioners, and unemployed—about 1 million in all).

Table 2

Families Grouped by Daily Incomes (\$)

Category	Volume of daily income of one family	Number of families	Volume of daily income by families	Share of families as a whole (%)	Share of family incomes as a whole (%)
I	200 and more	3,000	600,000	0.38	8.32
II	150-170	3,000	525,000	0.38	7.28
III	50-100	14,000	1,050,000	1.77	14.56
IV	20-50	89,000	3,115,000	11.28	43.21
V	10-20	50,000	750,000	6.34	10.4
VI	5-10	20,000	150,000	2.53	2.08
VII	2-5	200,000	700,000	25.34	9.71
VIII	1,5-2	180,000	262,500	19.01	3.64
IX	0.25-0.30	100,000	27,500	12.67	0.38
X	Below 0.25	160,000	28,000	20.2	0.38
	Total	789,000	7,208,000	100.0	100.0

Source: Droshak, No. 17-19, 1995-1996, p. 98.

The above shows that 0.76 % of the families enjoy 15.5% of the total income; 11.28%, 43.21% of the total income; 77.3%, 14.11% of the total income. I have already written that even though the per capita income has recently increased, its distribution among the social groups remained practically the same. According to official information, even if the gap did not grow wider, social stratification remained the same and too close to the critical level: nearly 80% of the families are struggling below the poverty level. An average share of the poor (living on less than \$1 a day) is 5.1% in Eastern Europe and Central Asia; 15.3% in Eastern Asia and the APR; 40.1% in South Asia, and 46.4% in the sub-Saharan countries.³

According to official data, the minimum per capita consumption basket in Armenia is 28,000 drams (about \$48), which means that with an average wage of \$43 (that few people earn) the level of poverty in the country is very high.

One should say that the level of emigration is equally high: people are driven away by the economic situation as well as by the political and sociopsychological conditions. They are trying to escape the unfavorable moral and psychological climate (injustices, corruption, and frequent violations of laws). This atmosphere robs the country of its future. There are no official figures on emigration and the demographic situation in general. "Distorted official information about the population size, its age-and-gender structure and the reproduction processes has created a wide gap between real and official assessments of the social situation in the coun-

³ See: S. Davoian, A. Markosian, G. Sargsian, op. cit., p. 57.

try.”⁴ This can be said about all other spheres, which makes it hard to use official statistics for any assessments. For example, according to official figures, there are 3,210,000 people living in Armenia while alternative estimates quote the figures of 2.2 to 2.5 million which look much more real. According to official statistics, “in December 2002 the unemployment level was 9.1%,”⁵ the alternative figure being about 40%.

In the last ten years the birth rate dropped by more than 50% as a result of emigration (9.0% in 2000 compared with 21.6% in 1991). In 1998, the main natural growth index (the difference between the number of births and deaths) was 16,156 people; in 1999, 12,415; in 2000, 10,321; in 2001, 8,100.⁶

Certain figures can be used to judge the perspectives of any given country; I have in mind the share of the GDP spent on education. In Germany the figure is 4.9%; in France, 6%; in Italy, 4.9%; in the U.K., 5.3%; in the U.S., 5.4% while in Armenia it is as low as 2.4%.⁷ This means that Armenia lacks a development strategy of its human capital that is mainly responsible for economic growth. In Armenia with its traditional bias for learning and science human capital is especially important. Today, the share of culture, sport and religion in the state budget is meager 2.2%; it cannot create a basis, either in education or in culture, needed to ensure future progress.

A system of indices of economic security based on a certain threshold index formulated by Sergei Glaz'ev, a Russian academic and politician, can be used to assess the present situation in Armenia.

Table 3

Economic Security Indices

Indices	Threshold Index (%)	Real Situation in RA (%)
1. Per capita GDP as compared with the G7 countries	50	2.6
2. Correlation between investments and GDP	25	—
3. Correlation between scientific research and GDP	2	0.2
4. Share of population living below the poverty level	7	70
5. Income gap between 10% of the richest and 10% of the poorest	8 times	100 times
6. Unemployment level	7	40 (unofficial figure) 9.1 (official figure)
7. Annual inflation	20	3
8. Budget deficit	5	4.1
9. Level of dollarization	25	41
10. Correlation between foreign debts and GDP	25	47.3

Sources: Armenia. *Issledovania gosudarstvennykh dokhodov*, 28 April, 2003, p. 4; “Godovoy otchet Tsentral'nogo Banka RA, 2002,” *Voprosy ekonomiki*, No. 10, 1998, p. 36.

⁴ Ibid., p. 218.

⁵ “Sotsial'no-ekonomicheskaya situatsia v RA v ianvare-dekabre 2002 goda,” in: *Natsional'naia statisticheskaya sluzhba RA*, Erevan, 2003, p. 147.

⁶ See: S. Davoian, A. Markosian, G. Sargsian, op. cit., pp. 218-219.

⁷ See: Ibid., pp. 188-189.

From this it follows that according to several indices the country is below the minimally acceptable level. One should say that the system of Glaz'ev is not an integral one: there are other criteria beyond it. I have in mind the country's dependence on foreign financial sources; monopolization of the national market by transnational corporations; the scope of capital outflow; threats to economic and currency independence, etc. which are hard to be expressed in figures. If adjusted to the development specifics of a state (region) the system offered by Glaz'ev makes it possible to assess the economic situation in the country. No adjustments, however, can change the logic of such assessments.

The economic processes underway in Armenia lead to the following conclusions: economic growth depends on the money coming from abroad; institutional changes are slow and ineffective; the republic cannot compete with its neighbors while privatization as an economic instrument cannot distribute the funds efficiently.

C. Main Causes

The economic situation in Armenia is far from satisfactory for the following reasons:

- a) *Disintegration of the Soviet system and disruption of the traditional economic ties.* Until 1998, 90% of the industrial raw materials and 65% of consumer goods were imported. On the other hand, the share of end products among the republic's products was merely 20 to 25%.
- b) *Tension created by the Karabakh conflict and blockade of Armenia.*
- c) *Transfer from one economic system to another takes time and is crisis ridden.*
- d) *Ineffective realization of the public choice principles.* This problem common to nearly all countries during periods of transition is, in fact, an intertwining of economic, sociopsychological and geopolitical factors, which is very hard to address successfully. Social development is a totality of complex and contradictory processes in which public choice plays the key role. Its principles directly affect the economic system for an obvious reason that any economic policy is determined by the nature of political system, which is, in turn, the result of public choice.

At the civilizational level Armenian society theoretically accepted a state political system that suited its axiological system while in practice many factors turned out to be negative ones: to specify the ideological foundations the nation has to identify its specific nature. In other words, what was needed was a scientifically substantiated approach that is missing for objective reasons.

The Third Republic inherited numerous negative Soviet phenomena while public choice was obviously affected by the absence of adequate traditions and institutions. It means that the present situation is deeply rooted in the past and is burdened with numerous historical, civilizational, geopolitical, psychological, and other factors. Since many propositions of the national program based on certain values and ideas remain unspecified, the principles of public choice cannot be realized with any degree of efficiency.

- e) *The absence of counterweights between the economic and political systems.* While the regularities of public choice remain untapped to the full extent and because of operation of numerous levers the political system dominates over the economic one. This is mainly a shortcoming of any transitional economy. Political systems in newly independent states are not easy to create: public organizations with no social bases of their own are trying to play the role of such political systems by using political levers. On the whole, the following factors are indispensable for a successful emergence of a political system: mutually balanced legislative, executive and judicial powers; political parties and democratic institutions; a lower level of dependence on all sorts of international organizations and other countries. All post-Soviet states have to grapple with these problems because in the Soviet past the balance between the legislative, executive and judicial powers was a purely formal one and there was only one party.

Dependence on other countries is caused by objective reasons: the economically weak states cannot oppose global challenges on their own. This explains why in Armenia the principle of balance of power does not work properly and why there are no counterweights between the economic and political systems. The present constitution has given wide powers to the president, which the National Assembly is unable to balance. This is why the constitution should be amended: the presidential powers should be trimmed in favor of the National Assembly.

Any political system should be based on genuine democratic principles, which requires a real, not formal, balance between the legislative, executive, and judicial powers and the rule of law. Normally, the countries in transition respond with stronger central power to numerous problems, which is frequently interpreted as an onslaught of dictatorship. This is not a dictatorship since it is not aimed against the people; more likely than not it is manifested in authoritarian regimes that are either part and parcel of national mentality or are an inevitable feature of the transition period. To be successful such regimes should follow state-by-stage programs and act within the laws (China, Vietnam, Cambodia, etc. are the best examples).

The economic system in Armenia is a very weak counterbalance to the political system; in a way it is its appendage, which explains, among other things, the high level of shadow economy in the country (50 to 60 percent).

- f) *An imperfect institutional system.* The economic thought of the 20th century overcame the postulates of the classical and neoliberal economic theories and pointed out that the self-regulation levers should be supplemented with corresponding institutions. While the economic levers betray the nature of inner impulses, an institution presents a sum-total of principles on which the economic, legal, cultural, sociopsychological relationships rest. Together, the levers and the institutions act efficiently. Even the developed countries have to improve their institutions all the time to overcome internal contradictions and paradoxes of axiological criteria present in all relationships. In all social orders and irrespective of their nature certain institutions add efficiency to economic levers (or deprive them of it). Naturally enough, in transitional societies the problem acquires vital importance, therefore efficiency and rational behavior cannot be achieved through economic liberalization alone.
- g) *Inefficient tax-and-budget and monetary policies.* The state uses these instruments to achieve macroeconomic stability and encourage growth. In Armenia the situation is a contradictory one: the country has so far failed to realize a flexible tax policy. According to the chambers of commerce of the U.S. and the EU, “among the former Soviet countries Armenia comes the last but one before Georgia with 14.5% where the share of tax revenues in the GDP is concerned and is below the average CIS figure of 24.8%.”⁸ This means that the state cannot pursue a socially oriented budget policy and cannot address economic problems related to specific economic priorities. Analysts believe that low tax revenues are caused, among other things, by a high share of shadow economy in the country: “In Armenia there is no balance between the tax base and tax collection; the aims of the taxation system and the methods of tax collection should be revised. Lack of balance is pernicious for Armenia.”⁹

The above-mentioned joint report of the chambers of commerce points to the high taxes, unpredictability of the system of tax collection and the difficulty in observing laws in Armenia as the country's main problems.¹⁰ Frequent changes of laws cause disorder in the tax system since laws are frequently borrowed from other countries and alien legal systems. As a result they cannot be applied in Armenia, which leads to corruption in the system of tax collection.¹¹

⁸ *Reformy nalogovoy sistemy Armenii, perspektivy inostrannykh investitsiy. Doklady torgovykh palat SShA i Evropeyskogo soiuzn v Armenii*, Yerevan, August 2003, p. 1.

⁹ *Ibid.*, p. 2.

¹⁰ See: *Ibid.*, p. 3.

¹¹ See: *Ibid.*, p. 4.

The monetary policy can be described as excessively strict. The unfavorable macroeconomic situation prompted reduction in money supply to curb inflation carried out in disregard of the socioeconomic situation. Even if increased money supply does increase inflation to a certain extent, monetarization of budget deficit is the correct answer to the problem.

Reduced money supply leads to higher interest rate that affects investments, which means that the Ms-r-I-Y principle and the money levers are used with little effect. Long-term investments, one of the sources of the real sector developments, are not stimulated.

The insignificant share of the commercial banks' gross capital in the GDP is due to not only the low level of savings and investments but also to lack of confidence in these banks. The laws and the Central Bank's policy also contribute to this state of affairs. The Central Bank is exploiting the vagueness of laws to bankrupt some of the commercial banks. Normally (that is, in the market system) banks merge for economic considerations in an effort to boost their efficiency. This may improve the entire system. The Central Bank's spokesmen offer this as an explanation, yet reality is different. It was discovered that the Central Bank had been involved in bankruptcies of certain commercial banks, which did nothing to improve the system and slowed down the flow of investments to the domestic market. The Central Bank should act within the laws to promote economic revival—in actual life it, while formally accepting the European standards and the holes found in laws, makes impossibly high demands on commercial banks (even though it is aware of their inapplicability in the current situation) and sometimes even arbitrarily interprets their actions. This affects the distribution of the investment functions and of public capital in general.

- h) *Discrepancy between the scientific and educational system and modern requirements.* The tendencies described above affected the educational system, one of the strategic spheres of any state, in which the following trends can be observed:
1. At all times the superpowers pursue their very special policies. Today, they are aiming at creating marginalized and economically dependent units expected to supply raw materials and brains to the developed countries. The long-term strategic programs of all strong states mention brain drain as one of the major factors. In this way the national gene pool of the exporting countries changes its quality. While in the Ottoman and Soviet (especially in the 1930s) empires the intellectual potential was physically exterminated, today the process has assumed latent forms. The creative potential of the Armenians that should serve its countries is exploited elsewhere.
 2. The educational programs are changed and the system is crumbling. This is caused by the state's weakened control over the educational system and its transfer to the "base" sphere of the market relationships; in particular, schools are supplied with textbooks very much below the educational standards. The content has been changed in such a way that the spiritual and intellectual potential of the new generation will be affected while its mentality will differ from what we have now. The credit programs offered by the international financial organizations have contributed to the process. So far, the republic has no money to pour into the educational system while the international credit programs do practically nothing to encourage publication of textbooks suitable for our national mentality and realization of certain indispensable measures. The Soviet school, on the whole, ignored the ethnic problems and was ideologically dominated, yet it gave profound knowledge of scientific disciplines. Today, the programs have not only failed to change the Soviet educational system in an effort to adjust it to the ethnic way of life and the centuries-old traditions of thinking but also nearly ruined the system of secondary education. Any school reform needs adequate funding—a lack of a national program and an absence of interest in this problem among the national elite deprived the school reform in Armenia of financial support.

- i) *The moral and psychological atmosphere.* Any economic analysis usually ignores the moral and psychological aspects, yet all internal impulses of the social system's self-regulation are based on the moral and psychological values manifested in principles, traditions and concepts (justice, truth, etc.). A U-turn in any sphere of public life will be possible only if these values are revived; this is not a self-propelling process—it requires adequate measures on the part of the state, as the supreme manifestation of the common will. To accomplish this we should first complete the process of state formation.

It follows from the above that in view of our country's specific development we should set up a model that would regulate its political and economic system in order to ensure the optimal development of all spheres of public life.

COOPERATION BETWEEN THE REPUBLIC OF TAJIKISTAN AND THE INTERNATIONAL MONETARY FUND: PRELIMINARY RESULTS

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In October 2003, a regular IMF mission visited Dushanbe to review its second Poverty Reduction and Growth Facility (PRGF) Arrangement in the country. If it fulfilled the reform conditions/goals designated under this arrangement, the Tajik Republic could draw an amount in several installments equal to \$89 million. The mission held several meetings with the Tajikistan government and representatives from several sponsor states. These meetings resulted in an assessment of the level of economic and structural transformations in the republic. The official chronicles were peppered with brief statements on the achievements, as well as with positive responses by the mission's experts. But along with the mutual compliments, there were also statements of blatant displeasure on both sides. And what is more, the mass media provided very scant coverage of their viewpoints, the mission's activity, and the course of the negotiations. The mission worked behind closed doors, which has already become a certain tradition. The press did not publish a single interview with its members, or any statements by government officials, or any of the discussions and talks. The public was presented with only very laconic reports from the information agencies, and the population has very little idea about the authors, areas, course, and strategy of the economic reforms.

Admittedly, in private conversations, government officials and economists are usually quick to assure that there can be no doubt about the IMF's authority, that it is the so-called "exclusive owner of the author's rights," and sets the rules of the game for these reforms. So in order to understand how the socio-economic reforms are developing in the republic and predict their progress, we must first take a look at how cooperation is being established between our country and the IMF. This is particularly important since during the aforementioned negotiations, a whole host of problems was exposed, which can no longer be kept under wraps. The underlying lack of correlation between the sides' viewpoints and their barely

restrained irritation have come to the surface, which naturally did not feature in the sparse official chronicles.

The government has found itself faced with a difficult choice between either accepting the IMF's rather heavy-handed approach, known as the Washington Consensus, or dealing on its own with the burden of its immense foreign debt, which is creeping up to one billion dollars. Most likely, Tajikistan will have to "place itself at the IMF's mercy." If this happens, the country can expect the fate of the "banana" republics, which do not have any competitive industries or investment base, but have "stable macroeconomic indices," an unwieldy foreign debt, and, as a result, political instability.

It is also worth noting that since 1993 Tajikistan has been a member of most international institutions. It began cooperating actively with the main ones in 1996, when peaceful settlement in the country made it possible to start market reforms. The experience of economic transformation in the transitional economies of the Central and East European states, as well as of the CIS countries, shows that their support by international financial institutions (IFI) is playing an important role as a reform catalyst and an important element in official foreign financing.

The International Monetary Fund is one of the key IFIs. It stands to reason that its main "clients" are the poorest countries with low credit ratings on the open market and an unfavorable investment climate. What is more, these countries do not have their own raw material and resource potential, which forces them to focus exclusively on official foreign financing from international financial institutions operating worldwide. The fact that IFIs are the preferred form of partnership is graphically shown by the situation in Central Asia, where ties with the IMF are most closely supported by countries with a chronic payment balance deficit, Kyrgyzstan and Tajikistan. Kazakhstan, Uzbekistan, and Turkmenistan with their strong domestic resource and export potential are less dependent on IFI programs.

What is more, cooperation with the Fund is used as a tool of political pressure on the recipient countries, and along with the economic component, its programs are seen as an important index of how stable the reform process is, which helps to keep other financial sponsors firmly anchored in the country. This applies in particular to Tajikistan where the IMF, as the leader, clearly manipulates the positions of other foreign investors. After all, everyone understands that if the Fund's program falls through due to non-fulfillment of the current obligations this could lead to financing of the program being cut off. And this in turn will most likely stop other foreign sponsors and international organizations from allocating funds, thus dealing a catastrophic blow to Tajikistan's investment-deficit and demonetized economy. So the IMF has essentially unlimited ways of putting pressure on the country's authorities.

The Fund is in the habit of using a "technocratic," rather than a pragmatic approach to resolving the economic problems of its client countries, by applying a standard set of measures aimed at accelerating liberalization, privatization, and introduction of elements of an open market economy, that is, the Washington Consensus principle mentioned above. Its ideas are most vibrantly summed up in works by economist Gérard Roland.¹ Relying on the provisions of this study and applying them to the conditions of our country, the economic reform program promoted by the Fund can be characterized as follows: the revolutionary measures adopted in 1997-2002 by the government with active assistance from IFIs (the IMF and the World Bank) to bring about stabilization, reduce inflation, and promote rapid privatization of more than half of all the republic's enterprises were not accompanied by support of the social sector, which led to even greater property stratification of society and did not permit recovery of the economic situation (with the exception of the macroeconomic indicators) or raising of the population's standard of living. Tajikistan is still the poorest country in the CIS and does not have any real prospects of improving its status.

The idea of an evolutionary reform process, which presumes a credit of trust from the population, the development of local power institutions, an active dialog with civil society (and not only with the government), and an attitude toward privatization that does not consider it an end in itself, as well as support of post-privatized programs, the formation of an attractive investment image for

¹ See: Gérard Roland, "Ten Years After: Transition and Economics," *IMF Staff Papers*, Vol. 48, Issue 4, 2001.

the state, and so on, was not taken into account by the Bretton Woods System sponsors. Nor can it be denied that the government failed to prepare itself for drawing up and conducting economic reform, made several mistakes, and in particular did not fully analyze the long-term effect of the measures adopted. By the same token, the arguments of IFI representatives to the effect that all the reform plans were coordinated with the country's leadership do not hold water, since the sponsor clearly saw the government's level of readiness (or to be more precise, lack of readiness) and institutional potential from the very beginning.

As already noted, the IMF program in Tajikistan is unfortunately very technocratic in nature and does not take into account our state's specific features. The Fund is setting demands, conditions, and program goals which the country must fully correspond to. Of course, these methods are accelerating the structural reforms. But the undeveloped and inefficient institutional environment and total poverty in Tajikistan require the most flexible approaches, which take into account the specifics of the initial conditions and reform rates.

The unfortunate history of economic reform in the republic looks as follows: finding itself up against a brick wall, it accepted the Fund's conditions, but fulfilling them is not yielding the anticipated results. The reforms are grinding to a halt and the country is faced with a renewed crisis, which is once more throwing it into the IMF's embrace. The IMF in turn is insisting that the reforms be conducted with even greater diligence and determination. So a vicious circle of dependence has formed, which is primarily aggravating the deep-seated social problems, including the spread in poverty, which is the absolute opposite to the declared idea of reducing poverty and the so-called "pro-poor" (i.e. primarily in the interests of the poor strata of the population) development of the economy.

The "Tajik experience" confirms the trend developing in the world with respect to the IMF. The authority of the International Monetary Fund, which just recently was considered a kind of equivalent of world government, is rapidly declining today. Such CIS countries as Russia and Kazakhstan stopped asking this organization for credits several years ago. And Thailand, Indonesia, Brazil, Turkey, Ecuador, and Bulgaria have decided not to use its loans starting from next year. During the past five years, the total debt of developing countries to the Fund decreased from 80 billion dollars to almost 50 billion.

Rejection of the credit is explained first of all by the fact that many countries with a transitional economy going the reform route, traditional IMF borrowers, have ample opportunity today to find similar funds on the world market without compromising their domestic economic policy and bending it to fit the IMF's tough demands. According to the JP Morgan Bank, during the first half of 2003, nongovernmental investments in the debt obligations of developing countries increased by 37% (compared with 2002) and came close to 10 billion dollars. Between 1995 and 2001, money was only removed from developing markets. Many experts are already leaning toward gradual transformation of the IMF from a credit into a consultation and analysis organization. But the problem is that even the Fund's forecasts have been less and less reliable recently. The U.S. Audit Chamber conducted an investigation of its activity, and in its report noted the low reliability of the forecasts the IMF made between 1991 and 2001. During this time, the developing countries have experienced economic slumps, even crises, 134 times, whereas in 119 of these cases, the IMF predicted growth.

Created as a bureaucratic organization, the Fund frequently does not take a state's individual characteristics into account in its assessments, and approaches its prediction of the economic situation in a specific country and in the world from an extremely technological standpoint, at times relying on theoretical models, and not on specific facts.²

Of course, the IMF holds an important position in Tajikistan as the key international financial institution providing official foreign financing against the background of limited private foreign capital and a weak domestic investment climate under conditions of the country's post-conflict economy. But all the same, the aspects arousing criticism should also be kept in mind, which are typical of the Fund's activity

² See: K. Frumkin, "MVF nikomu ne nuzhen, strany mira otkazyvaiutsia ot ego kreditov," *Nezavisimaia gazeta*, No. 151 (2983), 25 July, 2003.

not only in Tajikistan, but also in other countries. The main aspect of this criticism is that the IMF's policy frequently does not promote economic growth and an investment boom, but only ensures short-term macroeconomic stabilization. However, the price to be paid for this is aggravation of social problems and the threat of social upheaval, which makes the investment climate even worse and the recipient country dependent on the Fund's next credit installments.

The IMF has a traditionally specific and closed style of working with a country's leadership, which does not take into account the latter's institutional potential and entirely disregards the interests of civil society, alternative business associations, and the population as a whole. Naturally this does not help to develop responsibility or nurture feelings of ownership in the reformers, and undermines the stability of the reforms, which of course the Fund couldn't care less about. What is more, it is suggested that by working with non-transparent institutions and weak partners, while failing to take into account the opinion of the representatives of civil society, the IMF as a closed organization is indirectly promoting corruption. This makes it surprising that the Fund's mission, which recently visited the republic, was very dissatisfied with the level of cooperation, as well as with the quality of the statistical and factual information the country's authorities presented it with. I do not think that closed and unequal negotiations are very conducive to providing objective and honest information.

When analyzing this cooperation, the opinion of many specialists unwittingly comes to mind, who believe that many of the economic problems of the post-Soviet states have been caused, paradoxically, by the vast amount of foreign financial aid they have been allotted (and are still being allotted). During their independent existence, the republics of the former Soviet Union have received a grand total, according to different estimates, of between 40 and 80 billion dollars. No one can give precise figures, since at the initial stage, at the peak of the euphoria aroused by the collapse in the Soviet Union, the generous financial flows were essentially not controlled. But the decade that passed under the "golden rain of charity" ended in disappointment: the CIS countries cannot boast of any economic reforms, or democratic transformations, whereas they have become swamped with exorbitant debts, which more than one generation is going to have to pay off.

Thomas Weis, a professor of political science at New York City University, was the first to talk about a phenomenon he called the "dark side of aid." The fact is that "gift money" promotes an abrupt increase in corruption in countries with very vague legislative boundaries and extremely unstable democratic traditions, since bureaucrats are not engaged in what they should be doing, but in redistributing the aid for bribes. What is more, in these states, criminal bosses have access to foreign support programs and participate in official business, bringing the morals of the criminal world into this sphere with them. At times, when various power and criminal structures are striving to participate in the distribution of finances, foreign aid can even give rise to political and military conflicts, that is, foreign charity is becoming a way for the local semi-criminal elites to get rich and helping them to hold onto the reins of power.

In the meantime, the economies of the young states were not only failing to thrive, they were even disintegrating. Without the resources engendered by economic growth to cover their former debts and the reduced interest rates on them, the governments of some CIS countries have re-borrowed money more than once, which is only making their situation worse.

World Bank specialists David Dollar and Lant Pritchett, after analyzing the situation with international aid in 113 countries, came to the regrettable conclusion that it is usually obtained by countries with corrupt governments, and not by states with reform governments.³

Of course, the IMF and the World Bank are not ideal tools of the world economy. The Asian financial crisis exposed many shortcomings in these organizations. Some believe that the IMF upholds principles that do not help and even directly harm developing countries. This applies to imposing market relations in essentially every sphere of the economy.

³ See: V. Vassileva, D. Satpaev, "Temnaia storona pomoshchi: pokupaia loial'nost stran SNG, Zapad ukhudshaet ikh ekonomicheskoe polozhenie," *Nezavisimaia gazeta*, No. 25 (2858), 10 February, 2003.

The privatization methods espoused by the IMF were also severely criticized at the summit on sustainable development held in Johannesburg. According to many experts, as the result of privatization of state enterprises, a small stratum of society is getting rich, whereby this is occurring along with a rise in prices and tariffs and an increase in unemployment. The Russian experience is a classic example of failure here. Well-known economist, Nobel-Prize Winner of Economics in 1999, Joseph Stiglitz, agreeing that in itself privatization is of course not a cure for poverty, believes that its defective side emerges when there are no institutions (or they are not sufficiently developed) that protect society from its negative consequences.

The main positive aspect of privatization should be considered an increase in business efficiency. And although in the short term, the financial load on consumers increases, in the long run they gain due to the more flexible policy of private companies (along with the competition always present in the sphere). For example, after electricity and telephone companies were privatized in Chile, Peru, Bolivia, and Argentina, the number of their clients drastically increased, whereby mainly among the poor strata of the population in these countries. And the main stimulus for developing countries to conduct the policy designated above was credits already issued by the IMF (92 billion dollars). The Fund's opponents maintain that a system called upon ideally to finance economic reform has turned into one that finances the countries' foreign debt, in which new credits are used to cover old debts and their interest rates. The IMF, on the other hand, believes that it is all a matter of insufficient honesty and professionalism on the part of the local authorities, which are squandering international money.⁴

Let us return to the situation in Tajikistan. The Fund's last mission noted obvious progress in macroeconomic management. The increase in real GDP over the first nine months of 2003 amounted to 7.9%, and at year end, according to preliminary data, to 9%. But these indices do not tally up with the Fund's forecasts, which for more than four years has stubbornly restricted growth to a "ceiling" of 5%. Correspondingly, these artificially low forecasts are leading to low inflation targets, while its real indices are arousing constant concern among IMF experts.

The government announced achievements in fiscal policy. For example, according to the Finance Ministry, for the first time a fiscal surplus was achieved, as well as additional revenue into the budget of 50 million somoni. The first nine months of 2003 were also marked by a record assignation of currency transfers from migrants working outside the country. It is particularly pleasing that this money (more than 170 million dollars, which amounts to almost 2/3 of the country's annual budget) has entered citizens' accounts via the country's banks, and has not come into the country as "black cash" that evades taxation. But during this period inflation amounted to 8.6%, which the IMF bitterly complained about. In so doing, 7.1% of this rise in inflation was caused by an abrupt increase in the cost of energy, which was done in correspondence with the Fund's demands.

Despite the announced innovations and placing the priority on pro-poverty, broad dialog, and nurturing a feeling of ownership in the authorities of the client country, the Fund's programs are still exclusively standardized and "technocratic." They are based on a traditional set of prescriptions from the "Chicago boys," the role of which is played by the dear members of the Fund's mission. In Tajikistan (where there is no argumentative criticism of the IMF's work), a program of accelerated stabilization is being carried out, as well as demonetization of the economy, which are leading to structural cataclysms that are drastically aggravating the social problems. This is essentially impossible to ignore, and the illusions of stability in monetary and fiscal policy are not achieving any real improvement in the population's life and are hindering development of the real sector.

Even if the budget execution indices were pretty good, the government would not be able to obtain the Fund's consent to raise the extremely low social payments and wages of civil servants. At the same time, the clearly superfluous supply of dollars on the currency market cannot be balanced by issuing national currency in the corresponding amount (again because the IMF does not approve). This resulted in re-evaluation of the national currency from 3.2 to 2.6 somoni to the dollar. A classic scheme of monetarist

⁴ See: *Bolezennyye protsessy pozadi program MVF i Vsemirnogo Banka* [www.lenta.ru], 30 April, 2003.

policy is being carried out, which in recent years was severely criticized by several well-known economists, including Professor Joseph Stiglitz mentioned above. This policy caused a deep economic depression in several Latin American, African, and CIS countries.

