

Central Asia-Caucasus Analyst

BI-WEEKLY BRIEFING

VOL. 8 NO. 11

31 MAY 2006

Searchable Archives with over 1,000 articles at <http://www.cacianalyst.org>

ANALYTICAL ARTICLES:

RUSSIAN CHECHNYA POLICY:
“CHECHENIZATION” TURNING INTO
“KADYROVIZATION”?
Emil Souleimanov

PUBLIC CONFIDENCE, TRUST AND
PARTICIPATION IN POST-SOVIET
CENTRAL ASIA
Timur Dadabaev

KAZAKHSTAN BUILDS PARTNERSHIP
WITH GERMANY
Roger McDermott

UZBEK PRESIDENT KARIMOV VISITS
PAKISTAN
Asma Shakir Khwaja

FIELD REPORTS:

WILL GEORGIA LEAVE THE CIS?
Kakha Jibladze

CENTRAL ASIAN UNION: NAZARBAYEV'S
PIPEDREAM OR VIABLE SCHEME?
Marat Yermukanov

SECOND PEACEFUL RALLY ORGANIZED IN
KYRGYZSTAN
Nurshat Ababakirov

IMPROVING TAJIKISTAN'S BANKING SEC-
TOR
Bakhtiyor Naimov

NEWS DIGEST



Central Asia- Caucasus Institute
Silk Road Studies Program

Central Asia-Caucasus Analyst

BI-WEEKLY BRIEFING
VOL. 8 NO. 11
31 MAY 2006

Contents

Analytical Articles

- RUSSIAN CHECHNYA POLICY: “CHECHENIZATION” TURNING INTO
“KADYROVIZATION”?** 3
Emil Souleimanov
- PUBLIC CONFIDENCE, TRUST AND PARTICIPATION IN POST-SOVIET CENTRAL ASIA** 6
Timur Dadabaev
- KAZAKHSTAN BUILDS PARTNERSHIP WITH GERMANY** 9
Roger McDermott
- UZBEK PRESIDENT KARIMOV VISITS PAKISTAN** 11
Asma Shakir Khwaja

Field Reports

- WILL GEORGIA LEAVE THE CIS?** 13
Kakha Jibladze
- CENTRAL ASIAN UNION: NAZARBAYEV’S PIPEDREAM OR VIABLE SCHEME?** 14
Marat Yermukanov
- SECOND PEACEFUL RALLY ORGANIZED IN KYRGYZSTAN** 16
Nurshat Ababakirov
- IMPROVING TAJIKISTAN’S BANKING SECTOR** 18
Bakhtiyor Naimov

- News Digest** 20

THE CENTRAL ASIA-CAUCASUS ANALYST

Editor

Svante E. Cornell

Assistant Editor, News Digest

Alima Bissenova

Chairman, Editorial Board

S. Frederick Starr

The Central Asia-Caucasus Analyst is an English language global Web journal devoted to analysis of the current issues facing the Central Asia-Caucasus region. It serves to link the business, governmental, journalistic and scholarly communities and is the global voice of the Central Asia-Caucasus Institute, The Johns Hopkins University-The Nitze School of Advanced International Studies. The Editor of the Analyst solicits most articles and field reports however authors may suggest topics for future issues or submit articles and field reports for consideration. Such articles and field reports cannot have been previously published in any form, must be written in English, and must correspond precisely to the format and style of articles and field reports published in *The Analyst* (www.cacianalyst.org) and described below.

The Analyst aims to provide our industrious and engaged audience with a singular and reliable assessment of events and trends in the region written in an analytical tone rather than a polemical one. *Analyst* articles reflect the fact that we have a diverse international audience. While this should not affect what author's write about or their conclusions, this does affect the tone of articles. Analyst articles focus on a newsworthy topic, engage central issues of the latest breaking news from the region and are backed by solid evidence. Articles should normally be based on local language news sources. Each 1000-1200 word analytical article must offer a concise and authoritative statement of the event or issue in question. An article must provide relevant, precise and authoritative background information. It also must offer a sober and analytical judgment of the issue as well as a clinical evaluation of the importance of the event. Authors must cite facts of controversial nature to the Editor who may contact other experts to confirm claims. Since *Analyst* articles are based on solid evidence, rather than rumors or conjecture, they prove to be reliable sources of information on the region. By offering balanced and objective analysis while keeping clear of inflammatory rhetoric, *The Analyst* does more to inform our international readership on all sides of the issues.

The Editor reserves the right to edit the article to conform to the editorial policy and specifications of *The Analyst* and to reject the article should it not be acceptable to our editorial committee for publication. On acceptance and publication of the edited version of the article, *The Central Asia-Caucasus Institute of The Johns Hopkins University-The Nitze School of Advanced International Studies* will issue the honorarium to the author. The copyright for the article or field report will reside with the *Central Asia-Caucasus Analyst*. However, the author may use all or part of the contracted article in any book or article in any media subsequently written by the author, provided that a copyright notice appears giving reference to the contracted article's first publication by the "*Central Asia-Caucasus Analyst, Central Asia-Caucasus Institute, The Johns Hopkins University-The Nitze School of Advanced International Studies.*"

Submission Guidelines:

Analytical Articles: Analytical articles require a three to four sentence Key Issue introduction to the article based on a news hook. Rather than a general, overarching analysis, the article must offer considered and careful judgment supported with concrete examples. The ideal length of analytical articles is between 1,000 and 1,300 words. The articles are structured as follows:

KEY ISSUE: A short 100-word statement of your conclusions about the issue or news event on which the article focuses.

BACKGROUND: 300-450 words of analysis about what has led up to the event or issue and why this issue is critical to the region. Include background information about the views and experiences of the local population.

IMPLICATIONS: 300-450 words of analysis of the ramifications of this event or issue, including where applicable, implications for the local people's future.

CONCLUSIONS: 100-200 words that strongly state your conclusions about the impact of the event or issue.

Field Reports: Field Reports focus on a particular news event and what local people think about the event, or about the work of an NGO. Field Reports address the implications the event or activity analyzed has for peoples' lives and their communities. Field Reports do not have the rigid structure of Analytical Articles, and are shorter in length, averaging ca. 700-800 words.

Those interested in joining *The Analyst's* pool of authors to contribute articles, field reports, or contacts of potential writers, please send your CV to: scornell@jhu.edu and suggest some topics on which you would like to write.

Svante E. Cornell

Research Director; Editor, *Central Asia-Caucasus Analyst*

Central Asia-Caucasus Institute, Paul H. Nitze School of Advanced International Studies, The Johns Hopkins University
1619 Massachusetts Ave. N.W., Washington, D.C. 20036, USA.

Tel. +1-202-663-5922; 1-202-663-7723; Fax. +1-202-663-7785

RUSSIAN CHECHNYA POLICY: “CHECHENIZATION” TURNING INTO “KADYROVIZATION”?

Emil Souleimanov

Ramzan Kadyrov, son of the pro-Moscow Chechen President Ahmad Kadyrov (assassinated in May 2004), has recently been gaining influence so rapidly that today one could seriously debate whether the Russian policy of “Chechenization” has failed, being overlapped by a de facto “Kadyrovization”. The cause of this possible failure is the excessive orientation of the Kremlin towards Kadyrov’s clan, now headed by Ramzan, whose power has as of today risen so far that proven mechanisms of neutralization may not be sufficient.

BACKGROUND: Even with Vladimir Putin having made, as it turned out retroactively, a strategic wager on the Kadyrov clan, it appears that Moscow has never abandoned its tried and true system of checks and balances. For instance, Bislan Gantamirov, perhaps the most noteworthy “opposition leader” in modern Chechen history, along with some pro-Russian political figures, was long kept in Chechnya as a trump card that could be played as needed if the former *mufti*, Ahmad Kadyrov, were to become unmanageable. They had been promised a brilliant future in politics, but were told that their time simply had not yet come. At election time, Ahmad Kadyrov and his backers had no real guarantees until the very last minute about whether the Kremlin might not be leaning toward some opponent, whether from among local or the so-called Moscow Chechens.

Indeed, the stirring up of internal Chechen squabbles has been an integral part of the “Chechenization” strategy. As the opposing sides have become less secure (in their disputes), they have become more dependent on Moscow and therefore more loyal to her. The “*divide and rule*” policy in the fragmented Chechen society created a very tense atmosphere that is especially apparent in the environment of the armed formations that are considered loyal to Russia, especially of the mentioned Gantamirov and Yamadayev brothers (in charge of the Eastern battalion), who represent the three major power centers in current pro-Moscow Chechen forces.

Recruiting and deploying (pro-Moscow) Chechen militia units in combat operations was Ahmad Kadyrov’s key mission by which he attempted to demonstrate in practice his loyalty to Moscow. Importantly, this strategy also had and still has a different, no less important significance. Kadyrov’s clan had many enemies in Chechnya, and their presence represented a nightmare for Kadyrov’s followers; to a certain degree, it was justifiable to claim that as long as at least one of the people that had declared a blood feud against Kadyrov was alive, neither he nor his relatives could feel truly safe. The



growing numbers of Chechen militias and the ever increasing intensity of their involvement in combat operations against actual or presumed separatists and their relatives meant that the young men in the militias were becoming, as

Chechens say, “bound by blood” to the Kadyrov clan by the constant killings, torture and humiliation that militia operations led to. Then, in order to be able to survive in the conditions of increasing insecurity, namely the very likely attacks by newly acquired enemies in blood feuds, newly recruited Chechen militia troops had to stick together with the Kadyrov clan – thus falling into a trap from which there is no escape as the bridges back have already been burnt.

IMPLICATIONS: But times are changing. While rebel groups have been somewhat weakened by the murder of Aslan Maskhadov in March 2005 and murders of some other leading field commanders, the influence of Kadyrov’s son and *de facto* successor in the republic is constantly growing. The former commander of the Presidential Security Service has gradually – since his father’s murder – been promoted by Moscow up to his present role as prime minister of the republic. Although the presidency has formally been “passed on” to Alu Alkhanov, a person viewed in Chechnya as being of little importance, military and political power remains concentrated in the hands of the Kadyrov clan. The Kremlin’s backing of the young Ramzan was supposed to protect the gains made through “Chechenization”. Ramzan’s life was to be on the line as a guarantee for the oaths and promises once made by his father. This was meant not only to provide effective assurance of continuity of Moscow’s past policy – just as his father had done – but also to ensure security for “Kadyrovized” rebel movement members from any attacks, whether by Russian generals or by enemies from the ranks of the different pro-Moscow Chechen factions.

