# Central Asia-Caucasus Analyst

**BI-WEEKLY BRIEFING** 

VOL. 9 NO. 11

30 MAY 2007

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

## ANALYTICAL ARTICLES

THE AFGHANISTAN-RUSSIA RAPPROCHEMENT AND ITS GEOPOLITICAL IMPLICATIONS Dmitry Shlapentokh

CHANGES IN ARMENIA'S POLITICAL LANDSCAPE SET SCENE FOR PRESIDENTIAL ELECTIONS Niklas Nilsson

TURKISH INITIATIVE FOR PAKISTANI-AFGHAN DIALOGUE Haroun Mir

NAGORNO-KARABAKH CONFLICT: TIME-OUT UNTIL 2009 Fariz Ismailzade

## FIELD REPORTS:

NAZARBAYEV PREVAILS OVER POLITICAL COMPETITORS, FAMILY MEMBERS Erica Marat

AN OMBUDSMAN INSTITUTION FOR TAJIKISTAN? Sergei Medrea

CONSTITUTIONAL AMENDMENTS BOLSTER NAZARBAEYEV'S THRONE Marat Yermukanov

TAJIKISTAN'S ONLY AIRLINE FACES BANKRUPTCY Maruf Kandikov

NEWS DIGEST

Central Asia- Caucasus Institute Silk Road Studies Program

# Central Asia-Caucasus Analyst

BI-WEEKLY BRIEFING VOL. 9 NO. 11 30 MAY 2007

<u>Contents</u>	50 100 (1	200
Analytical Articles		
THE AFGHANISTAN-RUSSIA RAPPROCHEMENT AND ITS GEOPOLITICAL IMPLICATIONS Dmitry Shlapentokh		3
CHANGES IN ARMENIA'S POLITICAL LANDSCAPE SET SCENE FOR PRESIDENTIAL ELECTIONS Niklas Nilsson		5
<b>TURKISH INITIATIVE FOR PAKISTANI-AFGHAN DIALOGUE</b> Haroun Mir		8
NAGORNO-KARABAKH CONFLICT: TIME-OUT UNTIL 2009 Fariz Ismailzade		11
Field Reports		
NAZARBAYEV PREVAILS OVER POLITICAL COMPETITORS, FAMILY M Erica Marat	IEMBERS	13
AN OMBUDSMAN INSTITUTION FOR TAJIKISTAN? Sergei Medrea		14
CONSTITUTIONAL AMENDMENTS BOLSTER NAZARBAEYEV'S THRO Marat Yermukanov	NE	16
<b>TAJIKISTAN'S ONLY AIRLINE FACES BANKRUPTCY</b> Maruf Kandikov		18
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 & Silk Road Studies Program Joint Center. 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 an 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 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.

#### Svante E. Cornell

Research Director; Editor, Central Asia-Caucasus Analyst Central Asia-Caucasus Institute & Silk Road Studies Program 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

## THE AFGHANISTAN-RUSSIA RAPPROCHEMENT AND ITS GEOPOLITICAL IMPLICATIONS

Dmitry Shlapentokh

In the last month or so, two striking events have taken place: the shooting down of a Russian helicopter in Chechnya, and the increasing signs of assertiveness of the Taliban in Afghanistan and the creation of a Taliban quasi-state in the tribal areas of Pakistan. While these events can be seen as disconnected, they actually identify the increasing force of radical Islamists; in this context, one should look at the recent improvement in military cooperation between Karzai's government and Russia's leaders. In a spring 2007 visit, the Afghan government expressed the desire to buy Russian weapons and see their personnel trained in Russia, implicitly seeing Russia's direct involvement in the conflict in some way.

**BACKGROUND:** The major reason for Karzai to turn to Russia and other members of the Russia-led military bloc is the continuing deterioration of the military situation in Afghanistan. The U.S. attack against the Taliban was launched with the presumption that Afghanistan would naturally evolve into a basically democratic country. But the attempt to impose democracy from above was even more ill-conceived than the USSR attempt to impose socialism. Indeed, the Soviets entered Afghanistan prepared for a long stay, whereas the USA expected a quick and essentially painless transformation.

The war also challenged the "Rumsfeld doctrine" that technological predominance is the key to victory. Guerrilla fighting indicated the limited usefulness of modern technology. In fact, the broad use of aviation and sophisticated weapons led to collateral damage among civilians and helped the Taliban gain recruits. The war has demonstrated a growing U.S. need for traditional soldiers, which are in short supply for a variety of reasons, mostly the war in Iraq and the difficulty of recruiting for an army engaged in real war. While the problem with the American engagement in the war seems to have been clear to Karzai early on, he became especially alarmed by the American desire in 2006 to pull out some American troops and replace them with troops from NATO partners, countries that were especially unwilling to send their soldiers into harm's way. Karzai apparently started to think that a change in the White House could lead to the Americans abandoning him. He is, of course, well aware of the gruesome end that Najibullah, the Sovietinstalled ruler of Afghanistan, met, as well as the fate of the last Iranian Shah, who was not able to settle in the United States after the Iranian Revolution. It is not surprising that Karzai tried to find other options, even if they meant antagonizing his Western sponsor.

**IMPLICATIONS:** Karzai has made several overtures toward the Taliban, offering them an olive branch and demonstrating to the rest of his Muslim subjects that he is a good Muslim, not a Western puppet. This could be seen in Karzai's response when Afghan Muslims who converted to Christianity were condemnped to death by an Afghan court. Despite the strong objections of the U.S. and its European allies, Karzai expressed no desire to intervene. When the attempt to court the Taliban did not bring tangible results, Karzai apparently started to look to broaden his options in the event of American/NATO departure. Russia and Iran emerged as potential backers, regardless of the fact that the flirtation with them would hardly please the US.

