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BI-WEEKLY BRIEFING

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*Central Asia- Caucasus Institute
Silk Road Studies Program*

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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 NGdO. 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.

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TURKMENISTAN'S POWER TRANSFER: WELCOME TO BERDYMUHAMMEDOV'S WORLD

Slavomir Horak

The death of Turkmenistan's "irreplaceable" president, Saparmurat Niyazov Turkmenbashi, has opened discussions and speculations regarding the country's future course. While analysing current Turkmen elites and the transition, it is clear that there was not much space for any kind of struggle among them. The new regime represented by the tandem of Acting President Gurbanguly Berdymuhammedov and the Chief of the Presidential Guard Akmurat Rejepov agreed on the power division quite peacefully. While no rivaling constellation is likely to appear, the main question for the future is the stability of this tandem.

BACKGROUND: On December 21, 2006, Turkmenistan woke up to a very strange morning. The first and life president, who had been able to decide about the fate of any Turkmenistani, was no more. His nation was as abandoned as an orphan after the earthquake that devastated Ashgabat in 1948 – much like Niyazov himself, in other words. Nevertheless, not everybody was really surprised. The Turkmen elites were evidently able to manage the new situation quite well.

There are also rumours about the earlier date of the *Serdar's* death. According to some of them, the death was announced only after Russian president Vladimir Putin repeatedly demanded to speak with Turkmenbashi. If this information is well-founded, Niyazov would have been dead for several days before the news came out, and the elite would have enough time to agree on their next steps.

Analyzing the elites in Turkmenistan in the last days of Niyazov's life, analysts often refer to traditional clan or tribal connections that could play an important role

in the expected succession struggle. The majority of Turkmenistan's elite is indeed predominantly from the



Saparmurat Niyazov, 1940-2006.

Akhal tribe from the central region of Turkmenistan. Representatives of other elites are able to play only a secondary role in the state hierarchy. However, the role of the clan system appears to be exaggerated. The traditional tribal question does not appear to have played a decisive role in the recent regime

transformation. However, it is possible to speak of political or power clans, with patron-client relations, and these participated in the recent events.

After the purges of Spring 2006, when powerful Prosecutor General Kurbanbibi Atajanova was jailed, only two main centers of power maintained their influence on Turkmenbashi. The first was the Presidential Guards, under the leadership of Akmurat Rejepov. He successfully placed his people (absolutely loyal to him) into the major power structures, including the Defense Ministry, the National Security Ministry, etc.

The second important power body was formed around the Presidential Administration. There were several influential people that were almost unknown and even



Interim President Gurbanguly Berdymuhammedov

mysterious. The most important of them were Alexandr Zhadan, Victor Khrarov and Vladimir Umnov. All of them worked as advisors to the President and were probably responsible for most ideological matters, as well as for the foreign and internal policies in Turkmenistan. These people were considered to be the most powerful persons in Turkmenbashi's inner circle. Their role now, and even their whereabouts, are unclear.

IMPLICATIONS: While there will undoubtedly be much speculation about Turkmenbashi's death – what

its real cause was, and whether it was unnatural, etc., the first visible steps of the new establishment are of greater significance.

The death of powerful leaders leaving no designated and strong successor usually results in instability, and a power struggle, whose “winner” takes the highest seat, but normally without reaching the level of power as the predecessor. In Turkmenistan, although there was no strong successor in the leadership, the struggle for power finished almost before it started. The most informed and powerful individuals in the state took advantage of their positions. Presently, the above-mentioned Akmurat Rejepov appears to be the most powerful figure in the country. However, he will probably prefer to stay behind the scene and put Acting President Gurbanguly Berdymuhammedov through as a formal figurehead.

The constitutional (or rather pseudo-constitutional) shifts in the Halk Maslahaty (the Supreme constitutional organ in the country) session on December 26, 2006, merely confirmed the existence of an elite agreement. Ovezgeldy Atayev, the chairman of Turkmen parliament (*mejlis*) who was supposed to take up the function of acting president according to Article 61 of the previous version of the Turkmen Constitution, was completely set aside. The new text of the relevant Article says that the rights of the President in case of his incapability to execute his function are transferred to the vice-chairman of the Cabinet of Ministers (i.e. Berdymuhammedov).

Berdymuhammedov, moreover, has not achieved the necessary age minimum to be elected, and hence the Constitution was modified to fit to this situation: now the President could be any person from age 40 to 70. Similar *ad hoc* Constitutional amendments are quite typical for this type of regime changes, as the case of Syria demonstrates.

The amendments to the Constitution made the National Security Council (with Rejepov at its head) the most powerful organ in Turkmenistan, along with the Presidency. The current Constitution incorporated

this organ to be a new power institution. It also provides the Council the right to convene a meeting of the Halk Maslahaty in case the President is unable to hold office. In such a case the Council, appointing an *ad interim* President, lacks any counterweight. And since there is no definition of the President's "incapability", he could practically be impeached by the Council (i. e. Rejepov now) at any moment and could conceivably be replaced by a more suitable person according to these provisions. The new elites have been playing the game according to their own rules, and appear to consider neither the Halk Maslahaty nor the Turkmen Constitution to be the key fundamentals of the state. Thus, the laws and particularly the Constitution could stay behind again in case another need arises to legitimize some new situation.

Concerning Turkmenbashi's closest "circle", its role in the new regime is quite unclear. But at least in following months, Turkmenbashi's former advisors will be useful for their contacts abroad (mainly in Russia), as well as for the information they and probably only they possess concerning Turkmenbashi's financial transfers.

The opposition parties in exile became perhaps the main losers of the whole game. Though they declared their unity and preparedness to take the initiative in case of Turkmenbashi's departure, their actions demonstrated the contrary. They were not even able to find a common candidate for the presidential elections, even though this step would be just a formal gesture. Furthermore, the regime clearly presented its steadiness and its reluctance to allow any kind of competitors, and simply refused to allow the opposition leaders to enter the country. The impact of the exiled opposition on Turkmen politics will be highly doubtful in the future.

CONCLUSIONS: The new rulers of Turkmenistan seem determined. Barring a dramatic turn of events, Berdymuhammedov's victory in formal presidential elections is almost guaranteed. However, the next steps of the new leadership remain uncertain. The power given to Rejepov according to the constitutional amendments affect the President's power. But the scenario with Berdymuhammedov as Rejepov's puppet is not the only possibility. In modern history, several

analogies exist where compromise figures such as Anwar as-Sa'adat in Egypt in the 1970s have been appointed, and these show that Berdymuhammedov could, in the future, use the Constitutional as well as informal practices to achieve real power and purge all potential rivals. Therefore, the Rejepov-Berdymuhammedov tandem and the relationship between the two leaders will be crucial for the country's short-term development.

In any case, given the weakness of both state institutions and society in present-day Turkmenistan, the continued dominance of a strong leader and a narrow elite appears the only realistic direction that maintains stability. Otherwise, the clashes among presently unsatisfied power elites competing as pretenders for power could be expected.

On the other hand, it is also likely that the strong cult of personality that surrounded Niyazov will not return with the new leadership. The title of "The Father of Turkmen" will be left behind Turkmenbashi. His *Ruhnama* and his monuments will probably remain in the country at least for some time as the ideological icons of a post-totalitarian society.

Finally, the formation of a new authoritarian regime could be expected, which may or may not in the next few months include the break-up of the current tandem in clashes over formal legislative competences and (perhaps more importantly) informal power.

The potential winner of this struggle could stay in power for a number of years. Both Rejepov and Berdymuhammedov have this opportunity. At this time, the appearance of a rival does not appear feasible, but could not be excluded. Of the two leaders, Berdymuhammedov is helped by his new-won status as interim president, while present informal power and Constitutional background give good chances to Rejepov.

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ENERGY SECURITY IMPLICATIONS OF POST-NIYAZOV TURKMENISTAN

Christopher Boucek

The power vacuum created by the death of Turkmen President-for-life Saparmurat Niyazov has once again drawn attention to Turkmenistan's sizable energy resources and that country's central role in Western energy security calculus. As the new interim government of acting President Gurbanguly Berdymukhammedov seeks to stabilize the country and shore-up control, the maintenance of existing gas export contracts with Russia will be a primary objective. The revenues generated by these exports, and the resultant political support offered by Moscow, are essential to the success of Turkmenistan's first post-Niyazov government.

BACKGROUND: On December 21, it was announced that President-for-life Niyazov had died during the night. Many observers nevertheless believe the announcement was delayed for some time until succession issues were worked out. The creation of the State Security Council to oversee the transition; the immediate appointment of Deputy Prime Minister Gurbanguly Berdymukhammedov to be acting president; the abrupt investigation and subsequent arrest of the constitutionally mandated successor *Khalk Mazhles* Speaker Ovezgeldy Atayev; and the sudden organization of large scale commemoration events all suggest prior coordination and that Niyazov may actually have died some time earlier.

Niyazov's extremely personalized regime had no mechanism to handle succession or the transfer of power. Niyazov personally oversaw Turkmenistan's hydrocarbon export policy. No decisions were made without him, and in acknowledgement of the energy sector's massive wealth and importance, Niyazov frequently reshuffled the oil and gas ministry in order to prevent the emergence of any possible rivals. According to a report by *Global Witness*, Niyazov was believed to have personally controlled up to \$3 billion generated by gas exports, allegedly maintained in the so-called Foreign Exchange Reserve Fund at Deutsche Bank.