The result has been the closing of the ranks of Kadyrov supporters (*kadyrovtsy*), who today number at least 5,000 armed men, who are holding out despite occasional betrayals by various individuals and their flight to the camp of the separatists. Their identification with the younger Kadyrov is also growing.

A no less important point is the growth of Ramzan’s influence among the Chechen population. Partly because of a clever media propaganda campaign and partly through his deeds, Ramzan has managed to gain the sympathy of many ordinary Chechens who see him

as a guarantor of stability and of the country’s renewal. Rubble is finally being cleared away, roads, bridges and administrative buildings are being built, the number of so-called block posts is declining, and even residential buildings are being repaired, mostly in the downtown area of the capital. People have also been moved by seemingly trivial things that awaken strongly nostalgic reminiscences of pre-war Grozny, like the reconstruction of the House of Fashion and the building of a public fountain downtown. These signs of a peaceful life have unimaginable value to ordinary Chechens and are connected in people’s minds with Ramzan. Energetic campaigns by Kadyrov Jr. aimed at stopping the “moral decline of the Chechen nation” (like the banning of slot machines, casinos, the fight against prostitution, alcoholism etc.) are especially popular with older Chechens, while his success at a relatively young age and his influence have secured him a certain admiration among young people, some of whom have even started to imitate him. For his image as a Chechen devoted to his people, he has gone so far as to have been heard saying: “If the [Chechen] people demand that we fight against Russia, we shall obey.” Some of his pronouncements have been clearly nationalistic, and with a little effort one might even hear separatist undertones and demonstrative efforts to get as much money and sovereignty from Moscow as possible. He is ever more clearly permitting himself to criticize Moscow. This also gains him sympathy among the population and takes “electoral support” away from the separatists.

CONCLUSIONS: It seems that instead of the policy of “Chechenization” promoted by the Kremlin, the era of “Kadyrovization” has definitely entered full speed. Through its own actions, Moscow has contributed to the creation and consolidation of a disproportionately strong internal force in the republic, resting both on the support of the population and on armed units. Edilbek Khasmagomadov stated it quite succinctly: “The advantages created for him by central federal authorities have let him transform himself into the sole politician. Since he has no real opponents in the country who could challenge him for his position, being the absolute master of Chechnya, Ramzan Kadyrov is naturally beginning to play the role of

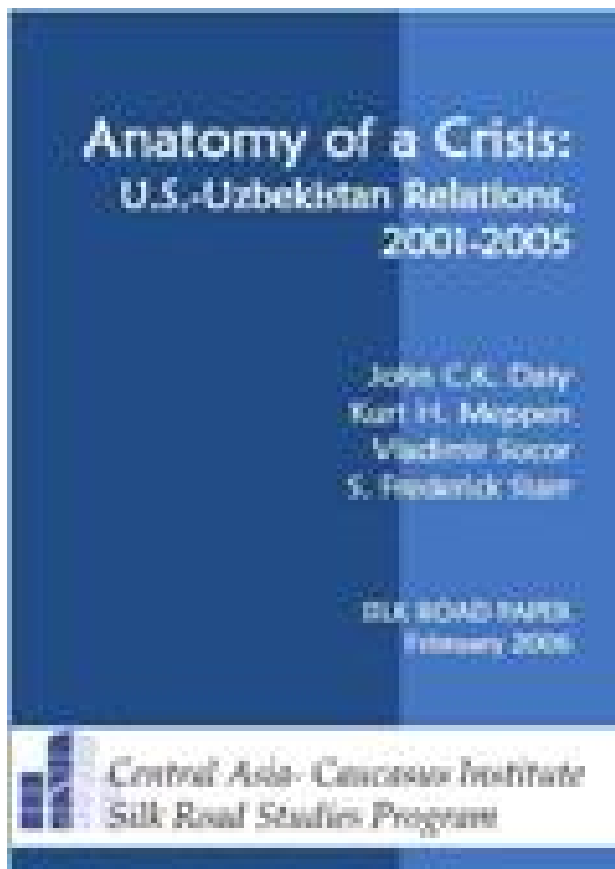
opposition in relation to the federal government. Thus he is starting to promote other regional and national interests.” While overlooking some of Ramzan’s clearly populist remarks like the one cited above, his ever growing real power in the republic is letting him take an open stance against the federal government if and when he feels that federal authorities are hurting his interests or those of the Chechen Republic.

We are also witnessing a paradoxical situation: the weaker the separatists become, the less dependent Kadyrov’s people become on Moscow, thereby also lessening the need to take Moscow’s wishes into consideration.

A new strategic situation is thus arising, in which it is now in Ramzan’s vital interest to suppress the separatists as much as possible, while Putin would benefit from a certain degree of presence of the separatist factor as a way to ensure the loyalty of Kadyrov Jr . Indeed, as a result of the marked strengthening of *kadyrovtsy*, their numbers and their connections, the time would seem to be irretrievably

past when it would have been enough to back the Gantamirov clan or Yamadayev’s militants, each having only several hundred armed men. Although the modern history of Chechnya has seen more abrupt transformations, it would be misleading to predict that Ramzan would turn out to be a separatist in the Dudayev mold. It is, however, true that with its “one-clan” policy; the Kremlin has strongly limited its own room for maneuver. Should the Kremlin want to get rid of Ramzan or rein him in, for instance during the forthcoming 2008 presidential elections in Chechnya, for which Ramzan takes his candidacy for granted, it will likely meet strong resistance from the young Kadyrov, whose confidence and demands will strengthen in direct proportion to his cognizance of this fact.

AUTHOR’S BIO: Dr. Emil Souleimanov is senior lecturer at the Department of International Relations, Charles University in Prague, Czech Republic. He is author of *An Endless War: The Russian-Chechen Conflict in Perspective* (Peter Lang, autumn 2006)



New Silk Road Paper!

Anatomy of a Crisis: U.S.-Uzbekistan Relations, 2001-2005

by John C. K. Daly,
Kurt H. Meppen,
Vladimir Socor
and S. Frederick Starr

Few, if any, observers anticipated the rapid downward spiral of U.S.-Uzbek relations during the past several years. This *Silk Road Paper* includes two articles and a detailed, annotated chronology, which seeks to identify the causes for the collapse of the strategic partnership, providing a clear understanding of the sequences of events that is necessary for both Washington and Tashkent to look ahead and seek to plot a rational path forward.

This 110-page paper is available from the offices of the Joint Center cited on the inside cover of this issue, or freely downloadable in PDF format from either www.cacianalyst.org or www.silkroadstudies.org.

PUBLIC CONFIDENCE, TRUST AND PARTICIPATION IN POST-SOVIET CENTRAL ASIA

Timur Dadabaev

Outside Central Asia, the change of power in Kyrgyzstan, calls for democratization in Uzbekistan and Presidential elections in Kazakhstan are often considered under the ambition of democratizing these societies and establishing a political system based on the values of liberal democracy and wider public participation. The results of the AsiaBarometer survey conducted in Fall 2005 suggest that people regard changes in the style of governance primarily as a means to improve their living standards and only secondarily as a way to take part in the governance of their countries. In countries where political changes did not produce tangible outcomes in the well-being of the population, the people opt for the forms of responses which ignore the institutions of public political participation but largely involve informal social networks and personal connections.

BACKGROUND: In the majority of Central Asian countries, what is desired by the population is often assumed based on the views of governmental officials. This leads to the lack of public confidence in their respective governments. The Asia Barometer survey in the fall of 2005 registered that in most Central Asian countries (except Turkmenistan) the public trusts their central government only to a degree. The highest indicator was in Tajikistan (51.9%), followed by Kazakhstan (47.6%) and Uzbekistan (43.9%). In terms of absolute trust (trust a lot), the highest number of respondents were in Kazakhstan (19.5%) and Tajikistan (17.8%) with the lowest indicator of complete trust registered in Uzbekistan (9%). Interestingly, in Kyrgyzstan, which experienced so-called "tulip revolution" and governmental change in 2005, the number of those who trust Kyrgyz government a lot (11.3%) and to a degree (38.4%) counted together are almost equal to those who do not really trust (33.9%) and do not trust it at all (15%). This largely reflects the situation in Kyrgyzstan where hopes of the population for a more effective central government are mixed with

the sense of frustration with the lack of achievements of the new leadership of the country. Similarly, in Uzbekistan where anti-governmental revolts took place in May of 2005, the number of those who do not really (29.5%) or not at all (12.4%) trust the central government also constitute a significant number. In terms of complete and partial trust towards local government, the number of such people exceeds half of those asked only in Kazakhstan (10.3% a lot and 41.4% to a degree), which, as in the case of the public trust towards central government, is most likely influenced by economic growth in the country and improved living standards. Second was Tajikistan (6.3% and 40.1% respectively) and Kyrgyzstan (7.5% and 38%). The lowest number of such respondents was in Uzbekistan (5.9% and 39.4% respectively). Peculiarly, in all regional countries except for Kazakhstan, the numbers for those who fully or partially distrust local government exceeds the numbers of those who fully or partially trust it. In addition, in all Central Asian countries, public distrust towards police and political parties far exceeds trust towards them.

IMPLICATIONS: To a great extent, the patterns of public confidence indicated above are connected to the evaluation by the population of the policies of their governments. In particular, a majority of respondents in Kazakhstan are satisfied (satisfied and partly satisfied) with governmental economic policy (11.5% and 51.6% respectively), its dealing with inter-ethnic (11.8% and 50.4%) and religion-based (15.3% and 50.3%) conflicts. Dealing with the inter-ethnic and religion-based conflicts by the governments are also policies which cause full or partial satisfaction in Uzbekistan (10.1% and 41.6%) and Tajikistan (10% and 39.4%). However, economy-related governmental policies such as economic policy are the ones which cause high public dissatisfaction in Uzbekistan (54.3% partly dissatisfied and 18.1% completely dissatisfied), Tajikistan (51.2% and 16.8% respectively) and Kyrgyzstan (46.1% and 31.9% respectively). In addition, governmental policies towards eradication of unemployment are considered by the majority to be completely dissatisfactory in Kyrgyzstan (65.5%), Uzbekistan (55%) and Tajikistan (45.9%). The number of people who mentioned governmental policies towards eradication of political corruption to be partly or fully unsatisfactory consisted absolute majority in Kazakhstan (50.1% and 23.9% respectively), Tajikistan (41.6% and 45.4%), Kyrgyzstan (37.8% and 46%) and Uzbekistan (39.3% and 25%). Similarly, the fight against crime causes dissatisfaction in Kazakhstan (55% partly and 28.9% completely dissatisfied), Kyrgyzstan (28.4% and 57%), Tajikistan (42.8% and 18.4%) and Uzbekistan (36.9% and 22.9% respectively).