While for Karzai, a flirtation with Russia is caused by an understandable desire to save the region, and possibly himself personally, Russia and its allies in Central Asia have their own rationale in an American/NATO withdrawal. A recent memo from an influential Russian think tank outlined Russia's perceptions of the prospects for U.S. foreign policy in the coming decade. According to the memo, after the debacle in Iraq, the U.S. is likely to shed its imperial drive throughout the world. U.S. foreign policy would be structurally similar to that in the void after the end of the USSR. Russian pundits have seen two implications. The first, positive for Russia, implies that the U.S. departure would lead to a strong Russia filling the vacuum. The other implied that America's retreat would lead to chaos, especially in the Middle East and surrounding areas.

This vision of a post-Iraq Middle East also implied growing Islamic extremism, and, here Russian authorities have grounds to be quite apprehensive. To start with, Chechnya, and in fact the entire northern Caucasus, continues to worry them. It is true that the military operation in Chechnya is for the most part over and Russian authorities were able to "outsource" most of it to pro-Russian ethnic Chechen forces under Ramzan Kadyrov. But the conflict continues to smolder, as the recent shooting down of a Russian helicopter testifies. Russian authorities are also concerned with the spread of what they regard as jihadist Islamists in Russia, testified to by several trials of people they dub Islamic extremists. They are also concerned with instability in the "near abroad," mostly Central Asia, where authoritarian regimes could be toppled through violent revolt, as the Kyrgyz upheaval and the ensuing events in Andijan in Uzbekistan, both during Spring 2005, clearly demonstrated. While those who led the uprising might not be Islamic extremists, extremists could take advantage of the situation if Karimov's regime were to collapse.

The emergence of a Taliban-type regime in Russia's backyard would hardly be what Russia needs. It would not only create general instability but could disrupt gas and oil supplies. Russia has served as middleman, providing the route for much Central Asian gas and oil to Europe and profiting handsomely. And, of course, a successful Islamist-inspired uprising would threaten not just Karimov's regime but his personal survival.

While both Russian and Central Asian leaders continue to be concerned with the spread of Islamic extremism in Central Asia and the Caucasus, they clearly see a connection between these Islamists and those in Afghanistan. Indeed, Chechen Internet sites almost regularly publish glowing accounts of the Taliban and their successful fight against American and NATO forces. Uzbek extremists are also actively engaged in fighting in Afghanistan. The collapse of the Kazai government and the "Talibanization" of Afghanistan would be not just a huge blow for U.S. global prestige but an even more severe blow for the Central Asian states and Russia. And this is the reason they are anxious to help the Kazai regime.

CONCLUSIONS: The impending American withdrawal from Iraq and possibly that of Western, mostly American, forces from Afghanistan could start a broad—perhaps abrupt--American retreat from many parts of the world, including the Middle East and Central Asia. While for some of the elite of nearby powers, e.g., Russia, this could be welcome news, others look at the prospect with apprehension as an invitation for anarchy and Islamic extremism that could affect them badly. These views seem to be pushing Russia and Central Asian countries closer to each other. The logic seems to be that the major players of the region, notably China, Iran, and, of course, the U.S., should join hands to prevent the chaos from spreading. But the great power rivalries and deepseated suspicions will most likely fester, preventing cooperation despite some possible steps toward each other, as recent Afghan-Russian mutual rapprochement indicates.

**AUTHOR'S BIO:** Dmitry Shlapentokh is Associate Professor of History, University of Indiana at South Bend.

# CHANGES IN ARMENIA'S POLITICAL LANDSCAPE SET SCENE FOR PRESIDENTIAL ELECTIONS

Niklas Nilsson

Results of the parliamentary elections in Armenia strengthened the position of the Republican Party of Armenia, in all likelihood providing for Prime Minister Serzh Sarkisian replacing Robert Kocharyan as President in the 2008 presidential elections. The elections also introduced the newly formed Prosperous Armenia Party in parliament, a party widely seen as supported by President Kocharyan. Raffi Hovannisian's Heritage Party represents a new opposition force and will, along with Artur Baghdasarian's Country of Law Party, constitute the only opposition in parliament. With this new distribution of parliamentary seats, the elections provided changes in the Armenian political landscape, and a starting point for the run-up to the presidential elections next year.

**BACKGROUND:** With the parliamentary elections held in Armenia on May 12, political players positioned themselves for the upcoming presidential elections in 2008. The elections were termed by international observers as an improvement from previous ones, while short of being free and fair. However, local sources reported organized vote-buying and voter intimidation.

According to the results presented by the Central Election Commission, the Republican Party of Armenia (HHK), headed by Prime Minister Serzh Sarkisian won a landslide victory, winning ca. a third of the votes and strengthening its position in the National Assembly to an absolute majority. Although this victory was widely expected, the election results did hold some surprises.

The Prosperous Armenia Party (BH), formed in 2004 and headed by oligarch Gagik Tsarukian, performed much lower than expected. After a campaign in large part based on distributing "charity", pre-election polls forecasted the BH to be the HHK's main competitor and a close race between the two. With only 14,7% of the votes, the BH did end up second, however far behind the HHK. Tsarukian has stated that he does not seek a political post for himself, and the BH is widely seen as created on President Robert Kocharyan's initiative. In this view, the party is intended to serve as a balance against the HHK, and grant Kocharyan a power base of his own, something he has previously lacked. However, other than this function, the BH is for all practical purposes likely to support the HHK, along with the Armenian Revolutionary Federation Dashnaksutiun (ARF). The HHK and its support parties have thus significantly strengthened their grip over parliament.

The elections also marked important changes in the opposition. The People's Party of Armenia, headed by Kocharyan's main rival in the 2003 presidential elections, Stepan Demirchian, failed to enter parliament. Furthermore, neither Artashes Geghamian's National Unity Party, nor the more radical opposition consisting of the Republic Party, the Impeachment Bloc, or the New Times Party reached the 5% threshold. The marginalization on the political scene of the opposition formed after the 1999 assassinations of the prime minister and speaker of parliament is described as an effect of its failure to present both a united front, an approach proven successful in the 2003 parliamentary elections, and coherent political platforms during the run-up.