The IMF is closely following the slightest signs of macroeconomic imbalance, and is not striving for long-term revival of the economy by means of moderate inflation, which is absolutely normal for revival within the framework of the Keynesian evolutionary economic model and creation of a normal domestic investment climate. Otherwise there can be no rational explanation for the IMF's lack of consent to a reinforced additional emission proposed by the Tajikistan government, which would help to raise the level of social payments and mitigate dollar intervention on the currency market. In both cases, the economy would gain an additional investment resource, and the export items would be extended by means of cheaper products, while the domestic manufacturer would become more competitive.

The deceptive illusion of an inflation threat is particularly interesting, which is almost the Fund's Bible, one of its key arguments against controlled emission, both fiscal and monetary. The IMF clearly does not fully understand the specifics of the local consumer market and the levers for forming inflation mechanisms in a not-very-open economy that is extremely dependent on import, as is the economy of our country. In a normal economic environment, an increase in the Consumer Price Index (CPI) or inflation means an increase in the money supply with a constant amount of produced commodity values. But in Tajikistan, where 80-90% of the consumer market consists of imports, an increase in price on basic commodities from the CPI group is frequently related to reasons that have nothing whatsoever to do with an increase in money supply on the market. This increase is generated by a temporary deficit of importable commodities and problems of their transportation, which arise with particular frequency on the borders with neighboring Uzbekistan and Kazakhstan, a rise in product prices in manufacturing countries, and prohibitive and restrictive measures of a non-economic and, what is more, non-inflationary nature. The IMF takes absolutely no account of the specifics of the situation typical of Tajikistan. Everything is put down to inflation pressure, and the economy is deprived of its justified monetary equivalent (with a clear surplus of cost cover and lack of additional monetary pressure as such). In recent years, demonetization of the economy has increasingly become the leading trend in its development, which is confirmed by the lack of funds for crediting post-privatization programs, the low level of credit assets in the banking sector, and the miserly social benefits. The IMF appears to be afraid that an increase in pensions will overrun the currency market, and the subsequent inflation will cause the economy to erupt.

Within the framework of the activity of the IMF's October mission, its reprimands of the government concerning lack of transparency and artificially high spending in the social sector were taken particularly grievously. Due to "inflation fear," the IMF insistently proposed that the government decrease "unjustified" spending by reducing the number of teachers in secondary schools by almost one third (100,000 of the 430,000 currently employed), and by canceling all categories of benefits, including those on utility payments for labor veterans and participants in the Great Patriotic War of 1941-1945. In other words, the mission showed a lack of understanding of the significance and meaning of the principles of sustainable human development declared by the U.N. and leading sponsor countries as a basic strategy, as well as disregard for the importance of investments in human capital. Everything Tajikistan is proud of, free basic education and 100% literacy, is being sacrificed for the sick ambitions of technocrats from the IMF, who may have diplomas from the world's leading schools of economics, but are far from experts in sustainable development.

What arguments and fiscal advantages can explain depriving veterans of the Great Patriotic War who saved the world from fascism of their benefits? There are only a few hundred of them left in the country, and depriving them of their benefits will not save the republic from inflation, but is bound to deeply insult and humiliate all of us. Nevertheless, under pressure from the IMF, the government adopted a resolution on canceling benefits on utility payments for labor veterans and participants in the Great Patriotic War on 1 January, 2004, replacing them with a monetary compensation of 15 somoni (5 dollars). Rejecting common sense in favor of a standard set of stabilizing measures offered by the IMF

shows an absolute lack of desire to understand the republic's real problems, pay attention to the critically dangerous poverty level, and orient the programs toward real benefit for the ordinary people, which the Fund's leadership so loudly declares. Incidentally, in no way should the number of teachers in schools be reduced, keeping in mind that the size of the reduction suggested by the IMF was clearly taken out of mid air. After all, the plan to reform the republic's education sphere is at the development stage, which is confirmed by the World Bank. Why are teachers to be reduced by 100,000, and not by 60,000 or 120,000? In remote mountain areas, several schools may be left without teachers altogether, and in a few years, 50% of the country's children will be illiterate, while the other 50% insufficiently educated. After all, in small village schools a biology teacher will also have to teach physics, history, and mathematics, as well as his/her own subject.

I would also like to share some thoughts on the way the IMF team holds a dialog. As we have already noted, the IMF is an extremely closed and centralized structure, its representatives meet with a narrow circle of government, National Bank, and Finance Ministry officials, offer unadapted macroeconomic scenarios, and insistently object to their broad and open discussion in society and business circles. This style of decision-making cannot justify the Fund's stance, which claims that its programs are coordinated and adopted by the country in question.

It is unlikely that the IMF mission employees working in the republic received alternative information from other sources, stepped beyond the offices of the National Bank or Finance Ministry, or took trips out of the capital. If they had, they would have gained a more realistic feel for the true dimensions of the social problems in the country and made a more adequate assessment of the consequences of their proposals.

I think it is time to change the working style of the IMF mission, for without feedback and without broad discussion in society, the programs offered by the Fund are still having a direct effect on the life of the Tajik people and even becoming detrimental to the country.

By way of example of measures that are detrimental to the republic's stability, I can present the Fund's initiative regarding the debts of agricultural producers. Members of the mission asked the cotton-growing farms to transfer their land to futures companies financing the manufacture of cotton to cover their outstanding debts guaranteed by the government and National Bank. I won't go into detail about the extremely complicated and difficult situation of these farms, which essentially led to the bankruptcy of Argoinvestbank, to the accumulation of debts (150 million dollars), backed by the National Bank, and brought tens of thousands of peasants to the brink of starvation, particularly since the investors themselves clearly understood the risk of speculative investments under the conditions of institutional restrictions and a high level of corruption, and in such a strategically important sphere as cotton growing. But it is not difficult to guess that depriving peasants of land and transferring it to companies to cover debts, as the IMF proposes, would cause a social upheaval and destabilize the country for a long time to come.

Against the background of the reform policy conducted, or more precisely imposed by the IMF, the personal qualities and methods of holding negotiations by the key members of its team working in the republic are dubious, particularly with respect to Mr. Robert Christiansen, the head of this mission. Many members of the negotiation group from Tajikistan have complained more than once about the inadequate negotiation procedures, the inability of the mission members to listen, and their attempts to impose their opinion and other tools of pressure, thus creating an unconstructive atmosphere at the talks. This is resulting more in a monologue by the Fund employees than a dialog with the Tajik officials. On the whole, the IMF is not very interested in whether the country's leadership agrees with the proposed measures, or is forced to accept them under the mission's pressure at the risk of undermining the program and of deserving the reputation of a non-market state.

I would like to take a closer look at the risks involved, which will make it possible to assess the degree of pressure exerted by the presence (or absence) of the Fund's programs in the republic. It has already been noted that the poorest, particularly post-conflict countries, which applies to Tajikistan, with their limited opportunity to attract private investments (due to their weak investment image), are usually

forced to toe the line with official sponsors in order to obtain soft loans and grants. Among other sponsors working in the country, on the other hand, there is a firm rule: an agreement with the IMF is a kind of license of recognition that this state is going the true route of market reforms. What is more, this "license" is one of the key conditions for the presence of other foreign investors, particularly those working on development programs. In this way, the risk of an agreement with the IMF being terminated essentially means the risk of "freezing" all other development projects financed by the World Bank, regional financial structures, U.N. institutions, as well as Japan, Great Britain, Switzerland, and other sponsor countries, which traditionally carry out significant grant financing of the most important projects in Tajikistan. In this way, the republic's government and the IMF are very well aware that the rules of the game have been set, and any lack of agreement with the Fund will mean an immediate disaster for the country's economy.

But it can be maintained that this disaster could also happen if the Fund's recommendations are followed to put into practice monetary measures while ignoring the need to lower the poverty level, revive the real sector, and create prerequisites for stimulating the domestic investment climate. The experience of implementing these IMF schemes in essentially every client country shows that in so doing the poorest countries lose their domestic levers for regulating and reviving their economic potential, while the burden of their foreign debt grows, making them entirely dependent on foreign assistance. And if the Tajikistan government fails to understand these risks and does not adjust its economic reform policy, based on the country's strategic interests and not in favor of the Fund, the consequences will be horrendous.

This is the time to note a certain positive dissonance shown in the positions of many sponsors who do not agree with the monopoly stance of the IMF, which was openly demonstrated during the meeting of the consultative group of sponsors for Tajikistan that took place in May 2003 in Dushanbe. For example, since the situation in the country has been improving, the sponsors decided (an unprecedented case) to allot it 900 million dollars, 700 million of which was to be in grants. In turn, the republic's government drew up a program of state investments, which designated the main areas for using these funds, keeping in mind the document's priorities to reduce poverty (the World Bank). In this respect, the polemics between Mr. Christiansen and Mr. Johannes Linn, vice president of the World Bank, are of interest. The latter voiced the opinion of many sponsors, who indirectly expressed the notion that the restrictive approaches of the IMF are retarding sustainable growth and revival of the Tajikistan economy, which is undermining the efforts of other sponsors. In particular, the matter concerned limiting (under pressure from the IMF) foreign loans to 3% of the GDP, as well as other fiscal and monetary measures. It is encouraging that other sponsors recognize the risks to their programs if the Fund's schemes are used. In this respect, the prospects for harmonizing sponsors are realistic, that is, for a new and actively progressive approach in the investor community, which, unfortunately, the IMF is still ignoring, at least in our country.

Thus, the republic's government currently has a unique opportunity to bring its relations with the Fund out into an open discussion with strong and influential sponsors, and not submissively consent to the IMF's conditions. It would also be expedient to organize a referendum and ask the people what they think about the reforms and the country's relations with the Fund. What is more, the republic's leadership should argumentatively formulate and justify its position, taking into account the economic and social consequences of the measures adopted and the real interests of the republic's residents. But this is where a problem arises, expressed by the phrase "institutional potential and professionalism of the authorities," which largely explains the standpoint of the IMF with regard to Tajikistan.

After the first program to reduce poverty and facilitate growth fell through, due to insufficient reporting on the state of the country's outstanding foreign debt, the image and reputation of its authorities, as reliable and professional reformers, was dealt a hard blow. The IMF mission is complaining that nowadays it must exert greater efforts to adopt and approve decisions on monitoring the indices of the current program. On the whole, however, the Fund's directors have rather a cautious attitude toward the republic today, which explains their tough negotiation stance. They are dissatisfied with the quality, authenticity,

and tardiness with which the statistics are presented, which frequently vary a great deal from department to department, as well as with the lack of coordination in the work of responsible government institutions. Quite often the government reports on the execution of a certain aspect of the program, after which the IMF is forced to recheck these statements, since previous experience shows that such statements at times do not correspond to reality. Institutional potential also arouses doubt, that is, the efficiency and level of training of civil servants. The number of professional economists in the state administration and ministries capable of working in a highly professional manner and defending the country's interests, in this case in a dialog with the IMF, can be counted on one hand. The non-professionalism of the local officials the Fund comes in contact with, on the one hand, helps it to lobby its radical monetary ideas, but, on the other, arouses mistrust in the information and statistics presented, and as a result, in the possibility of establishing effective monitoring, which on the whole undermines the IMF's confidence in implementing its ambitious programs.

One of the main criticisms of the Washington Consensus approach, the basic scenario of the Fund's PRGF program throughout the world, including in Tajikistan, is that it ignores the priority of evolutionary institutional changes, and gradual reform of the state sector in favor of priority measures of fiscal-monetary stabilization and basic structural shocks. For almost two years now, the IMF has not agreed to an equivalent increase in salaries for civil servants and employees of the Tajikistan ministries and departments. Taking into account the extremely low level of the basic wage scale, this measure is necessary for creating elementary living conditions for bureaucrats and reducing the risks relating to corruption, the dimensions of which cannot be overestimated. According to the data of Transparency International, Tajikistan occupies sixth place (from the bottom) among the 189 countries covered by a survey for 2002. This means that corruption has deeply corroded all strata of our society. The creation of more attractive (primarily financial) working conditions in the civil service could help to attract prospective professional economists with good experience and a western education. The IMF (as already noted, out of fiscal motives and fear of inflation) is against this, suggesting that first the entire state administration be optimized and restructured and only then the pay scale adjusted. And during the polemics on this topic, which have been going on for over a year now, the most promising and capable specialists have left the government and economic ministries, as a result of which the IMF has to deal with the "last of the Mohicans." It is not hard to imagine the feelings aroused in local government officials forced to survive on a salary of \$20 by a well-groomed and well-fed international Fund expert during discussion of the problems relating to corruption.

The question of what should come first, raising wages or optimizing the state administration, is radically incorrect. Of course, if the government has the opportunity today to raise civil servants' salaries, it should do this. The government is not an abstraction, but real people with families, problems, and ambitions, and measures aimed at improving the current situation should take the upper hand. Optimization of the state administration, including its cutback, objectively depends on the political will of several high-ranking officials who do not want to lose their "cushy position." Under Tajikistan's conditions, it is unlikely that this process can be significantly accelerated.

The Fund's classic principle is also in operation here: the ultimate interests of the ordinary people are of no significance when the risk of fiscal emission arises, even if it is backed by real funds. In this case, all responsibility for what is going on in Tajikistan must be shifted to the authors of the reforms, that is, to the IMF, which is ignoring the basic issues of the bureaucracy's existence. Nevertheless, according to the author of this article, the IMF experts should stop complaining that the government is not working professionally on the Fund's program. I also suggest that the mission members try living on a salary of 50 somoni (17 dollars) a month, working as director of department X in the republic's Finance Ministry, let's say, in charge of holding negotiations with the IMF and of formulating the government's standpoint.

How can we realistically survive without the IMF, can a not-very-open economy with a chronic payment balance deficit and undeveloped raw material export represented by one or two commodities conduct an independent economic policy and get by with domestic sources? Of course, there is

no alternative to cooperation with international financial institutions. But relations with them must be developed professionally, skillfully defending national interests and standing up for one's own position.

The IMF is also changing. Its website today is overflowing with information about new priorities calling for taking into account the specifics of countries when drawing up its programs. What is more, our republic has the opportunity to defend its point of view and express it through its elected group and executive Directorate, as well as to appeal to other members of the Fund, as to the entire sponsor community, which has its own interests in our country. But this must really be done professionally, the government must talk to its own people, establish traditions of social partnership and be honest with everyone. Of course, we still have a long way to go, but there is no other choice. For being complaisant will only lead to banana-ization of the economy and an increase in the debt load without creating a domestic economic base. This is how the IMF mechanism works.

In the mid-term, we must encourage modernization and sophistication of the financial infrastructure, revive the real economy, develop small and medium businesses, and raise transparency and efficiency of state regulation. These measures will make it possible to manage without credits from the "last resort," which the IMF is commonly called in Tajikistan. What is more, in order to create an attractive image for the national economy, regional cooperation must be stepped up. Without strengthening bilateral relations with our neighbors, primarily with Uzbekistan and Russia, reforms in our republic are unlikely to go far.

The country has the alternative to look for internal sources of growth and the ability to reject the Fund's politicized credit schemes, which compromise it throughout the world. Will the government demonstrate sufficient political will to take responsibility and prove to the world that if necessary it prefers the alternative evolutionary reform path? This question remains to be answered.

THE ENERGY SECTOR OF UZBEKISTAN: PRESENT STATE AND PROBLEMS

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In this century Uzbekistan's socioeconomic development will be determined by the degree of efficiency with which it will exploit its fuel reserves. This calls for an all-round investigation of the energy generation and consumption in all spheres of national economy as well as for monitoring energy consumption level and the long-term dynamics created by the state's tax and price poli-

cy. A careful analysis of power consumption in individual branches of our country and in the developed countries should prompt ways and means of lowering this index in the economy of Uzbekistan.

Table 1 presents the key indicators of the world and Uzbekistani power production. The republic exceeds by 23% the average world level

where per capita power consumption is concerned and is below by 20% in per capita electric-power consumption which means that Uzbekistan is close to the average world level. These resources, however, are used inefficiently: the national economy's power consumption is 9 times higher than the world's average level while electricity intensity per GDP unit is 6 times higher. A gap between Uzbekistan and the developed countries is much wider: 2,228 and 1,114 times, respectively. This discrepancy is caused by the artificially lower fuel prices that existed in the Soviet Union and were inherited by many of the CIS countries that had never required, and is not requiring, energy-saving measures. In the West the energy crisis of 1973-

1974 speeded technological progress in the energy-saving sphere; Austria, Denmark, Germany, Norway, Sweden, Switzerland, and Japan acquired the best results in energy saving mainly because all of them with the exception of Norway, are fuel importers. The developed legal basis, reliable and vast statistics, the ramified system of norms and standards as well as integrated and systemic research were behind their achievements in the energy-saving sphere.

This shows that no sustainable national economic development in Uzbekistan is possible without structural changes in the economic sphere and a complex of measures designed to considerably reduce power consumption.

Table 1

Key World and Uzbekistani Power Sector Indicators in 2000

Indicator	The world as a whole	Uzbekistan	Place in the world
Population, million	6,023.17	24.75	39
Gross Domestic Product (GDP), billion dollars	3,4037.0	12.01	82
Per capita GDP, USD/capita	5,651	485	113
Primary energy production (PEP), Mtoe (tonnes of oil equivalent)	10,078	55.07	35
Export of energy fuels, Mtoe		4.89	39
Primary energy consumption (PEC), Mtoe	10,109.6	50.15	33
Per capita PEC, toe/capita	1.68	2.03	58
PEC per GDP unit, toe/1,000 USD	0.30	4.18	2
Electrical Consumption (EC), TWh	14,114.5	44.02	39
Per capita EC, kWh/capita	2,343	1 778	73
EC per GDP unit, kWh/USD	0.414	3.67	7
CO ₂ emission, Mt	23,444.2	117.52	32
CO ₂ per capita emission, t	3.89	4.64	57
CO ₂ emiss./GDP unit, kg/USD	0.69	9.57	6
CO ₂ emiss./PEC unit, t/toe	2.32	2.29	7

S o u r c e: Key World Energy Statistics from the IEA, 2002 Edition, IEA, Paris, 2002.

1. Fuel Industry

Oil and Gas Sector

In 1992, the republic acquired the National Corporation of Oil and Gas Industry “Uzbekneftegaz”; in 1998, by a presidential decree it was transformed into the National Holding Company “Uzbekneftegaz” that comprised eight firms: Uzgeoneftegazdobycha (prospecting and extraction); Uzneftegazstroj (equipping the fields and construction of oil and gas pipelines); Uznefteprodukt (distribution of oil products by region); Uzneftepererabotka (refining crude oil), Uztransgaz (transportation of gas along the main gas pipelines); Uzburneftegaz (prospecting and drilling for oil and gas); Uzneftegazmash (equipment for oil and gas extraction); Uzneftgazishchita’minotchi (trade and services).

Hydrocarbons are the main energy fuels in the republic the reserves of which are comparable with the reserves of the Netherlands and Indonesia. (It should be added that Uzbekistan is one of the world’s 15 gas-richest countries.) Since 1996 the country has been completely covering the domestic demand for energy; it is the world’s eighth largest natural gas producer. According to geologists, 60 percent of the country’s territory may contain oil and gas (171 deposits were discovered in five oil- and gas-bearing areas).¹ Today oil is extracted from 51 fields; gas, from 27 fields, and gas condensate, from 17 fields. Thirty-two percent of oil has been already extracted from the proven oil reserves; the figure for gas is 37%.

Natural Gas

The natural gas resources are estimated at 5,430 Bcm.² Twelve major deposits (including Gazli, Shurtan, Pamuk, and Khauzak) contain commercial reserves; together these deposits account for over 95% of gas extracted in Uzbekistan. All of them are found along the Amudarya River and close to the city of Mubarek. Gazli is the largest and oldest field; Shurtan comes second. It was developed in 1980; in 2000, it produced over one-third of the total volume of extracted gas.

Seven large deposits (one gas and six gas condensate) were discovered.³ Shakhpakhty, Urga, and Akchalak are the largest among them: their initial reserves (by industrial category) are over 95 Bcm. Six investment blocks were identified in the Ustyurt Region.⁴

In 2002, 58.4 Bcm were extracted; to compensate for decreasing extraction from the Uchkyr and Iangikazen fields the Gabri and Kandym gas fields are being developed at a fast pace. Gas is mainly extracted by Mubarekneftegaz, Shurtanneftegaz and Ustyurtgaz companies.

The composition of the natural gas extracted in Uzbekistan varies from one deposit to another: methane is accompanied by large quantities of light and heavy hydrocarbons. On the whole, large quantities of extracted gas should be processed because of the high sulphur content (2.5-2.7%). This is done at the Mubarek Gas Processing Works and at the Shurtan Gas-chemical Complex.

The first phase of the Mubarek Works was commissioned in 1973. It was intended for desulphurization and sulphur production as well as for low-temperature separation and condensate stabilization. Today, the works processes about 24 Bcm of gas and produces over 330 thou tons of sulphur a year.⁵ It needs rehabilitation and enlargement to increase desulphurization; it is planned to increase an output of gas condensate to 745 thou tons a year to fully cover the market demands.

¹ See: *Environmental Performance Review of Uzbekistan*, U.N. Economic Commission for Europe, September 2001, Geneva.

² See: “Gazprom planiruet uvelichit pokupku uzbekskogo gaza” [www.uzreport.com], 21 December, 2002; “Britanskaia kompania v Uzbekistane,” *Energia i promyshlennost Rossii* [www.ep.spb.ru/epr/info/sklad/015/oil_gas.htm].

³ See: *Environmental Performance Review of Uzbekistan*.

⁴ See: “Neftegazovaia promyshlennost. Uzbekneftegaz” [www.uz/eng/industries/ung.htm], 19 March, 2003; for more detail, see: *Showcase Europe: Energy Guide for Uzbekistan* [www.sce.doe.gov/documents/market_brief/pdf/uzbekistan.pdf].

⁵ See: “Neftegazovaia promyshlennost. Uzbekneftegaz.”

Table 2

**Natural Gas Production, Consumption
and Export in Uzbekistan in 1992-2000**

		1992	1995	1996	1997	1998	1999	2000
Production	Mtoe	34.95	38.13	38.32	39.72	44.61	45.26	45.92
	Bcm	43.1	47.1	47.3	49.0	55.1	55.9	56.7
Consumption	Mtoe	33.57	32.73	33.93	34.04	40.93	41.57	41.32
	Bcm	41.4	40.4	41.9	42.0	50.5	51.3	51.0
Export	Mtoe	0.81	3.43	3.97	5.81	3.68	3.69	4.60
	Bcm							

Source: Energy Balances of Non-OECD Countries 1999-2000, 2002 Edition, IEA, Paris, 2002.

Late in 2001, a pumping station of the Shurtan Gas-chemical Complex still in under construction was commissioned (the total cost of the complex is assessed at \$1 billion). Upon completion the complex will produce annually 125 thou tons of polyethylene; 137 thou tons of liquefied gas and 37 thou tons of light condensate. By 2010, this complex together with the modernized Mubarek Works will bring up the volumes of processed gas to 45 Bcm (the figure for 2001 is 30 to 35 Bcm) and extend the product range.

As soon as the Gazli fields had started producing gas in industrial amounts Uzbekistan became a gas exporter. Today, it supplies Kazakhstan, Kyrgyzstan, Russia and Tajikistan with gas through main pipelines. Russia is the largest and most reliable customer: its gas companies always pay on time. This cannot be said about the customers from other republics, therefore Tashkent has to stop gas supplies from time to time while waiting for debt settlement.

Gazprom of Russia and Uzbekneftegas concluded an agreement⁶ on gas supplies from Uzbekistan for 2003-2012 under which by 2005 Russia would buy 10 Bcm (preliminary figure for 2003 is 5 Bcm).

Under the 2001 general agreement between KazTransGaz and Uztransgaz⁷ Uzbekistan pledged itself to deliver the needed volumes of gas to Kazakhstan on the agreed-upon prices. The Kazakh side failed to pay for gas deliveries on time and in 2003 had to cut down its purchases by half (under the agreement it bought 600 Mcm of gas paying up-front \$40 per 1 thou c m of gas).⁸

Uztransgaz and the Kyrgyzgaz joint-stock company concluded a general agreement⁹ on natural gas supplies in 2003 for the price of \$42 per 1 thou c m. Under this agreement Kyrgyzstan was to pay for 45% of the total amount in material and technical resources and for the remaining 55% in hard currency. On average, Kyrgyzstan buys 600 to 650 Mcm of Uzbek gas every year.

It should be noted that the main gas pipeline, which connects the Ferghana Valley with Uzbek gas fields, goes across Tajikistan that receives for this service 640-650 Mcm of Uzbek gas every year. On top of this Uztransgaz pledged itself to supply the Tajikgaz state unitary enterprise with 100 Mcm (providing

⁶ See: "Gazprom planiruet uvelichit pokupku uzbekskogo gaza;" "Britanskaia kompania v Uzbekistane."

⁷ See: "ZAO 'KazTransGaz' zavershil peregovory s 'Uztransgaz'" [www.kaztransgas/press/jul2001/html], 2001.

⁸ See: "Kazakhstan snizil napolovinu zakupki uzbekskogo gaza" [www.uzreport.com], 17 January, 2003.

⁹ See: Ibidem.

there is up-front payment). Any violation of this condition is fraught with discontinuation of gas supplies until the debt is settled.

Under present agreements the Uzbek gas transportation system is used for gas deliveries from Turkmenistan to Russia; in 2000, the volumes of transit were about 2 Bcm,¹⁰ in the near future it may reach 7 Bcm.

Oil and Gas Condensate

In January 2000, the volumes of oil,¹¹ including condensate reserves, were assessed at 5,060 Mt. Only 770 Mt of them were explored reserves; the proven reserves were even lower. The Kokdumalak deposit (the Bukhara-Khiva Region) today produces about 70% of extracted oil. The Ferghana Region comes second with about 20% of the deposits. The majority of 85 oil deposits are not rich at all. The richest deposits are concentrated in the Ustyurt Region, the total amount of which is estimated at 1,120 Mt.

The following daughter companies of Uzgeoneftegazdobycha are working in this branch: Mubarekneftegaz, Shurtanneftegaz, Djakurganneft, and Mingbulakneft.

Table 3

**Crude Oil and Gas Condensate Production,
and Oil and Petroleum Products Consumption
and Import in Uzbekistan in 1992-2000 (Mt)**

	1992	1995	1996	1997	1998	1999	2000
Production	3.31	7.56	7.74	8.15	8.38	8.36	7.73
Consumption	8.74	6.95	6.83	7.6	7.11	7.34	7.33
Import	5.00	-0.47	-1.09	-1.25	-1.26	-1.02	-0.40

S o u r c e: Energy Balances of Non-OECD Countries 1999-2000, 2002 Edition, IEA, Paris, 2002.

There are two old oil refineries in the country (in Ferghana and Altyaryk) and a new oil refinery in Bukhara (commissioned in 1997). Sour crude oil goes for refining to the Ferghana Oil Refinery. Since 1998 Japanese companies Mitsui and Toyo Engineering have been engaged in its modernization designed to build up desulfurization facilities; in 1999, a wet desulfurization plant was commissioned. Annual production capacity of the Ferghana Oil Refinery is 5.6 Mt. It was built to produce transmission and hydraulic lubricants out of local oil. The Altyaryk Oil Refinery can process 3.2 Mt of oil a year to produce various types of fuel. The first phase of the Bukhara plant with a capacity of 2.5 Mt/year processes condensate delivered from the Kokdumalak fields to produce high quality gasoline, diesel fuel and kerosene that meet the world standards.

The Bukhara Oil Refinery brought the republic's annual processing capacities to 11.1 Mt while the country extracts from 7.5 to 7.8 Mt a year.

¹⁰ See: *An Energy Overview of the Republic of Uzbekistan*, U.S. Department of Energy, Energy Information Agency [www.eia.doe.gov], 2002.

¹¹ See: *Environmental Performance Review of Uzbekistan*.

Table 4

Output of Key Petroleum Products
(thou tons)

Product type	1998	1999	2000
Primary oil refining	7,177	6,739	6,787
Gasoline	1,621	1,638	1,722
<i>including motor gasoline</i>	1,603	1,622	1,709
Diesel fuel	2,219	2,221	1,972
Heating oil	1,976	1,747	1,709

S o u r c e: Energetika v Respublike Uzbekistan 2000. Statisticheskii sbornik, Tashkent, 2001.

Gas Pipelines

Today, the republic has over 70 thou km of gas pipelines. The state-owned joint-stock company Uztransgaz exploits 13,980 km of pipelines, 23 compressor plants and 304 distribution stations.¹² The total length of main gas pipelines with the diameter of 720-1,420 mm (in one-line terms) is over 7,700 km. The transit stretch of the gas pipeline Central Asia-Center¹³ can move not more than 40 Bcm. Technical conditions of the main line's Kazakh section¹⁴ cannot move over 30 Bcm of gas. Itera of Russia and Intergaz Tsentral'naia Azia agreed to increase the gas pipeline's carrying capacity to 60 Bcm. Moscow and Ashghabad signed an agreement¹⁵ on supplies of Turkmenian gas to Russia in the following volumes (Bcm): 2004—5 to 6; 2005—6 to 7; 2006—10; 2007—60 to 70; 2008—63 to 73; 2009-2028—70 to 80.

Obviously, these figures indicate that the transit stretch should be reconstructed to move these volumes of Turkmenian and Uzbek gas along the Central Asia-Center and Bukhara-the Urals pipelines. Moscow is contemplating another gas pipeline¹⁶ Turkmenistan-Russia across the territory of Kazakhstan bypassing Uzbekistan. Its cost is estimated at \$1 billion; with an annual capacity of 30 Bcm it can be commissioned late in 2006.

Coal Industry

The explored coal reserves are found in the Angren (the Tashkent Region), Baysun and Shargun deposits (the Surkhandarya Region) and are estimated at 1,900 Mt of which 1,850 Mt are brown coal (Angren deposits) and 50 Mt, bituminous coal (Baysun and Shargun deposits).

Coal is mined by the Ugol joint-stock company that comprises five enterprises. Three enterprises are working according to fundamentally different technologies: at the Angren deposit open cast mining is used; at Mine No. 9—underground mining; at the Podzemgaz station, the method of underground gasification is

¹² See: "Chisty dokhod 'Uztransgaza' za posledniy god sostavil \$128.44m" [www.uzland.uz/2001/may/24.htm].