One of the major problems in assessing the Turkmen energy sector is the lack of reliable data. Turkmenistan has always been very secretive about the exact size of its oil and gas deposits, and there exists serious questions about the actual size of the country's reserves. Niyazov notoriously refused to allow outside and independent geological surveys, and a recent assessment was never released. Since Niyazov's death, it has often been repeated that Turkmenistan holds the fifth largest reserves of natural gas in the world. Ashgabat claims an even higher place, and asserts that gas sales have fueled massive growth in recent years, with GDP allegedly growing at 15 to 20 percent per year. Most recognized assessments place Turkmenistan's proven natural gas reserves at about 2.9 trillion cubic meters. That said, if the country is opened up for thorough exploration, major new finds are possible. While there are no independently confirmable production figures, Turkmenistan is understood to produce approximately 60 billion cubic meters (Bcm) of gas per year – somewhat less than in the late Soviet era.

Turkmenistan's ability to exploit and export its natural gas is constrained by its geography and export options, primarily the routes and the capacity of those systems. There exist two export routes for Turkmen gas: northwards to Russia or to Iran to the south. Of these two routes, the overwhelming

majority of export infrastructure is focused towards Russia, a legacy of the Soviet Union's integrated pipeline network. Turkmenistan exports roughly 50Bcm per year, mostly to Russia. A much smaller amount, estimated from 5Bcm to 8Bcm is exported each year to Iran.

IMPLICATIONS: Turkmenistan's geostrategic importance, bordering Afghanistan and Iran, is increased by its vast energy resources and the central role of energy exports in European energy security. The export of natural gas generates up to 85 percent of Turkmenistan's annual revenue. Turkmen gas is also essential for Russia; exports from Turkmenistan provide energy to major portions of southern Russia, thus allowing Moscow to meet its income generating export demands in Eastern Europe. Furthermore, as the yields decrease in Russia's main gas fields and production sags due to a combination of aging infrastructure and a lack of upstream investment, Turkmen gas allows Gazprom to meet mounting European energy

set to double in the next 30 years. Gazprom's ability to meet those demands is a result of continued access to Turkmen gas. Under the terms of a much publicized renegotiation that concluded in September, Russia agreed to raise the price it pays for Turkmen gas from \$65 to \$100 per 1000 cubic feet. Even at these rates, Turkmen gas is very reasonable as Gazprom in turn sells it on to consumers such as Ukraine at rates approaching \$230 per 1000 cubic feet.

With gas the prime income earner, both the new Turkmen government and Russia are extremely dependent on the continued flow of gas exports. For the Berdymukhammedov administration, access to export revenues will allow the patronage systems put in place by Niyazov to continue, thereby maintaining the status quo among the various competing interests at work in the country. This provides a significant incentive for the centers of power within the security establishment, and various 'bureaucratic mafias' throughout the



Turkmenistan's Oil and Gas Export Pipeline Network (EIA)

demands. Russia is the source of nearly 50 percent of Europe's total gas imports (varying by country), and according to the *Economist*, European demand is

government to continue to see benefits in sticking together and working to maintain the system, compared to going their separate ways to seize what they can.

For Russia and Gazprom, a compliant and likeminded government in Ashgabat - one that ensures that the gas keeps flowing - is the main

priority. Moscow's increasingly linked foreign, economic, and energy policies rely on continued access to Central Asian hydrocarbons, particularly Turkmen gas. While the exact timing of Niyazov's death was unexpected, at the time Moscow was the best positioned to influence the unfolding events in Turkmenistan. The relationships between the Russian secret services and their Turkmen counterparts were said to be close, and this could very well be the means in which Russia is able to lend support to the *siloviki* apparently controlling the transition process in Ashgabat. Furthermore, prior to Niyazov's death, there had been allegations that Gazprom and elements of the Russian security services were working together to jointly advance Russian energy interests.

In the past, Niyazov had sought to decrease his country's reliance on Russia by entering into export discussions with the Chinese and others. Many analysts believe that Niyazov signed contracts to provide more gas than Turkmenistan could produce, positing that Turkmenistan simply does not have the current ability to increase its production and export capacity without major investments. In April 2006, Niyazov and Chinese Premier Hu Jintao signed an agreement under which Turkmenistan would sell Beijing 30Bcm per year for 30 years. The preliminary agreement also called for the construction of a 2,000 km pipeline at a cost of \$10 billion that would cross the territory of two other countries before it reached western China. One of these, Uzbekistan, may or may not be inclined to facilitate transit. While the details of the Turkmen-China deal remained unclear, according to one industry analysis it is uncertain if the fields proposed to supply the gas for this contract are up to the task. One possibility, the Dauletabad field, has been discussed a possible feed for other pipeline projects, including the Turkmenistan-Afghanistan-Pakistan (TAP) pipeline, although doubts exist whether Turkmenistan would want to use one of its prime fields for this purpose.

Niyazov's flirtations with the Chinese may have been part of Turkmenbashi's attempts to pressure Gazprom to acquiesce to a price hike. Coupled with a doubtful threat to suspend continued gas exports to Russia, *on paper* Turkmenistan secured a 54 percent rate increase. While in principle this demonstrated the extent to which Russian gas exports are dependent upon continued access to Turkmen gas, it is believed that the contract amount existed only on paper as a face saving measure for Niyazov. Some estimates place the actual amount that Russia pays significantly lower.

CONCLUSIONS: In the immediate short term, we can expect there to be no changes in Turkmenistan's policy of gas exports. Rather, while the situation remains fluid in Ashgabat, and until presidential elections are held in early February, the interim Berdymukhammedov government will draw closer to Russia. This is simply the result of the fact that Moscow is best positioned to both influence and provide much needed stability to the new government. Moreover, Russia is the only viable export route for Turkmen gas, a fact well known in both Moscow and Ashgabat.

One of Berdymukhammedov's first statements was that oil and gas exports would continue uninterrupted throughout Turkmenistan's transition, and thus far this appears to have occurred. Early indications suggest that the acting president and his backers in the security services of the *ancien régime* will likely win the February elections, thereby formalizing the transfer of power, and perpetuating the Niyazovist system. As a result, it is likely that a pro-Moscow gas export policy evolves in the short term, continuing to enrich the Turkmen nomenklatura and advance Gazprom's profits and acquisitions.

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WALKING A TIGHTROPE: AZERBAIJAN AND THE POLITICS OF IRANIAN NUCLEAR WEAPONS

Stephen Blank

In late 2006, the Azerbaijani government announced that sanctions against Iran for its continuing nuclear program could negatively affect the entire region, that it would oppose sanctions, and instead supported a purely diplomatic, negotiated approach to the problem posed by Iran's nuclear program. This pronouncement was hardly unexpected, but it reflects the obstacles to any successful and internationally concerted program of sanctions and pressures against Iran. The Azerbaijani government's statement also underscores the limits of Washington's ability to persuade governments in the Caspian basin to follow its policy preferences even on so vital a question as penalizing Iran for its violation of the non-proliferation treaty and being a threat to international security.

BACKGROUND: It is unlikely that the Azerbaijani regime has any illusions about the threat that a nuclear Iran could pose to it and the region. Nonetheless its decision reflects the current geopolitical balance in and around the Caspian with regard to Iranian nuclearization. For some time now there have been signs that Azerbaijan was concerned that any aggravation of the crisis around Iran, e.g. by sanctions, could rebound in negative fashion upon it. Observers note that Azerbaijan sees Iran as a possible substitute for Russian energy imports now that Moscow has decided to use energy pressures against it. Indeed, recent Irano-Azerbaijani gas deals make Iran an important supplier of natural gas to Azerbaijan and its detached province of Nakhichevan. Antagonizing both Moscow and Tehran at the same time would therefore be a very rash act for Baku. Similarly, the Azerbaijani public opinion clearly opposes any idea of U.S. military action against Iran, making it difficult for the government to show support for such actions, even if only by endorsing sanctions.

But beyond these important restraints upon it, there are other equally pressing considerations that have led Azerbaijan to reject any decisive course of action against Iran. There is little doubt that Washington has sought expanded military access to the Caspian region although it is not clear that it seeks such

access primarily against Iran, or that, if it got such a base, that any state would allow it to be used for such purposes. Moreover, the U.S. government appears to have renounced the idea of permanent bases in the former Soviet Union. But even if a CIS regime contemplated giving America a base on its

territory, the hailstorm of opposition and pressure that would immediately descend upon it from Moscow, not to

mention Tehran, would be enormous. Obviously, Baku is unwilling to run such risks of antagonizing its most important neighbors for America's sake.



Ilham Aliyev

While Baku is more than ready to take American aid to improve its own capabilities for self-defense and protection of the Caspian littoral; it well knows that in doing so it runs up against Moscow's determination to make the Caspian a closed lake and Iran's stubborn opposition to any non-littoral state's military presence there. And these two states' reaction is not something that Azerbaijan is eager to test. Indeed, in May 2005, right after Secretary of Defense Donald Rumsfeld left Baku on a visit widely reported to be connected with placing U.S. bases in Azerbaijan, Baku signed a non-aggression pact with Iran barring third countries from establishing bases in their countries to strike at the other side, making its opposition to a military strike from its country quite clear. So, like Azerbaijan and Kazakhstan for example, they confine themselves to anodyne or neutral statements confirming Iran's rights under the Non-Proliferation Treaty but clearly hoping that it does not go nuclear and threaten them. And energy cutoffs comprise only part of what Iran and Russia could do to it in retaliation for allowing America a base there. Iran comprises three potential threats to its Caspian neighbors: conventional (and potentially nuclear) military threats, support for insurgents, radicals and terrorists throughout the Caucasus and Central Asia, and the use of energy, both in terms of selling or buying energy from its Caspian neighbors. And Iran has integrated these instruments of power into a visible strategy with regard to the CIS governments.