Serzh Sarkisian

Consequently, only two opposition parties now take up seats in the parliament. These include the Orinats Yerkir (Rule of Law Party), headed by former speaker of parliament Artur Baghdasarian, and U.S.-born former foreign minister Raffi Hovannisian's Heritage Party. Orinats Yerkir, which left the pro-government coalition in May 2006, found itself weakened at only 6,8% of the votes. This may in part be an effect of the publication in a pro-government newspaper in April of a secretly taped conversation between Baghdasarian and a British diplomat in which Baghdasarian requested EU criticism of the government for election fraud. Kocharyan publicly condemned this as an act of treason. Somewhat more surprising was the relatively strong result for Heritage Party, at 5,8 %. The success can be accredited to Hovannisian's personal popularity, as

well as the promotion of what is widely seen as a mature and developed political agenda.

**IMPLICATIONS:** While it is unlikely that the elections will hold any significant changes in Armenian domestic and foreign policy, they do hold several implications for the political landscape in Armenia, and for the upcoming presidential elections.

Prime Minister Serzh Sarkisian has now secured his position as the HHK's presidential candidate in the 2008 elections, and in all likelihood his victory in these. The death of his predecessor, Adranik Margaryan, in March removed the last obstacle to Sarkisian's complete takeover of the HHK, which will now serve to grant him the presidential post. While the HHK's majority in Parliament would allow it to form a government on its own, Sarkisian has stated a desire to form a coalition with BH and ARF. According to a local analyst, this may serve to prevent possibilities for a rival coalition including BH and ARF, which, while manageable, would be inconvenient presidential with elections approaching. A coalition also potentially grants the ARF a higher influence than its modest share of seats would imply, as the party may come to serve as a broker between HHK and BH.

Kocharyan has stated that he does not intend to be the youngest pensioner in Armenia, and is expected to seek to retain a powerful position in Armenian politics after his last term in office. The weak results of BH provide President Kocharyan with less of a powerbase than expected. However, since the party does take parliamentary seats, one of its primary goals has still been fulfilled. The BH's position in parliament may serve as insurance for Kocharyan's security and property as he steps down, and perhaps as a platform for a potential political comeback at a later stage. It remains to be seen what options BH's position in parliament will offer Kocharyan, and how it will affect the relationship between Kocharyan and Sarkisian and the alleged rivalry between the two.

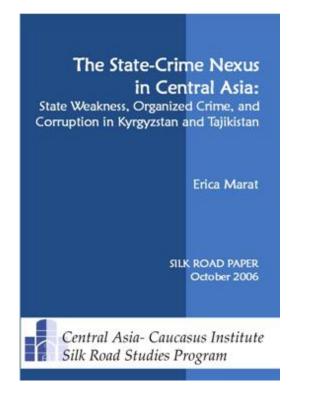
The elections may also mark the rise of more credible options in Armenian politics, in the form of

a more politically mature opposition. The main players in the former opposition based their strategies on boycotting parliamentary processes and on vast criticism of the government, without presenting discernable alternatives to the ruling party in terms of developed political platforms. Both Baghdasarian's Orinats Yerkir and Hovannisian's Heritage Party have claimed to enjoy much larger support than presented by the Central Election Commission, and have condemned the official results as reflecting large-scale election fraud. However, neither has expressed a willingness to resume previous opposition strategies of boycotts, and seem more focused on promoting their agendas within the parliamentary process. The new opposition also supports a clearly Western-oriented foreign policy, and if their claims to public support prove remotely realistic, may present some competition to Sarkisian in the upcoming presidential elections.

**CONCLUSIONS:** With this new division of seats in parliament, the scene is now set for the

Armenian presidential elections of 2008. Through the success of HHK and his control over the party, Serzh Sarkisian is now in a most advantageous position for succeeding Robert Kocharyan as president. The introduction of BH in parliament does indeed grant Kocharyan a powerbase, though perhaps a weaker one than anticipated, with possible implications for Kocharyan's options after stepping down and his future political role. Finally, the elections also provided for a revitalization of the opposition, especially through the emergence of the Heritage Party, which may result in the introduction of clearer alternatives in Armenian politics.

**AUTHOR'S BIO:** Niklas Nilsson is Project Coordinator for the Project on Ethnic Relations in the South Caucasus at the Uppsala office of the Central Asia-Caucasus Institute & Silk Road Studies Program Joint Center.



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 <u>www.cacianalyst.org</u> or <u>www.silkroadstudies.org</u>.

## TURKISH INITIATIVE FOR PAKISTANI-AFGHAN DIALOGUE Haroun Mir

The Turkish effort to reinvigorate negotiations between the leaders of Afghanistan and Pakistan, after talks under the auspices of the George W. Bush last October had failed, provides hope for building a constructive dialogue between the two nations. A further deterioration of relations between the two countries would only embolden religious extremists who threaten the stability of both countries. Both countries struggle to overcome political and economic problems and have little resources to dedicate to resolving the issues that have made them adversaries. The success of the Turkish initiative will be dependent on the international support it receives, and whether it is transformed into a continued arbitration process.

**BACKGROUND:** The rivalry between Afghanistan and Pakistan dates to the creation of Pakistan in 1947. The main cause of hostility between the belligerent countries has been the unresolved dispute over contentious territories, which dates back to the rule of British Empire in the region. Upon the partition of India and the creation The cold war has also had repercussion on Pakistani-Afghan relations. Pakistan became a member of U.S.-backed military pacts such as SEATO and CENTO in 1954-55, while Afghanistan sought to remain neutral and a member of the Non-Aligned Movement. Yet it gradually fell under the direct influence of the former Soviet Union. After

extremist

Pakistan's

the collapse of the Soviet bloc, Afghanistan became the ground for proxy wars among regional powers. Saudi Arabia and other wealthy Gulf Countries, in their attempt to counter Iranian influence in South and Central Asia, contributed in the creation of Sunni Islamic

movements

generous donations, which resulted in the creation of Taliban-type

Afghanistan's internal affairs, by supporting its surrogate warlords such as Gulbuddin Hekmatyar,

ignited a bloody civil war and led

to the decisions by other regional countries to intervene in the inter-

meddling

movements in the region.

through

in



Musharraf, Sezer and Karzai in Ankara. (AFP)

of the new state of Pakistan, all consecutive Afghan governments have refused to recognize the Durand Line as the permanent and legitimate border with Pakistan.