¹³ See: "Prem'er-ministr Uzbekistana: 'Net nikakikh perspektiv uvelichit tranzit Turkmenskogo gaza cherez territoriu Uzbekistana'" [www.uzland.uz/2002/august/29/02.html].

¹⁴ See: S. Smirnov, "Gazovye realii Kazakhstana" [www.kisi.kz/Parts/EconSec/07_03_01_smirnov.html].

¹⁵ See: "Soglashenie mezhdru Rossii i Turkmenistanom v gazovoy otrasli" [www.centrasia.ru/news2.php4?news=view&st=1050162600].

¹⁶ See: "Gazprom" [www.petroleumjournal.kz/russian/articles/news.html].

Table 5

**Coal Production and Consumption
in 1992-2000**

		1992	1995	1996	1997	1998	1999	2000
Production	Mtoe	1.66	1.08	1.00	1.04	1.03	1.05	0.91
	Mt	4.66	3.03	2.81	2.96	2.95	2.96	2.50
Consumption	Mtoe	2.18	1.07	1.20	0.98	1.03	1.02	0.88
	Mt	6.26	3.02	3.37	2.76	2.95	2.87	2.42

S o u r c e: Energy Balances of Non-OECD Countries 1999-2000, 2002 Edition, IEA, Paris, 2002.

used to produce over 2 Bcm of gas every year out of brown coal. Two other enterprises use the method of underground mining. In 1990, 6.5 Mt were mined; in 2000, the amount of coal mined dropped to 2.5 Mt.

Combustible Renewable Energy Sources

It has been calculated that the amount of biomass and municipal waste that can be used in energy production is fairly large, yet so far the state structures prefer to ignore these sources altogether when compiling the country's fuel-and-energy balance; statistics pay no attention to them either.

The forests that cover 3.2 percent of the republic's territory are composed mainly of saxaul, juniper and Russian thistle; they are unproductive and understocked, therefore commercial felling in them is prohibited; only reforestation and non-commercial felling are allowed (between 1990 to 2000 from 50 to 80 thou c m were cut down every year).¹⁷ No less than 50 to 80 thou c m can be obtained through sanitary felling in cities and countryside, that is, the republic can produce 100 to 160 thou c m every year, or about 30,000-40,000 toe.

Agriculture relies on irrigated land tilling; the larger part of arable land is taken by cotton, cereal crops, rice and potato. Stems and haulm are used as fodder or fuel. One hectare of cotton produces from 2.3 to 7 t of stems¹⁸ (with natural dampness of 23 to 62 percent this amount corresponds to 2-4 t/ha of dried stems).¹⁹ Their combustion heat is 18.0-18.8 MJ/kg that corresponds to 0.43-0.45 toe/t, or 1.33 toe/ha, on average.²⁰ In recent years cotton has been planted on about 1.5m ha, the energy potential of cotton stems is about 2 Mtoe, nearly two times as high as energy obtained from current coal consumption. It is very important to start registering biomass and use it as fuel.

Every year the republic accumulates about 6.5 Mt of solid municipal waste²¹ (1.1 c m per capita), the density being 0.58-0.68 t/c m. Calorific power of waste varies by season—from 1,500 to 2,500 Kcal/kg—enough for continued burning. It has been calculated that 2.2 Mt of waste used as alternative fuel is economically feasible. An expected effect is equivalent to the use of 0.33-0.55 Mt of oil. Large regional centers and Tashkent, the capital of Uzbekistan, are especially promising in this respect.

The potential of combustible renewables is no less than 2.65-2.95 Mtoe.

¹⁷ See: *Pervoe natsional'noe soobshchenie Respubliki Uzbekistan v ramkakh konventsii OON ob izmenenii klimata. Faza 2*, Tashkent, 2001.

¹⁸ See: T.A. Gemtos, Th. Tsiricoglou, "Harvesting of Cotton Residue for Energy Production," *Biomass and Bioenergy*, Vol. 16, No. 1, 1999, pp. 51-59.

¹⁹ See: *Pervoe natsional'noe soobshchenie Respubliki Uzbekistan v ramkakh konventsii OON ob izmenenii klimata. Faza 2*.

²⁰ See: T.A. Gemtos, Th. Tsiricoglou, op. cit.; see also: H. Haykırı-Açma, "Combustion Characteristics of Different Biomass Materials," *Energy Conv&rsion and Management*, Vol. 44, No. 2, 2003, pp. 155-162.

²¹ See: *Pervoe natsional'noe soobshchenie Respubliki Uzbekistan v ramkakh konventsii OON ob izmenenii klimata. Faza 2*.

Non-traditional Renewables

Water power resources are mainly concentrated in the Chirchik-Angren basin (33% of net potential); in the Ferghana Valley (24%), in the republic's southwest (34.8%) and in the Amudarya lower reaches (7.8%), over 100.0 TWh on the whole. Technical potential²² is estimated at 21-27 TWh of which half belongs to small-scale hydropower plants (up to 30 MWh). Two hundred and fifty hydropower stations with the total capacity of 5,800-11,000 MW can be built on rivers, water reservoirs and canals. So far, there are only 31 hydropower stations with the installed capacity of 1,700 MW.

The republic has other renewable resources: for example, the sun shines²³ for 2,400-3,100 hours a year, its radiative balance being 6.0-6.7 GJ/sq m. The net potential of solar energy is estimated as 51 Btoe, its technical potential, at 177 Mtoe. Today, solar energy is mainly used for water heating; solar collectors are not industrially produced. Small batches of flat-plate solar water heaters are produced at a small enterprise Uzgeliokurilish. The total area covered by solar collectors²⁴ is not more than 24 thou sq m; in other words, the solar potential so far remains untapped which is explained not only by the low gas and electricity prices but also by the absence of a state program of renewable energy sources development.

A similar situation exists in the sphere of using the energy of wind. Its average annual speed in the country's valleys is 2-5 m/sec depending on season, in Karakalpakia and the Tashkent Region its velocity is 5 to 6 m/sec. So far, it is impossible to assess the technical potential of the most promising regions since the country lacks a network of meteorological stations able to collect and register information on the modern level that would meet the foreign investors' demands. Wind-power stations can be found in many areas in Denmark and in the north of Germany where wind velocity is the same as in Uzbekistan.²⁵ The net wind energy potential in our republic²⁶ is estimated at 2.2 Mtoe, while its technical potential, at 0.427 Mtoe.

Practically in all regions there are low-potential geothermal waters with an average temperature of 45.5°C, the warmest of them of 56°C are in the Bukhara Region, and of 50°C, in the Syrdarya Region. The potential has been estimated at 0.171 Mtoe yet the technical potential remains unidentified.

Further Development of Fuel Industry

The country has not yet acquired an energy program; there are its individual elements²⁷ that envisage three options of demand for energy. The first option—the demand under sluggish economic development and the absence of a possibility for the larger part of consumers to use energy-saving methods. Second—the demand under mobilization economic development that ignores the measures designed to save energy. Third—the demand under mobilization economic development, which involves new oil fields (in which geologists expected an increase in reserves) and introduction of energy-saving measures suggested by ministries, departments and individual enterprises.

Table 6 offers a forecast of the country's requirements till the year 2010 by energy type. The figures for 2000 are offered for comparison.

From this it follows that natural gas will be the main fuel even if its share drops. It should be said that by its Resolution No. 196 of 4 June, 2002 the Cabinet of Ministers approved a Development Program for Coal Industry for 2002-2010 under which coal mining is expected to reach the level of 9.4m tons while its share in energy production should grow from 4.7% in 2001 to 15%.

²² Ibidem.

²³ See: *Klimat SSSR. Nauchno-prikladnoy spravochnik po klimatu SSSR*, Issue 19, Gidrometeoizdat Publishers, Leningrad, 1989.

²⁴ See: R.A. Zakhidov, "Status and Prospects of Using Renewable Sources in Uzbekistan," in: *Proceedings of the International Congress "Business and Investment for Renewable Energy in Russia,"* Moscow, 1999.

²⁵ See: M.M. Kenisarin, "The State of Wind Power Development in the World," *Applied Solar Energy*, Vol. 38, No. 4, 2002.

²⁶ See: *Pervoe natsional'noe soobshchenie Respubliki Uzbekistan v ramkakh konventsii OON ob izmenenii klimata. Faza 2.*

²⁷ See: *Pervoe natsional'noe soobshchenie Respubliki Uzbekistan v ramkakh konventsii OON ob izmenenii klimata. Faza 1*, Tashkent, 1999; J. Mavlany, *The Energy Sector of Uzbekistan* [www.bisnis.doc.gov/bisnis/isa/011105uzenen1.html], 2001.

Table 6

Forecasts of Fuel Demand till 2010

Type of energy	1990	2000 (forecast)	2000 (fact.)	2005	2010
Oil (Mtoe)	12.5	7.2-7.3	7.33	7.8-8.0	8.5-10.0
Coal (Mtoe)	3.4	1.05	0.88	1.5-1.6	2.0-2.1
Gas (Mtoe)	28.6	41.5-42.6	41.32	44.1-47.1	45.0-52.0
Electric power (billion kWh)	54.2	47.7-49.2	46.84	54.5-60.4	59.4-70.1
Thermal energy (PJ)	246	220-223	194	226-252	235-280

Sources: *Pervoe natsional'noe soobshchenie Respubliki Uzbekistan v ramkakh konventsii OON ob izmenenii klimata. Faza 1*, Glavnoe upravlenie gidrometeorologii, Tashkent, 1999; *Energy Balances of Non-OECD Countries 1999-2000*, 2002 Edition, IEA, Paris, 2002.

Economic Indicators

The fuel industry with 15.3% share in the total industrial volume is one of the key national economic branches.²⁸ The state enterprises are responsible for 97.5% (Table 7 shows the main economic indicators of fuel industry).

Book value of capital assets by the end of 2000 was 101.68 billion soum (the republic's monetary unit), the figure being greatly understated for lack of indexation for inflation of the previous years; this is clearly demonstrated by the comparison of the sizes of capital assets and investments in basic capital. On a cabinet's decision the capital assets of enterprises and departments were reassessed as of 1 January, 2001. When the process is completed their estimated value will be close to their real market value. The level of profitability will be considerably lower. In 2000, the price of products per 1 toe was: oil and gas condensate—733.3 soum (\$1.52); gasoline, diesel fuel, heating oil and other oil products—24,567 soum (\$50.81); natural gas—2,311 soum (\$4.78); brown coal—14,066 soum (\$29.09).

Table 7

Key Economic Indicators of Fuel Industry

Indicators	1998	1999	2000
Number of enterprises	30	28	28
Including: oil producing	7	6	6
oil refining	5	5	5
in the gas sphere	8	10	10
in the coal sphere	10	7	7

²⁸ See: *Energetika v Respublike Uzbekistan 2000. Statisticheskiy sbornik*, Tashkent, 2001.

Table 7 (continued)

Indicators		1998	1999	2000
Number of personnel, thou		19.0	19.4	19.9
By branch:	oil production	2.9	2.2	2.2
	oil refining	6.4	6.6	6.7
	gas	5.5	6.3	6.4
	coal	4.2	4.3	4.6
Oil production, gas condensate included, Mt		8.1	8.1	7.5
Primary petroleum refining, Mt		7.18	6.74	6.79
Natural gas production, Bcm		55.1	55.9	56.7
Coal production, Mt		2.95	2.95	2.50
End-of-year book value of capital assets	billion soum	73.15	88.72	101.68
	M USD	555.0	344.9	210.3
Investments in basic capital	billion soum	33.5	39.0	44.8
	M USD	253.2	151.6	92.6
Output value	billion soum	142.4	172.0	289.1
	M USD	1,080.4	668.7	597.9
Of it: oil producing industry, billion soum		4.6	3.6	5.5
oil refining industry		83.1	99.4	164.6
gas industry		48.8	59.7	106.1
coal industry		6.0	9.3	12.8
Capital productivity index (yield on 1 soum of capital assets value)		1.95	1.94	2.84
Fuel industry profit	billion soum	25.8	14.6	30.6
	M USD	195.7	56.8	63.3
Level of profitability, %		71.7	54.0	71.4
Share of fuel in production costs, %		8.6	8.7	7.0
Output price indices as of previous December, %		173.9	104.0	191.3
Deflator index, %		145.7	146.0	144.4
Average annual exchange rate, soum/USD		131.8	257.2	483.5
Wear and tear, %			19.0	23.1
Retirement of capital assets, %			4.0	4.9

Table 7 (continued)

Indicators	1998	1999	2000
The level of use of average annual power, %			
Primary oil refining	64.5	60.2	64.6
Coal	67.7	91.8	66.3
Gas processing at gas processing plants	77.6	74.2	75.4

Sources: *Energetika v Respublike Uzbekistan 2000. Statisticheskiy sbornik*, Tashkent, 2001; *Strategy for Uzbekistan: as approved by the Board of Directors on 4 March, 2003*, EBRD, London.

The table shows that the domestic prices for energy fuels are very much below the world level, which does not encourage application of the energy-saving measures in the country. The low prices on natural gas (as compared with coal prices) result in wastes of the republic's natural wealth.

Profit is another important index. In 2000, in the fuel industry it comprised merely 30.6 billion soum (nearly 50% below the investment level). This is obviously not enough for the branch's sustainable development: the capital intensity is very high while the industry needs rehabilitation.

2. Power Industry

The republic's power system (with half of the installed generating capacity) is part of the United Central Asia Power System (CAPS). Due to its geographic location and developed transmission network Uzbekistan can play an active part on the regional energy market. The installed capacity of the country comes from 37 power plants (11,200 MW), including thermal power plants with a total capacity of 9,800 MW and hydroelectric power stations with a total capacity of 1,400 MW. Its potential is equal to 56-57 billion kWh of electric power.²⁹

Table 8

Electricity Generation in 1992-2000 (GWh)

	1992	1995	1996	1997	1998	1999	2000
PRODUCTION	50,911	47,453	45,453	46,054	45,900	45,300	46,840
<i>Including the use of</i>							
Coal, %	4.89	3.45	4.02	4.08	4.09	4.77	3.98
Oil, %	6.87	11.23	11.16	11.91	11.91	9.16	11.27
Gas, %	75.90	72.28	70.45	71.47	71.46	73.53	72.21
Hydropower resources, %	12.34	13.04	14.37	12.54	12.54	12.55	12.54
CONSUMPTION	45,651	42,020	42,450	42,975	42,808	43,015	44,017

Source: *Energy Balances of Non-OECD Countries 1999-2000*, 2002 Edition, IEA, Paris, 2002.

²⁹ See: "Neftegazovaia promyshlennost. Uzbekneftegaz;" for more detail, see: *Showcase Europe: Energy Guide for Uzbekistan*.

Electricity in Uzbekistan is derived primarily from thermal plants³⁰: the Syrdarya (3,000 MW), Tashkent (1,920 MW), Novo-Angren (2,100 MW) and Navoi plants (1,250 MW) with 37 blocks with unit power of 150 to 300 MW. The thermal plants account for about 88% of power production; the rest is produced by hydropower plants. The thermal plants are mainly gas-fired (about 72 percent); 12 percent use heavy oil and coal.

Transmission and Distribution of Power

I have already written that Uzbekistan is part of the United Central Asia Power System; Uzbekistan owns 51 percent of its generating facilities, Tajikistan 15 percent, the Kyrgyz Republic 14 percent, Turkmenistan 11 percent, and Southern Kazakhstan 9 percent. The Unified Dispatch Center (UDC) located in Tashkent is responsible for maintaining the balanced and synchronized operation of the power transmission and distribution systems of the five Central Asian countries. The physical condition of hydropower plants and also of the CAPS and the UDC has deteriorated and requires considerable modernization.

The power transmission network of Uzbekistan includes over 230 thou km of power lines of all voltages and transformer substations of the total capacity of about 45m kVA. The main power lines with the voltage of over 10 kV are managed by Uzelektroset with structural components in all regions; 15 distributing and marketing companies are part of Uzbekenergo.

Development Prospects

In 2000, the republic produced 46,840 GWh of electric power (the figure for 1992 is 50,911 GWh). Population size increased from 21.4 to 24.8m over the same period, which says that per capita annual energy consumption dropped from 2,128 to 1,778 kWh. Uzbekenergo has offered a development program for the period between 2000 and 2010³¹ which envisages, among other things, the construction of new generating capacities and modernization of the already existing ones (their total capacity being 1,379 MW) as well as commissioning new and reconstructing the already functioning distribution networks with the carrying capacity of 6,480 MW. It should be said that cost estimation was based on the foreign exchange rate \$1 = 387.5 soum. As of 1 December, 2003 the exchange rate was 979 soum per \$1 which brought the program's foreign exchange cost to about \$1,568m (it is expected that foreign loans and direct investments from abroad will bring \$855m).

According to the sluggish development option (see Table 6), in 2010, power production may increase to 59,400 GWh; to bring up by that time the per capita annual power consumption to the 1992 level (with the present rates of population growth) the republic should produce not less than 63,000 GWh, that is, power production should grow by 33.5%. This goal is hardly achievable with the planned net increase in power capacities by 1,379 MW and the present utilization ratio of the already commissioned capacities even if all new capacities are commissioned and the old ones are completely retooled.

Production and Consumption of Thermal Power

The republic annually spends about 5 Mtoe, or 10% of the total fuel consumption, to produce heat. Heat supplied to enterprises, the social sphere and homes comes from centralized sources (commonly used

³⁰ For more detail about thermal power stations, see: "Gosudarstvennaia aktsionernaia korporatsia Uzbekenergo" [www.uzenergy.uzpak.uz/eng/about-eng.html].

³¹ For more detail, see: *Showcase Europe: Energy Guide for Uzbekistan*; J. Mavlany, op. cit.

Table 9

Key Economic Indicators of Power Production

Indicators		1998	1999	2000
Number of enterprises		84	71	68
Personnel, thou		38.9	40	40.2
Capacity of power plants, million kWh		11.726	11.726	11.702
Including:	thermal	10.017	10.016	9.992
	hydropower	1.709	1.709	1.709
Power production, billion kWh		45.9	45.4	46.9
Including:	at thermal stations	38.664	38.788	41.956
	at hydropower stations	7.270	6.584	4.908
Sold thermal power, million Gcal		41.8	39.4	39.7
End-of-year book value of capital assets	billion soum	36.76	42.78	52.52
	M USD	278.9	166.3	108.6
Investments in basic capital	billion soum	11.6	13.1	11.8
	M USD	88.0	50.9	24.4
Output value	billion soum	94.9	131.8	161.1
	M USD	720.0	512.44	333.20
Business profit in power production	M soum	11,656	15,175	-9,272
	M USD	88.44	59.00	-19.18
Capital productivity index (yield on 1 soum of capital assets value)		2.58	3.08	3.07
Share of fuel in production costs, %		71.3	73.9	76.2
Output price indices as of previous December, %		194.8	102.0	144.4
Deflator index, %		145.7	146.0	144.4
Average annual exchange rate, soum/USD		131.8	257.2	483.5
Wear and tear, %			27.7	28.5
Retirement of capital assets, %			4.3	3.8
Installed capacities' level of use, %	at thermal power plants	44.0	44.2	47.8
	at hydropower stations	48.6	44.0	32.7

Sources: Energetika v Respublike Uzbekistan 2000. Statisticheskiy sbornik, Tashkent, 2001; Strategy for Uzbekistan: as approved by the Board of Directors on 4 March, 2003, EBRD, London.

electric power plants; district and local boiler rooms) as well as from thermoelectric plants run by industrial enterprises and individual sources. Part of the heat consumed in the production and social spheres is generated by waste treatment plants and electric boilers.

Over one-third of generated thermal power is used for communal heat and hot water supply; the social sphere consumes nearly 17%; centralized heat and hot water supply is organized in nearly all cities, yet the system lacks controlling devices that lowers its efficiency and reliability: 4.5% of the total amount of heat supplied is lost in the mainlines that connect the sources and the consumers.

In industry, thermal power is used in oil refining and gas processing (about 15%), in chemical plants (about 3%), in machine building, in silk and cotton fabrics production, in food industry, in producing construction materials (including ferroconcrete products). Two-thirds of industrially used thermal power is generated by boiler rooms: there are over 75 thou of them in the republic equipped with different types of plants. Late in 2000, there were 1,186 boiler rooms with a capacity from 3 to 100 Gcal.

They belong to different departments while the largest of them (of over 100 Gcal/h) until 2001 belonged to Uzbekenergo. In 2001, the cabinet transferred all district boiler rooms to local administrations.

The designed efficiency of the largest and the most perfect boilers is 90-92%; their actual efficiency being 50-75%. I have already written that heat efficiency of the boiler rooms is not registered for lack of registering devices; the personnel measures efficiency with the help of water flow meters³² with measurement error of over 5%. Only 0.04% of 70,000 industrial, agricultural and domestic consumers use meters. Even though large and mid-sized boiler rooms have high technical parameters their real efficiency is much below the standards because of depleted equipment. Smaller boiler rooms demonstrate 60-75% of efficiency while the absence of necessary water treatment and lack of smoke exhausters and ventilators cause intensified surface and internal corrosion of heating systems, and block distribution networks in mid-sized and small boiler rooms. The period of service of boiler pipes is shortened by half against the standard. The heating systems used for heat transmission and distribution are the most vulnerable components; the total length of communal heating systems (in two-line terms) is 3,495 km.

Economic Indicators of Power Production³³

In 2000, the share of power production in the republic's industry was 8.5%.

In the same year the Finance Ministry and the Ministry of Power Energy raised electric power tariffs without adequate reasons, which made the branch unprofitable. According to my calculations, the cost of 1 kWh of electric power in 2000 was 2.54 soum (\$0.005), of 1 kWh of thermal power, 0.90 soum (\$0.002). I have already written that the book value of capital assets of power production (as well as in the entire industrial sphere) was underestimated. Only \$24.4m have been invested in the branch's capital assets while the planned targets require at least \$150m of annual investments. The country lacks internal resources to address the task successfully.

(Concluded in the next installment)

³² See: *Pervoe natsional'noe soobshchenie Respubliki Uzbekistan v ramkakh konventsii OON ob izmenenii klimata. Faqa 2.*

³³ See Table 9 on p. 136.

DAGHESTAN ECONOMY ON THE THRESHOLD OF A NEW STAGE OF REFORM

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For the Daghestan economy, as well as for the Russian economy as a whole, the 21st century has brought an end to the recession; a general stabilization and incipient growth of most macroeconomic indicators. But before we go on to examine the possible ways of economic recovery, let us make an assessment of the starting conditions for this new stage in the republic's economic and social development.

In the ten years of market reform, industrial output in Daghestan has fallen 4.5 times, including 1.52 times in engineering, 5.1 times in the food industry and 11.6 times in the light industry, while agricultural output has fallen 2.5 times. The final decade of the 20th century ended in a collapse of the republic's economy and an unprecedented drop in the living standards of an overwhelming majority of its population. That was due, in the first place, to the institutional inability of the republic's state-run economy to adjust to market conditions, its structural deficiencies and the unfavorable geopolitical conditions after the breakup of the U.S.S.R. It turned out that the republic's industry and agriculture were less developed, less independent and more socialized than those of other RF constituencies.

Moreover, Daghestan has turned out to be a region, on the one hand, lying close to the "hot spots" of the Caucasus and, on the other, far removed from the areas of real and potential economic growth in Russia. Internal factors, such as the highly uneven distribution of the productive forces, have also played an important role. Daghestan's entire production potential is concentrated in the lowland and foothill zones, whereas in mountain areas there are no sufficiently developed industrial or agrarian structures that could enable their inhabitants to survive on their own in market conditions. These areas are characterized by a subsistence economy, a poorly developed production and social sphere and a harsh climate, especially in winter. Leaving these areas to fend for themselves in the new marketplace without any economic or social support would amount to putting them on the brink of extinction.

Unequal conditions of economic activity largely explain the different "economic mentality" of the moun-

tain peoples, which makes it necessary to develop a special tactics for introducing market relations. Today it is quite obvious that the failure to take measures facilitating the transition from the planned economy to a market economy was one of the most significant causes of the slump in economic activity in the 1990s.

Daghestan's development peculiarities have also resulted in greater vulnerability of the industrial organism to radical reforms, which has manifested itself not only in the economy, but also in the field of domestic politics. The breakup of the Soviet Union has had an extremely painful effect on the republic. Once an internal territory of the U.S.S.R., it has turned into a border region of Russia at the epicenter of tough geopolitical pressure by some neighboring countries, and also by other states pursuing their interests in the Northern Caucasus. At the same time, the hopes that economic development in the republic would be intensified as it acquired the status of Russia's "gateway" to the countries of the Middle East and South Asia have so far not been justified. On the contrary, the rupture of production ties between Russian business entities and enterprises in the Transcaucasian republics led to a sharp decline in freight traffic across the territory of Daghestan, contributing to an actual reduction in its "transport accessibility" in relation to other parts of the country. The situation in this sphere took a further turn for the worse with the development of the Chechen conflict. In fact, one could say there was a transport blockade of the republic, which naturally had an effect on the production performance of its enterprises, on interregional economic exchange and ultimately on its overall socioeconomic position.

All these factors badly tarnished the economic image of the region and reduced its investment attractiveness. As a result, the republic lost a significant part of the financial infusions into its economy, which was one of the main causes of long-term stagnation. In the 1990s, most of the key indicators of economic and social development in Daghestan exceeded the critical levels accepted in world practice, reflecting the emergence of a number of extremely negative trends (see Table 1).

Table 1

Comparison of Critical Levels and Daghestan's Actual Development Indicators (2000)

	Critical levels	Figures for Daghestan	
Economy			
1	Decline in industrial production	30-40%	77.7%
2	Share of goods imported from other regions and countries	30%	77%
3	Share of manufactured products in exports	45%	12%
4	Share of high technology products in exports	10-15%	1.5%
5	Share of transfers and subsidies in the regional budget	30-40%	87.7%
Social sphere			
6	Share of population living below the poverty line	10%	43.1%
7	Ratio between minimum and average wages	1:3	1:8
8	Unemployment rate (including hidden unemployment)	8-10%	20.1
9	Spending on environmental protection measures, % of GRP	5%	0.009%

According to estimates based on data for the late 1990s, in order to achieve the national average for per capita GRP (gross regional product) given its growth at an annual rate of 3%, it will take Daghestan 54 years if the republic's economy grows at an average annual rate of 6%, 33 years if it grows at a rate of 8%, and 24 years at a rate of 10%. And if the rate of growth of the national average is 5%, the figures for Daghestan will go up, respectively, to 116 years, 55 years and 33 years. Other republics of the Southern Federal District would take a much shorter time to achieve such a goal.¹

Gross Regional Product: Ups and Downs

In recent years, steps have been taken at national and regional level to introduce a system of macroeconomic indicators for a quantitative assessment of economic activity. As applied to the regions, this system includes the following indicators:

- gross regional product, which measures the production performance of resident economic units over a specified period;
- actual final consumption of households, which reflects the end use of goods and services. It takes into account that households consume goods and services at the expense of their own income and nonmarket services (health care, education, culture, etc.) at the expense of the state and

¹ See: *Put' v XXI vek. Strategicheskie problemy i perspektivy rossiiskoi ekonomiki*, Ekonomika Publishers, Moscow, 1999, p. 584.

nonprofit organizations, available to them in the form of in-kind transfers. This indicator is important for an analysis of the level of public welfare and living standards in the region;

- gross capital formation, which reflects changes in nonfinancial assets (fixed capital, inventories and other tangibles) occurring in the process of production;
- generation of income account (compensation of employees, net taxes on production, gross profit in the economy and gross mixed incomes), which reflects the payment and receipt of primary incomes by resident institutional units directly involved in the production of goods and services.

All these indicators perform the functions of key measures of socioeconomic development, and their comparison per head of the population for different regions makes it possible to obtain a comparative picture of the state of the economy in a given region. But the central place belongs to GRP, which shows the final result of production activity in the region in the form of the gross value of all products and services (including intangibles) produced in a given calendar period net of the value of intermediate consumption.

Let us emphasize that in terms of economic content the gross regional product is analogous to the gross domestic product, which “measures the aggregate value of final goods and services produced in the territory of a given country at market prices. In physical terms, GDP is the aggregate of objects and services used during a given year for consumption and accumulation.”²

In the conditions of open administrative borders and information constraints, interregional exchange is reflected in regional statistics far from fully, so that some components of GDP (which are very difficult to assess) are not included in GRP. Among these are:

- value added by nonmarket collective consumption services provided to society as a whole (national defense, Federal government, law enforcement and international activities, environmental protection, hydrometeorology, cartography and geodesy, prevention and liquidation of emergency situations and of the consequences of natural disasters, public debt servicing, replenishment of government stocks and reserves, economic mobilization, holding elections and referendums, financial support of territories, etc.) or services on which there are no data;
- value added by the services of financial intermediaries (banks, investment funds, exchanges, etc.) whose activities are not confined to particular regions;
- value added by foreign trade services calculated only at Federal level (amount of export and import taxes), because in view of the specifics of tax accounting it is impossible to specify the exact amount of these taxes for each particular region.

These GDP components are distributed between the regions in proportion to the size of the population in each RF constituencies. In view of that, it is so far impossible to achieve a balance between GDP and GRP indicators.

Without going into the details of GRP calculation, let us merely note that it is traditionally estimated, as a rule, with the use of two methods. Under the so-called production method, it is calculated as the difference between the sum of outputs in all branches of the economy and the sum of intermediate consumption. Under the final use method, GRP is calculated as the sum of expenditures of all economic sectors on final consumption, gross capital formation and net exports (exclusive of imports).

As a macroeconomic aggregate, gross regional product can be used to determine the amount of tax revenue going into the budgets of all levels and the key indicators measuring the quality of life in the region (income, consumption, savings) and to assess the pattern of economic growth, short-term market fluctuations and real changes in the structure of production. The other indicators listed above and constituting part of the system of national accounts can be used to analyze the movement of labor productivity and efficiency in the use of economic resources and other factors affecting the efficiency of social production. GRP is measured in volume and value terms. Its value is assessed with the use of two kinds of prices: current and constant.