Although most assessments of Iranian military policy and capabilities naturally focus on the Gulf and the Middle East; the Caspian dimension of these capabilities should not be neglected. Iranian officials have made it clear that they want Washington to regard it as a "big regional power" and this vision clearly spans the Caspian littoral. Similarly, in the past, high-ranking Iranian officials have publicly stated that it stood ready to respond militarily to Western interference in Caspian affairs. And Iran's conventional arsenal makes it far stronger than an other littoral state except Russia. Iran is clearly enhancing its capabilities for

asymmetric power projection in both the Persian Gulf and to a lesser degree the Caspian. Not only has it brandished this arsenal in the past, Iran has also committed itself to a buildup of its Caspian commercial fleet to enhance its commercial presence in the Caspian Sea.

IMPLICATIONS: Obviously, none of Iran's Caspian neighbors even remotely approximates its capabilities and that fact alone might serve to deter them from hosting U.S. bases on their territory for use against Iran. But if those capabilities did not suffice to deter them, then the possibility of Iranian-backed insurgency or terror operations in Central Asia and the Caucasus, such as those alluded to above would not be difficult for Iran to coordinate given its ties to international terrorists like Hezbollah, Hamas, Islamic Jihad, and even Al-Qaeda. Certainly there have been persistent reports of Iranian underground activities, particularly in Tajikistan and Azerbaijan. But beyond that, there is considerable evidence that Iran is building up networks or relationships among South Caucasian, Central Asian and Afghan insurgents and terrorists that could be activated in the future to threaten those governments or American interests or bases there. At the same time, it also is clear that Iran's actual attitude toward the groups it sponsors is wholly instrumental. Although they are maintained and kept on hand for when they may be needed, they are not activated until and unless Iran's relationship with one of the neighboring states, either in the Middle East or in the former Soviet Union deteriorates. Moreover, the closer a country is to Iran's borders, the less likely is Iran to let its hand be seen in fomenting insurgency, particularly if Russia is on the other side of that country's borders. Thus if covert or overt support for such groups jeopardizes critical security relationships like that of Tehran with Moscow, then those groups are shelved as happened in Tajikistan. Thus Iran need not activate either its conventional or unconventional capabilities in order to secure tangible benefits in its diplomacy and defense policy. These capabilities are always on view, so to speak, or in the room with Iranian officials when

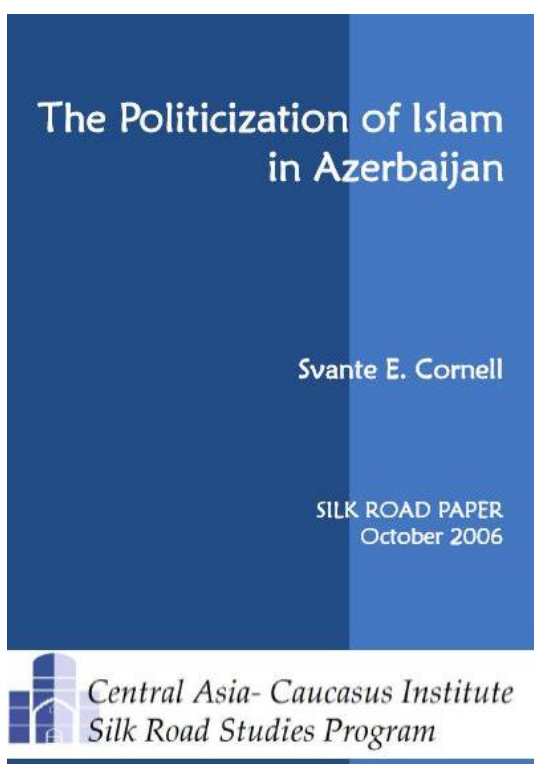
they try to persuade Iran's neighbors not to join with America.

Iran has combined threats with offers of support. On the one hand, it is widely believed that high-ranking Iranian officials have communicated that they could hurt Azerbaijan if they chose to do so, yet on the other hand, they are offering inducements such as energy deals and even offers of help in building an indigenous defense industry, it is clear that the prospect of a crisis involving Iran is one that alarms Azerbaijan and all the Caspian littoral states. Their desire for a negotiated solution without threats and crises is therefore quite genuine. And Azerbaijan's stance perfectly comports with this overall regional strategic perspective.

CONCLUSIONS: Baku's reluctance to act decisively here, however understandable, greatly hobbles any possibility of real pressure upon Tehran. It shows just how difficult it is to get regional actors to act against what they clearly know is a security threat even as it grows before their eyes. And this reluctance to act further diminishes the likelihood that effective

implementation and upholding of the Non-Proliferation Treaty can be sustained under present circumstances. This outcome is clearly linked to the deteriorating situation in Iraq, but it also a result of Russia's rising capabilities. Washington has evidently staked its policy towards Iran on the belief that Russia can somehow be persuaded to support it against Iran's nuclear ambitions. But it is clear that Moscow can and does play an evasive game while its smaller neighbors, who must live in the shadow of its power, frustrate both the cause of non-proliferation and the expansion of Western influence in and around the Middle East and the CIS. Meanwhile Iran threatens and smiles at the same time. Under these circumstances – what real option is left for Baku?

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New Silk Road Paper!

The Politicization of Islam in Azerbaijan

by Svante E. Cornell

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AZERBAIJAN AND GEORGIA: PLAYING RUSSIAN ROULETTE WITH MOSCOW

Alexandros Petersen and Taleh Ziyadov

It is no secret that Russian-Georgian relations have gone from bad to worse since the 2003 Rose Revolution. Yet in December 2006, Moscow for the first time since 2000 attempted to use economic pressure against Azerbaijan, with whom it had been successfully developing bilateral ties in deep contrast to Georgia. Some experts have speculated that Georgia provided the impetus for Moscow to suddenly to increase prices for natural gas and electricity exports to Azerbaijan. Did Russia try to recruit Azerbaijan in its effort to isolate Georgia, and refused? Was this an attempt to spoil Azerbaijani-Georgian relations, and could it potentially threaten the cordial relationship that Baku has maintained with the Kremlin since 2000?

BACKGROUND: Since the collapse of the Soviet Union in 1991, Russia's relations with both Azerbaijan and Georgia have been complicated. During the first and second Yeltsin administrations (1992-1999), Moscow's ambiguous and chaotic foreign policy led to repeated diplomatic and political crises with Baku and Tbilisi.

Hoping to keep the two states under Russia's control, the Yeltsin administration applied political pressure and adopted harsh policies towards them. It assisted separatists inside Azerbaijan and Georgia and tried to block their leaders from realizing the U.S.-backed Baku-Tbilisi-Ceyhan (BTC) pipeline project. Moscow's policies turned out to be counterproductive, pushing both states away from its orbit.

Since 2000, however, Russian President Vladimir Putin redefined Moscow's priorities in the South Caucasus and the "near abroad," shifting the focus from politics to economics. Realizing that the train had left the station regarding the development of the BTC, Putin attempted a normalization of economic relations with Azerbaijan, which has been visibly successful. In contrast, the Kremlin has maintained its chilly attitude towards Tbilisi and Russian-Georgian relations have remained as cold as ever.

Over the course of 2006, the Kremlin banned the sale of Georgian wines in Russia, along with other agricultural products. With the "spy crisis" in September 2006, relations between Tbilisi and Moscow entered an advanced stage of decay. The Russian government conducted several "clean-up" operations to deport "illegal Georgians" in Russia and instigated a total trade and transportation embargo, and most recently, Russian Gazprom increased the price of gas for Georgia in 2007 from \$110 to \$235 per thousand cubic meters.

But as 2006 drew to a close, Gazprom also announced that it would double the price of gas for Azerbaijan in the coming year. In addition, the Russian giant decided to cut its gas exports to the country from 4.5 billion cubic meters (bcm) to 1.5 bcm, while electricity supplies were also scheduled to be reduced. These developments took place as Baku and Tbilisi were negotiating a possible gas supply deal from Azerbaijan to Georgia in 2007.

IMPLICATIONS: Personal relationships between the leaders of Azerbaijan, Georgia and Russia have been one of the factors that shaped the Kremlin's divergent policies toward Baku and Tbilisi, and determined their foreign policy decisions towards their northern neighbor. Vladimir Putin and the late President of Azerbaijan, Heydar Aliyev, developed a close personal relationship that led to improvement of ties between their respective states.

The two men had a common background – both were graduates of the Soviet KGB school – and President Putin had respect and affection for President Aliyev, who rose to the ranks of a KGB General during the Soviet Union, a rank higher than Putin's. These cordial relations have been preserved under the current President, Ilham Aliyev, who continues to build bilateral ties.

However, the former President of Georgia, Eduard



Mikheil Saakashvili & Ilham Aliyev

Shevardnadze, who also served as the last Minister of Foreign Affairs of the Soviet Union (1985-1990), was often blamed by many in Russia for his part in the collapse of the USSR. Hence, Shevardnadze was never popular in Russian security circles, especially given his uncompromising refusal to allow Russian troops to use Georgian territory for military operations in Chechnya in 1999. As then Prime Minister of Russia, Putin supported the introduction of a visa regime for Georgian citizens, and the two leaders were never able to find common ground. Moreover, the current Georgian President Mikhail Saakashvili and Vladimir Putin could not be more different. Known for his blunt speeches, Saakashvili has irritated the Kremlin on many occasions. He invited the United States military to train Georgian forces, and his government

expedited the removal of two Russian military bases from Georgia.

In general, the Saakashvili government has forged a determined and unambiguous path in terms of relations with Russia. Georgia's primary foreign policy goal has been to join Western institutions, such as the North Atlantic Treaty Organization (NATO) and the European Union (EU). Despite the fact that Georgia's two frozen conflicts in Abkhazia and South Ossetia sit on the border with Russia and are intimately tied to relations between the two countries, improved relations with Russia are not only secondary to Georgia's primary foreign policy goal, but at times appear to take a back seat to other priorities of the Saakashvili government. This approach has inflamed tensions between Moscow and Tbilisi, and most recently, weakened the hard-charging camp within Saakashvili's government and their ideas of retaking the breakaway regions before 2008. The former Georgian Defense Minister, who once promised to hold the 2007 New Year celebrations in South Ossetia, has now resigned. Tbilisi's predicament has only made the push for Western integration more urgent.