Afghan conflict. Ultimately, Pakistan's support for the Taliban regime and continued assistance to the insurgents in Afghanistan after the collapse of the Taliban regime in 2001 changed Afghans' view of Pakistan from merely a hostile country to that of its "worst enemy".

Afghans and Pakistanis, despite being neighbors, have limited understanding of each other. The majority of Afghan refugees in Pakistan have never traveled beyond the North-West Frontier Province of Pakistan, and few Pakistanis have ever tried to visit Afghanistan. Mutual misunderstanding is the result of heated political rhetoric and misinformation, fostered by biased local media. Limited intellectual and cultural exchanges between the two nations have exacerbated the problem.

Against this background, the Turkish government's initiative this April to bring together presidents Hamid Karzai and Pervez Musharraf is important to the stabilization of this part of the world. In a late April meeting in Ankara, the two presidents signed a declaration where they "agreed to deny sanctuary, training and financing to terrorists and elements involved in subversive and anti-state elements in each other's country and initiate immediate action for specific intelligence exchanges in this regard." They also pledged to deepen cooperation in a number of areas, as well as to base their relations on non-interference in each others' affairs and respect for their mutual sovereignty.

**IMPLICATIONS:** The repercussions of the current crisis between Afghanistan and Pakistan are devastating well beyond the region's geographical borders. The tribal region straddling the two countries has become the most dangerous breeding ground for terrorism and religious extremism. Western countries have a higher stake in the stability of this region because the West is the prime target of both Islamist terrorists and narcotraffickers. And the fear of another 9/11 type terrorist attack in a major Western city has created a rare consensus among major NATO countries to avoid repeating earlier mistakes, which consisted of leaving Afghanistan in the grasp of regional countries after the Soviets withdrew in 1989.

Afghanistan is still a country in conflict with inexperienced and fragile democratic institutions.

The border dispute between Afghanistan and Pakistan is a very sensitive matter and has been causing a rift between the two countries. The recent clashes between the Afghan and Pakistani militaries over Pakistan's unilateral decision to fence a portion of the disputed border is likely only to further undermine Afghanistan's efforts to fight the insurgents. Due to continued clashes between Afghan and Pakistani forces near the border in the Paktia province, the Afghan military had to redeploy several units from the Taliban battlegrounds to the Pakistani border.

An unstable Afghanistan with wildly divided politicians and ethnic leaders is unable to tackle the controversial border dispute with Pakistan. The Afghan government has not even been able to advance on its own initiative to form a jirga (traditional council) among Pashtun tribes living across the border in Afghanistan and in Pakistan to discuss common security issues. Initially, this was scheduled to take place in Jalalabad last December, but after months of bilateral negotiations between the two countries, the joint "peace jirga" has been rescheduled for the month of August in Kabul.

Pakistan's position is not much better. General Musharraf's rule is increasingly contributing to domestic crises. Meanwhile, its regional policy, seeking to balance Islamist extremists and the West, is dangerous and increasingly untenable. Since the creation of Pakistan in 1947, its civilian leadership has been unable to challenge the policies spearheaded by the military. The recent revolt of Pakistani lawyers against the controversial removal of Chief Justice Iftikar Mohammed Chaudhry, is a sign that the *de facto* military dictatorship is unlikely in its present format to function much longer in a Pakistan of the twenty-first century.

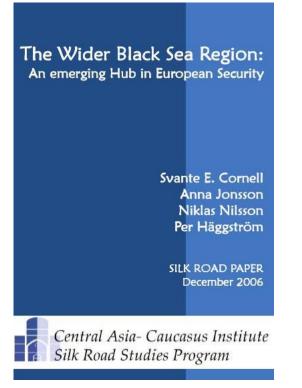
Warnings have been uttered in vain regarding the apparent tactical alliance between the Pakistani government and radical Islamists in view of the 2007 elections. Pakistani authorities are playing with fire by appeasing local extremist movements in the tribal region that favor the installation of a Taliban type regime in Islamabad. The recent suicide attack against Mr. Aftab Sherpao, Pakistan's interior minister, proves that Pakistan's appeasement policies vis-à-vis extremist groups is backfiring.

In addition, Pakistan's powerful military has been infiltrated by the religious extremist movements. While senior military officials are secular and highly educated, a substantial portion of lowerranking officers and ordinary soldiers appear to share the religious and political beliefs of the Taliban.

**CONCLUSIONS:** The tribal region bordering Afghanistan and Pakistan has become a sanctuary for terrorism and religious extremism, which is offlimits for NATO and U.S. forces. While Pakistan could play an important role in cleansing the tribal region from terrorist bases and radical madrassas, there seems to be an absence of either political will or ability to do so. NATO countries are aware of the consequences of Pakistan's regional policies, but have refrained from overt criticism.

Meanwhile, the Taliban movement has gained strength both in Afghanistan and in Pakistan's tribal areas. Only if the two countries work together to destroy this stronghold of extremism can the prospect of long-term engagement in a guerrilla war in Afghanistan be avoided. Certainly, most NATO countries would not keep a presence in Afghanistan under such circumstances. It is therefore time for other NATO members to put their weight behind the Turkish initiative. They should use their economic and political leverage to convince Pakistan's military leadership to abandon its relationship with the Taliban and in exchange demand the Afghan government to recognize Pakistan's legitimate strategic interests in Afghanistan. The issue of the disputed territories between the two countries, known as the Durand Line, could be resolved through comprehensive negotiations in the framework of a regional conference with the involvement of the 5 permanent UN Security Council members.