Conversion of GRP and its components from current (market) prices into constant prices is one of the central tasks in GRP statistics, helping to obtain reliable and comparable results for different periods

² See: *Bol'shoi entsiklopedicheskiy slovar*, 2nd edition, Moscow, 2000, p. 176.

of time. This is particularly important in the conditions of continued and relatively high inflation, which has so far resisted all attempts to bring it to a halt. Apart from inflation, one should also take into account the purchasing power of the ruble in different regions, which makes it possible to specify the weight of GRP per capita in a particular RF constituencies. The higher the purchasing power of the ruble in this administrative entity, the relatively greater is the amount of goods and services per given volume of per capita GRP.

Let us note that statistics distinguishes between nominal GRP calculated at current prices and real GRP, which is the physical volume of production of goods and services calculated at the prices of the preceding period, i.e., at constant prices. If the general level of market prices in the current period has gone up, real GRP will be lower than nominal GRP, and if it has gone down, real GRP will be higher. In order to convert the gross regional product from current prices into constant prices, socioeconomic statistics recommends such methods as deflation (with the use of price indices) and extrapolation of base period figures over time (with the use of the volume index), and also the method of quantity revaluation.

The advisability of using current or constant prices depends on the purpose of the computations being carried out. One should always bear this in mind, because in practical computations analysts often commit a methodological error, measuring GRP movement over time not at constant but at current prices (without adjustment for inflation). This markedly distorts the computations and, as a rule, leads to erroneous conclusions. Here is an example to illustrate this point (see Table 2).

As the table shows, over the past seven years the nominal gross regional product rose from 6,019.3 billion non-redenominated rubles to 42,560.5 million redenominated rubles, i.e., by more than seven times, and nominal GRP per capita by 6.6 times. If that is really so, the task of doubling GDP/GRP over the next ten years, as formulated by Russia's President Vladimir Putin, must be easy to achieve. But then one may ask: why should the head of state set such an easy task before the country? In actual fact, a real doubling of GDP/GRP in such a short period is a sufficiently complicated task, since the doubling has to be achieved not at current prices (which have been growing annually by leaps and bounds, so that produced GDP is artificially overvalued), but at constant (comparable) prices adjusted for inflation by means of a deflator and tied to a definite base period. And that is not the same thing at all. If we take a look at Table 3, obtained from Table 2 by converting GRP from current to constant prices, we shall find a totally different picture.

Table 2

**Volume and Dynamics of Daghestan's Nominal Gross Regional Product for 1996-2002
(at current prices)**

	1996	1997	1998	1999	2000	2001	2002	Increase from 1996 (times)
Total GRP, million rubles (prior to 1998, billion rubles)	6,019.3	8,636.1	8,494.2	13,243.4	21,327.9	31,507.9	42,560.5	7.07
Per capita GRP, rubles (prior to 1998, thousand rubles)	2,925.3	4,143.8	4,030.5	6,203.9	9,885.0	14,479.7	19,400.0	6.63
GRP growth, change from previous year (times)	1.0	1.43	0.98	1.56	1.61	1.48	1.35	7.03

Table 3

Dynamics of Daghestan's Real GRP for 1996-2001 (at comparable prices, % of previous year)

	1996	1997	1998	1999	2000	2001	Increase from 1996 (times)
GRP, %	100	100.9	91.9	104.8	115.0	127.9	138.0

As we see, GRP growth in constant price terms is much slower and the resultant increase is not as impressive. Whereas at current prices GRP in 2002 was seven times higher than in 1996, over the past six years the real increase at constant prices was only 1.38 times. These data were taken from official statistical sources and are available to the public (see: *Statistical Yearbook Daghestan-2001*). But a correction of methodological errors is only one of the ways of closing the gap between estimated and actual GRP during the calendar period in question. An equally important condition of an objective and adequate assessment is to take due account of the results of the census carried out in Daghestan in 2002, which showed a significant increase in the size of the population, a fact that is bound to reduce the figure for per capita GRP, so lowering the living standard in the republic.

Other factors affecting GRP growth rates and volumes include transfers, subsidies and subventions from the Federal Center designed to cover the republic's budget deficit, which play a significant part in the budget structure. Federal assistance accounts for an average of 80% of Daghestan's consolidated budget revenue, amounting to 30% of GRP (in 2001, such assistance stood at 9 billion rubles with GRP at 31.5 billion rubles). Sooner or later these funds will have to be replaced by an increase in output in the republic, with the result that its GRP could "lose" another 30% or so. In other words, there is certainly no simple solution to the problem of doubling the republic's real GRP by 2010.

What is the "Cost" of Doubling GRP within the Decade?

As noted above, a doubling of GDP in Russia and GRP in Daghestan will not reduce the republic's lag in economic development behind the national average. In order to narrow the gap, the republic's GRP will have to grow faster than GDP for the country as a whole. This means that over the next 10 years it is necessary, at the very least, to lay the groundwork for a self-sufficient economy in the republic, i.e., an economy where subsidies constitute no more than 40% of the budget. According to estimates given in a collective monograph entitled *Perspektivy razvitiia Dagestanskoi ekonomiki v XXI veke* (Prospects for the Development of Daghestan's Economy in the 21st Century), in order to accomplish this task we need to increase the republic's GRP by 2010 to \$1,000-\$1,200 per capita (in 2001, the figure was \$316). In other words, not to double but at least to treble it.

Daghestan has the internal reserves for such an increase in GRP: its economic and production potential is quite sufficient to treble or even to quadruple the gross regional product within the decade. However, this implies the need to restart currently idle production capacities, utilize investment resources and enhance the efficiency of economic administration and management. The greatest contribution here could be made by the fuel and energy complex, which can ensure an increase in GRP by 2010 in the amount of \$187 per capita; industry (by \$125.5); and agriculture (\$53.1). A substantial increase can also be obtained by attracting the investment resources of households ((\$164.2) and of credit institutions (\$128.9).

New Horizons of Daghestan's Economic Development

However, these measures are only temporary. They are engendered not by the activation of new growth mechanisms, but by the background effects of the "post-devaluation recovery" in the economy after the default in August 1998. That is why by the turn of the decade it is necessary to create real conditions for sustained long-term growth of GRP. This can be achieved by a structural and institutional adjustment of the economy

through efforts to develop progressive high technology lines of production, build up capacity in the electric power complex, bring on stream promising oil and gas fields, tap alternative sources of energy (wind, solar and geothermal), make more efficient use of the republic's recreation potential, etc.

At the early stages of transition to a market economy, structural and institutional changes were confined to the development of various forms of property (as a condition for the emergence of market relations) and the establishment of an appropriate infrastructure (as the basis for activating market regulation mechanisms), whereas today the problems of restructuring are connected with the need to overcome the organizational deficiencies of the production structure, which has so far failed to adjust to the constantly changing market environment. The need to restructure the republic's entire economic system is also due to the following circumstances:

- the first 10 years of reform (1992-2002) did not result in the emergence of a single, integrated economic complex. In effect, the republic's economy is still a conglomerate of unconnected enterprises in different industries which are either raw materials or functional appendages of the respective Federal industries. Such an irrational and inflexible structure cannot ensure effective servicing of a modern diversified market;
- low product quality sharply reduces the competitiveness of the regional economy and slows down its development;
- the economy's poor responsiveness to the demands of the population has resulted in a state of affairs where external expansion has multiplied imports far in excess of exports and has come to dominate the consumer market, creating a threat to the republic's economic security;
- the problem of employment among the local population, which has worsened to an extreme, and many other unresolved social problems are among the causes of continued social tension in society.

In view of these factors, structural adjustment should be carried out so as to create a multifunctional, competitive and open economy consisting of a coherent, flexible and hierarchical system of industries capable of quickly adjusting to the constantly changing demands of the market and oriented toward sustainable growth and higher living standards in Daghestan. These include the following groups of industries: sunrise ("breakthrough"), core, vital ("background"), auxiliary and local.

Sunrise industries (industries of the future) should ensure the region's large-scale presence on the national market and determine its export potential. The main criteria for their selection include reliance on advanced scientific and technical achievements and, accordingly, a high share of value added in the final product. These components can enable the region to achieve the required competitiveness in the conditions of maximum economic openness.

The selection of a set of sunrise industries is the most complicated task and should take into account the general trends and prospects in the development of high technology lines of production at the national level, the competitive advantages of the region, the existence and development potential of its research infrastructure, and various other conditions. For Daghestan, such industries could include biotechnology and the production of medicinal preparations from local plants and minerals; comprehensive use of the resources of the Caspian, including recovery of valuable constituents from sea water; development of up-to-date lines of production for processing highly mineralized geothermal waters rich in cadmium, strontium and other rare earth metals; use of alternative sources of energy; construction of precision instrument making and electrical engineering plants, and others. In order to utilize the excess labor in the republic, it would make sense to establish a network of assembly plants for producing personal computers, microchips, etc.

Core industries determine the specialization of the RF constituencies in the domestic market. These include, in the first place, the food and light industries, metalworking and a number of other traditional industries long present in the republic's economy.

Among the vital industries one could include sectors which use natural resources and whose output is far in excess of the republic's own needs (oil and gas, electric power). Their life supporting function primarily consists in raising funds for the republic's budget, which could be used to create a kind of investment reserve for promoting the development of sunrise and core industries.

Auxiliary industries are meant to perform purely production functions: to supply enterprises in the above industries with raw and other materials (metallurgy, petrochemical industry, development of min-

eral deposits) and with packaging (woodworking and glass industries), and also to meet the demand of the regional market for certain goods (building materials, light industry, etc.).

Industries of local importance include numerous cottage industries: carpet weaving, production of jewelry, national costumes, rare weapons, other works of art, etc.

This classification should not be regarded as something static. Some of the listed industries can change their status over time and depending on the concrete economic conditions.

Structural adjustment in the region, just as the technical reequipment of industries, will obviously require close financial, organizational and informational interaction between Federal and republican budgets, agencies and organizations. Thus, large-scale deployment of sunrise industries in the territory of Dagestan is simply impossible without active support from the Center. In this case, it is not only a problem of increasing inter-governmental transfers and other kinds of financial assistance, but also of larger subsidies for the republic's enterprises. What we need here, in all probability, is centralized procurement abroad of the appropriate technology, know-how and some kinds of equipment. Such an approach implies the need to draw up and implement a special regional program for the development of the high technology sector.

As regards the other industries listed above, we suggest the following principle: the lower their hierarchical importance in the regional structure, the lower should be the degree of Federal participation, which should give way to market mechanisms of economic activity.

Regional restructuring will require certain financial support. As noted above, this could be provided, in particular, by "background" and to some extent by core industries. It goes without saying that the private sector will also be affected, primarily through changes in the proportions of distribution of income from the exploitation of natural resources. In the field of hydrocarbon materials, this income is now distributed between private companies and the Federal and regional budgets roughly in the proportion of 65:27:8. Such a level of accumulation of rent on subsoil assets in the budgets of RF constituencies cannot provide a basis for the establishment of funds designed to finance regional economic restructuring. In this connection, the share of revenue from the exploitation of mineral resources should be changed in favor of the regions.

Another opportunity for solving this problem is connected with an expansion of the scope of activity of energy companies so as to draw into their orbit various sunrise and core industries by using diverse incentives and privileges, including those applied in world practice. This could help to somewhat even out the rate of return in industries at various "tiers" of the economy and to create prerequisites for restructuring companies operating in the primary sector, including the formation of horizontally integrated production and business structures, which are relatively new to Russia. Such structures should help to ensure a more or less free movement of capital from industries with a relative excess of capital (fuel and energy) to sunrise, core and auxiliary industries, which are badly in need of investment.

C o n c l u s i o n s

In summing up the above, one can draw the conclusion that priority in the development of a strategy for doubling GRP should be given not to quantitative but to qualitative, stable and long-term economic growth that would really serve to augment the wealth of the republic and the country as a whole. This can be done not so much by raising prices as by ensuring a steady increase in the production of high-quality goods and services in strict accordance with the society's reasonable needs and based on balanced prices. In short, by ensuring all that is covered by a single concept: sustainable economic development. Naturally, the general conceptual approaches outlined above will have to be further developed and specified. Another obvious problem is their practical implementation, which will only be possible if the proposed lines of upgrading the structure of the regional economy are reflected in appropriate decisions by the republic's legislative and executive bodies. All these factors must be taken into account in developing a long-term structural policy for Dagestan.

REGIONAL POLITICS

**COOPERATION BETWEEN JAPAN
AND AMERICA IN CENTRAL ASIA:
NEW OUTLINES
OF GLOBAL PARTNERSHIP**

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In the 21st century the geopolitical configuration of forces in Central Asia acquired new outlines: the United States, the only world's leader able to extend its influence worldwide, created a network of military bases in Central Asia and built up strategic alliances there. American presence is a fact and a political reality caused by the Soviet Union's disintegration and the weakening of Russia's foothold in the region.

Washington's consistent policies designed to involve the local countries in its sphere of influence have produced tangible results and demonstrated that America wants to and can dominate the world. A more or less in-depth investigation of the causes and specific features of U.S. policies in Central Asia, as well as of Russia's efforts to stem America's influence in a region that is still a sphere of its traditional interests is beyond the scope of the present article. The role of Japan, the oldest and the most loyal American ally, in the Central Asian context is especially interesting. The country helped the United States to penetrate Central Asia and establish control over the strategically key areas.

Even though Japan is pursuing numerous goals in the region, its Central Asian policy can be divided into periods within the world and regional contexts—an effort which reveals that Tokyo's foreign policy initiatives are connected with the crucial political events in Central Asia.

Until 1996 neither Japanese nor American policies betrayed any serious strategic interconnections, since the Western countries were unanimous in their "desire" to help the post-Soviet independent states. Even though financial support on a bilateral basis and within international structures (the IMF, WB, IBRD, etc.), as well as the efforts to establish military, political, and economic contacts to obtain guarantees of nuclear security and nuclear non-proliferation were collective efforts, they cannot be described as pool-

ing efforts for the sake of any strategic goal. And not because there was no such goal, rather there was no clear idea of the desired results.

The year 1996, with several interconnected events, was the starting point for radical changes in the regional balance of power. In September the Taliban moved to the east of Afghanistan and occupied its provinces (Nangarhar, Kunar and Lagman) and the capital city of Kabul.¹ This and Ahmad Shah Masoud's retreat aroused concern in many countries. The neighbors, and the world as a whole for that matter, were afraid, with good reason, that the Taliban would spread its influence to the predominantly Muslim population of Central Asia. We can assume that the threat had been obvious long before the Taliban established its control over 90 percent of the country's territory.

China's growing influence in regional and world politics was another factor that greatly affected the situation in Central Asia. In fact, an analysis of the interdependence between the APR and Central Asia in the context of globalization can help to assess the American and Japanese policies in the region. Central Asia and the APR, two areas geographically distant from each other, are tied together by China, their common neighbor, which has gained political weight thanks to its ever growing military and economic potential.

The prospect for China turning into a powerful regional and, probably, global power, have been actively discussed in the U.S., Japan, and elsewhere. There was the opinion that China's high development rates would make it the main American rival in the APR and Southeast Asia. A closer union between Japan and the United States looked less expedient since, many analysts believed, Tokyo would seek closer cooperation with Beijing.² In fact, the two countries drew much closer in order to counterweigh China. This became especially evident after the latter's tough statements about its territorial claims to certain islands and its demonstration of force in 1996 to intimidate Taiwan on the eve of the presidential elections.³

On 17 April, 1996 the two countries signed a joint declaration in Tokyo on a security alliance for the 21st century, which confirmed that their military alliance remained an important instrument of Japan's security and that it fully meets the U.S.'s new strategic goals in East Asia.⁴ In 1997, the sides revised the key principles of their bilateral defense cooperation. The document contained an extended interpretation of the sphere covered by the 1961 Japanese-American security treaty under which Tokyo pledged itself to support Washington if threats developed around Japanese territory (Art 5 of the revised principles).⁵

Without going into details of a defensive and military nature, we can say that, "The military alliance with Japan provided the United States with more opportunity to use Japanese economic and military potential in America's global and regional interests aimed at containing China and Russia under the new historical conditions."⁶ The treaty is mainly aimed at China, even if Russia, though weaker than before, can still compete with the U.S. and Japan in the region. Washington and Tokyo have demonstrated their firm resolution to stand opposed to Beijing in the APR.

China in turn expressed its concern with the developments in Afghanistan, since they could spread radical Islamist sentiments to the Muslim population of the Xinjiang-Uighur Autonomous Region. Similar threats to Central Asian security (terrorism, separatism, religious extremism, etc.) called for joint coordinated efforts, therefore China launched a stage-by-stage long-term project to set up a security belt along its borders. On 26 April, 1996 the leaders of Russia, China, Kazakhstan, Kyrgyzstan, and Tajikistan signed an Agreement in Shanghai on Confidence-Building Measures in the Military Sphere in the Border

¹ See: A.A. Kniazev, *Istoria Afghanskoy voyny 1990-kh gg. i prevrashchenie Afghanistana v istochnik ugroz dlia Tsentral'noy Azii*, Bishkek, 2001, p. 56.

² See: S. Huntington, *The Clash of Civilizations and the Remaking of the World Order*, New York, 1996.

³ See: N.P. Dmitrievskaia, "Iapono-amerikanskiy dogovor bezopasnosti: novye tendentsii i politicheskoe vzaimodeystvie," in: *Iaponia i problemy bezopasnosti v ATR*, Moscow, 1996, p. 129.

⁴ See: M.I. Krupianko, *Iaponia posle "kholodnoy voyny."* *Politika obespechenia natsional'noy bezopasnosti*, Moscow, 2001, p. 113.

⁵ See: G.D. Hook, J. Gilson, C.W. Hughes, H. Dobson, *Japan's International Relations. Politics, Economics and Security*, London, New York, 2000, p. 141.

⁶ M.I. Krupianko, op. cit., p. 113.

Areas; in 1997, the sides signed an Agreement in Moscow on the Mutual Reduction of Military Forces along the Border. These documents started a permanent consultative multisided mechanism later called the Shanghai Five.⁷

Together with consultations on setting up zones of predictability and transparency, the organization discusses numerous other issues: international terrorism; illicit drug trafficking, smuggling of weapons and illegal migrants, and other forms of transborder crime. Many countries, primarily the United States, were undoubtedly worried by China's much greater regional involvement, especially when it came to urgent regional and other international issues, as well as by the situation in Afghanistan.

The United States had not only to contain China in the APR, it had to counterbalance China's activities in Central Asia as well. It seems that the mechanism for allied cooperation with Japan—the largest donor of the Central Asian countries since 1994—came in handy. On 24 July, 1997 Premier Ryutaro Hashimoto formulated his Eurasian diplomacy; later there appeared the Silk Road Diplomacy of Keizo Obuchi designed to add vigor to Japan's cooperation with Central Asia, within which Japan started contributing to the modernization and building of a transportation network. It funded prospecting for oil and gas in the Caspian and became involved in extraction projects. All this looked natural within the Great Silk Road initiative expected to connect the West and the East. The hopes of the oil- and gas-rich Central Asian countries (Kazakhstan and Turkmenistan, in the first place) fell flat: Middle Eastern oil dominated the world market. Transportation of Central Asian energy fuels required investments on a large scale, while the situation remained as volatile as ever. Obviously the Silk Road had no future, yet Japan continued its funding on a smaller scale within the Official Development Assistance (ODA) program and on a wider scale through other institutions to balance out the size of its aid.

Meanwhile, the Shanghai Five was developing; its range of declared goals increased, and the frequency of its summits showed that the organization had come to stay and that it was building up its regional authority. Unable to directly affect the Shanghai process, Washington had to turn to Uzbekistan, which remained outside the Five. In fact, Islam Karimov's implacable position in relation to Russia was taken into account. Tashkent was obviously dead set against Moscow's greater regional involvement. It blocked Russia's regional initiatives and in 1999 withdrew from the Collective Security Treaty, under the pretext of its complete impotence, and treated closer relations with Moscow with a great deal of skepticism. The latter, being aware that control over Tashkent was slipping away, nurtured the idea of involving it in the Shanghai process.

Because of its geographic location, Uzbekistan is the only double land-locked country in the world: to reach external markets it has to cross the territories of several neighbors. It is too far removed from the Caspian to be attractive for foreign investments. Aware of its faults, Uzbekistan placed its stakes on the United States as the only power capable of realizing its interests in any place on the globe. As Brzezinski put it, "America is too distant to be dominant in this part of Eurasia, but too powerful not to be engaged."⁸

On the other hand, Uzbekistan has oil and gas of its own and controls a network of regional gas pipelines inherited from Soviet times. It has the largest and the strongest army in Central Asia; since 1994 Uzbekistan, together with its neighbors, has been actively involved in the NATO-sponsored Partnership for Peace and other NATO programs carried out in certain countries. The Afghan border was another important factor bringing Tashkent and Washington closer together, yet prior to the 9/11 events the U.S. could not openly support Uzbekistan because of human rights violations there—otherwise American policy designed to support democracy worldwide would have contradicted American priorities. Had information about American funding of an undemocratic regime reached the world media, the White House would

⁷ See: D. Trofimov, "Shanghai Process: From the 'Five' to the Cooperation Organization. Summing Up the 1990s and Looking Ahead," *Central Asia and the Caucasus*, No. 2 (14), 2002, p. 86.

⁸ Z. Brzezinski, *The Grand Chessboard. American Primacy and its Geostrategic Imperatives*, Basic Books, New York, 1997, p. 148.

have had to wrestle with the unpleasant consequences. Not daring to openly support Uzbekistan late in 1995, the White House extended its "secret" support in the form of a stabilization loan of about \$1.5 billion given by the U.S.-controlled WB and IMF.

Japan, a loyal American ally, that prefers to ignore the human rights issues, became one of the largest monetary donors of Uzbekistan, despite its unfavorable geostrategic location. By 2001 the total sum of Japanese investments in the oil and gas industry and transportation infrastructure (railways, construction and modernization of highways and airports) topped \$1.6 billion⁹; its humanitarian and gratuitous aid within the ODA program reached \$200m.¹⁰ Because of Japan's insufficient control over the use of these funds, the aid is spent on absolutely different purposes. The Great Silk Road idea aside, stability and continued loyalty of Karimov's regime to the U.S. must be paid for: this is vividly demonstrated by the internal opposition and the rising popular discontent over the worsening socioeconomic situation. As a result radical religious feelings are spreading among the local Muslims: in 1999 Tashkent was the scene of several terrorist acts, while the Islamic Movement of Uzbekistan stepped up its activities. Under these conditions close cooperation with the United States was the only option. It seems that the quoted figures of Japanese aid may point to secret diplomatic designs of involving Uzbekistan in the so-called "club of U.S. friends." There is no direct proof of this and the role of Japan in these designs is not quite clear, yet the allied relations between the U.S. and Japan suggest that they share interests in Central Asia.

Supported by Japan and the United States Uzbekistan could no longer shy away from the Shanghai process: on 15 June, 2001 it officially joined this structure at the Shanghai summit; as a result the Five became the Shanghai Cooperation Organization. Washington finally acquired the indirect opportunity to become involved in the Shanghai process and influence it to a certain extent, through Uzbekistan. The guess that America and Japan are resolved to balance China's influence in two directions has been indirectly confirmed once more.

In the wake of the 9/11 events the White House officially recognized that Tashkent should receive financial aid and asked Tokyo for cooperation, since it was expected that "Uzbekistan will play the key role in the military campaign against neighboring Afghanistan."¹¹ It became clear that it was thanks to the Japanese efforts that Uzbekistan remained loyal to the United States, a circumstance which made it possible to set up an American base in Khanabad within the framework of the declared war on terror. The military operation allowed Washington to strengthen its position in the region. In March 2002, the U.S. and Uzbekistan signed the Declaration on the Establishment of Strategic Partnership,¹² a document which gave new impulse to their bilateral relations. Today, the United States officially extends annual aid of \$161m to Uzbekistan.¹³

In July 2002, Japan (probably under American pressure) signed an identical agreement with Uzbekistan to further strengthen special political relations. To step up its economic aid to Uzbekistan, Japan signed an agreement on further economic cooperation and promotion of economic reforms in the republic. (It should be added that Uzbekistan is the only Central Asian country with a separate agreement on economic cooperation with Japan.)

The U.S. strategic presence in the region is extended to another important sector: a military base in Kyrgyzstan (at the Manas international airport). In 1996 Japan gave the first grant of \$5m for its modernization; in 2000 the second stage of modernization was concluded: the take-off runway for heavy planes was widened; the airport acquired state-of-the-art freight terminals; radars were replaced, etc. On the whole, about \$50m were allocated for these purposes.¹⁴ Today, Manas is one of the best-equipped airports in Central Asia and meets all contemporary requirements.

⁹ *Vremia MN*, No. 980, 31 July, 2002.

¹⁰ *Ibidem*.

¹¹ *Asahi shinbun*, 29 October, 2001.

¹² See: F. Tolipov, "Are the Heartland and Rimland Changing in the Wake of the Operation in Afghanistan?" *Central Asia and the Caucasus*, No. 5 (23), 2003, p. 101.

¹³ See: *Obshchestvennyy reyting*, 19 January, 2004.

¹⁴ See: *Vecherniy Bishkek*, 12 October, 2003.

During the military operation the airport was one of the key points from which military cargoes and personnel of the coalition forces were dispatched to Afghanistan and from which military aircraft took off. As the military operation drew to an end, some of the foreign troops deployed in Central Asia were sent back to places of their permanent dislocation in France, Italy, Germany, Korea, etc. The United States preserved its military presence, extended its military bases by spreading to adjacent territories rented from Kyrgyzstan. The U.S. Gansi base is serving two strategic areas—Afghanistan and China—thus making the Japanese and American efforts to contain China in Central Asia more and more obvious. To confirm this observation let me revise the recent events within the SCO and Uzbekistan's role in this organization.

Many analysts have already pointed out that Uzbekistan's role is a destructive one: the republic is exploiting the Russian-Chinese and Russian-Central Asian contradictions to boost its regional status.¹⁵ This opinion is obviously justified, yet it ignores another important factor, that is, America's role as an instigator. Official Tashkent does want regional domination—by the same token America will be placed in the driving seat. In other words, Uzbekistan's key status in U.S. global strategy is nothing more than the “implementation of America's conception for the pivotal countries.”¹⁶ Being aware of the scope of problems, Russia has already confronted the United States with its own military presence within the Collective Security Treaty by opening a military base in Kant (Kyrgyzstan). In an effort to downplay the importance of Kyrgyzstan created by the rivals' military presence on its territory, Moscow made the mistake of opening a SCO Antiterrorist Center in Tashkent (rather than setting it up in Bishkek as planned). This amazed both the Chinese and the Kyrgyz delegations at the Moscow SCO summit in May 2003. Russia obviously wanted to tie Tashkent closer to the SCO in order to diminish its destructive impact, but by transferring this important SCO structure to Uzbekistan, the U.S.'s strategic ally in the region, Russia may get the opposite result. Washington will increase its influence, while Tashkent will be able to realize its claims to regional leadership. Its relations with Beijing have already been spoiled by mutual mistrust, which the Chinese identify with Tashkent's ambitious and inconsistent steps.¹⁷

The future of the region and the position of the U.S., Japan, Russia, and China on the international scene will depend on their rivalry in Central Asia caused by the intricate intertwining of their interests in the region.

My opinions may help to create a different idea about the current foreign policy trends in Japan and reveal new prospects for U.S.-Japan global cooperation.

After 12 years of Japanese presence in the region we can finally estimate the scope of Tokyo and Washington's post-Soviet strategic plan in Central Asia, which appeared long before the Americans came to Central Asia. Clearly, the United States was not satisfied with the format of its relations with Japan, which proved its stability and viability during the Cold War. The 1991 Storm in the Desert, \$13 billion Japan extended to the anti-Iraqi coalition and inadequate media coverage of Japan's role in this operation revealed Tokyo's true international role: “a political midget with a large purse.”¹⁸ This revived the slogans popular among the Japanese politicians and academics in the 1960s about the need to harmonize Japan's international and economic might.¹⁹

The situation in the world and resolution Tokyo has demonstrated when pursuing this aim seemed to confirm its intention to boost its international importance. First, Tokyo must extend its involvement in the U.N. peacekeeping operations. In June 1992, the country adopted a Law on International Cooperation and Peacekeeping, which sanctioned Japan's military involvement in the U.N. operations. As a result, between 1992 and 1996 Japan participated in peacekeeping operations in Cambodia, Mozambique, Zaire,

¹⁵ See: D. Trofimov, op. cit., p. 88.

¹⁶ See: F. Tolipov, op. cit., p. 102.

¹⁷ See: S.G. Luzianin, “Kitay, Rossia i Tsentral'naia Azia,” *Kitay v mirovoy politike*, Moscow, 2001, p. 331.

¹⁸ V.O. Kistanov, “Vneshniaia politika Iaponii na rubezhe vekov,” in: *Iaponia: konets XX veka. Poslednie tendentsii transformatsii*, Moscow, 1996, p. 131.

¹⁹ See: *Ibidem*.

the Golan Heights, and Kenya.²⁰ There is a discussion going on in the country about possible constitutional amendments.

Washington urged Tokyo to assume even wider responsibilities outside its military involvement in the adjacent areas within the Security Treaty amended in 1996: America wanted military-political support of its initiatives within the U.N. and military and other cooperation in third countries.²¹ Tokyo's active financial involvement in Central Asia is a vivid confirmation of the above, yet there too, like in the Gulf War, Japan was an obedient subordinate, which in fact paid for America's future presence in the region, created a toehold for its future expansion, and used its economic and political instruments to buy the loyalty of certain Central Asian states.

The U.S. and Japanese joint policies in Central Asia are determined by their interest in the local energy fuels and their transportation routes, which, in the long-term perspective, will make it possible to stop buying oil in the Middle East: the United States is ensuring security while Japan is responsible for financial control.

If we take into account that they started making strides into the region in 1996 or even earlier, we have to ask: since Washington was working toward its military presence in the region prior to 9/11, could the U.S. and Japan have known in advance about the tragic events (or could they have even be involved in them)? I can offer no opinion on the issue and I am not going to discuss it here. One thing is clear though: both countries contemplated the possibility of similar events which would have called for military or other American interference in Central Asia.

Here is another side of the same issue: it is becoming clear that the U.S. and Japan are entering the 21st century as partners in the global domination project and as the most developed and richest states in the world. It seems that Japan will not remain forever limited by its constitution, which so far does not allow it to become a large military power in this partnership.