The failure of the CA governments to deal with these and related challenges is a source for great public concern. One of the top concerns among the population in Central Asia is poverty and fear of unemployment which were selected as such by absolute majority of respondents in Kyrgyzstan (75% and 76% respectively), Uzbekistan (70% and 74%), Tajikistan (65% and 69%) and Kazakhstan (59% and 58%). Significant numbers of those asked in Uzbekistan (59%), Kyrgyzstan (55%) and Kazakhstan (51%) also indicated their concern about

crime. Physical integrity-related threats such as threat of terrorism (77%), conflicts and wars (61%), health (63%) and human rights (49%) were emphasized in Uzbekistan by a far larger margin of respondents than in other regional states.

These concerns are further linked to respondents' expectations in respect to their governments. When asked about policies respondents regard as requiring an increase of governmental investments, even if it meant paying additional taxes, a majority of those asked indicated retirement pensions increase in Tajikistan (56.2% large increase and 31.3% some increase), Kyrgyzstan (53.9% and 33.3%) and Uzbekistan (51.5% and 39.4%). The number of those respondents who emphasized large or some increase in governmental investments for unemployment benefits was the highest in Kyrgyzstan (35.1% and 37% respectively) and Tajikistan (35.4% and 36.3% respectively). Interestingly, only in Turkmenistan did the number of respondents who suggested that the government should considerably increase its spending on healthcare (53.1% of those asked) and education (61%) exceed half of those asked, by far the largest among regional states. In terms of governmental expenditures for law-enforcement functions, high numbers thought these should not increase but remain the same in Kazakhstan (45.1%), Uzbekistan (44.9%) and Turkmenistan (42.3%). Likewise, support for keeping military expenditure stable was highest in Turkmenistan (50.9%) and Uzbekistan (46.9%). The last two indicators on law enforcement and defense perhaps to some extent also reflect the view of the population towards police and the army, which also connect to the public confidence towards these institutions.

What is obvious from the figures above is that the population seeks an enforcing governmental social security package with further injections of public funds. On the other hand, public expenses aimed at enhancing the implementation of laws and defense expenditures are not enjoying primary support by the population. This can mainly be explained by the perception among the population that these issues, although generally important, are secondary with

respect to the task of maintaining higher socio-economic standards of everyday life.

CONCLUSIONS: Issues of public confidence, evaluation of governmental policies and people's expectations from their government are intrinsically connected to the question of public participation in the governance of their respective countries. However, the Asia Barometer poll demonstrates that people in Central Asia resent political participation because of disbelief in their ability to influence events in their respective countries, and apathy towards politicians.

When asked if they are satisfied with the state of democracy in their country, only one third of those asked in Kazakhstan (36.4%) suggested that they are relatively satisfied with it. Comparable figures were 28,9% in Tajikistan, 28,4% in Kyrgyzstan, 26,3% in Turkmenistan and 14,8% in Uzbekistan. Meanwhile, the number of those relatively dissatisfied or very dissatisfied with the state of democracy in Tajikistan (22,7% relatively dissatisfied and 10,7% very dissatisfied) and Uzbekistan (22,4% and 19,8% respectively) exceeded the number of very satisfied and relatively satisfied respondents in these countries. The absolute majority of those asked in Kazakhstan (29,4% strongly agreed and 49,1% agreed), Kyrgyzstan (29,1% and 43,1%) and Uzbekistan (25,9% and 47,4%) agreed that people do not have the power to influence political decisions. In addition, an absolute majority in Kazakhstan (29,1% strongly agreed and 52,3% agreed), Uzbekistan (25,1% and 48,8%) and

Kyrgyzstan (37,8% and 43,5%) subscribed to the view that governmental officials do not pay much attention to what people think.

In such a situation, public reactions to such governance takes various forms. For instance, interesting responses were received when respondents were confronted with the question about what should the person who needs a governmental permit do if the response of the official handling the application is 'just be patient and wait'. In the majority of cases more than one third in Uzbekistan (38,5%), Kazakhstan (35,6%), Kyrgyzstan (33%) and Tajikistan (32,1%) responded 'use connections', with another considerable group in Tajikistan (27,6%), Uzbekistan (19%) and Turkmenistan (17,3%) choosing to bribe an official.

This once again symbolizes people's response to a lack of opportunities for public participation in governance by their attempt to improve their living conditions through personal social networks, friends, relatives and most importantly connections in relevant institutions responsible for a provision of goods and services.

AUTHOR'S BIO: Dr. Timur Dadabaev (affiliated with the University of Tokyo) is presently Imam Bukhari Scholar at the Oxford Center for Islamic Studies and Visiting Research Fellow at the Developmental Studies Committee, University of Cambridge.



*Central Asia- Caucasus Institute
Silk Road Studies Program*

KAZAKHSTAN BUILDS PARTNERSHIP WITH GERMANY

Roger N McDermott

Kazakhstan is constructing complex bilateral relations with western countries and multilateral organisations such NATO and the EU at a time when it is showing concerns about possible anti-western trends within Eurasia. Such patterns of diplomatic activity suggest that Astana is making a longer-term commitment to developing closer relations with western countries and western orientated organisations. Such developments have significance for efforts to realise Central Asia as an economic and security bridge between the transatlantic and Asia-pacific.

BACKGROUND: Kazakhstan's Foreign Minister Kasymzhomart Tokayev has designated Germany as the country's leading partner in Europe. During talks in Berlin on May 18, he noted the depth of shared interests and perspectives between Germany and Kazakhstan. "Kazakhstan considers Germany its key partner in Europe. Astana and Berlin share similar positions on many topical issues of international and regional policy by continuing a regular political dialogue," Tokayev declared. He also told Christoph Heusgen, head of the department for foreign policy and security of the Federal Chancellor's office, that Astana is keen to support efforts to reform the UN and in particular Germany's aspiration to gain permanent membership of the UN Security Council. Heusgen offered support for what Berlin considers as Kazakhstan's efforts to promote regional integration, trade and economic cooperation in Central Asia, as well as its measures to strengthen security and stability in the region.

However, Tokayev's timely visit to Berlin signals Kazakhstan's institutional recognition of the potential benefits of greater input from the EU into Central Asia. Crucially, Kazakhstan wants to do everything possible to support Germany's initiative to work out a single EU strategy for the Central Asian countries. Since Germany will chair the EU in 2007, Astana is trying to bolster such efforts. Berlin is endeavoring to develop and implement a single political and economic strategy of the EU, which is consistent with Tokayev's belief that Central Asia is "transforming from a peripheral role to one of the key socioeconomic elements of the Eurasian continent." The mineral and

energy resources of the region, combined with its important geopolitical position between Russia and China and access to their markets, demand a more consistent program from EU countries, which has lacked effective coordination. Tokayev also stated in Berlin that the "new globalization challenges require the reassessment of regional policy and the working out of a single regional strategy that would meet the interests of all the parties concerned." There is little doubt that Astana is pushing its own agenda into such plans, maximizing its own interests within the region, and once again restating its claim to lead the region economically.

Kazakhstan's foreign policy is evolving rapidly, often sending mixed signals to observers and partners alike. Most notably, this has manifested itself in recent machinations within the Shanghai Cooperation Organization (SCO). Traditionally Astana has been a strong supporter of the SCO, playing an active part in its development and keen to demonstrate that the organization can tackle seriously many of the security and economic issues discussed amongst its members. Ahead of the SCO Summit of 15-16 June 2006, Kazakhstan's foreign ministry has been actively downplaying speculation that the SCO may enlarge.

Tokayev, in fact, explained that Kazakhstan finds it necessary to refrain from SCO enlargement because the organization currently lacks the legal basis regulating the procedures for admitting new members. Instead, Astana seems to prefer a more gradual and certainly cautious approach to admitting new members to the SCO. Observer status and dialogue

partner routes are the preferred options, as opposed to full membership.

The concerns held in Kazakhstan, relating chiefly to the possible inclusion of India, Pakistan and Iran, are based on the nuclear status of two of these countries and the aspirations and controversy surrounding Iran's nuclear ambitions. Astana's fear is that the SCO could become viewed as a 'nuclear club' and anti-western' in its orientation. Meanwhile, Kazakhstan believes there is need for continuing joint antiterrorist exercises, saying that the Kazakhstani and Chinese special services plan to hold a border exercise in August this year.

IMPLICATIONS: President Nazarbayev on his return from meeting President Putin in Sochi on May 20 made efforts to persuade the Kazakhstani media that major decisions will be taken by the SCO in June; implying that Putin has explained and perhaps offered support for the accession of key states to the SCO. Economic and military-security cooperation are simultaneously being deepened between Russia and Kazakhstan. "All the accords reached during Nursultan Nazarbayev's official visit to Russia are being implemented. Primarily, progress has been observed with the agreement of tariffs, which is of key importance to our Kazakh partners and which raises the volume of deliveries by Russia's railways," Putin said. Nazarbayev places great confidence in bilateral trade, which he would like to raise from its current levels of around \$10 billion a year. "I think we'll be able to double it soon, as what lies ahead for us is joint work on a new deposit in the North Caspian, Kurmangazy, the reserves in which are forecast to be one billion tons of oil," Nazarbayev explained.

The points emphasized by each leader in their official statements confirmed their respective priorities. Putin highlighted advances in energy cooperation including joint steps in extraction, processing, refining and supplying Kazakh gas, over and above the proposed deepening of military cooperation, including more deliveries of Russian military equipment to Kazakhstan. Nazarbayev, on the other hand, was keen to highlight Russia as an economic partner.

The Kazakhstani leader gained the chair of the CIS Council of Heads of State. Realistically judging the

present condition of the CIS, and focusing his efforts on bilateral relations with Russia, Nazarbayev presents himself as a reliable partner. "The CIS is 15 years old this year. This is not an easy time for the CIS. That is what some of our partners, we all know who they are, are saying. Everyone can judge for themselves and say what they want, but the CIS played a major role in the period following the collapse of the Soviet Union. And all honest people should be grateful that because of it, the entire process of divorce and restoration of independence passed off without bloodshed or conflict on a large scale between the republics," commented Nazarbayev.

CONCLUSIONS: Astana has developed adeptness in balancing its relations between Russia and China. It is equally increasingly aware of its economic and security needs, which seem to signal diversity and avoiding relying on any one key state as a partner. Persistent rivalry with Tashkent, both vying for regional leadership, may also support moves to boost its partnership with Germany, facilitating EU initiatives, at a time when Uzbekistan's relations with the West are in need of rebuilding. Regardless of the actual outcome of the forthcoming SCO summit, Tokayev's comments point to reluctance in Astana to become embroiled or tarnished with an 'anti-western' image. Kazakhstan's partnership with Germany, its bilateral programs with the UK and cooperation with Turkey and recent efforts to open up cooperative dialogue with Poland confirm Astana's drive towards NATO and EU states to improve its economic potential and its security concerns. By committing its support for German plans to construct a EU wide strategy for the region, Kazakhstan is also sending out signals concerning its ongoing interests in western security cooperation. Nazarbayev is perhaps inadvertently raising the question of the terms of the divorce settlement throughout the CIS.