**AUTHOR'S BIO:** Haroun Mir served over five years as an aide to the late Ahmad Shah Massoud, Afghanistan's former defense minister. He works as a consultant in Kabul and is a Policy Analyst for the International Affairs Forum.



**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.

As Armenia's parliamentary elections were held, a period dating back to late 2005 ended without the much-expected achievements in the peace process in the Armenian-Azerbaijani conflict over Nagorno-Karabakh. Both Presidents continue to remain hostage to their nationalistic crowds at home, which refuse to accept any serious concessions. The public is unprepared for the compromises that will be actualized in 2009, when the peace process is likely to pick up speed after presidential elections are held in both countries. Unless work with public opinion is undertaken, both countries' leadership risk becoming increasingly dependent on their domestic audience, thus further reducing the likelihood of a peaceful settlement.

BACKGROUND: Despite great hopes put on the year 2006 both by the international community and local analysts, direct talks between the Azerbaijani and Armenian Presidents did not produce a major breakthrough in the negotiation process over the resolution of the Nagorno-Karabakh conflict. In the beginning of the year, the co-chairs of the OSCE Minsk Group, responsible for seeking a peaceful resolution to the conflict, stated that 2006 would be a "window of opportunity" for the settlement of the conflict since neither conflicting countries nor major regional powers had domestic elections scheduled, thus allowing the leadership of these countries to focus on the conflict. This period effectively ended with the Armenian parliamentary elections, which spark a long election cycle including presidential elections in both Armenia and Azerbaijan, as well as Russia and the United States, and parliamentary elections in both Turkey and Russia.

Presidents Ilham Aliyev and Robert Kocharyan met three times both tete-a-tete and in the presence of the Minsk group co-chairs. Some progress was achieved: in the words of Azerbaijani Foreign Minister Elmar Mammadyarov, "only one of the nine points on the negotiation table remains unresolved." Azerbaijani President Ilham Aliyev also expressed a rather high degree of optimism, saying following his latest meeting with President Kocharyan in Minsk that "we are approaching the last stage of talks."

Yet many people in both countries continue to believe that the peace talks have no promising future and that the recent statements by politicians on both sides are only aimed at deceiving the public and prolonging the status quo. Indeed, thirteen years have passed since the cease-fire was established in the conflict zone and peace talks started, yet no agreement between the warring sides has been achieved. Sporadic boosts in optimistic comments from both sides did not see any real-life effects, and in fact led to increased frustration among the public.

Although both OSCE officials and representatives of the Armenian and Azerbaijani governments have pledged to continue the peace talks throughout 2007 and showed a never-ending sense of optimism for the resolution of the conflict, it is clear that the deadlock will continue at least till 2009. Indeed, Armenian President Kocharyan stated openly that the recently held elections in Armenia would put a freeze on the negotiation process, a statement that seems to have been to the point. The election cycles in regional powers and the U.S. ensures that the external focus on the conflict is likely to be limited. Indeed, domestic and regional elections look set to preoccupy the minds of politicians in all countries and leave very small room for maneuvers and compromises on the issue of Nagorno-Karabakh.

**IMPLICATIONS:** For many local political experts, the two coming years are considered a likely waste of time. Patience is running out and most of the surveys conducted in Azerbaijan show that the public is increasingly favoring a military resolution to the conflict. Thus, the prolongation of the peace talks until 2009 will only further increase these trends and strengthen the general mood of distrust and skepticism in the peace process.

But these two years are also a time of opportunity, opportunity for the Armenian and Azerbaijani governments to engage in a real dialogue with civil society, scale back the "scapegoating" of the other side, minimize the enemy-making propaganda machine and prepare their societies for the painful, but much needed concessions that will be key to achieving a long-lasting compromise.

Over the past decade, one of the major obstacles to the peace process and the eventual solution of the conflict was the high level of nationalism and patriotism among the public on both sides, the low level of knowledge of the positions and feelings of the other side, the near lack of public diplomacy and contacts between ordinary citizens, NGOs and media, the lack of media coverage of the other side's story, as well as the establishment and development of an enemy image through stereotypes in the media. This, in turn, led to public distrust of the other side, feelings of victimization, hatred and unwillingness to make compromises and build peace with the "evil enemy".

Both Presidents, although realizing this obstacle, have so far been unable to deal with the problem and offer the other side a compromise that would be likely to be accepted at home. In many ways, they have sacrificed the peace deal for the sake of their internal power and stability. They appear to know that any concession that they make on the negotiation table will be utilized by the domestic opposition to mobilize a nationalistically driven but otherwise politically passive public. This could seriously destabilize the situation inside their countries.

The Azerbaijani government has thus been forced to follow the suit of the nationalistic public and play the nationalistic card as well. Contacts with Armenian NGOs and media were strongly discouraged, and economic ties were prohibited until "occupied lands are freed." This, in turn, created a vicious circle, because the absence of public diplomacy has augmented distrust between the two sides and thus hindered the achievement of the breakthrough in the peace process.

**CONCLUSIONS:** For these obstacles to be mitigated, a serious change of tactics is needed on the part of both governments and the international community during the next two years, in order to prepare the public for a possible peace deal in 2009. would These changes include the active encouragement by both governments of direct citizen-to-citizen contacts, which could help break public distrust and enemy stereotypes. NGO contacts, media exchanges and TV or Radio programs are important components of such efforts, as are educational conferences and seminars between the youth of both countries.

Only an intensive, planned and comprehensive set of activities could lead to changing the "cold war" attitude between the peoples on both sides of the border. It will be much easier for these nations to accept painful compromises if the current mutual hatred is mitigated and replaced by understanding and tolerance.