The so-called "antiterrorist packet" adopted in Japan on 29 October, 2001 is the first step in the right direction. It contains the Law on Special Antiterrorist Measures and amendments to the Law on Self-Defense Forces and to the Law on Marine Security.²² These documents have considerably widened the functions of the self-defense forces and allowed them to offer logistic support to U.S. troops (with the exception of deliveries of weapons and ammunition) and to protect the U.S. military bases in Japan and along the coasts with the right to open fire on all border-violating vessels. The Japanese military cannot participate in military operations and move military equipment across foreign territories. The law is limited to 24 months and can be extended by the same period.²³ Even though the packet is a temporary one it has created a precedent of bypassing certain constitutional restrictions: involvement in multinational operations is interpreted as the right to collective security banned under the Japanese constitution.

This shows that Tokyo is gradually fulfilling Washington's recommendations that Japan have a greater military share in their alliance. Time will show whether these efforts prove successful and effective. We should not ignore, however, the international response to the process: China and North Korea are rather nervous about Japan's militarization. The current instability in the APR leaves Japan no other option—it has to strengthen its cooperation with the United States.

Japan looks at its Central Asian involvement as one of the key factors in its changing role on the world scene. Its allied relations with the United States will inevitably strengthen and they will determine its place and role in international relations.

It seems that this is a compromise between Japan's desire to balance its political status and its second place in world economy with its awareness that the U.S. is instrumental in ensuring Japan's security and protecting its economic interests all over the world.

²⁰ See: M. Nosov, "Iaponia i mirotvorcheskaia deiatel'nost OON," in: *Iaponia i global'nye problemy chelovechestva*, Moscow, 1999, p. 267.

²¹ See: *Ibid.*, p. 276.

²² See: O.A. Dobrinskaia, "O podkhode Iaponii k bor'be s mezhdunarodnym terrorizmom," in: *Iaponia 2002-2003*, A Yearbook, Moscow, 2003, p. 91.

²³ *Ibidem*.

At the same time, the two countries' strategic plans for changing the geopolitical balance of power in Central Asia cannot be described as a success. It has proven much easier to come to the region than it has to retain control over it: neither the strategic partnership with Uzbekistan, nor American military presence in Afghanistan guarantee Central Asian stability. In the next decade the grandiose plans to transport Caspian energy fuels along the eastern route will remain unrealized, which means that the prospects for prosperity in the region and its oil- and gas-rich countries remain vague. The Russian and Chinese routes are the safest ones; Beijing and Moscow are in a more favorable position and, in principle, have all the means for implementing these projects.

The agreement on the delivery of Turkmenian gas to Russia is one of the most vivid examples; its negatives aspects aside (Moscow has left huge numbers of Russian-speakers in Turkmenistan, cruelly persecuted by the authorities, to the mercy of Ashghabad), the agreement is a successful one. It became possible because of the continued instability in Afghanistan, which prevents gas deliveries from Turkmenistan to Pakistan. Iran, an oil-rich country, does not need Turkmenian gas. In addition, it is impossible to attract investments for transporting energy resources via Iran because of an imminent U.S. blockade. Other alternatives are too expensive—under present conditions funding cannot be guaranteed. In a certain sense the U.S. and other countries have pushed Turkmenistan into Russia's embrace.

China has its own ideas about the future of fuel transportation—it plans to export energy fuels from Kazakhstan. The plans have not yet been realized, but the growing economic potential of the People's Republic of China makes their realization a possibility.

RUSSIA-CHINA-CENTRAL ASIA: STRIVING FOR A NEW QUALITY IN INTERNATIONAL RELATIONS

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Human civilization has reached the point where it recognizes the need to build international relations on the humanistic principles set forth in international law. One of these principles is the inviolability of state borders. Respecting this principle is obligatory for maintaining peace, but this does not mean that territorial questions must be absolutely static and cannot evolve.

Since the end of the Cold War, the current threats to security have shifted from ideological and military-strategic confrontation to the emergence of local conflicts and are largely related to the aggravation of old territorial disputes, inter-confessional and ethnic differences, the use of natural resources, and so on. For example, according to the data published in the third edition of a book called "Bor-

der and Territorial Disputes,"¹ there are 20 conflicts in Africa, 19 in Europe, 17 in Eastern Asia, 15 in America, and 12 in the Middle East. The claims of various countries to certain sectors of the Antarctic are seen as one territorial problem. As for Europe, it recently underwent a boom of border conflicts after the disintegration of Yugoslavia and the Soviet Union, the repercussions of which are still being felt today.

Specialists in the problems of interstate relations distinguish territorial differences from territorial disputes. If the object (a specific territory, or section of border) and subject (the applicable legal norms) of the conflict do not coincide, this is a territorial difference, not a dispute. An example of a frequent case of territorial difference is delimitation of the border. Sometimes, as certain authors of publications in special literature believe, territorial differences can be of a state or a regional nature. If the difference is of state significance, negotiations are held, whereas at the regional level the arguments remain within specific social circles, usually those representing the interests of the people living in the border areas.

Disputes may be about who territory belongs to and delimitation of the border line. The state border is a line on the earth's surface (regardless of whether on land or sea) and the imagined vertical line that passes through the airspace and the subsurface, defines the territorial limits of a specific state, and separates its territory from that of other states and high seas. If a border is not precisely defined this could give rise to conflicts in the future.² There are a host of examples in history where, guided by the thesis of "unfavorable" delimitation of the border, the authorities of one state have waged war on a neighboring state.

The longer the border and the larger the number of states that share it, the greater the likelihood of disputed territory. For example, the Chinese border has many disputed sections, including a large part of the PRC frontier with India and Tajikistan; a 33-kilometer section of the border with the DPRK in the Pektusan mountains; the Spratly Islands (Malaysia, the Philippines, Taiwan, Vietnam, and Brunei); the sea border with Vietnam in the Gulf of Tonkin; the Paracel Islands (which Vietnam and

Taiwan are disputing over); the Japanese Islands of Senkaku; the land section of the border with Vietnam; and Taiwan, which is considered a mutinous province.

From the legal point of view, the establishment of state borders is carried out in two stages: delimitation—the direction and positioning of borders are agreed upon and marked down on maps; demarcation—borders are established at the site.

The above problems are particularly urgent for most of the former Soviet nations. Along with the fact that the delimitation process often takes several years, a large number of claims have accumulated in these states due to the non-regulation or change in administrative borders in the Soviet Union. Today, however, Russia, as most civilized countries in the world, is proceeding from the principle of "historically developed borders" in combination with the principle of "transparency." But the events at the beginning of the 1990s put it in a difficult position. At present, there are more than 61,000 km of Russian borders, 22,000 km of which are on dry land. More than 13,500 km are new, previously unguarded borders. Forty-five of the 89 Federation constituencies, are border republics, whereby twenty-five of them became such after the Soviet Union collapsed. Russia has the longest border with Kazakhstan, which amounts to 7,500 km and applies to twelve of its constituencies. The Russian Federation borders on a total of 16 countries of the world, which is more than any other nation (the PRC borders on 13, and the U.S. on 3).³

It is interesting to note that, according to the estimates of Russian experts, about 30 of the Russian Federation constituencies' territorial claims on each other have appeared in the last ten years. For example, the capital's administration is arguing with the Moscow Region about who the Sheremetev and Vnukovo airports belong to, the Tver Region is disputing with the Yaroslavl Region over the islands in the Mologa River, and the Shadrinsk and Dolmatov districts of the Kurgan Region are gravitating toward the Sverdlov Region. Kalmykia and the Astrakhan Region are in conflict over disputed territory. Kabardino-Balkaria and Karachaevo-Cherkessia are arousing particular concern, where several politicians have

¹ *Border and Territorial Disputes*, ed. by John B. Allcock et al., Gale Research, Detroit, 1992.

² See: *Prigranichnye konflikty i spory* [<http://www.strana-oz.ru/?numid=7&article=309>].

³ See: A.A. Kurtov, "Granitsa s Kazahstanom—novy rubezh Rossii," *Analytik*, No. 2, 2002.

long been calling for separation, which is understood as ethnic demarcation.

The unresolved territorial disputes and claims between individual countries in themselves are undermining stability and harboring a threat not only to regional, but also frequently to global security. First, they affect the interests of a large number of members of the regional community, and second, they could shift to the active phase in the very near future. A graphic illustration of this is the development of the conflict in 2003 between Spain and Morocco over an uninhabited island in the Mediterranean Sea called Perehil, which quickly escalated from the diplomatic phase to a military stand-off. This again showed that territorial claims are still capable of influencing interstate relations, even in thriving Europe.

The Asia-Pacific Region has just as many territorial problems as other regions. For example, an unresolved border problem is spoiling relations between Beijing and Delhi to this very day. China is making claims to a mountainous region of Indian territory 90,000 sq. km in area to the south of the McMahon Line in the current state of Arunachal Pradesh, over which an armed conflict flared up in 1962. And India is claiming a 34,000 sq. km area in Aksai Chin in the state of Jammu and Kashmir, where the Chinese have built a main highway joining Tibet and Xinjiang. Japan is the only state in the world which currently has territorial claims against Russia at the official level. Tokyo is demanding the return of the so-called "northern territories," which

include the islands of Shikotan, Kunashir, Iturup, and the Habomai group of islands.

China, along with Taiwan, is making claims to the Senkaku islands in the East China Sea, which belong to Japan. Japan and the Republic of Korea are in dispute over who the Takeshima islets (the Korean name for Tokto) belong to, which are located in the Sea of Japan. The territorial question in China's relations with Vietnam has still not been settled, since Beijing is making claims on the Parcel Islands in the South China Sea, which are under the jurisdiction of Hanoi.

Summing up what has been said, it can be maintained that the situation with respect to territorial demarcation is rather serious, whereby China is one of the states which have the largest number of territorial claims on its neighbors. This means that unresolved demarcation problems relating to its land and sea borders will continue to have a negative effect on Beijing's relations with certain neighbors in the region for a long time to come. On the contrary, a different picture is developing with the settlement of territorial problems inherited from the former Soviet Union by China, Russia, and the countries of Central Asia. The most significant territorial claims have already been resolved among them, although this required tedious and painstaking work. After all, by the beginning of the negotiation process on these problems in 1964, 25 sections had been identified and recognized as "disputed," the total area of which topped 34,000 sq. km.

The Search for Solutions

Russia and China have been resolving their border problems for several centuries. The time factor is usually an additional thorn in the side of the settlement process. The simplest way to resolve these problems is well known, that is, take a ruler and draw the borders on a map. This is how the borders of many African states were designated, for example, Algeria, Mali, Libya, Egypt, Angola, and Chad. Several sections of border between the U.S. and Canada, and between Kazakhstan and Uzbekistan were established in essentially the same way. Sometimes state borders lie along parallels and meridians. For example, before Vietnam was united, the border between its North and South parts lay along the 17th parallel. In Africa, approximately 40 percent of the borders lie along parallels and meridians.

In China, borders were never drawn with such ease. Not until the 1960s, under Mao Zedong, was it suggested that the former agreements in this area should be reconsidered. But their legal denouement was placed on the shoulders of the new sovereign states of the post-Soviet space, when present-day Russia and the Central Asian countries were experiencing difficulties with transferring the economy to the market, and China, vice versa, was actively raising its potential in different areas and vectors. For example, in 1997, the 15th CPC Congress formulated the prospects for the country's development until

2010, whereby the task was set to double its GDP, and by the middle of the century, that is, by the hundredth anniversary of the PRC, to complete modernization and create a powerful “civilized, democratic, and socialist state.”

In order to implement such grandiose plans, China must at least resolve the border problems with its neighbors. Otherwise, the inevitable build-up in competition on the world markets might take on undesirable political implications for the PRC leadership, which Beijing wants to avoid. Of course Russia was target No. 1 for China in this respect. First, the length of the border between these two countries is more than 4,000 km long, and second, Russia has all the resources China needs to modernize its economy. In so doing, the matter concerns not only its raw materials, including oil and natural gas, but also the vast sales market for Chinese commodities. Nor can we discount the PRC’s plans to use Russia (like several other nations) as an ally in carrying out its task to create a “single China.”

In so doing, since the end of the 1980s, we have become witnesses to historical changes in the relations between the two largest Eurasian states. The phobias inherent in Moscow and Beijing’s foreign policy since the cultural revolution in China have receded into the past. Gradually the political elites of both states have begun to establish an equal and trusting partnership. As the leaders of both countries state, the 21st century should be a century of their strategic cooperation. Essentially the matter concerns one of the most significant events which could predetermine the future development of the Russian and Chinese nations. Partnership, based on the values of contemporary civilization and not a bloc alliance aimed against a third party, is the main meaning invested in the formula of the new relations between Moscow and Beijing. Their goal has been defined and construction is underway. The new mechanisms of cooperation must still be streamlined, it is not enough for the heads of state to put their signatures at the bottom of the interstate agreements. But the process has been launched. Of course, one of the constants in the cooperation process between the two states is the resolution of border problems.

A working group of representatives from China and a joint delegation of representatives from Russia, Kazakhstan, Kirghizia, and Tajikistan was created for the negotiations on this question held in September 1992 in Minsk. It held its first meeting in April 1993, whereby it was decided to observe the terms and principles for conducting negotiations used by Soviet and Chinese government delegations. The sides began discussing delimitation of the border line in those sections where it had not yet been agreed upon.

The pragmatic stance of China’s new leaders helped the settlement process to gain the necessary momentum. The Russian-Chinese border has two large sections, the eastern and the western, which are separated by Mongolia. It should be noted that experts have been working for almost thirty years (with a few interruptions) on its most complicated and longest eastern part, which is 4,200 km long. An agreement on this problem was signed on 16 May, 1991 by the then Soviet Union and China. But it did not come into force until 16 May, 1992, after its ratification by the Supreme Soviet of Russia. The ratification certificate signed by the country’s president noted that the Russian Federation, continuing to carry out the rights and obligations under international contracts signed by the Soviet Union, will carry out the obligations under this agreement. But the agreement on the western section of the border, which is 55 km long, was entered on 3 September, 1994. This made it possible to eliminate many disputed questions which for many years had been a most severe irritant in relations between these countries.⁴

For the first time in the more than three-century history of their relations, the two neighboring states acquired as civilized a border as they could get, that is, one that was precisely designated at the site, and, most important, one they both recognized.

On 16 July, 2001, in Moscow, during a visit by PRC Chairman Jiang Zeming to Russia, the Treaty on Good-Neighborly Relations, Friendship, and Cooperation was signed, in which the sides officially stated they had no territorial claims against each other. This meant a qualitatively new level of cooperation between the two states. It is significant that the Treaty does not have any ideological underlying motive, as was characteristic of similar documents during the Soviet period. Article 6 of the mentioned document states:

⁴ ITAR-TASS, “Puls planet,” 27 November, 1996, page “AK”-1.

“Noting with satisfaction the absence of mutual territorial claims, the signatories to the treaty are filled with determination to turn the border between them into a border of eternal peace and friendship, which will be handed down from generation to generation, and are exerting active efforts to make this a reality.” But even after the demarcation work was complete, all the border problems did not disappear once and for all. Two disputed sections remained, which the sides could not find a mutually acceptable solution for. So they were removed from the agreement after conceding to continue negotiations on them. For the time being, the status quo will be observed, meaning that no violation of the demarcation line on the disputed sections is permitted.

Both of these sections are on the eastern part of the border. One of them is the so-called Fuyang Triangle, which the Russian mass media designate as the Khabarovsk Junction. In reality it is the islands of Tarabarov and Bolshoi Ussuriiskiy on the Amur River in the direct vicinity of the region’s large industrial center, Khabarovsk. The second is the Bolshoi Island on the Argun River. Negotiations on these sections are still going on.

On the whole, it should be stated that formation of the Russian-Chinese border is complete. The political features of this process lie in the fact that the border was established not as the result of widespread wars, but during diplomatic negotiations in which both sides had the same number of victories and defeats. The compromises Moscow made in 1991-1999 endowed Russian-Chinese cooperation with a new quality and turned it into a strategic partnership with realistic features and clout.

Delimitation of Borders in Central Asia

Right up until the mid-18th century, an official border could not be drawn between Russia and China in Central Asia for many reasons.⁵ The first Russian-Chinese document in this area, the Peking Treaty of 1860 on regulation of these frontiers, did not resolve the territorial problem, as indeed was the unfortunate fate of all the subsequent ones.

Delimitation began in 1992 within in the framework of the working group mentioned above, although the Chinese side insisted on a bilateral format. For the young states, which were supposed to hold negotiations with the PCR on the basis of legal succession, but did not have the archives of legal, methodological, historical, and other documents necessary for this, this format was vitally important. The principle of “joint delegation” made it possible for Kazakhstan, Kirghizia, and Tajikistan to obtain the necessary documents from the Russian Foreign Ministry, including the corresponding protocols from the Soviet-Sino negotiations. It should be noted that at the negotiations on the problem of transborder water resources, which Kazakhstan is currently holding independently, Beijing, as officials in Astana note, is taking a tough stance and does not consent to Moscow participating in them.

Delimitation of the state border between the Central Asian republics and China can be considered complete. Nevertheless, it must be admitted that the new independent states have made significant concessions to China in the process, not only on the question of transferring territory, but also on related border problems. For example, in the Shanghai Agreement on Confidence-Building Measures in the Border Region (April 1996), the states came to terms on the formation of a 200-kilometer maximum demilitarized zone. Despite all the positive significance of this decision, it must be noted that this obligation was enforced at a time when precise delimitation of the border line itself had not been designated.

In July 1996, Bishkek and Beijing signed a treaty on separate parts of the Chinese-Kyrgyz border of 900 km in length, according to which Kyrgyzstan conceded 87,000 hectares of its territory to China,

⁵ Precise borders in the current understanding of this term were simply not technically established at that time. What is more, the Great Steppe was a region where the territory was constantly subordinate to neighboring states, and so it was impossible to define its legal status from the viewpoint of present-day international law.

whereby the disputed Bidel section was divided in the ratio of 70 percent to Kyrgyzstan and 30 percent to China, 161 sq. km on the Han-Tengri section (39 percent of its territory) was given to the PRC, the Boz-Amir-Khodzhent section (20 hectares) was transferred in its entirety, and 19 sq. km of the 891 sq. km in the Uzengyu-Kuush section was handed over.

It should be emphasized that the very concept of “disputed territory” has become a topic of the negotiation process, primarily on the initiative of the Chinese side. Beijing has been consistently and deliberately introducing this term into circulation, making it a household phrase for politicians. For example, on 27 December, 1992, it recognized Kirghizia in its then borders, but the corresponding document at that time did not even mention the existence of disputed territory. Kyrgyzstan has historically established borders with China, as a legal successor of both the Russian empire and the U.S.S.R. The border question was regulated between czarist Russia and China. Beijing also recognized the Soviet Union in the borders that existed at the time it was recognized. The U.S.S.R., as the successor of the czarist empire, retained this territory, but it preferred not to discuss its disputed nature publicly at the supreme level, although it held long and strained negotiations with Beijing. In 1964, the U.S.S.R. and PRC exchanged maps, on which, as we have already noted, the ideas of the sides with respect to 25 sections (including five sections on the Tien Shan stretch) did not coincide. Between 1964 and 1982, these countries held negotiations on the question of marking the line of the Kirghiz-Chinese border through a section to the west of the Bidel Pass (the basin of the Uzengyu-Kuush River), which ended in failure.

On 26 August, 1999, an agreement was signed on the intersecting point of the state border among China, Kyrgyzstan, and Kazakhstan. At that time, Bishkek and Beijing entered an additional agreement, which was ratified by the Kyrgyz parliament. According to this agreement, Kyrgyzstan also conceded several areas to China, which the country’s political opposition forces used against the republic’s president, Askar Akaev. For example, in 2002, they organized mass acts of protest accompanied by violence both on their part, and on the part of the authorities. During the disturbances on 17-18 March, 2002 in the Aksy District of the Dzhahal-Abad Region, six civilians were killed and more than 80 wounded. Later the Bishkek-Osh highway was closed. The acts of protest also spread to the republic’s capital. The president had difficulty convincing the parliamentary deputies to agree to transfer the territory to China. Only on the second attempt did the senate ratify this treaty. But in order to defuse the situation, Askar Akaev was forced to disband the government headed by Kurmanbek Bakiev. The head of the presidential administration Amanbek Karypkulov also resigned.

In order to justify making the territorial concessions to China, the Kyrgyzstan authorities are arguing that the republic now possesses the main alpine runs on the Han-Tengri peak⁶ (80 percent), from which it will receive enormous revenue from developing tourism. Whereas official Bishkek characterizes the territory transferred to the PRC as “no-man’s land and inaccessible wasteland” that have no practical value.

The same goes for delimitation of the border in Kazakhstan. In April 1994, the republic signed a treaty with the PRC which defined the border line along its entire length (1,782 km), apart from two sections in the region of the Sary-Cheldy River (the Taldykurgan Region) and the Chagan-Obo and Baimurza passes (the Semipalatinsk Region). The dispute between the sides was about a 944 sq. km area of Kazakhstan. On 24 September, 1997, an additional agreement was entered, which completed the process of final delimitation. Kazakhstan made concessions on the disputed border regions, as a result of which it was given 537 sq. km and China received 407 sq. km. It is worth noting that in so doing Kazakhstan agreed to dismantle its extremely important engineering fortification facilities on the border and give the PRC one of the national shrines—the mountain peak of Han-Tengri, which is related to the Kazakh’s system of faith, Tengrianism. The country’s authorities assessed this step as a major diplomatic achievement, maintaining that they had succeeded in finding a solution to a problem that Soviet diplomacy had been unable to resolve for 70 years.⁷

⁶ The Han-Tengri peak is located where the borders of Kyrgyzstan, Kazakhstan, and China meet.

⁷ See: M.B. Kasyzbekov, “Osobennosti vneshnei politiki Kazakhstana v otnoshenii KNR i SShA,” *Analytik*, No. 2, 2002, p. 42.

Signing the intergovernmental protocol on demarcation of the state border line and standard copies of topographical maps of the state borders completed the territorial delimitation process that went on for many years between these states.

China also had territorial problems with Tajikistan. Beijing made claims to a significant part of the Gorno-Badakhshan Autonomous Region. Territorial delimitation in this section had not been carried out before; at one time, the so-called "Anglo-Russian border line" passed through here. But taking into account the difficult domestic political situation in the country, China was loath to push for final regulation of this 500-km-long section of border, although non-settlement of the border problems was set forth as early as the Declaration adopted during a visit by Tajik President Emomali Rakhmonov to the PRC in March 1993. But it appears an end is in sight to the lack of clarity in relations between Beijing and Dushanbe.

Pursuant to the agreements signed during President Rakhmonov's visit to the PRC in 1999, Tajikistan retained full jurisdiction over the disputed section in the region of the Karazak Pass and conceded to China 68 percent of another section of approximately 200 sq. km close to the Markansu River. The sides agreed that negotiations on the third, largest uncoordinated section, Bolshoi Pamir of 30,000 sq. km in area located to the south of the Uz-Bel Pass, would continue.⁸ Until they ended, both countries had to observe the status quo on the border between the two states.

On 17 May, 2002, an Additional Agreement was signed, according to which Tajikistan agreed to transfer 1,000 sq. km of the 28,000 "disputed" territory in the Bolshoi Pamir area to the PRC. According to the statement of the Tajik side, this territory is "a mountainous area of approximately 5,000 meters above sea level with no pastureland or population."⁹

At present, it can be stated that China has largely resolved all of its territorial problems with its neighboring Asian CIS states: Kazakhstan, Kyrgyzstan, and Tajikistan. Kazakhstan was the first to finish legal registration of the state border with the PRC, and for five years carried out its demarcation. Kyrgyzstan has only started demarcation of the border, and Tajikistan has not yet entirely agreed on its mutual frontier lines with the PRC.

Of course, the position of the Central Asian states can be understood. Although they made some obvious territorial concessions, they showed Beijing their genuine desire to eliminate the unresolved problems between the sides that interfere with establishing beneficial regional relations.

The Shanghai Cooperation Organization

The process that began in 1989 with the negotiations on confidence-building measures on the Soviet-Sino border to reinforce the negotiations already underway between the Soviet Union and PRC on border issues, and then transformed into negotiations on confidence-building measures and cutbacks in armed forces between Russia, Kazakhstan, Kyrgyzstan, and Tajikistan, on the one hand, and China, on the other, made it possible for these countries to gradually form a climate of trust and security along the entire length of the former Soviet-Sino border and create prerequisites for further cooperation within the framework of the Five.

The Shanghai Five Organization emerged in 1996 as a natural reaction to the serious threat of Central Asia turning into a region of permanent instability due to the acute activation of international terrorism, religious extremism, and national separatism. What is more, this was a good opportunity for Russia and China to join the efforts and potential of the Central Asian states under their aegis in order to put the reins on possible American expansion in the region. At the same time, China declared itself a nation claiming a new role in world politics. After all, this international organization is the first structure of its kind to be created on Beijing's initiative.¹⁰

⁸ See: S. Luzianin, "O Damanskom pozabyto navsegda," *Nezavisimaia gazeta*, 4 February, 2002, p. 10.

⁹ *Nezavisimaia gazeta*, 23 May, 2002.

¹⁰ This problem is discussed in greater detail in: Ye. Kokhokin, "Shanghai Five: Present Realities and Future Prospects," *Strategic Digest*, Vol. XXXI, No. 7, July 2001, Institute for Defense Studies and Analyses, New Delhi.

In June 2001, the Shanghai Five, which had by this time expanded to include Uzbekistan, was transformed into the SCO, a regional cooperation organization. Its goal was to strengthen mutual trust, friendship, and good-neighborly relations, and encourage efficient cooperation in political, trade and economic, scientific and technological, cultural, educational, energy, transportation, environmental, and other areas. The member states assumed responsibility to join their efforts in maintaining and ensuring peace, security, and stability in the region, and in building a new, democratic, just, and rational political and economic international order. In June 2002, the heads of state of this structure signed the SCO Charter in St. Petersburg, which laid the legislative basis for cooperation. The Shanghai Convention on Combating Terrorism, Separatism, and Extremism, as well as the agreement on a regional antiterrorism structure signed by the heads of state in 2001 and 2002, demonstrated the beginning of a stable period in developing cooperation in security.

Economic relations were not left out of the picture either. During a meeting between the prime ministers of the member states in Almaty (2001), a Memorandum on the Basic Goals and Areas of Regional Economic Cooperation and on Creating Favorable Conditions in Trade and Investments was adopted. Regional economic cooperation was placed on the right track in September 2003, when a program of multilateral trade and economic ties encompassing primarily energy, transportation, and hydro engineering was adopted at a meeting of the heads of government of the SCO countries in Beijing.

The Moscow summit held in the spring of 2003 designated the end of the institutionalization and formation of the organizational foundations of this regional structure and the creation of the necessary legal basis for bringing the member states up to a qualitatively new level of cooperation. The new PRC leader, Hu Jintao, who participated in these summits for the first time, was able to make closer acquaintance with his colleagues and discuss a wide range of questions with them, which was very important, since China occupies a prominent place in this organization. The fight against international terrorism, extremism, drug trafficking, and organized crime was a topic of primary discussion. Special emphasis was placed on the activity of the extremist Islamic organization Hizb ut-Tahrir, which is posing an increasing threat in the region.

Since 1 January, 2004, the SCO began functioning as a full-fledged international organization with its own standing bodies. Its Secretariat has begun working in Beijing, and a Regional Antiterrorist Center has opened in Tashkent. The organization has also formed its own budget (for 2004 it amounted to 3.5 million dollars). Plans for developing cooperation in culture have appeared, for example, the Council of Heads of Government supported Kazakhstan's initiative to hold the first culture festival among the organization's member states.

Today Chinese experts highly evaluate the strategic possibilities of the SCO for realizing the political interests of Beijing in Central Asia.¹¹ It not only managed to finally resolve its territorial problems with the help of this organization by entering treaties with Moscow, Astana, Bishkek, and Dushanbe on delimitation of the border, but also to ensure the necessary conditions for political stability in its border regions based on the contractual-legal foundation drawn up by the member states. Now, according to PRC Chairman Hu Jintao, the main task is "accelerating the creation of efficient structures within the SCO," whereby the economic component comes to the fore.

* * *

The current situation in the world is very contradictory, although it is characterized by certain processes of relative stabilization. The unresolved territorial problems can still be classified as the most serious threats to regional security. As world history shows, the non-settlement of border issues is one of the main reasons for tension and conflicts among the states. But it appears that this problem can be resolved fairly easily with the political will of the leaders of the states concerned. Russia, China, Kazakhstan,

¹¹ See: Zhuan Qishan, "Does the SCO have Strategic Value for China?" [<http://www.999junshi.com>].

Kyrgyzstan, and Tajikistan have shown how this approach works in practice by focusing on the unifying, rather than separating, function of state borders. The new international organization, the SCO, that arose during the negotiations on the border, significantly expanded the original range of tasks. Today its goal is to develop multilateral cooperation among the participants, including in such areas as security and defense, the economy, foreign policy, culture, and education. What is more, by resolving the disputed territorial problems, the countries' nascent striving to develop regional cooperation can be expected to strengthen stability in the Eurasian subregion. And normalization of the situation in the region will help to develop multilateral relations, which in the future should lead to economic growth in these countries. Whatever the case, the experience of the SCO will be beneficial not only for resolving territorial problems, but also for creating an international security system.

BRITISH-AMERICAN STRATEGIC PARTNERSHIP: GLOBAL AND REGIONAL COMPONENTS

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The lightning counter-terrorist operation in Afghanistan carried out under the U.S. aegis in the wake of the tragic events of 9/11 demonstrated beyond a doubt the special importance of the British-American strategic partnership and its stability. The U.K. actively supported the United States in Afghanistan and in Iraq in March 2003. By their actions the sides confirmed the partnership's key role in shaping America's foreign and defense policy and ensuring its security; they demonstrated that London and Washington could coordinate their foreign policy moves and wage a war in any geopolitical region independently and on their own.