AUTHORS' BIO: Roger N. McDermott is an Honorary Senior Research Fellow, Department of Politics and International relations, University of Kent at Canterbury (UK) and a Senior Fellow in Eurasian Military Studies, Jamestown Foundation, Washington D.C.

UZBEK PRESIDENT KARIMOV VISITS PAKISTAN

Asma Shakir Khwaja

Uzbekistan's President Islam Karimov arrived in Pakistan on May 2, 2006, for a two-day official visit. Ministers for foreign affairs, justice, finance and foreign trade along with the head of the central bank of Uzbekistan accompanied him. During the visit, both sides expressed their desire to expand bilateral commerce and economic relations. President Karimov also voiced support for Pakistan's long time efforts to attain full membership of the SCO. President Musharraf announced that Pakistan would develop rail and road links with the Uzbekistan as part of its efforts to take bilateral trade to new levels and also provide access to Uzbekistan to the world markets through its ports.

BACKGROUND: Diplomatic relations between Pakistan and Uzbekistan were established on May 10, 1992, and as a result Pakistan established its embassy in Tashkent in June 1992. Pakistan had an early interest, sending a 23-member delegation to Uzbekistan in December 1991. Relations have not been unproblematic, though. In the mid-1990s, the issue of Afghanistan was a rough edge in the formation of mutually beneficial relations, and Islam Karimov often accused Pakistan of designs on Central Asia given its support for the Taliban movement. Now, in the context of establishing durable peace and promoting regional trade, both countries have common objectives of peace and stability in Afghanistan.

In addition, the Uzbek President has expressed admiration for President Musharraf's vision of enlightened moderation as a way out of international turmoil. On reciprocal basis, Uzbekistan supports the Kashmiri' right of self-determination as set out in the relevant UN Security Council resolutions, while Pakistan has made a point of keeping the Human Rights issue out of its dialogue with Uzbek officials.

Uzbekistan and Pakistan view each other as valuable neighbors and are trying to forge improved bilateral trade, commercial and cultural relations. Uzbekistan views Pakistan as a large South Asian state, which possesses huge economic, political and military potential. Some analysts also see the latest visit as an effort to extend bilateral defense cooperation.

Pakistan, for its part, is not interested in merely becoming a pipeline or trade route for Central Asian States, but it is interested in developing trade, economic and political partnership, including in the defense field. Therefore Pakistan is pursuing a two-fold policy towards Uzbekistan. Firstly, it is forging economic cooperation by improving bilateral relations, and secondly through the common platforms of various organizations such as the ECO, SCO etc. President Musharraf expressed the mutual desire to develop road and rail links and the use of its seaports to develop commerce with other regions of the world.

President Karimov signed four agreements and six Memoranda of Understanding with Pakistan, including an agreement on cooperation in small and private entrepreneurship, a MoU on trade, economic and investment cooperation, an agreement on mutual legal assistance in criminal matters, an MoU on cooperation in customs and foreign trade, a protocol on cooperation in combating terrorism, an agreement on cooperation between the Chambers of Commerce and Industry of the two countries, an agreement on cooperation in the field of plant quarantine, an MoU on cooperation in food, agriculture and livestock, and finally, an MoU on cooperation between the Tashkent Islamic University and the International Islamic University of Islamabad.

IMPLICATIONS: There is a great potential of expansion of trade, economic, and cultural interaction between the two countries, yet Uzbekistan remains heavily dependent on Russia,

which is its biggest trading partner. Russia provides almost 58 per cent of Uzbekistan's imports and is the recipient of almost 61 per cent of Uzbek exports. Since Uzbekistan is pursuing a policy of diversification, due to its strategy of 'transition to a mixed economy', there are vast areas in which the two states can cooperate and lay the foundation of mutually beneficial economic and political relations. For instance, Uzbekistan is the fourth largest cotton producer in the world, and the second largest exporter after the U.S. Therefore Pakistan can help Uzbekistan export cotton, which it already does. In 1998, Pakistan imported cotton for US\$53 million from Uzbekistan, when total imports equaled \$72 million. This figure fell to \$8.7 million in 2000, and lately rose by over 50 per cent during 2005. Uzbekistan is the only country in Central Asia to produce many metals, aircraft, cars, motors, cotton-picking machines and other agricultural technology, cable products, excavators, cranes and lifts, and equipment for the textile and cotton-cleaning industries and weaving machines. Uzbekistan has sixty times more natural gas than does Pakistan. Another sphere of mutual relations is the potential construction of a gas pipeline.

Pakistan and Uzbekistan are also looking for Defense cooperation, hence Uzbekistan has offered the sell or lease aircraft IL-76 and IL-114 aircraft for civil aviation to Pakistan. Now both states are looking for cooperation in the field of defence and security. They have already signed an extradition treaty during January 2001. Therefore Pakistani forces have apprehended Uzbek terrorists during military operations in Wana, Waziristan and handed them over to Uzbek officials. Pakistan even agreed upon intelligence sharing with Uzbekistan to deal with the financial linkages of terrorists. Pakistan has several times expressed its willingness to curb terrorism and cooperate with Central Asian states through the SCO platform. President Karimov has assured Mr. Musharraf that his country will support the Pakistan's pledge for the full membership in the SCO.

CONCLUSIONS: Improved bilateral relations with Uzbekistan are on the priority list of Pakistani decision makers. As an export route, Pakistan's importance for the international energy market could imply deeper international interest in its stability and security. Uzbekistanis looking at

Pakistan as reliable security partner after the bitter denouement of its ties with U.S.

The economies of Pakistan and Uzbekistan are complementary. For instance, Uzbekistan can supply gas, electricity, cotton and such minerals as copper, gold, iron, chromium and lead to Pakistan, while in return Pakistan can supply textiles, cement, medicines, shoes, machinery, garments, military and telecommunication equipments. Uzbekistan has the fifth largest gold deposits in the world and ranks seventh in gold production. Barter trade among them is being discussed to save their foreign exchange. 'Human capital' is another area of cooperation as Uzbekistan can provide Pakistan with educated human capital. In comparison with Pakistan's literacy rate, Uzbekistan has a more than 95 percent literate population, including more than 900 PhDs. Pakistan can also provide Uzbekistan with technological help and skilled labour. It can also offer education and training facilities to Uzbek students, technocrats and military personnel. However, to boost bilateral trade, they both need to conclude trade agreements, including provisions for tax exemptions, on a reciprocal basis. That could include establishing business and trade houses, banks, insurance groups, professional services and helping each other towards the development of communication links. Central Asia has been termed a potential annual market of US\$80 billion. If Pakistan secures only five per cent of that market, it could earn up to US\$4 billion per year.

A project of more immediate interest and practicality was the opening of a Pakistani Commercial Bank in Tashkent. The NBP (National Bank of Pakistan) representative office was set up in 1995 in Tashkent but it could not facilitate the opening of a branch till 2005, though the government of Uzbekistan had granted a license for the purpose in 1992. If both states really want to move forward, then such bureaucratic delays need to be avoided. Despite the political will to improve relations they both need infrastructure and economic support to implement their agenda of cooperation.

AUTHOR'S BIO: Asma Shakir Khawaja is an Analyst with the Islamabad Policy Research Institute, Islamabad. She is a Ph.D Candidate at the Martin Luther University, Halle-Wittenberg, Germany, on Energy Politics.

FIELD REPORTS

WILL GEORGIA LEAVE THE CIS?

Kakha Jibladze

In the aftermath of Russia's embargo on Georgian wine and mineral water, the Georgian government is considering leaving the Commonwealth of Independent States. While Tbilisi has yet to make any official announcement, the Russian government has already started issuing veiled threats about the price Georgia could pay if it leaves the organization.

The CIS has not been a shining example of achievements by former Soviet countries since it was founded in 1991 by Russia, Ukraine and Belarus. Originally intended as a format to help ease the countries' transition into the free market economy, by 2005 even Russia was distancing itself from the alliance; Russian President Vladimir Putin once called it a 'civilized divorce' for the former Soviet states.

Georgia has always had a tense relationship with the alliance. It was the last of CIS's 12 members to join and did so more out of desperation than a sense of fellowship. Over the past 15 years, that bond has grown weaker. According to Georgian authorities, the country has nothing to show for its membership: it is the only CIS country whose citizens are required to obtain Russian visas, the territorial conflicts in Abkhazia and South Ossetia are still not resolved, higher gas prices have been imposed on Georgia and other CIS countries, and Georgia is now facing a triple embargo from Russia – on citrus, wine and mineral water.

On May 13, a high-ranking government commission was formed in Georgia to consider the country's future in the CIS. After the session, Georgian

Foreign Minister Gela Bezhushvili remarked that politically the decision was 'clear' but other issues still needed to be worked out. Three weeks later, tensions are still high. On May 25, state minister for European Integration and newly appointed Deputy Prime Minister Giorgi Baramidze noted that there is 'no sense' in remaining a part of the CIS. Baramidze was attending the annual CIS summit in Dushanbe. According to him, while Georgia became a member of the organization with the best of intentions to work with fellow former Soviet countries on economic and territorial issues, nothing was accomplished.

While Russian politicians are downplaying Georgia's threat of withdrawing from the CIS, members of the government are busy making threats about the potential consequences of such a decision. "Georgia should weigh the advantages and disadvantages before making a decision," Sergei Mironov, the chairman of the Council of Federation of Russia, said on May 26. "We do not welcome such intentions, discussions, and furthermore, real actions." He noted that Georgia's withdraw would affect the country's economy and people first.

Georgia recently met with the members of GUAM, a practically forgotten alliance between Georgia, Ukraine, Azerbaijan and Moldova, in the hopes that a stronger GUAM can help shield the countries from Russia's wrath. The members signed a free trade agreement and renamed the alliance the 'Organization for Democracy and Economic

Development (ODED) – GUAM.’ However, Moscow seems unimpressed.

For all its rhetoric, Georgia is still heavily dependent on Russia for energy supplies. Georgians are not used to paying market prices for their electricity; news of new, higher tariffs to combat the raising natural gas prices sent citizens to the street. The new tariffs which raise the price 70% for rural customers are slated to come in effect June 1st. However, even the new price is lower than international market prices.