The Nagorno-Karabakh conflict is one of the bloodiest and most complicated ethnic conflicts in the post-Soviet space. It has become even more complicated in the last 15 years as the media in both countries strengthened stereotypical enemy images, while public diplomacy has not been allowed to break these stereotypes. This problem seriously hinders the peace process as both Presidents, fearing the domestic instability, do not want to make concessions and reach painful, but necessary compromise. Only changing this situation and engaging the public into the contacts with the other side could lower this sense of nationalism and reduce this very important barrier to the peace process.

**AUTHOR'S BIO:** Fariz Ismailzade is a Baku-based freelance writer.

## NAZARBAYEV PREVAILS OVER POLITICAL COMPETITORS, FAMILY MEMBERS Erica Marat

On May 21, Kazakh President Nursultan Nazarbayev amended the constitution, considerably reducing chances for other candidates to win the presidency and allowing himself, in practice, to remain president for life. Several days later, Nazarbayev issue an arrest warrant for his elder son-in-law Rakhat Aliyev and stripped him of his ambassador position and his businesses. On May 28, the Kazakh Ministry of Foreign affairs announced an international arrest warrant for Aliyev through Interpol.

Nazarabyev's attack against his son-in-law came as a surprise to many in Kazakhstan and abroad. The president illustrated his intolerance towards any disloyal political or economic forces, even if they involve blood connections.

Rakhat Aliyev has repeatedly hinted at his wish to run for president. Aliyev's chances to win presidency were indeed very weak, but he was capable of strengthening his influence by mobilizing local businessmen. He was also allegedly involved in the disappearance of his business rivals Zholdas Timiraliyev and Abilmazhen Gilimov. Both Timiraliyev and Gilimov are former executives of Nurbank, a bank controlled by Aliyev.

In 2001, Aliyev provoked a conflict between the heads of the security structures and local entrepreneurs. This led to a consolidation of political opposition to Nazarbayev's regime. At the time, Nazarbayev was able to peacefully eliminate his son-in-law by sending him as ambassador to Austria and suppressing the conflict.

Although the recent crisis around Aliyev was seemingly alleviated as well, he still continued to exercise a substantial role among business and political elites in Kazakhstan.

Aliyev's influence in the business and political circles began to rise in the mid-1990s, when he was appointed to head the taxation and anti-corruption authorities. He and his wife, Dariga Nazarbayeva, quickly became media magnates by seizing control over several public and private TV and radio channels, as well as newspapers. Both also controlled numerous businesses in the energy and oil sectors, services and banks.

In 2006, Aliyev suggested creating a monarchy in Kazakhstan, hinting at the importance of the current ruling elite led by Nazarbayev. According to him, a "democratic monarchy" would meet the "historical and cultural" peculiarities of Kazakh society. His proposal was widely interpreted as an attempt to inherit the state power after Nazarbayev retires.

Dariga, although sharing control over some businesses with her husband, was more active in the political domain. She was the primary leader behind initiating the Asar political party in 2003-2004, which largely followed her father's platform. At the time of Asar's creation, the party's key goal was to mobilize political resources before the presidential elections of December 2005. Dariga has been effective in shaping public opinion on various political issues, including the image of Nazarbayev as well as her own.

Neither Nazarbayev's recent constitutional amendments, nor his persecution of Aliyev raised mass concerns in Kazakhstan. The country's rapidly growing economy and successful reforms in the welfare system secure Nazarbayev domestic and international support. Nazarbayev's good relations with the west avert criticism of his regime. Nazarbayev's younger son-in-law, Timur Kulibayev, has also successfully been expanding his economic influence in the country. He is known to control Kazakhstan's largest energy sites as well as banks, including KazMunaigaz and Kommersbank.

Both Aliyev and Kulibayev head the most influential financial groups in Kazakhstan, controlling the country's key economic sectors. They are allegedly able to appoint local government officials, as well as support desired political leaders, including opposition leaders.

Corruption in Kazakhstan's public and economic sectors appears to be the main reason behind the attack for Kazakhstan's opposition. Yet, according to transparency international, Kazakhstan's corruption index in 2006 was 2.6 compared to other Central Asian states' index average of 2.1 (with 1 being the most corrupted and 10 the least). In parallel to Nazarbayev's family, other Central Asian leaders' family members have emerged as influential entrepreneurs in their own countries. Uzbek president Islam Karimov's two daughters have been aggressively extorting large businesses previously controlled by public officials and leaders. criminal Tajik president Emomali Rakhmon's relatives are also known to have vested interests in key economic assets. Kyrgyz president Kurmanbek Bakiyev's son has a reputation as a corrupt businessman who illegally benefits from large and medium businesses in Kyrgyzstan. All Central Asian presidents' family members enjoy immunity from law-enforcement and a certain degree of political influence.

Among Central Asian leaders, the family of Kyrgyzstan's former president Askar Akayev was perhaps the most controversial. Akayev's children, wife and son-in-law competed over economic and political influence in the country, thus stealing the loyalty of public officials and businessmen away from the president himself. Such intra-family competition was at the core of the Akayev government's weakness. Some experts even saw the collapse of the Kyrgyz government on March 24, 2005, as the direct outcome of Akayev's inability to control his own family members from corrupt deals. By arresting his son-in-law, Nazarbayev eliminated even the slightest chance of repeating Akayev's mistakes.

## AN OMBUDSMAN INSTITUTION FOR TAJIKISTAN? Sergei Medrea

In his annual address to the parliament of April 30, President Emomali Rahmon announced his initiative to establish a Tajik ombudsman (national human rights institution), adding that Tajikistan shows its commitment to ratified conventions on human rights.

As guarantor of the Constitution, President Rahmon declared the season ripe for creating the ombudsman institution. The issue has been widely discussed in the country for some time now, including conferences with the participation of the former ombudsman of the Russian Federation, Oleg Mironov, but the proposal had to come from the United Nations High Commissioner for Human Rights, Louise Arbour, during her official visit to Tajikistan of April 25-29. She insistently recommended that the president create an independent national human rights institution; and her message was greeted by Mr. Rahmon quite quickly - the very next day the right time for institution building had come.