This urgency does not appear in Azerbaijan, at least not for the moment, and Moscow has fewer reasons to be upset with President Aliyev, who has been able to maintain a cordial relationship with President Putin. Azerbaijan's careful and balanced foreign policy, which suggests accommodating Russia on issues that are not in direct conflict with the country's national interest, has proven to be effective – at least until now. Instead of speaking blatantly on contentious issues that might anger the Kremlin and challenge its regional interests, Baku prefers to avoid comment. In turn, Moscow has overlooked Baku's growing ties with the U.S., its initiatives on alternative energy supply routes to the EU and occasional, albeit restrained, statements on Azerbaijan's potential NATO membership.

But both Moscow and Baku know that Georgia is a strategic link between Azerbaijan and Turkey and the West. Isolation of Georgia would mean isolation of Azerbaijan, as most of Azerbaijan's energy and transportation projects pass through its

western neighbor. In other words, Moscow's attempts to isolate Tbilisi run counter to Baku's strategic and long-term interests. Hence, while understanding the potential damage to Russian-Azerbaijani relations, Aliyev's refusal to give in to Gazprom's pressure stemmed from Azerbaijan's strategic priorities: to have a friendly, politically stable and economically viable Georgia as its neighbor.

CONCLUSIONS: Recent agreements between Ankara, Baku and Tbilisi to allocate more natural gas from Azerbaijan's Shah-Deniz gas project to Tbilisi seem to have diminished the risk of an energy crisis in Georgia. Gazprom's attempt to raise prices for Azerbaijan has also backfired. Baku rejected Gazprom's offer to buy its gas for \$235 per cubic meter and stated that it will cut oil exports via the Baku-Novorossiysk pipeline to replace the

Russian source. It also announced that the broadcasting of two Russian TV stations in Azerbaijan would be halted in July 2007. These developments have far-reaching implications. To begin with, they have strengthened Azerbaijani-Georgian relations, most notably as Saakashvili has referred to Aliyev as a hero. But more deeply, this row has effectively further undermined Russia's interests in the South Caucasus. It remains to be seen, however, to what degree Azerbaijan's recent economic maneuvering will cause a long-term deterioration in the traditionally warm political relations between Moscow and Baku.

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New Silk Road Paper!

The Wider Black Sea Region: An Emerging Hub in European Security

by Svante Cornell, Anna Jonsson, Niklas Nilsson, and Per Häggström

This 120-page paper analyzes emerging role of the Wider Black Sea Region in European Security, and European interests there. It provides concise analysis of major challenges in the region, and policy recommendations for Europe's future policies there.

This 120-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.

FIELD REPORTS

TRANSPORTATION INFRASTRUCTURE, PRICE EQUALISATION AND THE SPREAD OF COERCIVE STATE ELEMENTS IN NORTHWEST AFGHANISTAN

Bobby Anderson

Any map of Afghanistan shows the fiction of a primary road circumnavigating the country. But this decades-old topographic fantasy is slated to become reality; construction of the perennially unfinished Mazar - Herat section of the 2,700-kilometer Afghan ring road is underway again, and the ungoverned 210-km stretch of land between Andkhoy and Qaisar is being measured and graded by a South Korean construction company under the aegis of the Ministry of Public Works, with USD 80 million in funding from the Asian Development Bank. This construction is about much more than transportation; it will bring a traditionally lawless area under the sway of Kabul and put coercive state elements within rapid striking distance of previously-unchallenged peripheral elites. Afghanistan will be one step closer to being a unified state.

In Afghanistan's lawless northwest, the ring road has always been a dilapidated dirt track which signifies a four day ride from Herat to Mazar-i-Sharif. And Afghan government control - a relative in the best of times - has traditionally never extended further west than Mazar-i-Sharif. But since the fall of the Taliban, the northern provinces of Jawzjan, Faryab and Badghis - now a series of petty warlord fiefdoms where a man with forty Kalashnikov-toting herders can declare himself a general - have come closer to Kabul, much to the delight of civilians (especially small traders and businesspersons who pay numerous

protection fees and other 'taxes') and the chagrin of peripheral elites such as the ethnic Uzbek warlord General Dostum, his rival Abdul Malik, and numerous other petty players. These men have carved out statelets - the largest is Dostum's, whose control spans across much of the north; and the smallest being villages run by various Dostum and Azadi supporters such as Abdurrahman Shamal, a



Highway Building in Afghanistan (USAID)

28-year-old Jumbesh-e-Milli member whose 200-man militia until recently ran Kateh Qala and 40 other villages, supported by extended kinship networks. Government authority in Maymana and

a few other areas is cosmetic at best- and outside of those areas, it is non-existent.

Enter the ring road, which once ended on the western outskirts of Mazar-i-Sharif, but has, since 2002, steadily extended Westward through Dostum's traditional fiefdom of Jawzjan (although many of the government elements who followed the road remain loyal not to Kabul, but to him), and then to Andkhoy, in Northern Faryab - a desperately dry, dilapidated place which might one day be sustained by cross-border traffic between Turkmenistan and Afghanistan, if only the border controls would loosen.

Transportation infrastructure in Afghanistan primarily necessitates the flow of coercive elements; secondarily, it facilitates trade. Economic incentives always accompany such road-building - the inauguration of the Salang Pass in the 1960s, besides making the once-deadly Hindu Kush crossing decidedly less so, led to price equalization between Afghanistan's north and south for the first time ever. That same road-building, however, was primarily a political move; the Salang pass was built by the Soviets in the 1960s, and their 1979 invasion would have been impossible without it.

The same considerations are dictating the final completion of the Afghan ring road. And although the road is being explained in terms of price equalization between Balkh and Faryab (the convoy costs incurred during the current desert crossing can raise the prices of staple goods by 50 percent, and firewood, for example, is prohibitively priced), Afghanistan's northern 'commanders' are beginning to understand that the road, far from simply allowing for their enrichment through the imposition on anticipated future trade of illegal local levies and taxes, could ultimately lead to their own disenfranchisement, in favor of government elements- or more likely, government- co-opted elements. Some of these outlaws will become in-laws. Others will remain on the outside, and will fall back to undertake subsistence-level predatory activities in areas more threadbare, with offerings more meagre and desperate than the decent pickings

such men can choose from today in the region's well-traversed dirt tracks.

The Mazar-Andkhoy stretch of the ring road, recently completed, is now one of the finest roads in Afghanistan; Andkhoy is connected to something for the first time since the emirates existed. Now the road is being extended south; soon Maymana, Almar and Qaisar will be connected to the state. Already the Andkhoy improvements have eliminated the old tracks which used to utilize the Dasht-e-Leili desert- a classical lawless land filled with herders and bandits who preyed on traveller's convoys for as long as people have moved through that desert. The road has left the Dasht-e-Leili to the camels, Karakul sheep, and black-tented Kuchi nomads.

The road's construction is accompanied by indirect violence throughout Faryab. In Chaqmaq and Kata Qala, small armies are engaging one another as the construction picks up speed. And surveyors are everywhere - on the dusty stretches of Dawlat Abad and Maymana are men with theodolites, dust goggles, tripods and orange vests. They may be targets soon.

This road will aid the centralization of power in Kabul; it will make it possible to rush troops into problem areas, even if local airports are seized by elements hostile to Kabul. Afghan police and troops are already moving in advance of the bulldozers and steamrollers, as are NATO forces; first in 2003, when fighting between Jamiat and Jumbesh killed a dozen in Maymana town; then in 2006, during the Muhammad cartoon fiasco, when Jumbesh supporters attacked the local NATO provincial reconstruction team base; and most recently, when Commander Shamal caught the attention of Kabul, which sent in reinforcements to unsuccessfully arrest him.

This road is an understated affair- but what it really signifies is the extension of control to a corner of the Afghan 'state' which has never been under such control before.

Once this newly-built transportation infrastructure links Faryab with the state, Badghis - another

drought-stricken, lawless province where four MSF workers were brutally murdered in 2003 – will be next. The road's end in Herat will make it harder for Ismael Khan or another of his ilk to turn that region into a statelet again- a richer one than Faryab, financed by import taxes from the lucrative Herat-Mashad road.

On the other side of the country's north, the same road-building process will soon link Badakhshan

province (a significant producer of opium, as well as the origin of much of Afghanistan's lapis lazuli- a trade dominated by old Jamiat warlords) to Takhar, Kunduz, and then Kabul. More violence should be anticipated across Afghanistan's peripheral northern areas, both west and east, as petty gunmen and ad-hoc 'generals' seek to extend holds, disenfranchise rivals, and consolidate gains before the blacktop arrives – and with it, the troops.

KAZAKHSTAN PLACES ACCENT ON ECONOMIC COOPERATION WITH TURKEY

Marat Yermukanov

Kazakhstan's relations with Astana are greatly influenced by twists and turns of geopolitical game in Central Asia. Until quite recently common spiritual and ethnic values have been regarded as the pivotal factor in developing bilateral contacts. But after joining the Baku-Tbilisi-Ceyhan pipeline project in June this year, Astana is increasingly shifting the accent from cultural ties to energy cooperation. This policy change also corresponds to Turkey's long-term interests.

A mass fight involving hundreds of Turkish and Kazakh workers of a construction company hired by Tengizchevroil which broke out in Atyrau (West Kazakhstan) on October 20 led, according to eyewitness reports, to deaths and dozens of heavy injuries, and triggered public anger in Kazakhstan. Last year, some workers were beaten to death in a similar brawl between local and foreign workers employed by the Turkish company GATE Inshaat in that region. But the Foreign Ministry of Kazakhstan and the Turkish Embassy reacted calmly and made simultaneous statements assuring that the incident would not affect in any way friendly relations between the fraternal countries.