While the trade embargos on wine, citrus and mineral water take a large bite out of the exports from Georgia to Russia, Russia remains one of the

country’s largest trading partners. In addition, Georgians working in Russia account for the bulk of the millions of dollars of remittances the country receives annually.

It is no secret that the CIS federation has not given Georgia the benefits the country anticipated when it joined 13 years ago. While the alliance is not actively helping the country, it is also not hurting it. Common wisdom suggests that Russia is using its economic strength and natural resources in an attempt to weaken Georgia and stir up internal unrest. If this is true, leaving the CIS could give Moscow even more ammunition to harm the fragile Georgian economy.

CENTRAL ASIAN UNION: NAZARBAYEV’S PIPEDREAM OR VIABLE SCHEME?

Marat Yermukanov

In his address to the nation in February 2005, Kazakhstan’s President Nursultan Nazarbayev advanced his vaguely articulated idea of a Union of Central Asian states, for the first time in a public speech intended also for a foreign audience. However, in his message to the nation, delivered on March 1 this year, the Kazakh leader did not go beyond “cooperation with neighboring states of Central Asia” and did not utter a word about the Union.

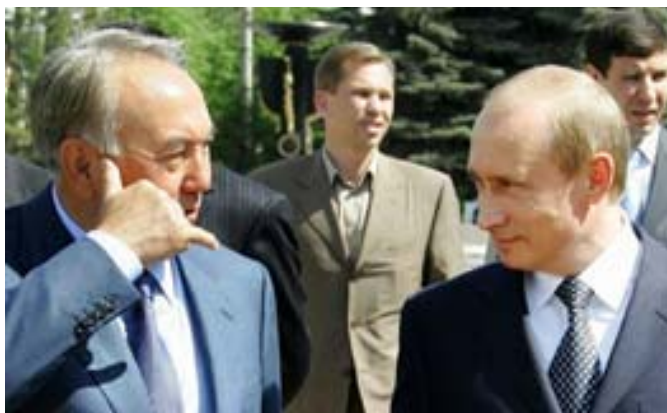
Did Nazarbayev abandon his brainchild which was so widely publicized only a year ago? During Nazarbayev’s March 19 visit to Tashkent, Uzbek president Islam Karimov, who made lengthy comments on “eternal friendship and brotherhood”, carefully avoided the thorny subject of a union between Central Asian states, modeled after the European Union, a utopian scheme according to

some analysts. Events that followed Nazarbayev’s visit to Uzbekistan show alarming signs of further deterioration of relations between Astana and Tashkent. On April 19, Bauyrzhan Akhmetov, a 24 year-old resident of Saryagash district of South Kazakhstan region, was severely beaten unconscious by Uzbek border guards and abducted to Uzbekistan where he was later hospitalized with life-threatening head injuries. The Kazakh Foreign Ministry in its note of protest qualified the behavior of Uzbek border guards as “unacceptable, unlawful in legal and political terms”. The Foreign Ministry of Kazakhstan demanded Akhmetov’s immediate release. To escalate tensions further, Uzbekistan retaliated to Kazakh accusations of border violations with the ban on exports of Uzbek vegetables and fruits to South Kazakhstan. Local government members from South Kazakhstan who planned to conduct talks with Uzbek counterparts on April 25

were told that the Uzbek side was not ready to receive the Kazakh delegation.

Tajik president Emomali Rakhmonov, who recently visited Astana, promised deliveries of Tajik vegetables. But the outcome of the talks was far less productive than expected in terms of long-term energy cooperation with Kazakhstan. In reality, Tajikistan relies more on Chinese markets for the export of its energy resources. In the near future, the competition between Turkmenistan, Tajikistan and Kazakhstan in this direction could escalate into fierce disputes.

Relations between Astana and Bishkek are not as warm as they were in Askar Akayev's era. Kyrgyz president Kurmanbek Bakiev will face a great deal of sticking points during his upcoming visit to Kazakhstan, scheduled for June 5-6. Although border agreements between Kyrgyzstan and Kazakhstan were formally signed, they are still awaiting ratification. In many sections of Kazakh-Kyrgyz border, the control is so loose that border authorities of Kazakhstan are no longer in a position to handle the growing flow of illegal labor migrants from Kyrgyzstan. Obviously this issue will be top



on the agenda of Nazarbayev's talks with Bakiev. Armed skirmishes that took place on the Tajik-Kyrgyz border on May 12 serves as a reminder of vulnerability of Kazakhstan's southern borders to increasing threats of extremist attacks. However, Bishkek resists, under various pretexts, attempts by Kazakhstan to turn back the tide of labor migrants

and would like to preserve the status quo on the border. The visiting state secretary of Kyrgyzstan, Adakhan Madumarov, said in Astana on May 12 that the Kyrgyz side extended its proposals on border regulations to the Kazakh authorities, and probably some of the problems will be solved before the two presidents meet in Astana. Another issue which may overshadow Bakiev's visit to Astana is the continuing dispute over energy and water resources. Kyrgyzstan stopped supplying South Kazakhstan with relatively cheap electricity, with the explanation that no appropriate agreements were signed between the governments. The problem is that the agreement on using jointly the energy resources of Kyrgyzstan's Toktogul hydroelectric power station, signed in April by Uzbekistan, Kyrgyzstan, Tajikistan and Kazakhstan, has not been ratified up to the present day. According to Madumarov, Uzbekistan shows little interest in the agreement.

Over the last two years, Kazakhstan intensified its efforts to boost its international image, receiving high-profile policy makers from the United States and European Union. U.S. Vice president Richard Cheney on his May 6 visit to Astana praised Kazakhstan's role as the key strategic partner in Central Asia. Such assessments may have some ideological value for Astana, but in practical terms help very little to settle its deep-rooted differences with its neighbors. More than that, some political scientists fear that continuing competition between China, Russia and United States sows the seeds of disunity among Central Asian nations, setting them against each other. Theoretically, it would be only in the best interests of the three great powers to deal with a politically stable and economically prospering union of independent states in the oil-rich Caspian region. The chaotic character of relations between Central Asian countries and lack of will to form a viable economic and political alliance indicates that it will take decades for Nursultan Nazarbayev's dream of a union of Central Asian states to become a reality.

SECOND PEACEFUL RALLY ORGANIZED IN KYRGYZSTAN

Nurshat Abubakirov

On 27 May, the long expected rally “For reforms” organized by the opposition took place. Though collecting a little fewer people than promised by the opposition, the rally took place without excesses, like that of the previous one: well organized and peaceful. The opposition brought up the same demands, consisting of the “10 steps” for the rule of law, checks and balances among the branches of government, and economic transparency.



The rally, consisting approximately of 30,000 people, started with a moment of silence for the recent death of soldiers on the Kyrgyzstan-Tajikistan border, where an armed bandit group attempted to break into Kyrgyzstan. Then it was followed by the opposition’s criticism of Minister Defense Ismail Iskakov, who wanted to organize a festivity dedicated to Kyrgyzstan’s Army Forces Day at the same time, which was understood as an attempt to hinder the gathering of people, similar to the methods of former President Askar Akaev. The celebration was usually held in the National Philharmonic and on 29 May. However, on the eve of the rally it became

known that the parade was forestalled because of predicted “bad weather”.

Unlike the previous rally held on 29 April, an emphasis was given on breaking regional ethnical and religious affiliations in order to keep the situation stable. Almazbek Atambaev, members of opposition who resigned from the position Minister of Tourism and Industry, claimed that the government was resorting to regional divisive policies in order justify themselves, saying “northerners are not letting southerners [Bakiev and his command] work”.

Even though the government reshuffle of 10 May was seen as a first accomplishment of the opposition following the April rally, President Kurmanbek Bakiev is slow in officially introducing his new appointees to the parliament. He rather plans doing it in autumn. This is understandable, given that some of them are not popular among parliamentarians – such as Daniyar Usenov, one of the successful businessmen in Kyrgyzstan allegedly involved in corruption, whose candidacy as the first Deputy Prime Minister did not go through the parliament in October 2005.

In order to create a counterweight to the burgeoning opposition, dozens of pro-presidential parties cropped out on the political arena, joining in April 2006 in a single block called the National Forum with the same aims as that of the opposition: for democratic reforms and the rule of law. The core of the forum is built on such parties as “The Republican Party of Labor and Unity” led by people engaged in the president’s pre-election

campaign, “Community” led by the dean of Kyrgyz-Slavic University, “New Kyrgyzstan” led by Usen Sydykov, and “Erkindik” of Topchubek Turgunaliyev, who has put enormous effort to dissolve the parliament since the March events through collecting signatures. The latter two embarked upon organizing Kurultays (people’s assembly) in regions of Kyrgyzstan, in which, it is said, they steer the minds of the electorate against their representatives in the parliament.

However, analysts claim the National Forum is artificial and could fail, pointing to the ideological difference among its constituent parties. For example, Topchubek Turgunaliyev, leader of the “Erkindik” party, is critical towards the tandem between the president and the prime minister, whereas “Community” holds the opposite view.

Another organization that emerged on the political arena shortly was the Coalition of National Democrats (CND), which strongly resembles the Coalition For Democracy and Civil Society led by Edil Baysalov, an outstanding critic of the government. The newly created organization blames Baisalov’s group for serving as leverage for foreign interests in the country, especially “western” ones. The CND’s pro-Russian views may imply that some government officials, who believe that funding from abroad is a threat to national security, back it up.

By creating parties and organizations with analogues names and agendas, the government tries to confuse the people, says Omurbek Tekebaev, an ardent member of the opposition who voluntarily resigned as Speaker of Parliament. Incidentally, meetings have been held in Tekebaev’s electoral district to have him recalled. Tekebaev himself argues that the government initiated it.

Despite the relative coherence of the opposition, it has its own cracks over its objectives. The “Asaba” party led by Roza Otunbaeva, the former Foreign Minister, and Azimbek Beknazarov, the former Prosecutor General and current MP, refrained from joining the rally “For reforms”, highlighting that they are for the “civilized demolishing of the tandem” and “new reforms”. They believe that the mainstream opposition strive to bring down Mr. Bakiev and returning to the constitution of 1993, which was later distorted by the ousted former Askar Akaev.

However, this time, by passing resolution in front of the people, the opposition seem to make a take-it-or-leave-it deal, saying if the government fails to meet its ten key demands, they would seek the dismantling of the “tandem” between the president and prime minister, which is taken to imply that if one leaves, then the other has to leave too. Nonetheless, as if giving a chance to the government to live up to the demands, the opposition set an extended timeframe, till September.

Therefore, the early autumn is likely to be hot for the government and opposition as well as for the people, because it is the time when the general referendum over the form of government will be held. The opposition will expect the government to fulfill their demands, whereas the pro-presidential forum plans to organize a concluding Kurultay in Bishkek in September to keep the presidential system of government and in general to support the incumbent government.