In Tajikistan, experts argue the newly appointed office is likely to be just a showcase for the international community, but it is important to realize its considerable potential even in a restricted environment. One of its main roles, to promote and protect human rights, is important in overseeing the government and administration as to possible abuses of the power vested in them. And a strong and independent ombudsman institution can help prevent human rights violations and improve the government's accountability. It could also be the proper vehicle for such simple things as recommending which office citizens should address their concerns to, and, if normal ways of defense are exhausted, to help citizens restore violated rights. While it is true that such important goals are unlikely to be achieved, the ombudsman can nevertheless fulfill his role to a certain extent, insofar as he is strong and charismatic.

As for the international context of the ombudsman, Tajikistan is part of various conventions and agreements such as the Convention on Protection of Human Rights, the Convention on the Rights of Children, the UN Women's Convention and other similar pacts. Thus, an important function would be helping to bring national legislation into conformity with international standards by developing and improving national legislation for the protection of human rights. This could be furthered by educating, on the one hand, government and administration officials about their obligations and, on the other, the general public about their rights. More specifically, there is an important role to be played in the improvement of the Criminal Code, as in the case of Kazahstan, where the ombudsman is responsible for overseeing the law enforcement sector, even as far as access to verifying prisons. During Louise Arbour's visit, she stressed precisely the importance of reforming the Criminal Code of Tajikistan and specifically to improve supervision of the procedures of detention and arrest of a person, so as to guarantee *habeas corpus*.

It should be kept in mind that all the advantages derived from a functional ombudsman institution are necessarily based on the independence, impartiality, objectivity, credibility, competence and prestige of the office. Equally important, this cannot be replicated inside the government, but only by enforcing its legal status as ombudsman, in accordance with international practice and previous success cases, not with the preferences of the powers that be - in the first place, the ombudsman has to act as a check to these powers, not their subordinate. This can only be achieved by recruiting competent staff and, most importantly, by perfecting the very process of electing or appointing the ombudsman himself, with a view to transparency. Especially in Tajikistan, complicated issues regarding the independence of the office may arise, the most obvious of which are budget restraints, staff shortages and inexperience, and these could be used to castrate the institution from the very beginning. More clearly, it faces the specific challenge of reeducating public servants to do things better than previously, and, again, this requires a high level of staff competence, coherent strategies and, of course, a lot of tolerance and patience. Finally, the success or failure of the institutions lies heavily in the strength of such allies as civil society organizations, independent human rights protection institutions and especially the free media, all of them real challenges for Tajikistan.

Some possibilities of acquiring this important status for the ombudsman should also be mentioned. First, the Tajik National Human Rights Institution can become independent by seeking legal and technical assistance from the OHCHR and other UN organizations. Although human rights institutions vary according to local context, one can learn a lot from the experiences of existing national human rights institutions – and, more importantly, one gains credibility by making a real effort to conform to international standards. Second, the OSCE is also very active in the region and can be a good point of reference: it can train people working for the ombudsman and assist in various other ways to strengthen the institution. To ensure the success of the office, the ombudsman should organize various roundtables, discussion plenums and other similar awareness- raising events between citizens and government representatives.

## CONSTITUTIONAL AMENDMENTS BOLSTER NAZARBAEYEV'S THRONE Marat Yermukanov

Far-reaching constitutional amendments announced by President Nursultan Nazarbayev on May 17 at the joint session of the senate and majilis (lower chamber) of parliament are held up by the governing elite as a historic milestone in political reform efforts of Kazakhstan. While Nazarbayevengineered amendments to the fundamental law of the country may not go beyond usual face-liftings



Rakhat Alivev

within an authoritari an system, they are likely to raise Kazakhsta n's profile in the eyes of the outside world.

In an amazingly rare haste, on May 18

the usually sluggish Kazakh Parliament almost unanimously approved constitutional amendments proposed by Nursultan Nazarbayev at the session of Parliament only a day earlier. Addressing Parliament members on May 17, President Nazarbayev offered a whole set of impressive political reform packages aimed, in the first place, to enhance the role of the legislative branch of power. Nursultan Nazarbayev in his speech proposed increasing the number of deputies in Parliament from 116 to 154. According to the amendments to the Constitution approved by members of Parliament, the lower house of Parliament - the Majilis - will get 30 additional seats, and the number of senators will rise from 7 to 15. The rest of the seats will be filled by deputies elected on party lists. Some seats in parliament are reserved for members of the Association of the People of Kazakhstan (earlier named the Association of the Peoples of Kazakhstan).

On the surface, it may appear that constitutional amendments echo the long-lasting demands of the opposition for granting more power to parliament and removing obstacles for political parties to get into parliament. President Nazarbayev said the President should consult with members of parliament and factions of political parties before proposing a nominee for the post of prime minister. Earlier, the State Commission on political reforms proposed the election of half of the members of parliament by majoritarian districts and the other half by proportional representation. Nazarbayev said "we must go further" and all seats in majilis of 1 1 ... 1 . 1 T .1 C

parliament should be filled through deputies elected by proportional representation.

The most salient part of Nazarbayev's discourse concerns Article 42, Paragraph 5 of the Constitution, amended on the insistence of the President, who proposed reducing the presidential term from 7 to 5 years. However, in a parliamentary debate, deputies Romin Madinov and Vladimir Nekhoroshev suggested a clause which eliminates the term limit for the first president of Kazakhstan. The controversial amendment was approved by parliament by an overwhelming majority of votes with one abstention and two deputies voting against. Some members of parliament headed by Yerlan Nygmatulin, called on the Parliament to exclude the new presidential term limit from the list of amendments, but finally gave up their demands. Thus, President Nazarbayev, whose term in office officially expires in 2012, gets a chance to become the lifetime president of Kazakhstan, while his successors will be allowed to hold only two fiveyear terms. Until the last moment, Nazarbayev did not reveal his intention to stay at the helm of the state. In his recent sideshow interview to the Spanish paper El Pais, he evasively said the question of extending his presidential term could be decided only by Parliament or referendum. But even the close entourage of the President takes a grim view of future political reforms. A few days before the joint session of parliament, Mukhtar Aliev, the father of President's son-in-law Rakhat Aliev, told Kazakhstan Today news agency he was "deeply concerned" by unconfirmed information about the possible amendments to the Constitution relating to the terms of the presidency. Opposition leader Kazis Togusbayev thinks that by setting limits on presidential terms which can be applied only after 2012, President Nazarbayev paves the way for his undivided power as a monarch who gets authority to dissolve parliament any time he considers it appropriate.