The intensifying contacts between Astana and Ankara confirm these conclusions. Turkey recognizes the leading role of Kazakhstan in Central Asia and regards Astana as the main factor in

implementing pan-Turkic ideas of unity. On November 17, President of Kazakhstan Nursultan Nazarbayev attended the summit meeting of the heads of Turkic-speaking countries hosted by Turkey. The event, ignored by Uzbek President Islam Karimov, brought together Kurmanbek Bakiev of Kyrgyzstan, Ilham Aliyev of Azerbaijan and Turkish leader Ahmet Nejdet Sezer, who signed a joint statement on trade and economic cooperation. The statement calls for joint efforts against terrorism, separatism, drugs and arms trafficking. Speaking at the summit, Nazarbayev said Turkic countries should make effective use of their geographic position and the transit potential of the region, and ensure stable development through economic integration. Kazakhstan, which plans to launch its second communications satellite of the KazSat series in 2008, would cooperate in space research with other Turkic nations.

Currently, slightly over 400 joint ventures operate in Kazakhstan. But of a total of \$50 billion of investment volume in Kazakhstan, Turkey's investment share makes up only \$2 billion. Turkey accounts for barely 1.2% of Kazakhstan's total trade volume which stands no comparison with Russian or Chinese trade activities. Traditionally, Turkey fills the construction and textile niche of Kazakhstan's economy. In 2005, trade turnover

between the countries reached \$556.8 million, showing 13.8 percent growth from the \$500 million level of 2004. Turkish sources forecast \$1 billion trade turnover volume this year. But to improve its trade balance with Turkey, Kazakhstan will have to reduce imports of Turkish construction materials, textile and chemical products and export more raw materials. Currently, Kazakhstan's exports to Turkey make up only \$156.9 million, while imports of construction materials and textile (also largely brought in from China) have already exceeded \$399 million. Turkey hopes to invest into Kazakhstan's transport and telecommunications and energy industry, areas where it may face fierce competition from China and Russia. The Kazakh government increased employment quotas for Turkish workers hired for the booming construction sites of Astana.

When last June Kazakhstan joined the American-favored Baku-Tbilisi-Ceyhan pipeline project, Moscow reacted jealously to that turn of events. Slowly but resolutely, Kazakhstan was distancing itself from the Kremlin's ambivalent schemes of economic integration, leaving the doors open for talks with countries treated in Moscow with suspicion or even open animosity. Kazakhstan has never tired to assure Russian authorities that its relations with third parties are not directed against Kremlin. In July, transport and communications ministers from China, Turkey, Azerbaijan and Georgia gathered in Astana to discuss the potentials

of a transport corridor linking Central Asia with the South Caucasus and Western Europe. The route, known as TRACECA or TRANsport Corridor Europe-Caucasus-Asia, allows for increasing the annual cargo shipment capacity, taking into consideration the railway passage through the Bosphorus now undertaken by Turkey, up to 30 million tons. Askar Mamin, transport and communications minister of Kazakhstan, indirectly addressing Moscow, said Kazakhstan as a transit country had to consider all possible routes of export from the point of view of their competitiveness. Kazakhstan also ponders on the construction of an oil refinery on the Black Sea jointly with Turkey.

Shared political goals of playing greater role on international scene will undoubtedly give new impetus to strengthening ties between Turkey and Kazakhstan. Astana has always supported the Turkish bid to join the European Union, just as Turkey welcomes Kazakhstan's drive toward the WTO. Speaking at the Assembly of the Peoples of Kazakhstan in October this year, Nursultan Nazarbayev made a significant symbolic gesture of Turkic unity, saying it was high time to replace the Cyrillic script used in Kazakh language by Latin, adopted by all Turkic-speaking nations of Central Asia except Kyrgyzstan and Kazakhstan. But far more important and palpable is the economic content of the newly-shaped integration between Turkic countries.

THE ROSE REVOLUTION: AN ABKHAZ PERSPECTIVE

George Welton

The 2003 Rose Revolution that Georgia celebrated on November 23 was intended to provide a mandate

for national rejuvenation and unification. National unification is, according to an early statement from

Georgian President Mikheil Saakashvili, 'the goal of my life'. Reunification has not happened. While the Republic of Ajara, the one autonomous region that had not seen violence in the early 1990s, was brought under Tbilisi's control relatively quickly, the other frozen conflicts have seen little progress. In Abkhazia, Saakashvili and his government are seen as another in a long line of Georgian aggressors, prone to inflammatory language and prepared to use force if necessary in order to achieve their goals. Recent events in the Kodori Gorge are cited to support this interpretation but the Western orientation of the country, growth of military expenditure and relations with Russia also encourage this view.

If one asks people in Abkhazia their feelings towards Saakashvili and the Rose Revolution, one is presented with a literally unbelievable level of indifference. As Presidential Advisor Stanislav Lakoba stated, 'People were indifferent to the revolution and do not care who is in charge in Georgia'. This indifference is clearly an overstatement, intended to present a political message of independence, but it also reflects a highly structural view of politics. According to this reasoning, individual politicians do not matter since their actions are dictated by geopolitical realities and nationalist populations.

To an Abkhazian, the consistency of Georgian aggression is an unarguable fact that has seen no interruption since the 2003 revolution. Increases in Georgia's military budget (military expenditure in 2004 was \$97 million, in 2005 \$208 million, and in 2006 military expenditure was budgeted at \$221 million but raised to \$341 million in July.), statements by President Saakashvili and ex-Defense Minister Okruashvili, and the unwillingness of the Georgians to sign a declaration of non-aggression are all taken as clear signs of military intent. Most recently, the "anti-criminal operation" in Kodori Gorge that placed Georgian personnel in territories of Abkhazia not controlled by the separatists is almost universally seen by locals as the first step of a strategy intended to take back Abkhazia by force.

Similarly, the constitutional changes that Saakashvili's government has made, which strengthened the power of the executive, and the example of Ajaria's limited autonomy are both pushed forward to demonstrate that his administration has no interest in devolving power. In this way the Rose Revolution is seen as a 'change-over of power.... through which nothing substantive changed', as argued Deputy Foreign Minister Maxim Gvinjia.

Abkhazian analysis also characterizes Saakashvili's policies as a continuation of a great power competition in the region. This is odd to Westerners, since it seems obvious to many that the U.S. has little interest in either a territorial grab of Abkhazia or fermenting violence in the region. Some Abkhazians disagree, citing U.S. oil interests in the region and the Iraq war as a demonstration of U.S. belligerence. Most feel that even if the U.S. does not have a direct interest in encouraging war, oil and geo-strategic interests will limit America's ability to punish Georgian aggression. Gvinjia argues that 'many people say that he [President Saakashvili] will not do it [invade Abkhazia] because he will lose support for NATO membership and both European and U.S. economic assistance, but I think he is prepared to lose this support because he knows that Georgia will be forgiven. No one will guarantee Georgia's pacifism anymore'.

As an extension of this logic, most Abkhazians consider that worsening Georgian-Russian relations improves the likelihood that Abkhazia will be recognized as an independent state by Russia. This view has been encouraged by Putin's statement about the applicability of the Kosovo precedent to Georgia, statements passed by the Russian Duma, and a feeling that Russians generally are sympathetic to Abkhazia's situation.

This belief has been encouraged not just by the statements of Russian politicians. Russian public opinion also seems to be supportive. The Russian TV show, 'Judge Yourself,' aired by the Russian state-run *First Channel* on November 16th (and shown several times on

Abkhazian television) held a debate on secession that included the de facto Presidents of Abkhazia, South Ossetia and Transnistria. The Russian phone vote that followed was overwhelmingly in favor of Russian recognition of these regions.

This geopolitical worldview also sees Georgian 'westernization' as a rhetorical justification for anti-Russian geopolitics. Americans who explain Georgian-U.S. relations in terms of the democratizing tendencies of either are unlikely to be taken seriously. As one student put it, 'it is better that they are aligned with America, because otherwise they would be with Russia, and that would be bad for us'. This zero-sum logic makes life difficult for progressive NGOs. As Liana

Kvarchelia, Deputy Director of the *Centre for Humanitarian Programmes* says, 'the difficulty is persuading people that there is a difference between supporting Western (or universal) values, and agreeing with Western ambivalence to Abkhazia'.

This is unfortunate. Progressive strands certainly exist in Abkhazia and there is definite concern about what over-dependence on Russia might mean in the long-term. However, inflammatory actions by Georgia have produced a sense of embattlement and as long as Saakashvili does not take into account how his actions are interpreted in Abkhazia, it seems unlikely that his 'life's goal' will be realized.

GEORGIAN GOVERNMENT HUNTS FOR GAS

Kakha Jibladze

The Georgian government has been on a regional scavenger hunt for new sources of natural gas since Gazprom announced Georgia would have to pay \$235 per 1000 cubic meters – a gigantic leap from last year's price of \$110.

While the Saakashvili government swore not to bend to Moscow's "political prices," it became clear in December that the country has little choice but accept the price hike and continue to import Russian gas. However, Tbilisi's search for more acceptable partners has not been completely fruitless: according to the government, at least 1/8 of the country's gas needs will be covered by gas from Azerbaijan.

The gas issue is highly political after a year of increasingly tense relations with Russia. Last year started off with a tense standoff between the two neighbors after mysterious explosions cut off gas supplies from Russia to both Georgia and Armenia, a staunch Russian ally in the region.

According to Prime Minister Zurab Noghaideli, the deal with Baku represents a "political and economic achievement" although that did not stop the Kremlin-backed Gazprom from gloating over the contracts it signed with Georgian natural gas providers and businesses. Georgian media reported that three one-year contracts were signed, as well as one three-month contract, guarantying supplies for 80 percent of Georgia's natural gas demands.