It should be noted that their close foreign policy and military cooperation is based on long-term bilateral cooperation. According to political analysts, consistent bilateral cooperation, a product of several decades, serves as a solid foundation for the sides' "special relations," which, in turn, give rise to the sides' mutually complementary policy. The present developments show that these close ties have created a unique and successful political phenomenon—the British-American alliance—the

influence of which will probably rise to the fore in global politics.

The U.S. and U.K. efforts to settle some of the international crises and their recent "blitzkrieg" in Iraq show that with the Eastern bloc out of the way this alliance is capturing the leading positions in the world and is claiming the role of a global policy-maker. The scope and the impact of the alliance on European and world policies are assuming strategic importance.

The very fact that in the post-communist era the United States supported by Britain is actively extending the zone of its political control in Europe and Asia demonstrates that the alliance is acquiring fundamental and policy-forming influence in the world and in geopolitical regions (the Southern Caucasus and Central Asia among them).

Anybody wishing to assess the alliance's impact on the U.S.'s policies and strategy should pay particular attention to the European and global components of the alliance's policies. This approach offers a more correct appraisal of the political situation in such complex geopolitical regions as the Southern Caucasus and Central Asia.

The European Component

This partnership is rooted deep in the past.

We can even say that the partnership began when the U.S. entered World War I on the side of Entente, that is, when the United States abandoned its traditional isolationism and non-interference in European affairs, which the country had been pursuing since the very first days of its independence. (The new political course was registered in Woodrow Wilson's Fourteen Points and the U.S.'s active contribution to the Versailles system.)

The "special relations" of today were generated by the countries' joint struggle against fascist Germany; it was at that time that a basis for later cooperation was formulated and still later used as the cornerstone of the trans-Atlantic partnership. According to Foreign Secretary of Great Britain Jack Straw, the trans-Atlantic partnership should be dated back to the Atlantic Charter signed by the countries in 1941. The document that formulated the strategy of British-American partnership can be described as the starting point of today's trans-Atlantic contacts and the Washington-London alliance of long standing.

Their cooperation during the Cold War can be described as another stage in developing and strengthening the trans-Atlantic partnership, the key link of American policies in Europe, while the "special relations" between the U.S. and Great Britain were the main instrument for creating NATO. Today, the bloc is instrumental in transmitting America's political and military might to Europe; it ensures America's military presence in the Old World. More than that: NATO serves as the basis for contemporary trans-Atlantic relations that tie together the U.S. and its European partners; NATO serves as the basis for the contemporary European and trans-Atlantic security system supported by the American military-political presence in Europe. Indeed, had the United States stayed away from Europe, America's foreign, defense and security policies would have been different.

Today, as in the past, the U.S.'s global policies pivot around the trans-Atlantic partnership, the European component of which serves as the backbone of the trans-Atlantic system, thus bringing American influence to Europe. The alliance as a rigorous system uses NATO instruments to support and complement American presence in Europe.

Allied relationships with London allow Washington to extend its political leeway within its bilateral relations with European partners and the integrated European structures. Even though the European and trans-Atlantic institutions are functioning, the British-American alliance is of fundamental importance, as well as its influence on the European political climate. When carrying out its European strategy Washington relies on London's political, diplomatic and military support. It is this support (successful for certain historical, mental, geographic, geopolitical, and other reasons) that allows the United States to develop its foreign political successes in the European and trans-Atlantic structures and to carry out decisions that meet America's strategic interests. Later while still relying on these structures and on the British-American tandem, the United States will be able to continue its European and global games in the West's strategic interests. We can say that reliance on the U.K. within the European and trans-Atlantic structures is another important part of the British-American alliance's European component in the U.S.'s policies.

The alliance with London will help Washington extend its influence to the European structures (the EU, for example) the U.S. is not a member of. In fact, in the absence of these two states in the European and trans-Atlantic structures, the power and political weight of the latter would have been less significant; they would have probably collapsed long ago because of internal contradictions and general incapacity. It is precisely the United States and Great Britain that provide these structures with political might and power, which serve, in turn, as the basis of power of the U.S. and the West as a whole and form a single "center of power."

Political experts believe that it is American and British membership in NATO, as well as the U.S.'s military patronage of the E.U. that attract the former members of the Eastern bloc. They probably regard the influential and strong British-American tandem as an additional guarantee of their national security

and independence—an important consideration in the context of European history of the 20th century. The alliance guarantees that certain tragic pages of history will never repeat themselves.

With the expansion of NATO and the EU, the United States and the British-American alliance will also broaden the zone of their active political control. The United States is using the alliance to put pressure on the European allies (the U.S.-German strategic relationships should be mentioned in this context). The White House can flexibly influence the decisions passed by the EU so as to channel its policies in the desired direction.

The U.S. political elite regards its relations with the U.K. as an absolute priority. In the context of the relationships between the U.S. and Europe, the following aspect of the British-American partnership stands apart: London wants to act as an intermediary between Washington and the European capitals. It seems that this role of “honest broker” is another fundamental element of the alliance’s European component. It adds to London’s strategic importance for American diplomacy and to London’s weight and prestige on the European and global scene. The statements made by administration members and congressmen testify that there is no more active and strong supporter of American policies and no better intermediary than London.

Disregarding the European capitals’ strong discontent, London supported the American plans to deploy the national ABM system. Prime Minister Blair’s visit to the United States late in March 2003, during which the sides discussed the relations between the U.S. and Old Europe (France and Germany), aggravated by contradictions over the Iraqi crisis, is one of the most recent examples of British brokerage.

It seems that in the future too the United States will look at its relations with Great Britain as a priority in the context of American global and European policies and strategy. Indeed, stronger positions of France and Germany, and Europe in general, in global and European policies make London an even more precious strategic partner. The contradictions around Iraq demonstrated that as a member of extending NATO and the EU, Great Britain would gain more clout in the eyes of the United States as an “honest broker” and partner.

The Global Component

I have already mentioned that the European component of the British-American alliance serves as the backbone of the entire system of trans-Atlantic partnership, which ensures America’s military-political presence in Europe through NATO. The indissoluble nature of this alliance is critically important for trans-Atlantic partnership and for the larger American-European tandem.

We can even say that if the London-Washington link weakens for any reason, the entire system of trans-Atlantic contacts will stagnate. This will bring global changes in its wake. There is the opinion that the alliance’s possible strategic failures and drop in political prestige may cause weakening and a gradual decline in the system of trans-Atlantic links and will cause another global shift and alter the balance of power worldwide. The contradictions between the United States and its European NATO partners over the Iraqi crisis brought into bolder relief London’s special value for Washington.

On the whole, an analysis of the post-Soviet political developments and the U.S. and British steps on the world scene suggest that the alliance has moved to the frontline of policy-making. It initiated a series of local wars (the Gulf War of 1991; the Kosovo conflict in 1999, and the wars in Afghanistan in 2002 and in Iraq in 2003). Even though they were waged under the aegis of the international coalition, the main burden of political and military fighting (and the resultant shortcomings and dividends) was borne by the U.S. and the U.K. To a certain extent this has ushered in a new era of joint British-American wars and of global British-American domination. In other words, the global component of the alliance’s joint policies is becoming an instrument the U.S. can use to shape global politics.

The tactics of knocking together a broad international coalition allows the alliance to secure wide political support for its actions, isolate certain political regimes, and ensure military successes in the shortest

time possible. Indeed, to ensure international support for its policy, which relied on force, the White House tapped, with great success, London's political prestige and diplomatic skills. We can even say that without London's support, local wars would have been impossible.

"Special relations" with Great Britain and the subtle British diplomacy used to support America's foreign policy moves have given the U.K. the rank of an indispensable strategic (global) "broker" and partner. At the same time, the American-German and American-Turkish strategic partnerships are important as an additional element strengthening the European and global components and as pivotal elements of trans-Atlantic cooperation fortifying the British-American alliance and American might in Europe and Asia.

The Southern Caucasus and Central Asia

It seems that the efforts of the British-American alliance in the Southern Caucasus and Central Asia should be regarded as a consequence of its global policies. I have already written that the European component is one of the pillars of the alliance's global strategy. In the same way, the alliance's policies in Central Asia and the Southern Caucasus are an extension of its global policies designed to preserve its global domination. The "preventive self-defense" doctrine formulated by President Bush after 9/11 created the wide foreign policy basis the alliance is using to extend and strengthen its presence in regions which, before the tragic day, either remained outside the scope of U.S. strategies or lingered on the margin of American attention.

Central Asia and the Southern Caucasus have acquired additional strategic importance for America and the alliance within the framework of the so-called new approaches to the global antiterrorist struggle formulated after the terrorist attacks against the United States. Today, the two regions are probably receiving the alliance's closest attention on post-Soviet territory. Indeed, 9/11 forced the American political elite to radically revise global strategies and security policies; as a result the Southern Caucasus and Central Asia joined the ranks of Asian countries receiving particular British-American attention.

In 2002, the sanctions imposed by notorious Art 907 of the 1992 Freedom Support Act, and which blocked U.S. assistance to the Azerbaijani government, were lifted. The volumes of U.S. government aid to Azerbaijan and Georgia were increased for the 2003 and 2004 fiscal years. The main export pipeline Baku-Tbilisi-Ceyhan will be commissioned in 2005 (the leading role in the project belongs to BP and American companies). These and other measures (setting up an American military base in Kyrgyzstan; U.S. military advisors now operating in Georgia; the fact that Azerbaijan will probably receive part of the NATO contingent now deployed in Germany) testify that the British-American alliance has come to stay.

Washington and London's shared interests suggest that the oil- and gas-rich area adjacent to the Persian Gulf and the Middle East is of exclusive strategic importance. Due to the possibility of diversifying energy sources and strengthening energy security of the United States and its allies, and owing to the fact that the pressure from radical Islam has been relieved, and that the Southern Caucasus is adjacent to Iran (counted as a terrorist-supporting country in the United States), the region has acquired a greater strategic value in light of the U.S.'s new antiterrorist policies. Moreover, the Southern Caucasus is of special importance for further strengthening the alliance's influence in the Caspian and Central Asia.

I am convinced that the alliance, and the West as a whole, will finally entrench itself in the Southern Caucasus when the region is gradually removed from the sphere of Iranian and Russian influences, or when such influence is reduced to its minimum. It is in this context that I regard the alliance's insistent promotion of certain large-scale oil and gas projects in Azerbaijan, the Caspian and Central Asia, in which British and American companies play the first fiddle.

The alliance represented by the United States is also promoting certain political projects designed to extend considerable aid to the South Caucasian and Central Asian countries. Numerous statements made by White House spokesmen and leading congressmen show that America intends to use its aid to strengthen the democratic and secular principles in these regions and help the local states acquire political and economic independence. The Silk Road Strategy Act suggested by Senator Sam Brownbeck and approved by U.S. Congress in 1999 is one of the largest projects. As applied to the Southern Caucasus and Central Asia this plan can be interpreted as a Marshall Plan of sorts. The British-American alliance is actively promoting the EU-funded TRACECA project designed to create a Eurasian transportation corridor that, in turn, will tie the Southern Caucasus and Central Asia to the West and weaken Russian and Iranian influences there. We should say that the alliance is actively supporting the promising GUUAM regional organization, which unites Georgia, Ukraine, Uzbekistan, Azerbaijan, and Moldova. Its Western orientation and the presence of the key South Caucasian and Central Asian countries in it creates additional opportunities to reach the West by-passing Russia, thus promising its members' sustainable and independent development. It seems that GUUAM is instrumental in creating leeway to outmaneuver Russia in the post-Soviet expanse—this suits the strategic interests of the British-American alliance.

In this way, the project and political initiatives supported by the alliance are designed to strengthen the economic and political stability and independence of the local states, which will help them to gradually withdraw from the Russian and Iranian spheres of influence and move closer to the West. By the same token, the alliance is keeping China in check, a country with its own far-flung strategic interests in the region.

On the whole, the alliance's efforts to re-orientate the South Caucasian and Central Asian countries have caused considerable shifts in their strategies. The political elites of Azerbaijan and Georgia have been working for many years toward limiting Russia's presence and drawing closer to the West. They want membership in its political, economic, legal, and security structures. It was within this strategy that President of Azerbaijan Heydar Aliiev initiated a regional security structure with American and Turkish involvement (Turkey as a strategic partner of the British-American alliance) at the Istanbul OSCE summit (15-17 November, 1999). The very fact that Georgia and Azerbaijan joined the anti-Iraqi coalition shows that they were prepared to become the alliance's strategic partners on both a regional and global scale. In this context Georgia's (and recently Azerbaijan's) repeated statements about their desire to join NATO show that both countries want to become the West's leading partners in the Southern Caucasus and Central Asia. If the theocratic regime in Iran is replaced, this will help the alliance to strengthen its foothold in the Southern Caucasus for a long time to come and promote its later movement to Central Asia.

At the same time, the alliance will not be able to become ultimately entrenched in the region until Russia removes its bases from Armenia. We cannot exclude the possibility that the policy aimed at gradually reducing Russia's influence in the Southern Caucasus will finally liquidate these bases and help Armenia and Turkey settle their differences. This will create a fundamentally different political situation and a new balance of power, which will probably force Erevan to seek another political patron.

If Russian and Iranian influences in the region are reduced to the minimum and the British-American alliance strengthens its foothold, and if NATO extends far enough to comprise Azerbaijan, Georgia, and Armenia, the local conflicts will probably be settled.

S h o r t C o n c l u s i o n s

An analysis of current American foreign policies points to joint actions of the U.S. and U.K. as their cornerstone. It seems that the "special relations" between them are a unique phenomenon and a pivotal element of Washington's global strategy designed to preserve, for the foreseeable future, its domination. The results of the local wars show that the alliance is an efficient instrument of this domination. I believe that the U.S., as the superpower acting together with the U.K., is demonstrating a universal and efficient

(at the regional and global levels) model of long-term strategic behavior: a firm alliance with one of its closest partners so as to preserve domination in world politics.

Consequently, “special relations” between the U.S. and the U.K. are of exceptional importance for trans-Atlantic, European, and global security. Viewed in this context the war in Iraq shows that the alliance has virtually shouldered the responsibility for global stability and world order in keeping with America’s interests as the only superpower.

The British and American partnership is thus regarded as an important and decisive development factor of the contemporary world order.

For certain fundamental reasons (historical, geopolitical, mental, etc.), the alliance with London is probably the handiest instrument wielded by Washington needed to preserve and develop America’s global superiority. In other words, it is precisely an alliance with Great Britain that could become (and has become) the important and natural partnership needed to extend global domination, while coordinating its foreign policy with Great Britain allows the United States to ensure the success of many of its foreign policy initiatives.

The British-American alliance is an effective and flexible instrument for keeping Greater Europe within the framework of Washington’s global policies. Without the support of its European partners and allies, the U.S. will find it hard to remain the leading power. At the same time, while relying on Europe, the United States and the West as a whole will secure and develop their diplomatic, technological, military, financial, and intellectual superiority in the strategic perspective. If the alliance and trans-Atlantic ties weaken, America may have to face catastrophic results and have to deal with a changed balance of power unfavorable for the U.S. and the West as a whole.

In this context the alliance will probably step up its foreign policy activity and secure its leading positions in some of the geopolitical regions, the Southern Caucasus and Central Asia included.

RECOGNITION OF THE ARMENIAN GENOCIDE AS PART OF SOUTH CAUCASIAN AND MID-EASTERN POLITICS

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How the Problem is Treated within the Geopolitical Armenia-U.S.-Turkey Triangle

Since restoring their country’s political independence the Armenian leaders never tire of saying how important it is to have the world recognize the existence of the Armenian genocide and to redress the huge losses it has caused. This is set forth in the Declaration of Armenian Independence. In 1992-1997, certain political figures did a lot to push the issue beyond the range of attention; what is more, there was a lot of talk about the need to establish “close friendly” or, at least, “good-neighborly” relations with Turkey in order to allegedly ensure Armenia’s national independence. Later events demonstrated, however, that Turkey took these statements for signs of weakness. Ankara failed to realize that international

recognition of the 1915-1923 genocide was fraught with serious consequences and that it would be confronted with huge problems in the sphere of international relations. This explains why Turkey intensified its embargo against Armenia under the pretext of needing to resolve the "Karabakh issue" in favor of Azerbaijan.

The regime of then Armenian President Levon Ter-Petrossian was prepared to discuss the problem so as not to offend its western neighbor, which meant that the head of state was too frightened to discuss the possibility of international recognition of the Armenian genocide. The first president dismissed Foreign Minister Raffi Oganessian, who dared to mention the issue at an international conference in Istanbul. Zhirayr Liparityan,¹ "éminence grise" of Armenia, repeatedly traveled to Turkey to assure its leaders of his continued dedication to Armenian-Turkish cooperation. More than that, the regime went as far as trying to prevent international recognition of the genocide. Amaiak Oganessian, who headed the Union of Political Scientists of Armenia, said that while discussing the international recognition issues in the State Duma of Russia he was pestered with phone calls from certain deputies of the Armenian parliament who demanded that he stop meddling in the issue.²

"It was at that time that those who promoted Armenian independence and the heads of the Armenian national movement came to the conclusion that relations with Turkey could (and should) be normalized and that neither the genocide, nor its international recognition issue should serve as the political foundation of Armenian diplomacy in its dealings with Turkey.

"When Armenia became an independent state it was Turkey that first mentioned the issue. Its official representatives conditioned diplomatic relations between their country and Armenia by Armenia's pledge to forget about the genocide and stop campaigning for international recognition of the fact. They went as far as suggesting that Armenia should persuade the Armenian diaspora to follow its example."³

The very fact that the Declaration of Independence obliged the state to promote international recognition of the Armenian genocide made the document a time bomb for Turkey and a geopolitical instrument of two Armenian states (the Republic of Armenia and the Nagorno-Karabakh Republic). As Armenia strengthened its defenses, the government assumed a tougher stance on the issue.

Former Foreign Minister Oganessian said the following about the first period of Armenia's position:

- "a) the Prague meeting of the CSCE foreign ministers held in January 1992, at which Armenia was admitted to this organization, proved to be the first serious test of Armenian diplomacy. It was its principled stance that forced Turkey (which wanted Armenia to drop the genocide-related claims) not to use its right of veto;
- "b) for the same reason Turkey put pressure on the Council of Europe to deprive Armenia of the 'special guest' status and of possible membership. The foreign minister of the Republic of Armenia subjected this position to just criticism at the meeting of ministers of the Council of Europe held in September 1992 in Istanbul."⁴

Today, the Armenian nation claims Western Armenia (now part of Turkish territory) on the strength of a legal norm which says the consequences of the genocide should be liquidated; this norm is rooted in charters of international (military) tribunals, resolutions of the U.N. General Assembly, and the Convention on the Prevention and Punishment of the Crime of Genocide of 9 December, 1948 (enacted on 12 January, 1951). The rich experience of international relations has demonstrated that a strong ethnic community has the best chance of controlling the territory it is living on. In other words, all historical and

¹ Zh. Liparityan, a U.S. citizen, filled many high posts in the Republic of Armenia and was responsible for the Armenian-Turkish relations, in particular, for political rapprochement between the two countries.

² The AR TV channel, *Asparez Program*, Erevan, 3 November, 2000.

³ Zh. Liparityan, "Revise the Past, Think about the Present: The Future of the Armenian-Turkish Relations," the paper delivered on 17 June, 2000 at an international symposium "The Armenian-Turkish Dialog on the Armenian Issue" held in the Senate of France (see: *Problems of Historiography and History of Armenian Genocide*, Erevan, 2001, pp. 166-167, in Armenian).

⁴ R. Oganessian's contribution to the international symposium "Genotsid armian i istoricheskaia pamiat: vyzov XXI veku," Los Angeles, 8 April, 2000 (see: *Gosudarstvo i natsia: ikh rol posle ob'javlenia nezavisimosti. Armianskiy tsentr strategicheskikh i natsional'nykh issledovaniy. Analiticheskiy vypusk No. 20*, Erevan, April 2000).

legal arguments aside, an ethnic group able to concentrate and use force and other means indispensable for establishing and preserving its sovereignty in a given country (territory) can seize power there. In view of this, the Republic of Armenia preferred to leave territorial issues alone. At the same time, the taboo on further discussions of the issue established by the first president of the RA was deprived of any meaning by the continued blockade of Armenian territory and the republic's strengthening military cooperation with the regional countries (especially with Russia).

After the "velvet coup" of 1998, the republic revised its foreign policy and changed its stance on the Armenian genocide in the Ottoman Empire and the need to redress its consequences. These issues became the key ones in Armenian geopolitics; to my mind, this was done to address the following tasks:

- 1) put pressure on Turkey and try to relieve the military-political and economic siege which involves Armenia's Turkic neighbors;
- 2) boost the "Armenian factor" in the region; and
- 3) help the diaspora members restore their rights in the home country (Western Armenia).

It should be added that even though the RA leaders detached themselves from territorial claims to parts of the Turkish territory, they would probably like to restore Armenian control over the Armenian Plateau as the Armenians' historical homeland.

President of Armenia Robert Kocharian demonstrated much more firmness and described the issue as a foreign policy priority. Speaking at the 53rd U.N. General Assembly he said that, because of its huge moral significance, the problem should be resolved: genocide was not only a crime against the Armenians, it was a crime against humanity and should be prevented in the future everywhere in the world. By saying this the president tried to return the Armenian question to the international scene: it had been buried early in the 20th century after the genocide. Official Erevan extended its support to the diaspora, which was working toward international recognition of the Armenian genocide and international condemnation of extermination of the Armenians in their homeland, Western Armenia.

When speaking about the fact that the U.S. Congress had removed the genocide resolution from the agenda under pressure from the executive branch, Robert Kocharian pointed out: "I cannot describe this as a defeat. ...Neither the United States nor the world media have ever discussed the issue in such detail. I cannot say what is better: the failure we all witnessed, or an uneventful discussion and voting that would have taken a couple of days. The press would have remained riveted to the problem for two more days; after that people in Armenia and our supporters in the diaspora would have started working toward recognition of the fact in other countries. This is a victory—there is no doubt about it. We should look at it as another step toward much better relations with Turkey. Until the issue is settled no normal relations are possible. ...What have we gained by avoiding the issue and what could we lose? No diplomatic relations with Turkey are possible as long as its blockade of Armenia continues. We were deprived of other options. ...Our aim is to attract attention to the problem. The world community will probably recognize the fact of genocide, yet it is equally important that the Turkish nation learn the truth about the past. I am convinced that what we are doing is vitally important for the immediate and long-term future. I should say once more: we do not want to create more enemies—we want to put an end to the enmity that today crops up in the form of Turkey's blockade of Armenia and its refusal to establish diplomatic relations with us."⁵ This describes our country's current policies and Turkey's problems created by its unwillingness to establish diplomatic relations with Armenia and its continued unwillingness to discuss the genocide and its consequences.

International recognition of the Armenian genocide, which started back in the 1970s-1980s, has become Armenia's geopolitical priority. Working together with the republic's leaders the diaspora has stepped up its efforts to achieve recognition of the genocide. It has scored certain victories. Since the early 1990s, recognition of the crime committed by the Young Turks has become a fact that developed into a threat to Turkey's potential EU membership when Robert Kocharian was elected president. Here are several

⁵ *Gayastani Ganrapetutyun* (Republic of Armenia), 8 May, 1999.

facts: on 19 April, 1990, the parliament of the Republic of Cyprus declared 24 April a Memorial Day dedicated to the victims of the Armenian genocide in Turkey and condemned the cabinet of the Young Turks. On 22 April, 1994, the State Duma of Russia issued a declaration that condemned genocide, while on 14 April, 1995 it discussed a resolution that condemned extermination of Armenians in 1915-1923. On 23 April, 1996, the parliament of Canada passed a decision to mark the period between 20 and 27 April as a memorial week to the victims of crimes against humanity. On 25 April, 1996, the parliament of Greece, on 3 April, 1997, the parliament of Lebanon, on 26 March, 1998, the Senate of Belgium, and on 30 March, 2000, the parliament of Sweden recognized the fact of genocide in the Ottoman Empire, while the parliament of Lebanon passed a resolution on 11 May, 2000 that condemned Armenian genocide. On 17 November, 2000, the chamber of representatives of the Italian parliament decided to recognize the fact of genocide and called on the country's government to demand that Turkey recognize this fact too. On 18 January, 2001, the National Assembly, the Senate, and the President of France recognized the fact of genocide; and the parliament of Switzerland did this in March 2002.

This has been instrumental in restoring historical justice and moving Turkey closer to establishing diplomatic relations and lifting the blockade. The decision passed by the European Parliament, in which this structure insisted that Turkey recognize the fact of genocide, and also its recognition by France and Russia, two states that play an important role in Europe, were especially important. Supported by Armenia certain members of the diaspora tried to push the resolution on genocide through the U.S.⁶ legislative structure and even in Iran, where the Turkic-speaking deputies form a considerable part of the legislature.⁷

When talking about the Armenian bill presented to the U.S. Congress, the related events, and the position of the Ter-Petrosian regime, Oganessian, one of the most influential Armenian politicians, said: "If we want to establish normal relations with Turkey rather than settling them, if we want to leave the South Caucasian mentality of a camp inmate behind, we have to blend national security and historical justice. Proceeding from this Turkey and Armenia should not try to ignore the facts of history, but to accept the past when dealing with the current problems."⁸ In one of his other speeches he emphasized: "Official American recognition of the Armenian genocide will be Washington's important contribution to future mutually advantageous relations between Armenia and Turkey and to future stability along the border between the two countries and, therefore, to a new system of regional security in which both countries will become real partners."⁹

These events affected the relations between Turkey and America: on 5 June, 1996, the House of Representatives of the U.S. Congress cut down aid to Turkey for 1997 (\$25m) by \$3m, until the latter recognized the fact of genocide. Turkey was alarmed. This decision served as the starting point for further discussions of the genocide issues in a committee of the U.S. Congress. L. Barsegian, Director of the Armenian Genocide Institute-Museum, pointed out that all the recent processes in the U.S. Congress unfortunately demonstrated that as long as Turkey remained a NATO member and was closely cooperating with the United States in the military-political sphere, the issue could not be positively resolved in Washington.¹⁰ This conclusion of a prominent Armenian scholar was prompted by repeated interference by the U.S. executive power in what the U.S. legislature was doing so as to prevent recognition of the Armenian genocide. This could have undermined America's relations with an ally that had the second largest army in NATO.

As soon as the issue had been removed from the Congress agenda, official Washington tried to prevent its discussion in the parliaments of certain countries where there was a high possibility of a positive decision. Being aware that recognition of the fact of genocide would echo in America's regional poli-

⁶ The effort failed because of the U.S. president's personal interference: Turkey is one of the key American allies in Hither Asia and the U.S. cherishes these relationships.

⁷ See: *Azg* (Nation), Erevan, 16 June, 2001.

⁸ *Azg*, 13 October, 2000.

⁹ R. Oganessian's contribution to the international symposium "Genotsid arman i istoricheskaia pamiat: vyzov XXI veku" (see: *Gosudarstvo i natsia: ikh rol posle ob'iavlenia nezavisimosti*, p. 4).

¹⁰ See: *Ayots Ashkhar* (The Armenian Country), Erevan, 10 November, 2000.

cies¹¹ (especially in its relations with Turkey), the White House tried to relieve the tension. In particular, the U.S. State Department set up a so-called Armenian-Turkish reconciliation commission with representatives of the “intelligentsia” among its members.¹² At the second Istanbul and the third New York meeting, it became clear that the commission had been organized according to the pattern of the Greek-Turkish reconciliation commission and according to Washington’s designs, and it would never be able to resolve any of the ethnic or state problems, at least in the interests of the Armenians. The commission’s goal was to increase its influence in Turkey and in Armenia through mutual concessions. The majority of the Armenian public condemned the commission and its activity. Public opinion would have been different had statesmen and scholars from both countries been invited to take part. I am convinced that because of the memory of the events of the early 20th century, the Armenian public will never believe that normal relations with Turkey are possible. Even though the RA political leaders knew that many of the problems would remain unresolved unless the two countries started a dialog, they had to distance themselves from the commission because of popular sentiments. In response to the “unfounded” accusation of the Foreign Ministry of Armenia, its head V. Oskanian made an official statement to the effect that the government, his ministry, and the state in general had nothing to do with the commission set up in Geneva early in July 2001. He agreed with the opinion that Turkey could use the commission as an instrument to slow down the process of international recognition of Armenian genocide. There is another side of the coin. The minister pointed out, in particular: “I am convinced, and this is the common opinion, that as a result of the commission’s activities the process will stall. Six months or a year later we shall be able to say to the world, and the U.S. especially: look, we, Armenians, have gone this far, but we have not obtained any positive results because the Turks are not ready. The United States and the U.N. should recognize the fact of Armenian genocide in Turkey. This is the only way we can make the Turks realize that they cannot oppose the process.”¹³

During his meeting with President Kocharian, which took place in Erevan on 22 August, 2001, American congressman Adam Schiff offered his opinion about the commission. The president, who insisted on the need to keep the dialog going, pointed out: “Taking into account that this is a subtle and sensitive problem, we should discuss the issue either at the state level, something that Armenia never tried to avoid, or among the widest possible range of political forces.”¹⁴

The Armenian leaders know that in the present international context and under current international law territorial claims and denunciation of the Lenin-Ataturk Pact are impossible. The latter specified by the Moscow Treaty of March 1921 between Turkey and the R.S.F.S.R. divided Armenian territory,¹⁵ while the Kars Treaty of October 1921 imposed the Moscow Treaty on Armenia. The political elite of the West will stick an “aggressiveness” label on Armenia if it tries to revise the documents. In his interview with a Turkish journalist, the Armenian president pointed out that the country was not seeking territory—it was seeking moral, financial and property compensation for those who had suffered and for their heirs; territorial claims could have been formulated had the Sèvres Treaty of 1920 been revived.¹⁶ The president was undoubtedly referring to the statement made by the leader of the Kurdistan Workers’ Party Abdullah Ocalan relating to the treaty¹⁷ and pointed out that the issue could be discussed either if the Kurds obtained autonomy in Turkey, or if any other country gained sovereignty over Western Armenia.

¹¹ For more detail, see: L. Barsegian, *The U.S., Condemnation of the Armenian Genocide and the Opposition of Turkey*, Erevan, 2001 (in Armenian).