IMPROVING TAJIKISTAN'S BANKING SECTOR

Bakhtiyor Naimov

The last two years have been economically very positive for Tajikistan, and the country has entered into the new phase of development. This development is partly the result of constructive cooperation between international organizations such as the European Bank for Reconstruction and Development, the Aga Khan Development Network, and the Asian Development Bank with the National Bank of Tajikistan on improving the banking sector. A cumulative ca. US\$30 million has been invested in and/or lent to various banks across the republic. Tajikistan is not rich with natural resources or land, which almost necessarily implies that small and medium enterprises and services' sector should be targeted for the country to become self sufficient. These sectors need credits and loans that are normally provided by banks.

Most commercial banks in the newly independent states started their existence with small capital and were thus dodgy to work with. The banking sector has especially suffered in the former Soviet countries after all the savings of the citizens were either cancelled or heavily devalued. Therefore, even if some commercial banks have sufficient capital and assets, winning back public trust is yet another significant objective to achieve. Luckily, during the 1998 default in Russia which had an inevitable affect on most CIS countries, the banking sector in Tajikistan did not draw considerable capital from the population, which would have meant a double loss of trust.

With the support of the international organizations, Tajikistan's banks can increase their capital and offer profitable rates for deposits or enhance short-term investment. In

fact, Tajikistan as of today. probably has the best deposit interest rates, ranging from 20-30 percent annually. With microeconomic stabilization performing relatively well, the country has succeeded in maintaining a low inflation rate. For three years, the now *somoni* has been stable to the US Dollar in the range of 3.2 *somoni* per Dollar.

The biggest bank in Tajikistan is Orienbank, with overall capital of over US\$18 million. The capital of Agroinvestbank, Tajsodirobank, Tajprombank, Amonatbank, and the First Microfinance Bank also well exceeds US\$5 million, and these banks have branches in most of the cities of the country. Accessibility is a big step forward to make banking attractive and trustworthy. Moreover, a solid and stable banking sector is very instrumental in improving small and medium enterprises internally and it is also a necessary precondition for foreign investment. Yet not long ago, money was transported in cash from one place to another by representatives of various organizations.

An interesting connection can be drawn between labor migration and the banking sector in Tajikistan. The migrant workers do not only help their families survive back home, but also directly and indirectly have affected and are continuing to help the banking sector in Tajikistan. The International Organization for Migration has estimated the volume of remittances to be twice the size of the national GDP, and unlike Russia where the national wealth is invested abroad even by those working in the country, Tajikistanis are loyal in sending money back to their country.

Economically speaking, the migrant workers are investing in Tajikistan either by increasing their families' savings or increasing spending. Their indirect contribution to the strengthening of the banks in Tajikistan has unfortunately taken root from the awful experience that most of them overcame while transporting money back home after a seasonal work in the late 1990s. Many became victims of corrupt border guards and custom officials along the way to Tajikistan. With the appearance of Western Union and then the more profitable Anelik, Migom, and InterExpress in Tajikistan's major cities, money transfers via banks have become more attractive and less risky for the migrant workers, which in turn makes interaction of their families with banks more frequent back home. This could be very conducive to restoring trust in the banks.

On the negative side, the strong dependency of commercial banks on external capital prevents them to require necessary procedures on funds

reporting, and illegal money from drugs can be stored safely and contribute to the criminal economy. Furthermore, with corruption and bribery rife, banks are a convenient way of money laundering from the republic. Given that most of the banks in fact belong to the individuals close to the authorities, accountability is an element yet to achieve. Deloitte and KPMG, some of the world biggest finance and auditing companies, are stretching their activities as far as Central Asia, which could bring about more transparency in the banking sector. The EBRD, IMF, ADB, and other IFIs that have given loans to Tajikistan's banks need to work with the government in order to pass and enforce necessary and relevant laws for strengthening transparency and accountability.



Central Asia- Caucasus Institute
Silk Road Studies Program

NEWS DIGEST

HIGH COTTON PRICE HURTS TAJIK PRODUCERS

18 May

Abdulkarim Hikmatov, Tajikistan's deputy minister of industry, told Asia Plus-Blitz on May 18 that high domestic cotton prices are hurting Tajik producers. "If one month ago a ton of cotton was sold for \$948 to both domestic and foreign producers, the price has now gone up \$109 for domestic producers," Hikmatov said. Hikmatov said that the price increase, which was intended to ease the debt burden on cotton growers, has put domestic textile producers at a disadvantage. Hikmatov also noted that only 12.4 percent of the cotton Tajikistan produces is processed into manufactured goods in Tajikistan, while the remainder is exported for manufacturing outside the country. He said that the pricing problem, which resulted from a decision by the Agriculture Ministry and the Antimonopoly Agency, must be resolved in a fashion that does not impact domestic producers negatively. (Asia Plus-Blitz)

KAZAKH MINISTER OUTLINES PIPELINE PROSPECTS, DIFFICULTIES

19 May

Kazakh Foreign Minister Qasymzhomart Toqaev told Interfax in Berlin on May 19 that a gas pipeline across the Caspian Sea may be built only with the agreement of all five Caspian littoral states. "Despite the general appeal of this project, it is quite difficult in technical terms," Toqaev said. "Especially considering that it requires the laying of a gas pipeline along the Caspian seafloor, for which the consent of all Caspian states is needed." The Caspian's legal status remains undefined, and Toqaev noted that while the littoral states have managed to agree on "70 percent" of a convention to define the Caspian's legal status, "it is difficult to expect that the convention will be ready for signing in the near future." The news agency noted that Iranian officials recently cast doubt on the possibility of a trans-Caspian gas pipeline without the consent of all five littoral states. On another front, Toqaev told Interfax that Kazakhstan is considering a Chinese proposal for a gas pipeline running parallel to the existing Atasa-Alashankou oil pipeline for exports from Kazakhstan to China. China made the proposal when Toqaev visited Beijing in mid-April,

but Toqaev said that it is still too early to discuss any possible time frames for the project. (Interfax)

INTERPOL PLACES FORMER AJARIAN LEADER ON WANTED LIST

19 May

Former leader of the Ajarian autonomy Aslan Abashidze has been placed on Interpol's wanted list. The Interpol website says that he is wanted for illegal possession of firearms, fraud, organized crime, terrorism and unlawful imprisonment. (Interfax)

GEORGIAN MILITARY POLICE DETAIN HIGH-RANKING RUSSIAN MILITARY OFFICIALS

19 May

Georgian military police detained Russian Deputy Ground Forces Commander Lt. Gen. Valery Yevnevich and a group of officers from the main command of the Russian Ground Forces near the city of Gori on Friday. Col. Igor Konashenkov, an aide to the Ground Forces commander, told Interfax from the scene that "Gen. Yevnevich and the Russian officers from the main command were on their way to the Tbilisi airport to fly to Moscow." (Interfax)

SIX RUSSIAN PEACEKEEPERS KILLED IN ROAD ACCIDENT IN ABKHAZIA

20 May

Updated reports indicate that six Russian peacekeepers were killed in a road accident in Abkhazia's Gali district, aide to the Russian Ground Forces commander Col. Igor Konashenkov told Interfax on Saturday. "An armored personnel carrier moving toward the Kodori Gorge in the Georgian-Abkhaz conflict zone for engineering reconnaissance on Saturday overturned near Gali, killing six servicemen from the Russian peacekeeping contingent," Konashenkov said. Among the victims are four officers, one non-commissioned officer, and a contract soldier, he said. "Several servicemen on board the APC sustained injuries, but their lives are out of danger," Konashenkov said. "Several possible reasons behind the accident are being pursued, among them a sudden mechanical fault and the appearance of an unexpected obstacle on the road," Konashenkov said. (Interfax-AVN)

TWO GEORGIAN CRIMINALS KILLED IN ATTACK ON OSSETIAN FAMILY

21 May

An Ossetian family was attacked in the village of Khelchua in South Ossetia overnight. Two criminals were killed in the incident. "The two attackers, both of them Georgian citizens and residents of the neighboring village of Mereti, have a previous criminal record," Gela Zoziashvili, the Georgian president's deputy envoy in the Shida Kartli region, told Interfax on Sunday. "We categorically deny any political motivation in the incident and are prepared to launch a thorough probe into it on the Ossetian side," Zoziashvili said. (Interfax)

ISOLATING IRAN WILL NULLIFY EFFORTS TO RESOLVE CRISIS – LAVROV

23 May

The efforts deployed by the European Union Troika, Russia, the U.S. and China to settle the Iran nuclear problem will come to naught if Iran is isolated, said Russian Foreign Minister Sergei Lavrov. "All the efforts that are being made by the six countries to draw up proposals [to Iran in exchange for stopping uranium enrichment] will be senseless if we forget about Iran," Lavrov said at a press conference in Doha on Tuesday, commenting on a Los Angeles Times' report alleging that the U.S. has started implementing a deterrence strategy in relation to Iran and other Gulf countries. Lavrov said if the report was true, such steps "would contradict the efforts that are being made now." Iran should respond to the proposals developed by the six countries, Lavrov said. "We expect that Iran's response will be constructive," he said. (Interfax)

TALKS ONLY WAY TO SOLVE IRANIAN NUCLEAR PROBLEM – LAVROV

23 May

Talks are the only possible way to solve the Iranian nuclear problem, Russian Foreign Minister Sergei Lavrov said. "Russia, China and the United States, jointly with the European Troika, have been working on proposals that would lead to a political, diplomatic way out of the situation surrounding the Iranian nuclear program. Qatar, I know, supports these efforts," Lavrov said at a news conference in Doha on Tuesday. In comments on criticism leveled at Russia, China and Qatar by the Israeli ambassador to the UN, the minister said, "It's strange that these three countries have been lumped together by some as opponents of the general consensus. On the contrary, we are among the most active supporters of talks,

because there cannot be any other option except talks," said Lavrov. (Interfax)

FORMER KYRGYZ PARLIAMENT SPEAKER SAYS 'TANDEM' HAS OUTLIVED ITS USEFULNESS

24 May

Former parliament speaker Omurbek Tekebaev said on May 23 that the "tandem" of President Kurmanbek Bakiev and Prime Minister Feliks Kulov has "outlived its usefulness." Tekebaev said, "The tandem, which was created for purposes of stabilization and the development of society, has not justified itself and has outlived its usefulness. That's why the country now faces the critical issue of clearly delineating the functions and duties of all branches of government." Bakiev and Kulov joined forces as a "tandem" in the lead-up to the July 2005 presidential election. Tekebaev stepped down as speaker of parliament in February after making a derogatory comment about Bakiev. (akipress.org)