The remaining 20 percent will be supplied by Georgia's original agreement with Azerbaijan and Turkey over its share of the Shah-Deniz pipeline and the gas imported from Azerbaijan.

Just a few weeks ago, the situation looked much brighter for Tbilisi: an all-out diplomatic campaign in Tehran, Baku and Ankara had the president gloating that Georgia had finally broken free of Russia's last hold on the economy. However unforeseen delays with the highly anticipated Shah-Deniz pipeline brought the government's plans to a

sudden halt. According to reports, the anticipated date of the pipeline's opening will not even be announced until mid January.

The biggest concern right now is the impact the gas prices will have on Georgians and Georgian businesses. According to representatives of Mina, a glass production plant, the combination of the Russian wine embargo and the higher gas prices equal a near fatal blow for their business. Others are facing similar problems, although the government has taken steps to buffer consumers: according to the newly passed 2007 budget, the Ministry of Energy received a boost in funding to pass on to gas distributors as a credit in the hopes that will stall price hikes for consumers.

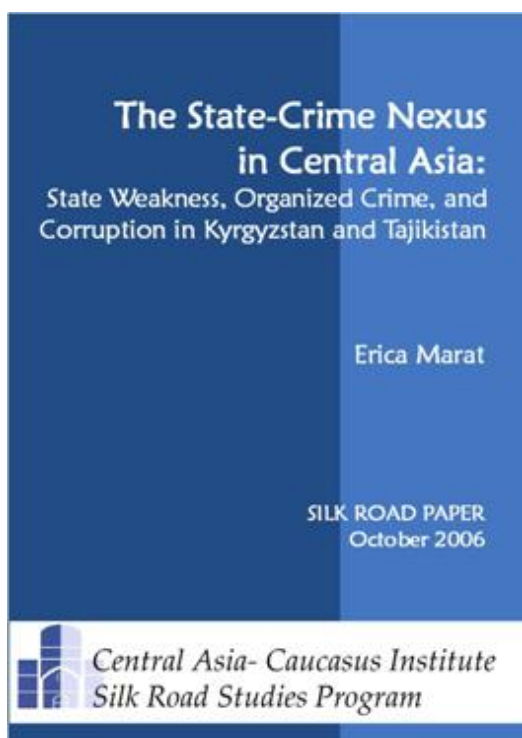
However, according to a report published by Civil.ge, at least one gas distribution company has requested that the Georgian Energy Regulation Commission raise gas tariffs. New tariffs are expected to be announced this month.

Another potential spot of tension concerns Georgia's transportation rates for Russian gas

heading to Armenia. Currently the only pipeline bringing natural gas into Armenia is through Georgia, so it is likely that Tbilisi will pass some of Moscow's "political prices" onto Kremlin-friendly Yerevan.

According to the IMF, if Georgia receives the Shah-Deniz gas, the blow to consumers – and the overall economy – will be much less than originally feared when Gazprom announced the 2007 Georgian prices. However since the on-line date of the pipeline is still unknown, it is unclear how much difference it will make this year.

The fact that Georgia must still rely on Russian gas is a real setback for the Saakashvili administration, especially in light of the growing anti-Georgian rhetoric coming from the Kremlin and the president's earlier promises. However the fact that the administration appears to have finally developed a coherent strategy for seeking out new partners – and has had moderate success at diversifying its sources – could be an optimistic sign for a future solution to Georgia's energy woes.



New Silk Road Paper!

The State-Crime Nexus in Central Asia: State Weakness, Organized Crime and Corruption in Kyrgyzstan and Tajikistan

by Erica Marat

This paper analyzes the divergent forms that relationships between organized crime and the state have taken in the two worst hit Central Asian states in the past decade.

This 138-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.

NEWS DIGEST

KYRGYZSTAN TO PAY MORE FOR UZBEK GAS

14 December

Kyrgyz First Deputy Prime Minister Daniyar Usenov announced in Bishkek on December 14 that Kyrgyzstan will pay \$100 per 1,000 cubic meters for gas purchased from Uzbekistan in 2007. Under an agreement reached in Tashkent on December 13, Kyrgyzstan will buy 850 million cubic meters of gas from Uzbekistan at the new price; Kyrgyzstan paid \$55 per 1,000 cubic meters in 2006. To compensate for the hike, Usenov said Kyrgyzstan will initially charge Uzbekistan 1.1 cent (\$0.011) for each kilowatt-hour (KwH) of electricity and progressively raise the price to a targeted two cents by the end of 2007. Uzbekistan this year paid one cent (\$0.01) per KwH of Kyrgyz electricity. (akipress.org)

RUSSIAN ALUMINUM COMPANY PLANS TO INVEST \$1.5 BILLION IN KAZAKHSTAN

14 December

Artyom Volynets, business development manager for the Russian aluminum company SUAL, told an investment forum in Almaty on December 14 that SUAL plans to build a \$1.5 billion smelter in Kazakhstan. Volynets said that if a feasibility study is successful, construction will start in 2008 and production in 2010, with production reaching full capacity of 500,000 tons a year in 2011. Additionally, SUAL has signed a memorandum of understanding with the Kazakh electricity company Nurenergoservice to supply the smelter with power. (RBK)

IRANIAN FOREIGN MINISTER TOUTS JOINT PROJECTS ON KAZAKH VISIT

14 December

Iranian Foreign Minister Manuchehr Mottaki met with Kazakh President Nazarbaev in Astana on December 14 to discuss bilateral relations and economic cooperation. Mottaki said that Iran and Kazakhstan plan to build an oil refinery in northern Iran. Kazakh Transportation and Communications

Minister Serik Akhmetov said that Iran may build a petrochemical plant in Kazakhstan's Atyrau province. Meanwhile, Kazakhstan's Transportation and Communications Ministry announced that Kazakhstan may export up to 1 million tons of wheat annually to Iran. According to Akhmetov, bilateral trade volume should reach \$1.8 billion in 2006, and possibly \$2.5 billion in 2007. (Interfax-Kazakhstan)

EU DELEGATION VISITS UZBEK CITY OF ANDIJON

15 December

A delegation of European Union experts led by Finnish diplomat Pekka Oinonen visited the eastern Uzbek city of Andijon on December 14 in a bid to assess the bloodshed there in May 2005, RFE/RL's Uzbek Service reported. Oinonen told RFE/RL that the delegation met with city officials, but had no time to talk to residents. The Uzbek government, which has persistently refused to let the international community investigate the Andijon events, agreed on November 8 to "discuss" last year's events with EU experts. In return, the EU did not expand the sanctions imposed on Uzbekistan last year and contented itself with extending the existing ones for another six months. (RFE/RL)

KYRGYZ LEGISLATORS OVERRIDE VETO ON ARMING THEMSELVES

15 December

Kyrgyzstan's parliament on December 14 overrode a presidential veto of a bill that will allow deputies to carry firearms, akipress.org reported. The amendment, which was first passed on September 22 and subsequently vetoed by President Kurmanbek Bakiev, will allow legislators to obtain and carry firearms with the permission of the speaker of parliament. Because 53 legislators, a two-thirds majority, voted in favor of the amendment, it becomes law within a month whether or not the president signs it. (RFE/RL)

KAZAKHSTAN CONSIDERS FINANCIAL AID FOR KYRGYZSTAN

20 December

Kazakh Prime Minister Daniyal Akhmetov met on December 20 with Kyrgyz acting First Deputy Prime Minister Daniyar Usenov in Astana to discuss a planned \$100 million Kazakh aid package for Kyrgyzstan. Kazakhstan is the leading investor in Kyrgyzstan, having invested \$56.2 million for the first nine months of 2006, compared to \$63.1 million invested by all other CIS states during the same period. (ITAR-TASS)

TURKMENISTAN'S 'IRON RULER' DIES

21 December

Turkmenistan's authoritarian president Saparmurat Niyazov, who ruled the Central Asian country for 21 years, has died aged 66, state TV has reported. Mr Niyazov, who named cities and airports after himself in a personality cult, left no designated successor. Turkmenistan, which has large gas reserves, now faces an uncertain future with rival groups and outside powers scrambling for influence, analysts say. Mr Niyazov died at 0110 local time (2010 GMT Wednesday) of a heart attack. Last month, the president publicly acknowledged he had heart disease. His funeral is set to take place on 24 December in the capital, Ashgabat. BBC correspondents quote witnesses as saying the capital has been quiet since the news broke, with many people staying at home, shocked and unsure of what may happen next. Deputy Prime Minister Gurbanguly Berdymukhamedov has been named head of the commission handling the funeral, state television said. According to Turkmen law, the president is succeeded by the head of the legislative body, the People's Assembly. But this post was held by Mr Niyazov himself. Turkmenistan has called an emergency meeting of its highest representative body for 26 December to decide on Mr Niyazov's succession, the government said. Mr Berdymukhamedov has also been named acting head of state until then, according to government sources. The cabinet of ministers and the National Security Council in Turkmenistan have held emergency sessions to discuss the situation. (BBC)

AZERBAIJANI PRESIDENT RULES OUT ANY COMPROMISE ON NAGORNO-KARABAKH

21 December

In comments during a visit to the Azerbaijani exclave of Nakhichevan, President Ilham Aliyev

ruled out on December 21 any compromise on the Nagorno-Karabakh conflict. Aliyev called on Armenia to "take a constructive position in the negotiations" over Karabakh and warned Armenia "not to look for excuses trying to buy time." He further stressed that "Azerbaijan will never grant independence to Nagorno-Karabakh" and noted that the Azerbaijani economy is seven times bigger than that of Armenia, with a military budget equal to the total Armenian state budget. Aliyev also reaffirmed Baku's offer of "autonomy" for Karabakh but warned that "in the future there may be no such opportunity." (day.az)