¹² See: *Protokol zasedania nauchnogo soveta Instituta-muzeia genotsida armian Natsional’noy akademii nauk RA of 24 July, 2001*, No. 3.

¹³ *Gaykakan Zhamanak* (Armenian Time), daily, Erevan, No. 175 (505), 11 October, 2001; see also: *Protokol zasedania nauchnogo soveta Instituta-muzeia genotsida armian Natsional’noy akademii nauk RA of 24 July, 2001*, No. 3, p. 2.

¹⁴ Noyan Tapan (Noah Arc) Information Agency, Erevan, 22 August, 2001.

¹⁵ Independent Armenia, the territory of which was divided in violation of international laws, had no say in the issue.

¹⁶ A treaty between the Entente and the Ottoman Empire which recognized the independence of Western Armenia and an autonomy of Turkish Kurdistan.

¹⁷ See: Statement From Kurdistan Workers’ Party (PKK) Leader Abdullah Ocalan, from broadcast of MED-TV, 13 December, 1998 [<http://www.hr-action.org/archive/ats080199.html>], 27 March, 1999.

Financial and property compensation amounted to 19.1 billion French francs in 1919 prices (which amounts today to about \$70-80 billion)¹⁸—a sum that Turkey cannot repay: its foreign debt is over \$100 billion.

The population of the so-called Eastern Anatolia is actively moving away; entire villages are selling their houses and leaving the economically backward territory to escape poverty, yet Ankara will not allow Armenians to buy the abandoned land. This means that if the fact of genocide is recognized and the property losses are repaid, Turkey will have to allow Armenians to buy property in the abandoned villages. It will be forced to transfer, by way of compensation, certain territory to Armenians whose ancestors lived there for thousands of years, were exterminated in their homeland, or deported from it.

Since 1998 the Republic of Armenia has been following the complementarity principle in its foreign policies, which means that while developing its relationships with Iran and the Arab world, it is offering cooperation to Israel. It seems that Israel's involvement in dealing with the genocide issues could bring the Armenian and Jewish lobbies in the United States closer together, which in turn, could promote the Armenians' interests all over the world. All attempts at rapprochement with Israel are causing a storm in Ankara; it was especially indignant about a highly placed Israeli diplomat who laid a wreath at the Memorial to the Victims of the Armenian Genocide in the Ottoman Empire of 1915-1923.¹⁹

The Armenia-Israel-Azerbaijan-Turkey Rectangular and Recognition of the Extermination of Armenians

Any analysis of the regional developments around the issue calls for a careful examination of the positions of certain countries, Israel being one of the key states. To my mind, the relations between Armenia and Israel can be much more instrumental in ensuring our security than Armenia's relations with the Iran-Syria axis. Israel's present position on the genocide issue is slowing down the process of drawing the two countries closer together; their common opinion on the issue could serve Israel's interests.

Political analysts believe that recognition of Armenian genocide by two members of the Israeli cabinet and the position on the issue by some of the Israeli political figures and members of the intelligentsia²⁰ may contribute to deciding the future of the landed possessions of the Armenian Apostolic Church in Jerusalem. (These possessions cover one-third of Jerusalem's center, while its future of belonging either to Israel or Palestine is one of the pivotal issues in the Arab-Israeli conflict.) Israel and Palestine are doing their best to draw the Armenians onto their side. So far, the Armenians are being pushed toward Palestine under the weight of the Israel-Turkey-Azerbaijan military-political triangle²¹ and the unwillingness of the U.S. Jewish lobby to allow the U.S. legislature to recognize the fact of Armenian genocide. Tel Aviv is paying particular attention to this issue within the total range of Armenian-Israeli relations. For example, Knesset deputy Nawaf Massalah, deputy Foreign Minister of Israel, met in Erevan with the Armenian president, the foreign minister, and his deputy to discuss the present level of relations between the two countries and the future of the Armenian quarter in Jerusalem within the broader context of the situation in the Middle East. They concentrated on the settlement of the Middle Eastern conflict and the so-called "Armenian aspect," that is, the future of the Armenian quarter. It is controlled by the Armenian Patriarchate, a fact that plays an important role in Armenian-Palestine relations. President Kocharian and Yasser Arafat discussed the problem at the Millennium Summit. The Palestine leader reminded the Armenian president that their nations had been brothers at all times and that the "Armenian quarter" should not be

¹⁸ The figures are based on the documents presented by the Armenian delegations to the Paris Conference on 12 February, 1919 (see: L.A. Barsegian, *The Losses of the Armenian Nation in the Genocide*, Erevan, 1999, p. 13 (in Armenian)).

¹⁹ See: *Loys (Light)*, Tehran, No. 31, 15 July, 2001, p. 10.

²⁰ See: *Golos Armenii*, Erevan, 23 October, 1997.

²¹ See: A. Veliev, "The Israel-Turkey-Azerbaijan Triangle: Present and Future," *Central Asia and the Caucasus*, No. 2, 2000.

“weakened.”²² This meant that the Palestine leader wanted, or insisted upon, the present status of the quarter within the Palestine part of Jerusalem: this was how all Christian communities would have acted according to previous designs. Israel wants to preserve its control over the territory.

The Republic of Armenia is not so much concerned with which of the sides will control the quarter: the issue belongs to the realm of regional relationships. Armenia, like any other country, pursues its geopolitical aims, yet being interested in good relations with the Jewish structures and the Arab world it could support neither side. The slightest contact between Armenia and Israel causes a veritable storm in the Arab world and Iran. For example, V. Oskanian’s visit to Tel Aviv in 1998 nearly disrupted partnership with Tehran; we should bear in mind that Israel, Turkey, and Azerbaijan are strategic allies.²³ This explains the conduct of the Jewish U.S. congressmen: their political views are formed by the Israeli cabinet. The huge sums Turkey spends on disrupting discussions of the Armenian genocide²⁴ and cooperation between Ankara and certain Jewish structures undermine the efforts of Armenia and the Armenian diaspora to push bills on the genocide through the parliaments of certain countries. What is more, some of the Israeli politicians prefer “protection of Israel’s military political interests” to the truth. Vice Speaker of the Knesset Nuwerman, who also heads the Azerbaijan-Israel parliamentary group, said in Baku that relations between neighboring states should be based on good relations rather than on resolutions recognizing facts of genocide. He added that Israel would not recognize the fact of Armenian genocide because it would cripple its relations with Azerbaijan.²⁵

On 24 April, 2000, the day of the 85th anniversary of the beginning of the tragedy in Western Armenia, Israeli Minister of Education Yossi Sarid spoke to the Armenian community in Jerusalem. He said, in particular: “Members of the Armenian community who have gathered here on this remembrance day to mark the 85th anniversary of the genocide, I have joined you as a human being, a Jew, an Israeli, and as the Minister of Education of the State of Israel.”²⁶ On 12 May, 2000, the *Jerusalem Post* carried an article by Leor Eren Frucht.²⁷ The author wrote that the speech the minister delivered and his program manifested a U-turn in Israel’s traditional approach to the Armenian genocide, mainly because of the position of the Turks.²⁸ For many years Israel has been dominated by the Turkish position, which rejects the accusations of genocide and insists on badly organized forced resettlement. On the ground of these assertions, the Israeli government repeatedly suppressed any discussions of the black pages in the history of the Ottoman Empire. In fact, the Israeli leaders’ desire to preserve close ties with Turkey urged Tel Aviv to oppose any symposia on the Armenian genocide and to ban all mention of it in educational and TV programs. On many occasions the IBA banned TV programs on the Armenian genocide, including a British documentary and several documentaries about the Armenian population of the old Jerusalem quarter. Iosef (Tomi) Lapid, the former leader of the Shinui party and a Knesset member, admitted that as the IBA general director he, under pressure of then Foreign Minister of Israel David Kimkhe, had to ban a documentary about Armenians. (The minister explained the ban by the fear that if Tel Aviv aroused Ankara’s displeasure, Israel would not be able to organize the escape of Jews from Syria across Turkish territory.)

It is interesting to note that since 1989 the Israeli Embassy in Washington has been actively preventing any discussion of the Armenian genocide issue in the U.S. Congress and, without much noise, has been keeping officials away from any discussion and condemnation of the genocide.

Yossi Sarid mentioned above was the second high official (after Minister Yair Tsaban in 1995) to take part in such event. His statement was echoed in Turkey and evoked the following statement by the Israeli Foreign Ministry: “We deeply regret that Sarid touched upon this sensitive issue without preliminary consultations with the ministry.” This is quite understandable: Israel sided with Turkey on the genocide issue and came to an agreement with the country that denied the very fact of the genocide.

Prof. Yehuda Bauer, prominent public figure and director of Yad Vashem, the core organization of the structures dedicated to the memory of the victims and heroes of the Holocaust, greeted Sarid’s state-

²² *Loys*, No. 3, 15 July, 2001, p. 10.

²³ See: A. Veliev, *op. cit.*, pp. 82-83.

²⁴ See: L. Barsegian, *The U.S., Condemnation of the Armenian Genocide and the Opposition of Turkey*, p. 42.

²⁵ See: The Noyan Tapan Information Agency, Erevan, 19 June, 2001.

²⁶ *Azg.*, 12 May, 2000.

²⁷ See: *Azg.*, 24 May, 2000.

²⁸ The reference is to Turkish statements about the Arabian sham genocide.

ment and said: "It is true that in Israel some people want to push the Armenian genocide issue into oblivion. Certain Israelis are still defending this position, yet the unique nature of the Holocaust becomes clear only if compared with other events." Had the subject been incorporated into educational programs (something that Minister of Education Sarid promised), it could have been taught as an elective program among other 20-odd programs. Unfortunately, under enormous pressure, Sarid had to abandon these plans.

On 26 May, 2000, the Snark Agency carried information that Tel Aviv refused to recognize the Armenian genocide (a fact allegedly confirmed by an official statement of the Foreign Ministry of Israel addressed to the Turkish Cabinet).²⁹ Foreign Minister David Levi made a statement to the effect that the problem of the Armenian genocide in the Ottoman Empire in 1915-1923 belonged to historians rather than to politicians and diplomats, and pointed out that the opinion expressed by the two ministers was not shared by the government. This was intended to preserve friendly relations between Tel Aviv and Ankara.

In December 2000, Deputy Foreign Minister of Israel Nawaf Massalah, an ethnic Arab, visited Armenia where he visited the exhibit of the Memorial of the Genocide and the Museum of the Armenian Genocide. He wrote the following in the honorable guest book: "I am shattered by what I have seen. Nobody can remain indifferent to what is presented here. I deeply felt the sufferings of the Armenians and I sincerely wish them to remain a strong, independent, and free nation. They have survived and created a splendid culture. While expressing our sincere compassion we call on the world never to forget these lessons of history and do everything possible to prevent such things in the future."³⁰

Normally the diplomats accredited to the Republic of Armenia deem it their duty to visit the memorial to the victims of the genocide of 1915-1923 and the museum, the exhibit in which eloquently speaks of the Armenian genocide. This is an act of courtesy which the new Israeli ambassador and officials of the Israeli embassy chose to ignore. More than that, on 8 February, 2002, the Ambassador to Armenia and Georgia Ms. Rivka Kohen, in her first interview to Armenian TV, repeated the famous words of Foreign Minister Shimon Peres, who related the tragedy to the realm of history; the ambassador rejected any parallels between the Holocaust and the Armenian genocide.³¹ Earlier, on 20 December, 2001, Second Secretary of the Israeli Embassy Harry Kleiman spoke at a briefing in Erevan. While denying the fact of the genocide he said: "Israel recognizes the sufferings of the Armenian nation, yet it believes that historians should start discussing the issue of the Armenian genocide in order to verify the facts. It is hardly advisable today to move the issue to the sphere of politics. It would better remain an important academic issue."³² What does this diplomat think of the Holocaust? It was because of the impunity of the criminals who had committed their crime in the Ottoman Empire in the early 20th century that before the Jewish genocide in fascist Germany Hitler said: "We should use all methods and be as cruel as we choose: nobody will remember this two generations later. Who can recall now what happened to the Armenians?"

On 15 February, 2002, the Foreign Ministry of Armenia responded to the statements of Ms. Kohen and other Israeli diplomats with a note of protest addressed to the Foreign Ministry of Israel. It said, in particular, that Armenia regarded all attempts to deny the fact of the Armenian genocide or to belittle its consequences unacceptable, regardless of the reasons and aims behind such statements. The note pointed out that at no time had Armenia tried to compare the Armenian genocide and the Holocaust, because all crimes against humanity are "unique" for historical, political, legal, and moral reasons. Three days later, on 18 February, the Foreign Ministry of Israel responded with: "As Jews and as Israelis we lament the murders and the tragedies of 1915-1916. We fully understand the feelings of the sides, we know about the enormous sufferings of the Armenian people. This subject requires wide discussion by the public and historians, which should rely on facts and eye-witness accounts." The note also said that the Holocaust was a unique and planned event in the history of mankind and that "Israel recognizes the tragedy of the Armenians and the slaughter of the Armenian people, but it should not be called genocide, although this

²⁹ See: *Azg*, 27 May, 2000.

³⁰ L.A. Barsegian, *Gayots tsehaspanutyun graparakaynoren datapartman ezh chanachman zhamanakagrutyun (1915-2000)* (Chronology of Public Recognition and Condemnation of the Armenian Genocide, from 1915 to 2000), Erevan, 2001, p. 76.

³¹ Ms. Kohen said: "The Holocaust is unique because it was planned in advance with the aim of exterminating a nation. So far, nothing can be likened to the Holocaust."

³² *Azg*, 13 February, 2002.

does not belittle the enormity of the tragedy.”³³ The note further pointed to the fact of warm relationships between Turkey and Israel.

In its comments on the Armenian note of protest and the resulting postponement of the Israeli Foreign Minister’s visit to Armenia, the Turkish newspaper *Radikal* said that the Armenian position on the issue of recognizing the genocide has become tougher, and that a year earlier Armenia had a much milder response to a similar statement by the British Embassy in Ankara. The newspaper said that the public circles of Israel mainly “refrained from qualifying the events connected with the Armenians as genocide.”

Progressive-minded Jewish intellectuals think differently. Director of the Institute of the Holocaust and Genocide (Jerusalem) Israel W. Charny, who is also editor of the *Encyclopedia of Genocide*, sent a letter to Foreign Minister Shimon Peres. He also sent letters to Deputy Foreign Minister Michael Melchior and Israeli Ambassador to Armenia Ms. Kohen, in which he expressed his concern with their reluctance to recognize the fact of the Armenian genocide. He said in particular: “As a Jew and an Israeli I am profoundly ashamed by your denial of the Armenian genocide—this denial amounts to a denial of the Holocaust.”³⁴ Prof. Charny reminded the foreign ministry leaders of the second decision passed by the European Parliament on 28 February, 2002, which recognized the Armenian genocide and shocked the Turkish delegation. He also reminded them of the recognition of the Armenian genocide by 126 experts on the Holocaust in 2000. Prof. Charny expressed his conviction that in the hard and cruel days when Israel did need the support of Turkey, its neighbor, the Jewish people could not ignore the fact of the Armenian genocide as a historical and moral issue important to all nations.

No comments are needed. The words of Pierre Garton, who in 2002 authored a paper on the Armenian genocide approved by the European Parliament, put the above in a nutshell: “If a million and a half Armenians were murdered, this is genocide.”³⁵ The diplomat added: “The international community does not look favorably on states that reject the truth.”³⁶

The international community should recognize the fact of the genocide to prevent similar crimes against humanity in the future.

³³ *Azg.*, 19 February, 2002.

³⁴ *Azg.*, 7 March, 2002.

³⁵ The Noyan Tapan Information Agency (Erevan) reporting from Ankara, 12 March, 2002.

³⁶ *Azg.*, 13 March, 2002.

DEVELOPMENT OF THE GEOPOLITICAL SITUATION IN CENTRAL ASIA THROUGH THE PRISM OF UKRAINIAN NATIONAL INTERESTS

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At the end of the 20th century, Central Asia became the main intersection of the political processes going on in the world and the arena for a latent confrontation between the largest states. The main strategic rivals—the U.S., Russia, and China—are interested in forming their own

security structure and are striving to take personal control over the region's raw materials and energy resources, as well as over the transcontinental communication lines that link Europe with Asia.

As a result of the antiterrorist campaign in Afghanistan, Central Asia has become a zone of Washington's permanent global interests. On 13 December, 2001, Elizabeth Jones, Assistant Secretary for European and Eurasian Affairs, said in her testimony before the Senate Foreign Relations Committee's Subcommittee on Central Asia and the Caucasus: "After this conflict is over, we will not abandon Central Asia. We are committed to providing the resources, the high-level attention, and the multinational coordination to support reform opportunities. We want to stand by the Central Asian countries in their struggle to reform their societies in the same way they have stood by us in the war on terrorism."¹ In other words, the antiterrorist campaign gave the U.S. a legitimate opportunity to implement its long-term foreign policy strategy. Having incorporated the states of Central Asia and the Southern Caucasus into its zone of "vital interests," Washington began implementing Zbigniew Brzezinski's geostrategic conception. And its goal is "to help ensure that no single power comes to

¹ [<http://www.state.gov/p/eur/rls/rm/2001/11299.htm>].

control this geopolitical space and that the global community has unhindered financial and economic access to it."²

Since the United States is actively building its new regional strategy and security system, Russia and China have been forced to step up the formation of their own geopolitical space in the region by reviewing the national defense systems here. In this way, American geostrategy in the region is creating a new configuration of interrelations in the U.S.-RF-PRC format, which will inevitably lead to more intense competition and to new contradictions based on the changing geopolitical and geo-economic priorities regarding expansion of the global markets.

The Ukrainian president's visit to Central Asia in 2003 showed that Kiev is interested in developing constructive relations with its republics. And although Ukraine possesses enough potential to expand interstate cooperation in different areas, it does not have the opportunity on its own, given its insufficient economic and military resources, to have a significant influence on the geopolitical situation in this region, which Kiev should keep in mind if it wishes to strengthen contacts with the countries here.

² Z. Brzezinski, *The Grand Chessboard. American Primacy and Its Geostrategic Imperatives*, Basic Books, New York, 1997, p. 148.

Geopolitical Situation in the Region: An Outline

Historical, political, economic, and humanitarian factors make it possible to look at Central Asia as a single geopolitical space. At present, processes are going on here that are also characteristic of other parts of the world, such as regional integration, democratization of domestic and foreign policy, and transnational cooperation. Security threats are having an immense impact on the situation. They include religious extremism, national separatism, the illicit circulation of drugs and arms, illegal migration, and other manifestations of international organized crime. And whereas the Central Asian states used to consider Russia the only power capable of withstanding radical Islam, after the U.S. rapidly eliminated the Taliban movement in Afghanistan, they see the military presence of the U.S. and other states of the antiterrorist coalition in their republics as the guarantee of stability in the region rather than relying on Moscow's "power" structures. What is more, the presence of a limited American contingent is seen as a way to increase real financial assignments, raise the investment attractiveness of the national economies, and confirm the legitimacy of the existing political regimes. It is a well-known fact that the latter do not meet West European standards. And although spreading "democratization" in the world is still a foreign policy strategy priority for the U.S., Washington will have to cooperate with these regimes in order to reach its geopolitical goals.

The United States is developing military-political ties most intensely with Uzbekistan. Their bilateral relations have reached the level of a strategic alliance. In particular, the U.S. has become the republic's main partner in reforming its army, and Tashkent, in turn, is a champion of Washington's

geostrategic interests, including of its military presence in the region. Uzbekistan is attractive to the U.S. because of its geopolitical parameters. It borders on all the Central Asian states and on Afghanistan (which is very important from the military viewpoint), and is a country in the region where Moscow's political influence is the weakest. What is more, if the Uzbek authorities prohibit the passage of Russian military units or the flight of military freight airplanes across its territory, this will undermine the geostrategic position of the Russian military group deployed in Tajikistan. The likelihood of events developing along the lines of this scenario is apparently one of the reasons that not only relations between Moscow and Dushanbe are being strengthened, but also Russian-Kyrgyz military-political cooperation is being boosted.

Kazakhstan has also been actively developing relations with western states recently, including in the military sphere. For example, the U.S. Department of Defense announced the implementation of a project called "Bioattack Early Warning and Preparedness," which envisages opening scientific centers in the republic that will be engaged in monitoring the situation regarding the possible spread of dangerous bacteria in the region. What is more, the NATO Parliamentary Assembly is planning to create a regional center here for fighting terrorism, where employees of the Central Asian special services will be trained, as well as to render Kazakhstan assistance in building up its overall defensibility, including outfitting the state border and modernizing the system of military communication means and air defense forces.

Before 11 September, 2001, the U.S. showed an interest in Central Asia only in terms of the energy resource supplies found in the region and the possibility of transporting them to the world markets, as a result of which the Baku-Tbilisi-Ceyhan (BTC) pipeline project appeared. At this time, Washington limited itself to diplomatic interaction and economic "stimulation." But the hostilities in Afghanistan shifted the accent in U.S. geopolitical strategy, and the question of assimilating the region's energy resources was pushed into the background, while general security problems came to the foreground. The shift in emphasis in American regional geopolitics led to an increase in Washington's interest in the Central Asian countries that do not have significant supplies of oil and gas, that is, Kyrgyzstan and Tajikistan. Whereas Tashkent has been conducting a policy of separation from Moscow for quite some time by relying on Washington's limited support, the significant military-strategic gap forming between Moscow and its southern neighbors, Bishkek and Dushanbe, could have a serious effect on the formation of a regional security system.

What is more, the U.S.'s military-technical presence in Central Asia is encouraging the development of military-political and military-technical cooperation between the region's countries and the North Atlantic Alliance, which in August 2003 assumed control of the peacekeeping contingent of the International Security Assistance Force in Afghanistan. Taking into account the above, the conclusion can be drawn that the U.S. and NATO are viewing Central Asia as their military-political frontline in Eurasia, which is becoming the advanced post for the fight against international terrorism and drug trafficking. This is leading to the fact that the main factor of Russia's presence in the region, military, is noticeably declining in significance for the countries here. Taking into account the current situation, the RF undertook several military-political organizational measures. For example, the Collective Security Treaty (CST) was transformed into the Collective Security Treaty Organization (CSTO), and Moscow deployed an air base in Kant (Kyrgyzstan) and is planning to create rapid reaction forces consisting of 6,000 soldiers in this republic. But Russia, the economic growth rates of which are still slow, will be unable to create a strong power in Central Asia symmetrical to the military presence of the Western countries.

Taking into account the speed with which the American military bases were created in Kyrgyzstan and Tajikistan (without perceptible objections from Russia and without consultations among the member states of the CST), the conclusion can be drawn that NATO and the U.S. consider the CSTO a weak structure incapable in the near or mid future of actively opposing the spread of their influence in the region. Nevertheless, Western countries understand that without Russia they cannot yet effectively control the situation in Central Asia. And today NATO is not trying to force a situation whereby the CSTO would objectively have to step forward as the West's rival, and strive to cooperate with it as an organization capable of complementing the Alliance's activity and helping to ensure general security. The leaders of both structures spoke in favor of cooperation, in particular, Secretary General of CSTO Nikolai Borduzha said, "We are interested in cooperating with NATO. As of today, only the CSTO and NATO are

special organizations which place the priority on security questions.”³ It is very likely that NATO and the CSTO will implement joint projects, which will put up serious resistance to the regional threats. But close ties between these defense organizations will obviously put China on the alert, which will evaluate such cooperation as a threat to its leading position in the region, since it will lower the threshold of the PRC’s national security. As a result, Beijing may undertake countermeasures to prevent these bilateral contacts, which will likely lead to an arms race in Central Asia.

One of the ways to resolve this problem is to establish cooperation in the fight against regional threats in a trilateral format: NATO-CSTO-SCO (the Shanghai Cooperation Organization), which will essentially mean interaction among the U.S., Russia, and China.

As we already noted, the West’s geopolitical interest is aroused by the oil and gas resources of Kazakhstan, Turkmenistan, and Uzbekistan, as well as by the problems of transporting them to the world markets. According to optimistic forecasts, beginning in 2015, Kazakhstan will be able to produce 120-150 million tons of oil a year. In order to realize its national interests regarding diversification of its import of energy resources, the U.S. is striving to create conditions in the region for the safe (transparent and primarily under American control) assimilation of the Caspian and Central Asian deposits, as well as for building pipelines that bypass Russia and Iran. In this case, the geopolitical goals of the United States coincide with the interests of Turkey and Pakistan.

As for Moscow, it traditionally has a strong foothold in the region’s oil and gas industry and is actively consolidating it. For example, almost all of Kazakhstan’s oil and most of Turkmenistan’s gas are pumped along Russian pipelines, which naturally in no way coincides with America’s geostrategic interests. The U.S. is exerting significant political and economic efforts to involve Kazakhstan in the Baku-Tbilisi-Ceyhan oil pipeline and in the Odessa-Brody-Plock route. If these projects are implemented, Russia’s oil transit monopoly in Central Asia will be banished. What is more, at present, projects for regional gas pipelines are being discussed, in which Turkmenistan is the key player. But the opposing interests of the participants are delaying their implementation. Incidentally, Moscow was able to lay the foundation for forming an Eurasian gas alliance, in which, along with Russia, three of the main blue fuel manufacturers in Central Asia are members (Turkmenistan, Kazakhstan, Uzbekistan), as well as Kyrgyzstan. For example, Russia’s Gazprom Company signed long-term contracts with Astana, Bishkek, and Ashgabad.

In turn, China is also looking at the region as a vitally important source of energy resources. According to experts, by 2010, Beijing will need to import 120 million tons of oil a year (in 2002, this index was 60 million tons), which will force the PRC to step up its activity in redistributing the energy resources of the Central Asian countries, particularly in Kazakhstan. Both countries are already reaping perceptible economic dividends from their cooperation at the Aktiubinsk oil field, and a grandiose project for building an oil pipeline from western Kazakhstan to the western regions of China is being considered. Developing relations in the oil and gas industry with Turkmenistan holds just as high a priority for the PRC. In order to technically equip this industry, Beijing granted Ashgabad several privileged credits.

China’s interests in creating market regulations for free access to the oil- and gas-producing regions coincide with the strivings of the U.S. Thus the PRC is the U.S. and Russia’s main rival in the region, particularly in everything that concerns the transportation of Kazakhstan’s oil and the assimilation of its resources.

A problem that the Central Asian countries, the U.S., Russia, and China have in common is combating the cultivation of drug-bearing crops and illicit drug trafficking. In this respect, the main threat to the region’s political and economic stability comes from Afghanistan. Drug trafficking is having the most acute effect on Tajikistan’s national security, since it has the longest border with this drug manufacturer of all the region’s states. The republic is actively fighting drug trafficking and currently occupies fourth place in the world in terms of detaining drug traders. Since the beginning of 2003 alone, approximately three tons of drugs have been intercepted on the Tajik-Afghan border. Combating their manufacture, illegal shipment, and trafficking is an important area of activity for NATO, the CSTO, and the SCO. These organizations stated that the spread of drugs is a threat that must be fought with every means available.

The change in the geopolitical situation is also having an effect on interregional competition. Whereas Uzbekistan was the Central Asian leader in conducting the antiterrorist campaign, Kazakhstan is acquiring

³ RIA Novosti, 9 October, 2003 [http://www.rian.ru/rian/intro.cfm?nws_id=446255].

increasing significance as the main partner in large-scale economic and humanitarian projects in the eyes of the international community. For example, according to Canadian, French, and Polish experts, Kazakhstan is currently one of the main Central Asian states, with which cooperation should primarily be developed.

The U.N. has offered Kazakhstan the Regional Plan-21 strategy, according to which the republic would assume responsibility for creating conditions aimed at maintaining the sustainable development of the Central Asian countries. In particular, the matter concerns strengthening interstate cooperation to eliminate poverty and revive the deteriorating environment. The Asia-Pacific Forum for Environment and Development has also announced its desire to cooperate with Astana. It is believed that Kazakhstan's participation in the work of this association will help to speed up the development not only of the republic, but of the region as a whole.

Kiev's Interests and Role in the Region

The geopolitical situation in Central Asia depends on the general state of relations between Russia and the U.S., which, along with strengthening cooperation in the fight against terrorism, is not free of disagreements and remains potentially in a state of conflict. In this situation, the region's countries have the same geostrategic viewpoints as Ukraine, which has stated its intention to develop closer ties with the European and Euro-Atlantic structures. This is the basis for their mutual cooperation.

One of the most promising areas of economic cooperation between Ukraine and the Central Asian states is interaction in the oil and gas industry. For example, Astana's desire to transport its oil via the Ukrainian Odessa-Brody oil pipeline is extremely important for Kiev, which representatives of the Kazakhstani KazMunaiGaz Company have stated more than once. What is more, Kiev is holding negotiations with Ashgabad on long-term deliveries of blue fuel. If this contract is signed, competition will be generated between the gas companies of Ukraine and Russia over the purchase of Turkmen gas. Ukraine's cooperation with the Central Asian countries appears advantageous and extremely promising, since all of its participants will be able to become less dependent on Russia in the transportation of hydrocarbons. Ukraine's participation in the energy projects is also very promising, particularly in building and reconstructing hydroelectric power stations in Tajikistan and Kyrgyzstan. These countries are rich in hydroresources, but poor in raw hydrocarbons, and are looking for ways to decrease their imports by finding alternative energy sources.

The states of Western and Northern Europe are interested in creating reliable modern communication lines between themselves and Asia as a whole, including with the Asia-Pacific Region. As a result of this, the countries of Central Asia are becoming an important part of interregional projects. Ukraine, which considers the creation of transit routes through its territory a priority in the country's economic development, is extremely interested in forming such transregional transportation-communication corridors. Kiev's most immediate interest in this direction is forming a transportation link (Southern Caucasus-Central Asia), since in Moscow's alternative, Ukraine, as well as the republics of the Southern Caucasus and Central Asia, have been given the role of periphery actors. And if the situation develops along the Russian scenario, it will acquire the status of a continental communication monopolist and gain control over the foreign economic policy of the GUUAM countries (Georgia-Ukraine-Uzbekistan-Azerbaijan-Moldova), as well as unlimited opportunity to put pressure on their domestic markets. This makes it strategically important for Ukraine and the other GUUAM members to be aware of the threats to their common economic interests from Russia's striving to monopolize the Eurasian system of transportation-communication corridors that is forming.