UZBEK COURT RELEASES OPPOSITION LEADER FOR PAYMENT

24 May

Nodira Hidoyatova, a businesswoman and the coordinator of the Uzbek opposition movement Sunshine Coalition, was released from jail in Tashkent on May 23 with a seven-year suspended prison sentence for financial crimes. Hidoyatova originally received a 10-year sentence in March for economic crimes. The court commuted her sentence at an appeal on May 23 after Hidoyatova's relatives and friends compensated the state for 36 million soms (\$29,500) and \$40,000 in damages. The total value of currency and property ceded to the Uzbek state for Hidoyatova's release was 120 million soms (\$100,000). Under the terms of her release, Hidoyatova will not be allowed to leave Tashkent and must compensate the state an additional 150 million soms. If she violates the terms of her release, she will be forced to serve her full seven-year sentence. (ferghana.ru)

KOCHARIAN EXPRESSES GRATITUDE FOR ACTIONS TAKEN AFTER AIRBUS A320 CRASH

24 May

Armenian President Robert Kocharian has expressed gratitude for the actions taken by Russia after the crash of the Armavia Airbus A320 near Sochi in a telephone conversation with President Vladimir Putin. "The Armenian president expressed gratitude for Russia's efficient and full-scale involvement in the rescue operation after the crash and congratulated the

president for the successful completion of efforts to recover the flight recorders," the Kremlin said, adding that the conversation was initiated by Kocharian. Putin "expressed hope that the recovering of the black boxes, which became possible as a result of the unique skills of experts, will allow to uncover all the details of the crash," the Kremlin said. (Interfax)

RUSSIA HAS LEGAL RIGHT TO GRANT GIORGADZE POLITICAL ASYLUM - PROSECUTOR

24 May

If Russia grants political asylum to former Georgian states security service head and leader of Georgia's opposition Justice party Igor Giorgadze, it will be acting in accordance with Russian legislation and international law, Deputy Prosecutor General Vladimir Kolesnikov said. "Political asylum could be granted to Giorgadze, in the first place, on the basis of Russian legislation which complies with the 1961 convention on granting political asylum to persons who are being persecuted by their state for political reasons," Kolesnikov told Interfax on Wednesday. (Interfax)

TBILISI PROTESTS GIORGADZE'S PUBLIC APPEARANCE IN MOSCOW

24 May

Russian Ambassador to Tbilisi Vladimir Chkhikvishvili was summoned to the Georgian Foreign Ministry on Wednesday to hear a protest against Georgian opposition leader Igor Giorgadze's press conference in Moscow on May 24. Tbilisi also protested against statements made by high-ranking Russian officials stating that Moscow is prepared to grant political asylum to Giorgadze, a former Georgian security minister who is on Interpol's wanted list, the Georgian Foreign Ministry said in a statement. The Russian ambassador met with Georgian Deputy Foreign Minister Levan Choladze. (Interfax)

FOUR INTERIOR TROOPS KILLED, THREE WOUNDED IN CHECHNYA

24 May

Four interior troops were killed and three others wounded when militants attacked an interior troops post in Chechnya's Vedeno district, a source in the Interior Troops headquarters in the North Caucasus told Interfax on Wednesday. The servicemen were attacked outside the village of Ishil-Khatoi overnight. "Four servicemen were killed and three others, among them a senior officer, suffered wounds in the attack,"

the source said. A search operation has been launched. The militants' losses have yet to be established. (Interfax-South)

KAZAKH OIL REACHES CHINA

26 May

Oil pumped from Kazakhstan has reached China through a 962-kilometer pipeline linking the two countries, China's "People's Daily" reported on May 25. The event marks the first direct pipeline import of oil to China. Yin Juntai, deputy general manager of China Petroleum Exploration and Development Company, commented that the pipeline, which was completed in November, "has provided a direct link between Kazakhstan's rich oil resources and China's robust oil consumer market." The \$700 million pipeline will eventually transport 20 million tons of oil a year to China. The "People's Daily" report said that China's oil imports from Kazakhstan are expected to total 4.75 million tons in 2006. (RFE/RL)

KULAYEV SENTENCE FAIR - KADYROV

26 May

The sentence handed down to Nurpasha Kulayev, the only surviving member of an illegal armed group that seized School No 1 in Beslan, corresponds to the gravity of his crimes, Chechen Prime Minister Ramzan Kadyrov said. "A criminal who raises a hand on children does not deserve sympathy, no matter the motives behind his acts," Kadyrov told Interfax on Friday commenting on the sentence handed down by the North Ossetian Supreme Court to Kulayev. "All Chechens closely followed the investigation and expected that those guilty would be punished," he said. "The sentence handed down to Kulayev is in accordance with Russian legislation, and I am sure that everybody who intends to commit a terrorist attack will be sentenced similarly," he said. "This case will be closed only after the relatives and friends of the victims have received answers as to why the terrorist attack became possible," Kadyrov said. (Interfax)

OSCE MINSK GROUP MEETS WITH ARMENIAN LEADERS

26 May

The French, Russian, and U.S. co-chairmen of the OSCE Minsk Group, accompanied by senior diplomats from the three countries, met in Yerevan on May 25 with Armenian President Robert Kocharian and Foreign Minister Vartan Oskanian to discuss the ongoing search for a solution to the Karabakh conflict, RFE/RL's Armenian Service

reported. In a subsequent statement, the co-chairs said the talks focused on unspecified "important aspects" of a peace settlement. As in a statement issued the previous day in Baku, they stressed the need for "the two sides to reach agreement on the basic principles of a settlement," and they urged the presidents of Armenia and Azerbaijan to prepare the populations of their respective countries for peace, not a new war. A spokesman for Kocharian told RFE/RL that the Armenian president will meet with his Azerbaijani counterpart Ilham Aliyev in Bucharest on June 5 on the sidelines of a summit of the Black Sea Economic Cooperation Organization. (RFE/RL)

KYRGYZ OPPOSITION RALLY GIVES GOVERNMENT UNTIL SEPTEMBER TO REFORM

27 May

An opposition rally attended by some 10,000 people in Bishkek on May 27 gave President Kurmanbek Bakiev and Prime Minister Feliks Kulov until September to implement a 10-point reform program passed as a resolution during the demonstration. The opposition's demands are: 1) a new draft constitution; 2) the punishment of those responsible for the shooting of demonstrators in Aksy in March 2002; 3) an end to "family business" and a real fight against corruption; 4) guarantees of freedom of the press; 5) economic reform, including the return of all economic functions to the cabinet; 6) a stepped-up fight against crime; 7) an end to the use of state-controlled media to denigrate political opponents; 8) an end to monopolization and price-gouging in the construction sector; 9) compensation for merchants' losses in looting during the night of March 24, 2005; and 10) an end to "unconstitutional" attempts to limit free speech and demonstrations. Almazbek Atambaev, a member of the For Reforms movement that organized the protests, said that if the protesters' demands are not met by fall, "We will resume our protests and will demand the resignation of the ruling tandem [of Bakiev and Kulov]." (akipress.org)

IRAN: U.S. WILL FAIL TO SPARK UNREST

28 May

Iran's supreme leader said Sunday the United States would fail to provoke ethnic strife in the Islamic republic after several days of protests over a cartoon that insulted the country's largest minority. Ayatollah Ali Khamenei also said in a speech broadcast by state-run television that "trying to provoke ethnic and religious unrest is the last desperate shot by enemies." He referred to a Bush administration request to

Congress for \$75 million to promote democracy in Iran, saying: "Enemies of the Iranian nation have earlier announced that they have allocated some money for this purpose." Earlier, hundreds of Azeris demonstrated in front of the Iranian parliament to protest the cartoon, which was published by a state-owned newspaper two weeks ago. "Coward legislators, support the Azeris!" chanted the protesters, who urged parliament to punish those who published the cartoon and release people detained in previous protests over the issue. On Wednesday, the government closed the newspaper and detained its chief editor and cartoonist for publishing the drawing, which showed a cockroach speaking Azeri. Azeris, a Turkic ethnic group, are Iran's largest minority, making up about a quarter of Iran's 70 million people, dominated by ethnic Persians. Azeris speak a Turkic language shared by their brethren in neighboring Azerbaijan. Khamenei paid tribute to the role of Azeris in the 1979 revolution that brought Islamic clerics to power. He said Iran's Azeri region was "was the axis of the (1979) revolution" and that trying to provoke unrest there showed "the folly of the enemies." Following Azeri protests in the northwestern city of Tabriz and other towns, President Mahmoud Ahmadinejad last week accused the United States of seeking to provoke ethnic tensions in Iran. (AP)

RIOTS, GUNFIRE AFTER US TROOPS SHOOT DEAD FOUR

29 May

The Afghan capital erupted in gunfire and riots after US troops shot dead at least four people following a traffic accident, with angry crowds shouting "Death to America." Gunshots could be heard near Kabul's diplomatic quarter as around 1,000 people marched toward the area. The trouble began when a US vehicle appeared to lose control and smashed into other vehicles, according to an AFP photographer who was on the scene. The military coalition said the accident, which may have been caused by faulty brakes, killed one person and injured several. People angered by the carnage started protesting and pelting the military vehicle with stones. US troops then opened fire and killed at least four people, the photographer said. He said two men were shot dead next to him, and two other bodies were found after the burst of gunfire. Several people were wounded. The shooting set off more fury as protesters held aloft one of the bodies and chanted: "Death to America, Death to (President Hamid) Karzai." "These traitors killed at least 10 people. Death to them," a protestor named Ahmadullah said told an AFP reporter, referring to the

American troops. Another said: "These cowards opened fire into the crowd and killed them like sheep. First they drove into the people's cars, destroyed them and then fired onto the people who were only throwing stones at them. After the mob attacked police vehicles and torched a police station, Afghan police started shooting, the photographer said. The shooting seemed to worsen the violence as a crowd started marching on the diplomatic quarter. The Afghan parliament broke off regular business and went into an emergency session to discuss the violence, calling for calm. The interior ministry set up a team to go to the area to establish the number of dead and wounded. The incident comes just over a week after a major coalition strike against Taliban insurgents in the south of Afghanistan. The country's main human rights group said that attack killed about 34 civilians. (AFP)