RUSSIA CUTS GAS SUPPLIES TO SEVERAL GEORGIAN REGIONS

21 December

Russia's Itera Oil and Gas Company imposed on December 21 new reductions of gas supplies to several regions of Georgia. The gas cutoff affects six regions of eastern Georgia, including Marneuli, Khashuri, Telavi, Zestaponi, Sighaghi, and Dedoplistsqaro. Itera officials defended the cutoff as a response to a total of 750,000 laris (\$430,000) in arrears for earlier gas shipments to the six regions, but promised that "the gas supply will be resumed only after the debts have been paid." (RIA Novosti)

KAZAKH MINISTER NOTES ECONOMIC GROWTH

25 December

Kazakh Economy and Budget Planning Minister Aslan Musin announced on December 25 that the Kazakh economy continued to expand in 2006, with GDP surpassing \$76 billion and reaching \$5,100 per capita. Musin, speaking at a press conference in Astana after a meeting with Kazakh President Nursultan Nazarbaev, also pointed out significant increases in the construction and service industries, while saying that unemployment has declined. The Kazakh government has specifically identified the goals of raising per capita GDP to \$6,543 by the end of 2009 and to achieve an average double-digit growth rate to sustain longer-term development. (Asia-Plus)

TURKMEN LEGISLATURE APPROVES CANDIDACY OF ACTING PRESIDENT

27 December

Turkmenistan's highest legislative body, the many-thousand-member People's Assembly, approved on December 26 the candidacy of acting Turkmen President Gurbanguly Berdymukhamedov for

president in an election planned for February 11, RFE/RL's Turkmen Service and Turkmen state television reported. The move was crucial for the acting president, as the Turkmen Constitution formally barred an interim leader from running, although the approval of the People's Assembly amended the constitution to clear his candidacy. Another five candidates were also approved, including a deputy energy minister, two city mayors, one deputy regional governor, and one district head. Confirming the date of the election, Turkmen Election Commission Chairman Murat Garriev vowed that the contest will be "of the highest standards." Berdymukhammedov also pledged that "the election will be held "on a democratic basis." Berdymukhammedov, who worked as a dentist before becoming a deputy prime minister and health minister, was appointed interim president on December 21 and has officially become a potential successor to Niyazov. (RFE/RL)

KAZAKHSTAN LEGALIZES MORE CENTRAL ASIAN MIGRANTS

27 December

Kazakh Interior Ministry official Boris Kolesnichenko said at a press conference in Astana on December 27 that of 11,078 migrants who have applied for legal work status in Kazakhstan in the past month, all but five have been accepted. According to Kolesnichenko, who works in the Interior Ministry's Migration Police Directorate, a total of some 155,000 illegal migrants have been granted legal status this year. Most of the migrants are from Uzbekistan, though they also hail from the other three Central Asian countries and Russia as well. They largely work in the booming construction sector. (Kazakhstan Today)

GEORGIA OFFERED DEAL ON RUSSIAN GAS SUPPLIES

27 December

Russian First Deputy Prime Minister Dmitry Medvedev announced on December 22 that the Russian state-owned Gazprom monopoly has concluded a deal with Georgia to supply natural gas at the price of \$235 per 1,000 cubic meters beginning on January 1, 2007, RFE/RL's Georgian Service reported. According to the terms of the agreement, Gazprom has offered to supply Georgia with a volume of 1.1 billion cubic meters, an amount that falls short of Georgia's domestic needs by about 700 million cubic meters. Despite the new agreement,

Georgia is seeking alternative supplies from Azerbaijan. (RFE/RL)

ABKHAZIA APPEALS TO UN OVER GEORGIAN KILLINGS

29 December

The Foreign Ministry of the unrecognized Republic of Abkhazia released a statement on December 29 appealing to the UN and Russia to condemn the killing several days earlier, which it blamed on Georgian guerrillas, of three Abkhaz police officials in Abkhazia's southernmost Gali Raion. Also on December 29, Abkhaz President Sergei Bagapsh told journalists in Sukhum that Georgia was moving its armed forces towards the border with Abkhazia and might attempt over the New Year holiday to seize the Inguri hydroelectric power station in Gali. He said additional troops have been deployed to protect that facility. Bagapsh also reaffirmed that Abkhazia will not resume talks with Georgia until the Georgian forces deployed last summer to the upper reaches of the Kodori Gorge are withdrawn. In Tbilisi, Georgian Minister for Conflict Resolution Merab Antadze said on December 29 that Abkhaz warnings of possible Georgian aggression are unfounded and intended to mislead the international community. He said the tensions in Gali are easing following the release of several dozen Georgians temporarily detained by Abkhaz police following the killings of the three police officers. (Itar-Tass)

13 UZBEK REFUGEES RETURN HOME FROM UKRAINE

30 December

A group of 13 Uzbek refugees who fled their homeland after the May 2005 unrest in Andijon have returned home from Ukraine even though they received approval for relocation to Sweden, according to a source in Uzbek law enforcement. Their return brings to 66 the number of Uzbek refugees who have gone home. A total of 439 Uzbek asylum seekers were airlifted out of Kyrgyzstan in 2005. (Interfax)

CHINA CEDES STAKE TO COMPLETE KAZAKH OIL PURCHASE

31 December

The state-run China's International Trust & Investment Corporation (CITIC) Group has purchased the Kazakh oil assets of Canadian-registered Nations Energy for \$1.9 billion. Citic has agreed, however, to give Kazakh state-owned oil and

gas company KazMunaiGaz the option to acquire a 50-percent stake in the purchase. The purchase gives China a stake in the Karazhanbas field in western Kazakhstan, which has proven oil reserves exceeding 340 million barrels of oil and current production levels of more than 50,000 barrels a day. (AP)

CENTRAL ASIA REACTS TO HUSSEIN EXECUTION

3 January

Central Asian governments reacted negatively to the December 30 execution of former Iraqi President Saddam Hussein, news agencies reported. Kazakh Foreign Ministry spokesman Erzhan Ashikbaev said on December 31 that Hussein's execution is unlikely to "speed up the stabilization of the internal political situation in Iraq." "On the contrary," Ashikbaev continued, "it may lead to a further exacerbation of the military and political situation and escalation of conflicts on religious and ethnic basis." Uzbekistan's Jahon news agency, controlled by the Foreign Ministry, said that the "execution on the first day of the sacred holiday of Eid al-Adha has been received with regret in Uzbekistan," government-controlled newspaper "Khalq Sozi" reported on January 2. Speaking on December 29, Tajik Foreign Ministry spokesman Igor Sattorov speculated that carrying out Hussein's death sentence could negatively affect the internal situation in Iraq, Tajik television reported. (RFE/RL)

CAVIAR EXPORT QUOTAS SET FOR FIVE CASPIAN NATIONS - CITES

2 January

Caviar export quotas have been set for five Caspian countries – Azerbaijan, Iran, Kazakhstan, Russia and Turkmenistan – for this year. There were no quotas in 2006, as the sturgeon population in the Caspian Sea reduced to critical, Willem Wijnstekers, Secretary General of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), said on Tuesday. The convention entered into force in 1975, and the former Soviet Union signed in document in 1974. The convention became valid for Moscow in 1976. This year's quotas, set by the CITES Secretariat on coordination with Caspian countries, are 15% smaller than they were in 2005. In some species the quotas are 30% smaller. There are five types of sturgeon on the list. There are no quotas for beluga caviar, the most expensive caviar in the world,

because Caspian countries "have not supplied full statistic information about that sturgeon species." Last year's decision not to set quotas for selling Caspian caviar caused the appearance of regional scientific and industrial programs for restoring the sturgeon population, Wijnstekers said. In his words, it will take decades before sturgeon stops being an endangered species and large-scale production will become possible without damaging ecology. The restrictions are applied both to the producers and importers, he said. Importers must strictly control the legality of products and firmly stop illegal caviar trade, he said. (ITAR-TASS)

GEORGIA PRESIDENT VISITS SOUTH OSSETIA.

3 January

Mikheil Saakashvili traveled on January 2 to the Georgian-populated village of Tamarasheni, which is located less than one mile outside Tskhinvali, the capital of the unrecognized Republic of South Ossetia. Saakashvili reiterated his earlier offers to the population of those districts of South Ossetia not under Georgian control to rebuild schools, highways, and other infrastructure damaged during the 1990-1992 conflict. The South Ossetian Foreign Ministry released a statement on January 2 denouncing Saakashvili's visit as intended to fuel tensions and demonstrate support for "destructive forces" based in the village of Kurta, meaning the alternative South Ossetian leadership elected by the region's Georgian voters two months ago. The statement appealed to the international community to call on Georgia to "refrain from provocative actions" and to seek a mutually acceptable solution to the conflict within the framework of the existing format for negotiations. (Caucasus Press)

TURKMENISTAN'S ACTING LEADER EYES CHANGE

4 January

Turkmenistan's acting president, in his first campaign statement for next month's election, called for wider Internet access in the country and for improving pensions that were slashed last year, state-controlled media reported Thursday. Under the late President Saparmurat Niyazov, who ruled Turkmenistan for two decades, access to the Internet was tightly restricted to state and officially approved groups, embassies, accredited foreign journalists and international organizations. The

authoritarian leader also stripped more than 100,000 elderly Turkmens of their pensions last year under a law that canceled sick leave and maternity leave payments. Deputy Prime Minister Gurbanguli Berdymukhamedov, who became acting president after Niyazov's death on Dec. 21, told voters at a campaign meeting on Wednesday that "Internet should be accessible to every one of our citizens" and that the pension system should be re-examined "to help those in need," state newspapers reported. However, the reports said Berdymukhamedov also said it was necessary to "steadfastly follow the bidding of the great Saparmurat Turkmenbashi," using the title meaning "Father of All Turkmen" that Niyazov bestowed on himself.