In order to raise its activity in Central Asia, Ukraine should take advantage of the potential of GUUAM and the Central Asian Cooperation Organization (CACO). Within the framework of the latter, intensification of the political dialog, formation of an integrated security space, and common efforts to maintain peace and stability in the region are envisaged. In the post-Soviet space the CACO has become the second international organization after GUUAM to form without the participation of Russia. And although they are both still at the stage of searching for and forming efficient mechanisms for implementing joint projects, coordinating their actions, and so on, there are already opportunities to optimize their activity. The prior-

ity questions in these areas are problems of security and coordinating viewpoints on cooperation, in particular in the modernization of the power engineering and transportation industries.

LANGUAGE AS A NATION-BUILDING FACTOR IN KYRGYZSTAN

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In 1991, Kyrgyzstan, like all other Soviet republics, declared itself an independent state and embarked on the road of independence, democratization and radical economic reforms.

Its advance along this road was, to a great extent, complicated by its linguistic variety. In 1989, the ethnic minorities negatively responded to the declaration, which made the Kyrgyz language the only state tongue: they interpreted

this as an infringement on their linguistic and human rights. Any language is more than a means of communication—it is a linchpin of ethnic identity while the individual's ability to realize his cultural and linguistic requirements is one of the basic human rights. This makes linguistic policy that takes account of the rights and interests of all ethnic groups a major part of nation-building.

State Policy in the Linguistic Sphere

In the latter half of the 1980s, the local intelligentsia rebelled against the traditional Soviet policy of Russification; it was on its insistence that the Law on the State Language of the Kirghiz S.S.R. was adopted in 1989; it declared the Kyrgyz language the republic's only state tongue. This was done to put an end to linguistic inequality in the republic and to ensure "all-round and complete functioning of the Kyrgyz language in all spheres of state and social life." The new law was expected to raise the status of the Kyrgyz language by lowering that of the Russian language that under the Soviet rule enjoyed the highest social status in the republic. It should be said that neither the Soviet Union nor its constituent republics had similar laws while their constitutions included language-related clauses.¹

The law pursued certain political aims as well: the Kyrgyz authorities preferred to move somewhat away from Moscow. The raised status of the autochthonous population's native tongue encouraged ethnic and cultural resurrection of Kyrgyzes and became one of the key factors of the national state development.

The republic's Supreme Soviet developed the law with its resolution On the Enactment Procedure of the Law of the Kirghiz S.S.R. "On the State Language" under which all official and business correspondence and documents should be compiled in the Kyrgyz language as of 1 January, 1999. The law created certain privileges for Kyrgyzes as carriers of the republic's native tongue and infringed on the rights of other ethnoses. This caused ethnic tension and started mass emigration of Slavic population. Between 1989 and 1991, 145 thousands of Russian speakers, mainly Slavs, left the republic that was thus deprived of tens of thousands of skilled

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¹ See: Jacob M. Landau, Barbara Kellner-Heinkel, *Politics of Language in the Ex-Soviet Muslim States*, Hurst and Company, London, 2001, p. 109.

specialists formerly working in all economic spheres, at industrial enterprises in the first place, in construction, power production and other vitally important spheres. In other words, mass migration dealt a heavy blow at the republic's economy. This and certain other factors forced the country's leaders to readjust its foreign policy to keep the Russian speakers in the republic. In 1992, the state linguistic policy was somewhat corrected: the settlements, enterprises and organizations with no less than 70 percent of the Russian speakers were allowed to use Russian in their business correspondence and other documents. In 1993, the Kyrgyz-Russian (Slavic) University was set up; the Criminal Code received an article about the punishment for national discrimination. B. Silaev, a Russian, won the 1995 mayor elections in Bishkek, the country's capital. Another Russian, A. Moiseev, was appointed vice-premier. The parliament and other power structures discussed the status of the Russian language as a language of communication among ethnic groups.

In 1994, to stem the outflow of skilled workers President Akaev issued a decree On Measures Designed to Regulate Migration Processes in the Kyrgyz Republic that said, in part: "The Russian language should be regarded as an official one, together with the Kyrgyz language, in those territorial and production collectives where Russian speakers are in the majority as well as in those spheres where the use of Russian promotes progress." The government was instructed to revise the schedule of switching correspondence to the state tongue: the final date was 1 January, 2005. Later events testified that the 1989 law ignored the real linguistic situation in the republic: it was a product of political expediency and the political context of the late 1980s when the ideas of preservation of cultural heritage, wider functioning of native tongues and their higher prestige dominated in all Union republics, Kirghizia included, amid national and ideological mobilization that took place in the last years of the Soviet Union's existence. It should be said that by that time the Kyrgyz language could not become the state tongue: it was not developed enough to function in business correspondence and science and lacked an adequate ideological and conceptual base.

The academic community and the public raised the question of the status of the Russian language during the discussions of the 1993 constitution of independent Kyrgyzstan. Some of them insisted on the status of an official tongue for it or the status of the language of interethnic communication; others wanted to see Russian as the state tongue so as to stem an outflow of Russian speakers. The 1993 Constitution registered the state status of the Kyrgyz language and refused to recognize Russian as the official tongue. It recognized, however, that "the Russian and all other languages could develop and function equally and freely" and banned "infringement on the rights and freedoms of citizens on the grounds that they did not know or could not use the state tongue" (Art. 5).

In 1998, the presidential decree On the Further Development of the State Tongue of the Kyrgyz Republic approved the Conception of the Further Development of the State Tongue and set up a National Commission on the State Tongue. The conception admitted that many of the propositions of the 1989 law could not be fulfilled, outlined a new strategy of the further development of the state (Kyrgyz) language and described its main goal as "the creation of conditions conducive to its development into a language able to serve the state as a multifunctional tongue."

The National Commission was set up as a collegial body designed to coordinate activities of all state structures and organizations engaged in developing and using the Kyrgyz language. It was also charged with the task of drafting programs of the development of the state language and a new law on the state language.

Meanwhile the public was actively discussing in the media the issue of the status of the Russian language. In response in 2000 the president issued a decree On Additional Measures to Regulate the Migration Processes designed to stabilize emigration. The decree pointed to the need "to carry out measures to create favorable conditions for the study and development of the Russian language in Kyrgyzstan and its historiography and to perpetuate the names of outstanding Russian-speaking scientists, cultural figures and people engaged in production and arts who have made considerable contributions to the development of the Kyrgyz Republic."

The changed state policy in relation to the Russian language was finally registered in the Law on the Official Language of the Kyrgyz Republic adopted on 29 May, 2000 that described Russian as the republic's official tongue and guaranteed its protection at the state level. Art 11 of the Law allowed the state structures, local administrations and self-administrations to conduct statistical, financial and technical documentation in two languages: the state and the official ones. In December 2001, the president signed the Law on Introducing Amendments into Art 5 of the Constitution of the Kyrgyz Republic (adopted by the republic's parliament at the second reading) that granted the official status to the Russian language

and made it equal to the Kyrgyz language. This was not the first attempt at granting the official status to Russian: aborted attempts at amending the constitution were made in 1996 and 1997. This time it was President Akaev, rather than the Assembly of People's Representatives, who initiated the Law on the Official Language of the Kyrgyz Republic.

Its adoption stressed once more the failure of the 1989 law and confirmed the Russian language's earlier status. Foreign analysts believe that the 2000 law was designed not only to stabilize emigration—it pursued two other political aims, namely, the votes of the Russian speakers in the coming presidential elections and Moscow's support.

Meanwhile, on 20 September, 2000 the presidential decree introduced the Program of Development of the State Language of the Kyrgyz Republic for 2000-2010 elaborated by the National Commission on the State Tongue. The document laid the foundation for the stage-by-stage development of the Kyrgyz language and for widening the sphere of its application. It clearly stated its aim "to raise the state tongue to the level ensuring the performance of its functions." The program described, in particular, "ten basic trends of the state tongue's development grouped into two stages." During the first stage (2000-2005) it was planned "to strengthen the base of the state language's development and use" by "stimulating its national basic elements," "creating a new generation of textbooks and teaching methods," "unifying terms and business correspondences in the Kyrgyz language, improving the quality of translations, extending the sphere of functioning of the state tongue in scientific research." It was at this stage that it was planned "to switch correspondence and documents in all regions and in Bishkek to the state language."

It is expected that the second stage (2005-2010) will realize the measures "of further promoting the priority trends of the first stage—adequate technologies of teaching the state language, better textbooks, registering scientific terms, improved official translation quality, unification of business correspondence and official forms, intensified teaching of the Kyrgyz language to people of other ethnic groups."

To a great extent the program was drawn up for the same reason as the Law on the State Language. The measures designed to support the Russian tongue and to impart an official status to it somewhat weakened the positions of Kyrgyz and its role in the country's social and political life. A certain upsurge in the study and wider use of the Kyrgyz tongue that took place in the early 1990s gradually declined. The program increased social and ethnic tension in the country.

Significantly, the program presupposed that "teaching the Latin script as applied to the Kyrgyz language" should be introduced in schools, specialized secondary and higher educational establishments. In fact, these plans had been first made public in 1993 and had been postponed for economic and psychological reasons. On the one hand, introduction of the new script is a costly project, and on the other, adults do not want to learn the new script.² The Cyrillic script is abandoned mainly for political reasons: it is associated with Soviet times that the republic wants to leave behind; the Latin script is seen as a sign of independence from Russia and the republic's emergence onto the world scene. An example of Turkey³ was important yet over time its influence in Central Asia weakened.

The discussion of the program revealed an important issue: one tongue or bilingualism and balancing two tongues in one republic. This problem was formulated late in November 2003 at the sitting of the Legislative Assembly that discussed the draft Law on the State Language the president presented to the parliament in 2002. At the same time, the parliament received an alternative draft authored by a group of deputies under B. Asanov. The president draft was a vast one (it included 38 articles), the deputies' draft with 28 articles was shorter. They differed in content as well: the media described the presidential variant as a harsh one while the variant of the deputies was a more liberal one. They had one thing in common: the state language should be the main one in all spheres of social and public life. As a result of the parliamentary discussions the authors of the deputies' variant recalled it while the Legislative Assembly accepted the presidential variant. While agreeing that the law was a timely one the deputies differed on individual articles especially Art 11 that said that knowledge of the state tongue was indispensable for all civil servants. The Legislative Assembly sent the presidential variant to the Committee for Education, Science and Culture for further adjustment in conformity with some of the articles of the alternative variant and deputies' suggestions. The work should be completed before mid-December 2004.

² See: V.M. Alpatov, *150 iazykov i politika: 1917-2000*, Moscow, 2000, pp. 62-63.

³ See: *Ibid.*, pp. 190-191.

Some of the draft articles reflect the state policy in the language sphere: Art 13 presupposes that during receptions and meetings with foreign representatives and in elaboration and ratification of the documents the Kyrgyz Republic should use the state tongue while the official tongue can be used when dealing with the countries of the Russian-speaking area. According to Art 15, documentation in all bodies of state power, local self-administration and in other structures should be carried out in the state tongue, the official tongue should be used when necessary. Art 17 says that all documents of business and financial nature should be in the state language while the use of the official tongue is allowed as a temporary measure. According to Art 20, the state language is the main language of education from the pre-school establishments up to higher educational establishments and in the courses of upgrading qualification. The citizens are guaranteed a "free choice of the language of teaching." At the same time, there will be written exams in the Kyrgyz language in all schools and entrance and graduation exams in Kyrgyz in specialized secondary and higher educational establishments. According to the draft law the state tongue should be used in courts, inquiry, preliminary investigation in criminal cases, notarial acts and acts of a civil status, in posts and telegraph, in labels and instructions. The official tongue can be used "if needed." Finally, "two tongues—the state and the official ones" can be used in the army and paramilitary structures. This law is binding on heads of all organizations, including those that do not belong to the state.⁴

This shows that the language policy in post-Soviet Kyrgyzstan is a contradictory one. On the one hand, it was called to life by the processes of nation-building that presuppose one state tongue while, on the other, there is a desire to recognize and ensure the linguistic rights of ethnic minorities.

It should be added that these problems are not limited to the Russian language: there is a problem of the Uzbek language, the tongue of the third largest ethnic community in the republic. The Uzbeks mainly live in the south of Kyrgyzstan where Uzbek is used by other ethnic groups living in the three southern regions of our republic yet it was denied an official status.

The experience of multilingual countries has shown that the official status of any regional language is not limited to purely linguistic problems. The official status of regional languages is followed by the recognition of the groups that use them as nations that is accompanied by claims to territorial autonomy up to and including secession.⁵

Linguistic contradictions are not limited to the developing countries living through the stage of nation-building and emergence of civil society. The discussions in this sphere are always present in the political life of Belgium, Spain, Switzerland, and Canada. In the United States where English is commonly accepted as the tongue of public and state life there are bitter disputes over the language rights of the Hispanics.

The Language Situation Today

Kyrgyzstan is a polyethnic republic and home to over 90 ethnoses: according to the 1999 population census, 65% of the population are Kyrgyzes, 14%, Uzbeks; 13%, Russians; and about 8%, members of other ethnic groups.⁶

This explains linguistic variety yet the following languages can be singled out according to the number of users and the language's functions: Kyrgyz, Russian, Uzbek, German, Ukrainian, Tartar, Uighur, Kazakh, Dungan, and Tajik.⁷ Functionally, the languages are far from equal: Kyrgyz, Russian and Uzbek are widely used while the others are used in families and inside ethnic groups.

In spring-summer 2003 the Center for Social Studies at the Academy of Sciences of the Kyrgyz Republic carried out an ethnosociological poll in the form of questionnaires to identify the place of Kyrgyz and other languages in the society's socio-communicative system, the degree to which the country's population know the Kyrgyz, Russian and Uzbek tongues as well as preferences in the use of specific

⁴ See: "Chego zhdet ot zakona 'O gosiazyke' (Nyneshniy variant zakonoproekta)," *Delo No.*, 26 November, 2003.

⁵ See: *Language Rights and Political Theory*, ed. by Will Kymlicka and Alan Patten, Oxford University Press, New York, 2003, pp. 5-6.

⁶ See: *Osnovnye itogi pervoy natsional'noy perepisi naselenia Kyrgyzskoy Respubliki 1999 goda*, Bishkek, 2000, p. 26.

⁷ See: A. Orusbaev, *Iazykovaia zhizn Kirgizii*, Ilim Publishers, Frunze, 1990, p. 56.

tongues in various spheres. The poll involved 1,000 people: 200 in each of the regions covered by it (the Chu, Issyk-Kul, Osh, Dzhahal-Abad regions and the city of Bishkek) were selected according to the republic's age-gender-nationality structure. These territories were chosen because of their more varied ethnic composition as compared with other regions (the Batken, Naryn, and Talas regions).

The Area of the Kyrgyz, Russian and Uzbek Tongues and the Degree of Command of These Languages

The degree of command of a language is one of the main indices that describe the linguistic situation in any country. The poll revealed that 70.2% of the respondents had a good command of the spoken Kyrgyz language: by territory the lowest figures were found in Bishkek (11.3%) and the Chu Region (10.4%); the figures for the Issyk-Kul, Dzhahal-Abad and Osh regions are 16.6%, 16.3% and 15.6%, respectively.

Nearly all ethnic Kyrgyzes among the polled (97.6%) declared that they had perfect command of the spoken language of their ancestors. The figures for other nationalities⁸ are: good command of the spoken Kyrgyz—49.2%; 23.1% have problems with the spoken tongue while 27.7% cannot speak Kyrgyz at all. The figures for Uzbeks are different: 44.4% among the Uzbek respondents had a good command of the spoken Kyrgyz tongue; 46.2% had problems while 9.4% could not speak Kyrgyz at all. The smallest group of those with good command of the spoken Kyrgyz language was found among the Russian respondents: 1.6%; 22.9% had problems with the spoken tongue while the majority (75.5%) could not speak Kyrgyz at all.

The situation was different with respect to the Russian language: 65.4% of the respondents spoke Russian freely (Bishkek and the Chu Region demonstrated the highest figures). This group is made of Russians and people of other nationalities—the absolute majority of the latter (86.1%) had perfect command of the spoken Russian; 10.8% had problems and only 3.1% could not speak Russian at all. The figures for the Kyrgyz respondents are 56.5%, 35.7% and 7.8%, respectively. The share of Uzbeks with a good command of the spoken Russian is somewhat lower (47%), 41.9% had problems with the spoken tongue while 11.1% could not speak Russian at all.

The total share of the respondents who used the Uzbek language was 20.5%. The figures for Uzbek speakers in the southern regions (9.5% in the Dzhahal-Abad and 8.1% in the Osh regions) were much higher than in the north (1.1% in Bishkek; 1% in the Issyk-Kul, and 0.8% in the Chu regions). This is explained by the high concentration of ethnic Uzbeks living in the southern Uzbek-speaking regions.

All Uzbek respondents had good command of their native spoken tongue; 98.9% of the polled Russians could not speak Uzbek at all; only 1.1% could speak it with difficulty. Among the polled Kyrgyzes 12.7% had a good command of the spoken Uzbek; 25.6% had problems while 61.7% could not speak Uzbek at all. Nearly the same figures applied to the members of other nationalities: 12.3% had a good command of the spoken Uzbek; 18.5% had problems while 72.3% could not speak Uzbek at all.

The above shows that the command of the three main tongues varied by territory and ethnic group. The Kyrgyz language is the most widely used one (with the exception of the Chu Region and Bishkek, which is explained by the relatively low share of Kyrgyzes there and a large share of Russians and Ukrainians). In 1999, Kyrgyzes comprised 43.8% of the total population in the Chu Region; Russians, 31.9%; Ukrainians, 3.3%; the figures for Bishkek are 52.2, 33.2 and 2.1%, respectively. The share of Kyrgyzes in other territories is larger: in the Issyk-Kul Region they comprise 79.4%; Russians, 13.2%; in the Osh Region, Kyrgyzes comprise 63.8%; Uzbeks, 31.1%; Russians, 1.3%; in the Dzhahal-Abad Region, Kyrgyzes, 69.8%; Uzbeks, 24.4%; Russians, 2.1%.⁹ It should be said that members of other Turkic ethnoses kindred to Kyrgyzes (Uzbeks, Kazakhs, Tartars, Uighurs, Turks, and Kalmyks) are counted as a Kyrgyz-speaking group.

The Uzbek-speaking group includes Tajiks who normally have a good command of the spoken Uzbek as well as Kyrgyzes and other ethnic groups living in the southern regions.

⁸ As distinct from Kyrgyzes, Russians and Uzbeks the respondents of other nationalities were grouped under the blanket term "others."

⁹ See: *Naselenie Kyrgyzstana. Itogi pervoi natsional'noy perepisi naselenia Kyrgyzskoy Respubliki 1999 goda v tablitsakh*, Book 2, Bishkek, 2000, pp. 73-78.

At the same time, the results demonstrated that the Russian language was widely used by all ethnic groups. For historical reasons it was the language of administration, science and higher education. Ukrainians, Germans, Belorussians, Koreans, Jews and members of other non-autochthonous ethnic groups use it for communication.

The Language of Education

The level of command of any language depends, to a great degree, on the language of family upbringing and education, therefore the family, school, specialized secondary and higher educational establishments are very important in this respect.

The sociological poll demonstrated that 57.3% of the respondents grew in families that used Kyrgyz; 28% used Russian at home; 11.8%, Uzbek, and less than 3%, other tongues. The largest share of those who used Kyrgyz is found in the Issyk-Kul Region (14.9%), the smallest, in Bishkek (8.8%). The largest share of the Russian-speaking families was found in the capital (10.3%), the lowest, in the south: the Osh (1.3%) and Dzhahalal-Abad (1.6%) regions where the share of families using Uzbek in daily life was the greatest (5.2% and 5.3%, respectively.)

Here are the figures by ethnic group: 96.6% of Russians grew in families that used the Russian language; 90.6% of Uzbeks came from the Uzbek-speaking families; 87.9% of Kyrgyzes, from the Kyrgyz-speaking families; 40% of members of other ethnic groups lived in families using their native tongues. At the same time, 52.3% of the respondents of other nationalities grew in Russian-speaking families: 9.5% of them are Kyrgyzes (in the capital and the Chu Region where Russian has preserved its high prestige as the language of interethnic communication that is used in families and even among members of other ethnic groups than Russian).

The language of teaching is selected according to the language used at home; in Soviet times parents preferred Russian as the language of teaching because of its higher social status and higher teaching quality in the Russian schools. The poll revealed the following: 53.7% of those polled attended Kyrgyz schools; 35.4%, Russian schools; 11.4%, Uzbek schools; only 1.5% were taught in other languages. At the same time, 83% of Kyrgyzes, 3.4% of Uzbeks, 2.1% of Russians and 9.2% of respondents of other ethnic affiliations attended Kyrgyz schools. Nearly all Russian respondents (96.3%) attended Russian schools; 17.8% of Kyrgyzes; 13.7% of Uzbeks and 69.2% of members of other nationalities were also educated in Russian schools. The Uzbek schools educated 82.9% of Uzbeks; 2.7% of Russians; 1.3% of Kyrgyzes and 6.1% of members of other nationalities. Schools, which taught in other languages, were attended by 6.1% of respondents of other nationalities.

I have already written above that the status of the Kyrgyz language and its role in the sphere of education increased when the republic became independent. As a result the number of parents of other nationalities than Kyrgyz who wanted to teach their children in the Kyrgyz language increased to a certain extent: they naturally wanted to give their children a good start in the country in which Kyrgyz was the state tongue. Among those polled 64.6% of Kyrgyzes; 20.5% of Uzbeks; 15.4% of Russians; 24.6% of members of other ethnic groups wanted to educate their children in Kyrgyz.

The Russian language has retained its positions in the sphere of higher and specialized secondary education; this is explained, to a great extent, by the inadequately developed conceptual and terminological basis of the Kyrgyz language, its limited application in natural and technical sciences.

Among the respondents with higher and specialized secondary education 33.1% studied in Russian.¹⁰ The highest share of such former students was found in Bishkek (11.2%), the lowest, in the Osh Region (3.1%). The largest share of those who studied in the Kyrgyz language (17.7%) was found in Bishkek (18%), the lowest, in the Chu Region (1.5%); the share of those who studied in the Uzbek language is small—2.9%; the largest share is found in the Dzhahalal-Abad Region (1.7%), the lowest, in the Issyk-Kul

¹⁰ The share of the respondents with higher and specialized secondary education is related to the number of all those polled. The total share of the respondents with higher and specialized secondary education was 55.9%; the figure included those with incomplete higher education (5.7%).

Region (0.1%). It should be said that the republic's higher educational establishments are concentrated in Bishkek and that they teach local young men and those who come from other regions.

Among the Kyrgyz respondents with higher and specialized secondary education 27.8% studied in educational institutions that taught in Russian; 26.5% were taught in Kyrgyz.¹¹ The figures for the Uzbek respondents are: 18.8% studied in Uzbek; 18.8%, in Russian; 7.7% studied in Kyrgyz. Nearly all Russian respondents and 58.5% of members of other ethnic groups studied in Russian.

The results have confirmed once more that the language used in the family is mainly determined by the family's ethnic affiliation; the members of other nationalities and the Kyrgyzes of Bishkek and the Chu Region were the only exception. It was revealed that parents of other nationalities than Russian and Kyrgyzes living in cities still prefer Russian schools. A large share of the respondents who studied in Kyrgyz schools can be explained by the fact that 82.5% of secondary schools¹² are found in the countryside with the predominant Kyrgyz population that prefers the language of its ancestors.

The Russian language still remains the language of higher and specialized secondary education.

The Language of Communication

The language of communication means the language used in the family and at work.

The poll has confirmed that the national tongues are most consistently used in the family: nearly all polled Kyrgyzes (95.1%), Uzbeks (98.3%), and Russians (95.7%) talk to their parents in their native tongues; among the members of other nationalities 56.9% use their native tongues when talking to parents; 46.1% use Russian while 18.5%, the Kyrgyz language. There are other examples: 8.4% of the polled Kyrgyzes prefer to talk in Russian to their parents; the share among Uzbeks is 7% while 6% prefer the Kyrgyz language.

Among the spouses 71.9% of Kyrgyzes, 69.2% of Uzbeks, 69% of Russians and 34.4% of other nationalities use their native tongue.¹³ At the same time, 11.3% of Kyrgyzes; 6% of Uzbeks; and 40% of members of other nationalities prefer to use Russian when talking to their spouses while 10.8% use the Kyrgyz language.

The use of language in communication with children is very similar: 70.7% of Russians; 69.7% of Kyrgyzes; 68.4% of Uzbeks, and 27.7% of respondents of other nationalities prefer their native tongues.¹⁴ At the same time, 44.6% of respondents of other nationalities chose Russian while 7.7%, the Kyrgyz language.

Significantly, the absolute majority of the polled use their native tongue when talking to friends: the share among Russians is 98.9%; among Uzbeks, 87.2%; Kyrgyzes, 87%; other ethnoses, 35.4%. This is explained by the fact that the closest friends of the majority of Kyrgyzes (88.7%), Uzbeks (79.5%), Russians (62.9%) and other nationalities (21.5%) belong to the same nationality.

At the same time, 30.8% of Kyrgyzes, 24.8% of Uzbeks, and 73.8% of respondents of other nationalities use Russian when talking to their friends. The figures for the Kyrgyz language are: 21.4% of Uzbeks and 35.4% of members of other nationalities. It should be said that members of kindred Turkic peoples living in the republic (for example, Kazakhs and Kyrgyzes) use the Kyrgyz language for communication. At the same time, 60% of those polled pointed out that they chose the Kyrgyz tongue when talking to friends; 45% opted for Russian and 13%, for Uzbek.

The picture is different in offices and enterprises where 37.2% of the respondents use Russian; 45.4% use Kyrgyz, and 9.2%, Uzbek. When talking to colleagues 65.6% of Kyrgyzes, 16.2% of Uzbeks and 27.7% of members of other ethnic groups prefer the Kyrgyz language; Russian is used by 78.7% of Russians; 25.6% of Kyrgyzes; 19.7% of Uzbeks; and 61.5% of members of other nationalities; the Uzbek language is favored by 60.7% of Uzbeks; 2.4% of Kyrgyzes and 9.2% of members of other ethnic groups.

The results suggest that in families and inside ethnic groups the majority prefers its native tongue. At work, a considerable number of polled uses Russian; the labor collectives have still preserved the Soviet

¹¹ The share of respondents with higher and specialized secondary education is related to the number of those polled.

¹² See: *Osnovnye itogi pervoy natsional'noy perepisi naseleniya Kyrgyzskoy Respubliki 1999 goda*, p. 43.

¹³ The share of the spouses is related to the total number of those polled.

¹⁴ The share of the respondents with children is related to the total number of those polled.

traditions when Russian was used in correspondence and documents, it was used when dealing with state structures and organizations, and at enterprises. The majority of work collectives are polyethnic as distinct from families and friendly circles that are normally monoethnic.

The Language of the Media and Non-periodical Publications

The poll has revealed that the respondents could understand information both in Russian and in their native tongues; 90.6% of Uzbeks, 84.6% of Russians, 79.4% of Kyrgyzes and 23.1% of members of other ethnic groups preferred to read fiction in their native tongues. At the same time, 84.6% of members of other nationalities; 42.4% of Kyrgyzes; 26.5% of Uzbeks prefer Russian while 11.1% of Uzbeks and 12.3% of respondents from other ethnic groups prefer Kyrgyz. The figures for the media are the following: 98.9% of Russians; 80.3% of Uzbeks; 78.4% of Kyrgyzes and 10.8% of members of other ethnic groups mainly read periodicals in their native languages; 55.6% of Kyrgyzes; 41.9% of Uzbeks, and 87.6% of members of other nationalities prefer Russian periodicals while 16.2% of Uzbeks and 16.9% of members of other ethnic groups prefer Kyrgyz.

The preferences for the language of radio and TV programs are very interesting: 89.1% of the respondents prefer TV programs in Russian; 63.3%, in Kyrgyz; 18.7%, in Uzbek. Among Kyrgyzes, 88.4% prefer TV programs in Russian; 85.6% in Kyrgyz; 11.9%, in Uzbek; among Russians 98.4% prefer TV programs in Russian, 7% in Kyrgyz. The figures for Uzbeks are: 91.5% prefer Uzbek; 72.5%, Russian; 48.7%, Kyrgyz. Among the members of other nationalities 93.8% prefer Russian; 36.9%, Kyrgyz; 7.7%, Uzbek, and 13.8%, other tongues.

A fewer share of the respondents (79.2%) prefers radio programs in Russian; 60.2% in Kyrgyz; 16.9% in Uzbek. Among the polled Kyrgyzes, 84.4% preferred radio programs in Kyrgyz; 76.7%, in Russian; 9.2%, in Uzbek. The figures for Uzbeks are: 89.7% preferred programs in Uzbek; 55.6%, in Russian; 34.2%, in Kyrgyz; 93.8% of members of other nationalities preferred Russian-language programs; 33.8%, Kyrgyz programs; 9.2% listened radio in Uzbek, and 15.4% in other tongues.

The figures speak of the still lingering Soviet habit when information was mainly in Russian. It should be added that the TV and radio programs in the Kyrgyz and Uzbek languages are of low quality, and there are almost no programs in other languages. This forces a considerable number of the respondents to turn to Russian-language programs.

The share of those who prefer Russian periodicals is much greater than the share of those who prefer newspapers and magazines in the Kyrgyz, Uzbek and other languages.

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By way of a summary I can say that the language policy in Kyrgyzstan designed to make the state language the main and, in future, the only language used in the republic's social-political and intellectual spheres fails to take into account the real situation in the country. Even though the Kyrgyz language is fairly widely used, Russian still dominates many spheres due to the fact that it is not merely the tongue of the local ethnic Russians but also one of the channels that helps the republic join the world information process; this is one of the languages of international communication. Similar situations were observed in many countries where more prestigious tongues of ethnic minorities pushed aside the state languages (this happened with English in India and French in North Africa, etc.).