TAJIK PRESIDENT ORDERS TIGHT CONTROL OF FRUIT EXPORT TO RUSSIA

29 May

Tajikistan's President Emomali Rakhmonov has asked the Agriculture Ministry and other agencies concerned to speed up the supply of early vegetables and fruit to Russia and to ensure the highest quality of offered products, sources in the presidential administration told Itar-Tass. He also promised to personally control implementation of this task. "The agreement was achieved at the meeting with Russian President Vladimir Putin in Sochi. Russia needs extra import of vegetables and fruit due to last year's poor harvest," Rakhmonov said. Several days ago he said Tajikistan would double the supply of vegetables and fruit to Russia. The chief of the foreign economic ties department of the Russian Ministry of Agriculture, Khikmatulo Gulyumov, has said the Tajik producers would be able to export to Russia and Kazakhstan over 164,000 tonnes vegetables and fruit and to do so at once. The Agriculture Ministry Official has said Kazakhstan, Uzbekistan and Russia this year have reduced railway transit fees by 50 percent, which would speed up the delivery and reduce costs. (Itar-Tass)

FIRST CASPIAN OIL SUPPLIED TO TURKEY ON BAKU-TBILISI-CEYHAN PIPE

29 May

The first Caspian oil was supplied to Turkey on the Baku-Tbilisi-Ceyhan pipeline. The loading of the first tanker began at the oil terminal Ceyhan in the southern Turkish province Adana, the television network CNN Turk reported on Monday. The loading

is expected to be completed this week. The Baku-Tbilisi-Ceyhan oil pipeline is designed to transport 50 million tonnes of oil a year. The length of the pipeline is 1,768 kilometers, and 1,076 kilometers are passing in Turkey. The project costs about four billion dollars. The main shareholder and operator of the pipeline is British Petroleum (BP) that owns 30.1 percent of the pipeline's stock. The commissioning of the oil pipeline was postponed several times. It was initially planned to commission the oil pipeline in the end of 2004. The official opening ceremony of the pipeline is scheduled on July 13. Representatives of the governments from 16 countries, including the leadership of Turkey, Georgia and Azerbaijan will take part in the ceremony. According to Turkish local economic analysts, the Turkish revenues from the oil transit along the Baku-Tbilisi-Ceyhan pipeline may reach 300 million dollars a year. (Itar-Tass)

INTERNATIONAL ORGANIZATIONS CAMPAIGN FOR DEATH PENALTY BAN IN CENTRAL ASIA

29 May

International organizations are holding a campaign for abolition of the death penalty in Central Asia, International Helsinki Federation for Human Rights project coordinator Natalia Lazareva said at a Monday roundtable. "Some problems have not been resolved, as a moratorium does not mean the abolition of the death penalty," she said. The federation launched the two-year project last December "to give more information to citizens and discuss human rights aspects of the death penalty," Lazareva said. The project is under way in Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan, she said. Kazakhstan, Kyrgyzstan and Tajikistan have a death penalty moratorium. Uzbekistan will abolish the death penalty by a presidential decree on January 1, 2008. Turkmenistan abolished the death penalty in 1999. (Interfax)

AID WORKERS KILLED IN AFGHANISTAN

30 May

Three women and a man working for the ActionAid charity have been shot dead in Afghanistan, officials say. The aid workers - all believed to be Afghan citizens - were killed in Mingajik district in the northern province of Jowzjan. They were reportedly attacked in their vehicle by gunmen riding motorcycles. Aid teams are often targeted in attacks blamed on the Taleban militia - but incidents such as these are relatively rare in Afghanistan's calmer north. Earlier this month, two Afghan employees of the

UN's children's charity, Unicef, were killed in a rocket attack as they were driving on the road from Herat, in the west, to Kandahar in the south-east. In June 2004, five people working for international relief agency, Medecins sans Frontieres, were killed in the north-western province of Badghis. ActionAid has confirmed its staff were attacked. The charity has been working to bring modern healthcare to remote Afghan villages. A person claiming to be a spokesman for the Taliban telephoned the BBC on Monday warning of attacks in the north of the country. Troops from Sweden, operating under Nato command, have a base in Jowzjan province. (BBC)

OSCE DELEGATION VISITS TSKHINVALI

30 May

A delegation of OSCE ambassadors have traveled to Tskhinvali to obtain firsthand information about the situation in the Georgian-South Ossetian conflict zone. Spanish Ambassador to the OSCE Carlos Sanchez de Boado, who leads the delegation, said the delegation's members will meet with South Ossetian leaders. The delegation includes ambassadors from Spain, Germany, Liechtenstein and Norway, who are visiting Georgia as part of their trip to South Caucasus countries. (Interfax)

RUSSIAN PEACEKEEPERS ARRIVE IN TSKHINVALI FOR ROTATION

30 May

Five hundred servicemen from Russia's North Caucasus Military District have arrived in Tskhinvali, South Ossetia, to replace the Russian peacekeeping battalion from the Joint Peacekeeping Forces. "A convoy of Russian servicemen has arrived in Tskhinvali. There were no incidents on the journey. Thus, the rotation of the Russian peacekeepers in South Ossetia is proceeding according to plan," Joint Peacekeeping Forces chief of staff Col. Rem Akimov told Interfax Tuesday. The incoming peacekeepers will start taking charge of military hardware and other material on Wednesday, he said. "The peacekeeping contingent to be relieved - five hundred servicemen - will depart for Russia on June 1," Akimov said. (Interfax-AVN)

GEORGIA PROTESTS RUSSIAN ROTATION IN CONFLICT ZONE

30 May

The Georgian Foreign Ministry has protested Russia's steps to rotate its peacekeeping contingent in the conflict zone in the Tskhinvali district. "In defiance of a warning, Russia has once again violated

agreements and visa rules by carrying out a rotation through the Roki Tunnel, bypassing the Kazbegi-Verkhny Lars sole border crossing point," the ministry said in a statement on Tuesday. The rotation "has violated both Georgian-Russian agreements and decisions taken by the Joint Control Commission for the settlement of the conflict," it reads. Furthermore, the measure has not been approved by the commission's co-chairman and Georgian Conflict Settlement Minister Giorgi Khaindrava, the statement reads. "Russia has again refused to discuss visas for its peacekeepers deployed on the territory of Georgia with the Georgian authorities," it reads. (Interfax)

GEORGIAN POLICE DETAIN, TORTURE, THEN RELEASE OSSETIANS

30 May

Georgian police detained some 40-50 Ossetians on May 27 in villages in the South Ossetian conflict zone and took them to Gori for questioning, Russian and Georgian media reported. Most of the men were released the following day, and subsequently claimed to have been subjected to "brutal" torture." Eduard Kokoity, president of the unrecognized Republic of South Ossetia, accused Georgia on May 29 of conducting a policy of deliberate destabilization of the region under U.S. guidance. After meeting in Tskhinvali with South Ossetian officials, Georgian Minister for Conflict Resolution Giorgi Khaindrava and human rights ombudsman Sozar Subar both condemned the detentions and mistreatment as a human rights violation and demanded an investigation. (Caucasus Press)

NATIONALISTS MURDER ETHNIC ARMENIAN IN COMMUTER TRAIN NEAR MOSCOW

30 May

A 19-year-old ethnic Armenian was stabbed to death in a commuter train near Moscow. Lawyer Simon Tsaturian told Interfax on Tuesday that a group of young men attacked Artur Sardarian, a permanent resident of the town of Pushkino, in a commuter train northeast of Moscow in the evening of May 25, stabbing him many times. Quoting eyewitnesses, the lawyer said that the attackers were shouting "Glory to Russia!" (Interfax)

RUSSIA CONCERNED ABOUT GEORGIAN DEPLOYMENT IN CONFLICT ZONE

30 May

Georgia will bear full responsibility for a possible

flaring of tensions in response to any of its decision to deploy more security forces in the conflict zone in the breakaway province of South Ossetia without permission, Russian Foreign Ministry spokesman Mikhail Kamynin told journalists on Tuesday. "Georgian special units entered the Georgian [South] Ossetian conflict zone on May 27," he said. "The Foreign Ministry of Russia is concerned about this situation and warns that Georgian will bear full responsibility for any similar measures aimed at stirring tensions in the conflict zone," the spokesman said. Georgia's newly deployed units "have blocked the joint peacekeeping force's posts manned by Russian peacekeepers," Kamynin said. "Events did not follow the worst-case scenario and bloodshed was avoided only thanks to the self-control of Russian peacekeepers," he said. "The Foreign Ministry of Russia views these actions by Georgia as a gross violation of all multilateral agreements and regards them as a provocation designed to stir tensions in the conflict zone," Kamynin said. (Interfax)

FORMER CHECHEN PRESIDENTIAL ENVOY NAMED FOREIGN MINISTER

30 May

Acting Chechen President and resistance commander Abdul-Khalim Sadullayev on May 27 named Akhmed Zakayev as foreign minister in the underground government of the Chechen Republic Ichkeria. Zakayev, who was granted asylum in London several years ago, previously served as special envoy to Sadullayev's predecessor, Aslan Maskhadov. Sadullayev dismissed him early this year from the post of minister of culture following an internet polemic between Zakayev and radical Chechen ideologist Movladi Udugov. In an interview with RFE/RL's North Caucasus Service, a Russian translation of which was posted on chechenpress.org on May 30, Zakayev denied that his new appointment heralds a shift in resistance policy. He said the resistance still hopes for a peaceful solution of the

Chechen conflict, and added that discussions on how to reach such a solution are under way within the Russian leadership. Speaking with Spanish journalists in Moscow on February 7, President Putin again ruled out peace talks with "terrorists," but said Moscow would be prepared to embark on peace talks with resistance groups that surrender their arms. (RFE/RL)

ATTACK KILLS AFGHAN POLICE CHIEF

31 May

A police chief in the southern Afghan province of Zabul has been killed in a suspected Taleban attack. Ghulam Rhasoul was killed when his vehicle was hit by a rocket-propelled grenade near the city of Qalat, a local official told the AP news agency. At least three other people travelling with him are said to have been hurt. Hundreds of people have died recently in clashes between Taleban-linked guerrillas and Afghan security forces, backed by foreign troops. More than 350 people have died in the recent violence - some of the worst since a US-led invasion ousted the Taleban government in 2001. Most of the dead are said to have been militants, killed in air strikes - but the number also includes dozens of police and four international troops. Aid workers employed by foreign organisations have also been targeted. Three women and a man working for the ActionAid charity in northern Afghanistan were shot dead on Tuesday. A local government spokesman quoted by the Associated Press news agency said the Zabul police official had been travelling in the area to warn of possible Taleban attacks when he was killed. However, an Afghan interior ministry spokesman quoted by the Reuters news agency said Mr Rhasoul was killed while coming to the aid of security forces targeted in an earlier attack. "They were part of a reinforcement sent to help a group of highway police who had come under Taleban attack on a road of Zabul," Yousuf Stanizai told Reuters. He said more than 10 policemen had been killed in the earlier assault. (BBC)