Berdymukhamedov is one of six candidates for the Feb. 11 election. All candidates were chosen by the country's highest legislative body. Turkmenistan has only one legal political party. Those conditions have raised doubts among foreign observers about how free and fair the election will be. But Berdymukhamedov promised voters that the balloting will be "just, honest and open," the reports said. "I want to be president of a democratic country, where rich people live and work, where all conditions for free life and free work are created," he was quoted as saying. (AP)

GEORGIA'S AZERBAIJANI MINORITY AGAIN ALLEGES DISCRIMINATION

5 January

Farida Sultanly, who is a spokeswoman for the National Assembly of Azerbaijanis of Georgia, was quoted by the Azerbaijani website day.az as claiming that selected Azeri-populated villages in the Marneuli, Gardabani, Dmanisi, and Bolnisi raions of southeastern Georgia receive electricity only for four hours per day, and gas supplies to those villages have been totally cut, while neighboring Georgian-populated villages enjoy uninterrupted supplies of both gas and electricity. She added that the Azerbaijani population has been particularly hard-hit by recent 300 percent increases in the price of petroleum products and firewood. Georgia's Azerbaijani minority, which numbers up to 500,000, has for decades complained of discrimination at the hands of the Georgian leadership. (RFE/RL)

TRUCK DRIVERS CONTINUE TRANS-CAUCASUS MOTORWAY BLOCKADE

6 January

The about 70 heavy haulers carrying tangerines, that reached Nizhny Zaramag checkpoint in late December, remain there, a source in North Ossetia's law enforcement services told Interfax on Saturday. Most of the drivers are from North Ossetia. They are transporting tangerines from Georgia to Russia, but their journey was cut short by Russia's Veterinary and Phytosanitary Oversight Service Rosselkhoz nadzor over a ban on fruit imports from Georgia. "We've lost 70% of the cargo and we'll continue the blockade of the Trans-Caucasus motorway until we are cleared into Russia," a driver told journalists. Many drivers have developed health problems in the absence of water, food and medicines, he said. North Ossetia's authorities are making efforts to persuade the drivers to cancel the blockade, a source in North Ossetia's law enforcement services said. (Interfax-South)

PASSENGERS OF BUS EN ROUTE TO ISTANBUL ROBBED IN GEORGIA

7 January

A group of gunmen stopped a Turkish bus en route from Tbilisi to Istanbul outside the village of Japana in the west of Georgia early on Sunday morning, ordering all of its passengers to hand over their money and valuables, Georgia's Rustavi-2 television reported. Nobody was killed or injured in the incident, some of the passengers told a Rustavi-2 correspondent. Officials of the Georgian Interior Ministry have so far been unavailable for comment. (Interfax)

KAZAKHSTAN LIFTS BAN ON DNEPR LV LAUNCHES FROM BAIKONUR

8 January

Kazakhstan has lifted the ban on the launches of Dnepr rockets from Baikonur space center, head of the aerospace committee of the Kazakh Ministry of Education and Science Murat Nurgazhin told Interfax on Monday. "The Kazakh governmental commission signed all the necessary documents related to the accident and test launches of Dnepr from Baikonur are permitted as of the beginning of 2007," he said. Kazakhstan banned Dnepr takeoffs from Baikonur following a failed launch at the end of July last year. A Dnepr launch vehicle was supposed to place 18 satellites in space, including the first Belarussian satellite BelKA. All satellites perished in the accident. Russia is to pay Kazakhstan 142 million tenge in damages for the accident. The Ukrainian-Russian-Kazakh joint venture Kosmotras is implementing the Dnepr

program. It converts the decommissioned RS-20 (SS-18 Satan) ICBMs into Dnepr space rockets and launches small satellites with them. (Interfax-Kazakhstan)

TAJIKISTAN WANTS TO ASK RUSSIA TO AMNESTY DEPORTEES

8 January

The Tajik Interior Ministry is working on an official letter to the Russian Interior Ministry to amnesty 50,000 Tajik nationals deported from Russia for administrative offenses, senior ministry official Mumin Zinatov told the press on Monday. "Some 50,000 citizens of Tajikistan were deported in 2004-2006 for administrative offenses, in particular for staying in Russia without due registration," he said. "The Interior Ministry is working on a request to amnesty these individuals so that they could enter Russian territory again," he said. Zinatov said there are about Tajik citizens working in Russia whose earnings annually transferred to their families in Tajikistan are comparable with the size of the GDP - \$2 billion. According to the International Organization for Migration, up to 900,000 Tajik nationals annually travel abroad for employment reasons, mainly to Russia. However, the leadership of the Russian Federal Migration service is skeptical about the proposal. "It would not be quite right to clear these 50,000 people in the face of our law by simply signing one document," service director Konstantin Romodanovsky said on Ekho Moskvu radio. "Each case should be studied separately. This is a big job and cannot be done in one day," he said. (Interfax)

VICE PM MAY BECOME HEAD OF NEW KAZAKH CABINET - SOURCE

8 January

Karim Masimov may become the head of the new government in Kazakhstan, a well-informed source in Astana told Interfax on Monday. The source said that Masimov will be proposed to parliament as premier candidate. The two houses of parliament are to have a joint session on Wednesday. Under the constitution the president appoints the prime minister with the consent of parliament. In the Cabinet that resigned on Monday Masimov, 41, was deputy prime minister responsible for developing the economic strategy. His previous positions those of chairman of the commercial People's Bank, presidential aide, the minister of transport and communications, and the minister of economy and budget planning. (Interfax-Kazakhstan)

UZBEK AUTHORITIES DENY INVOLVEMENT IN BEATING OF RIGHTS ACTIVIST

9 January

Uzbekistan's Interior Ministry released a statement on January 8 denying a claim by human rights activist Elena Urlaeva that police were behind her beating last week, RFE/RL's Uzbek Service reported. The ministry maintained that Urlaeva was beaten by relatives of convicts to whom she had allegedly promised legal services that they say she failed to provide. Urlaeva today reiterated her charge that she was assaulted by a group of women hired by Uzbek police. Urlaeva has suffered beatings and detentions in the past, and has been sentenced to forced psychiatric treatment three times. Human rights organizations have protested her forced hospitalization. (RFE/RL)

TURKMENISTAN PRESIDENTIAL CANDIDATES PUBLISH ELECTION PROGRAMS

9 January

All six candidates for president of Turkmenistan have published their election programs. The presidential elections are set for February 11. The oldest of the candidates is Amaniyaz Atadzhikov, 60, the head of the Dashoguzskaya regional administration. He met with voters on Tuesday. All candidates declared their commitment to the course of the Great Serdar (leader), as the late president Saparmurat Niyazov is called in Turkmenistan. They vowed dedication to his foreign and internal policy, the economic strategy and social programs. Acting president Gurbanguly Berdimukhammedov called in his election program for the adoption of international standards in secondary and higher education, the recognition of Turkmenistan's certificates and diplomas abroad, free access to the Internet and a revision of pension legislation. Another presidential aspirant, Karabekaulsky district administration head Mukhammetnazar Gurbanov, promised development of basic research and state support to pilgrims who make an annual hajj to Mecca. Deputy Minister of Oil and Gas industry Ishanguly Nuryyev has as slates of this platform the growing well-being of people on the basis of energy security, an increase in the hydrocarbon output and fuel exports to world markets. The mayor of the city of Turkmenbashi, Ashyrniyaz Pomanov, cited as a priority in his election program a pick-up of the agriculture and

support of youth and sport programs. The mayor of the industrial city of Abadan, Orazmyrat Garadzhayev, also capitalizes on the rise of the agriculture sector, development of cities and settlements, as well as reforms in culture and education. Meetings of the presidential candidates with the electorate are broadcast on state television after news bulletins, and accounts of their meetings with the public are published in central newspapers. (Itar-Tass)

ONE OF KYRGYZ OPPOSITION LEADERS DETAINED AT BISHKEK AIRPORT

9 January

Member of Kyrgyz parliament, one of leaders of For Reforms! Opposition Movement Temir Sariyev was detained at Manas Airport today, on January 9, while checking in to a Bishkek-Istanbul flight. As a REGNUM correspondent is told by sources at National Security Service and administration of Manas Airport, the MP had \$100,000 with him that were not declared. The MP was taken from the flight, the money was seized, a protocol on it was signed, preliminary investigation materials were drawn up. After that Temir Sariyev was released. Spokespersons for the National Security Service, Customs and Manas Airport decline any comments or unavailable for comments. The MP planned to have a news conference later today. For the last two

weeks a black bar started in lives of opposition members of the parliament. Recently, photos were published on one of web-sites portraying a person resembling opposition MP Kabay Karabekov, who was in a sauna accompanied by a girl. Later, a letter was published in the web where another opposition politician Omurbek Tekebayev was allegedly asking money from ex-president Askar Akayev for holding a rally. Tekebayev refuted all rumors on such letter. Meanwhile, when the MP tried to have a meeting with electorate in South Kyrgyzstan, a group of women threw fruits at him and disrupted the meeting. (regnum.ru)

AZERI, ARMENIAN MINISTERS TO HOLD KARABAKH TALKS IN JANUARY

9 January

The first 2007 meeting of the foreign ministers of Azerbaijan and Armenia on the settlement of the Nagorno-Karabakh conflict will be held at the end of January, Head of the Azeri Foreign Ministry's information department Tair Tagizade told Interfax on Tuesday. Consultations are underway on the place and exact date of the talks, he said. Depending on the outcome of the talks, the presidents of the two countries may hold another meeting on the Karabakh settlement later this year, he said. (Interfax-Azerbaijan)