In the final analysis, President Nazarbayev's new political reform drive has very little to show for it. Presidential term limits introduced as an important amendment to Constitution in fact change nothing in the current structure of power, and Parliament remains closely controlled by the President who may dissolve it after formal consultation with the chairmen of the senate and majilis. Speaking before members of Parliament, Nazarbayev underscored the primacy of presidential rule for Kazakhstan while giving some power to parliament. The legislative body is entitled to select two-thirds of the members of the Constitutional Council, Central Election Committee and Audit Committee. At the regional level, akims (governors) of the regions will be appointed on the approval of maslikhats (local legislative bodies). However, given the de facto nominal role assigned to maslikhats in the regions and their high-handed treatment by governors, it is hard to believe that maslikhats would play any significant role in defining the composition of local government.

Obviously, presidential term limits and a reshaped Parliament allow Nazarbayev to create an illusion of democratic procedure while retaining the reins of power in his hands. At the same time, the indefinitely prolonged term of his presidency puts an end, for the time being, to speculations about the presidential successor within the clan and among family members, and strengthens his ruling hand. But the haste with which amendments to the Constitution were pushed through the docile Parliament gives grounds for new speculations about possible early parliamentary elections which may be held simultaneously with the elections to maslikhats scheduled for September this year. If parliamentary elections take place this year, the new parliament will end its term in 2012, when Nursultan Nazarbayev formally leaves the office at the age of 70. He is given ample time to live up to his promises.

## TAJIKISTAN'S ONLY AIRLINE FACES BANKRUPTCY Maruf Kandikov

Tajik Air, the largest state-owned air company is on the verge of bankruptcy due to economic pressure and competition created by foreign companies. The company's largest problems are an artificial deficit of tickets, high prices, a low standard of service in the air and on the ground, and bribery.

There is an urgent need for a reorganization of the company, for which substantial funding and a significant number of adequate specialists is necessary. The company's management is desperately searching for solutions, but so far they have come up with no particular solutions. Meanwhile, the presence of more advanced companies including Turkish airlines and Aeroflot is increasing economic pressure on Tajik Air.



There are various opinions on who or what caused the failure of the company. One of the main reasons for the company's failure is the lack of proper management. Since 1992, within a period of 15 years, the management of the company was changed four times. Out of four General Directors, two of them – the second and the present are not professional airmen.

The other major reason for its problems is a disagreement between Tajik Air and the EBRD. In July 2005, the company signed a credit agreement with the EBRD according to which a program on the transformation of the airline for the use of other types of aircrafts was developed. This was proposed by the EBRD and subsequently approved by the government of Tajikistan. According to the agreement, the Bank provided US\$5 million for the development of the aviation sector, in particular the modernization of Dushanbe airport. During the early stage of the agreement, Tajik Air signed a contract with Ernst and Young for US\$670,000. Yet according to the present Head Manager, the agreement was disrupted because of allegedly unsatisfactory services provided by Ernst and Young. Tajik Air apparently thinks that it was charged too much by the consulting company for services they could do without them.

Referring to the agreement, the EBRD declares that in the absence of the expert estimation from the consultants, the Bank will not provide any money to further continue the process of transitioning the airline to other aircraft types.

The other reason is that prior to the end of 2008, based on World Bank requirements, the Tajik airline must be reorganized. Though this issue was brought up a long time ago, it was accepted by the government only in 2006 when a final decision was made concerning reorganization. Accordingly, the airline must be divided into: strictly airline itself, "Tajik Air", the airport, and the air traffic control.

This division is another reason for EBRD to stop its funding, because after the division of the company into different sectors, it will not be possible to demand the repayment of loans from different organizations.

Tajik Air is the only Tajik company which is competing with 23 other foreign companies operating in the country. The Tajik airline is not sustainable in comparison with local Central Asian companies, not mentioning Western Companies. Therefore, urgent decisions are vital in order to prevent the absolute disintegration of the airline. It is extremely important for the company to purchase - either by buying or leasing - new modern aircraft which can match international standards. Yet so far, the company is failing to acquire new machines that hold up to international standards.

There are several reasons preventing the company from such purchases. First, Tajik Air can not afford the prices of buying modern aircraft by cash, because the sums are substantial. Second, the cost of leasing aircraft increase every day, due to the growing demands of global movement of people. Other former Soviet airlines are also in desperate search for new aircraft, leading to an increase of prices in leasing markets. Thirdly, there is the emergence of new, more powerful, and well established companies introducing fast and heavy competition. Tajik Air tried to block access for other foreign companies for a significant period of time, a method which is not accepted in the present-day era. Simply refusing access to other companies to operate in Tajikistan is the most primitive method which brought more negative results than positive as if Tajik Air wants ones, to operate internationally, then it should allow other companies to use its airspace.

Finally, the company is very slow in terms of introducing new changes which are critical to its future. The company was under heavy criticism in a letter written in 2006 by representatives of the UN, the Asian Bank of Development, the World Bank, the EBRD, the European Union, and the embassies of France, Sweden, Switzerland, Japan, Turkey, the UK and the U.S., which was published in local media. As a result of such criticism, the then-head of the company and his assistant were removed, and the present Chief of the company was appointed by the government.

The purchase of new aircraft and the complete reconstruction of the airport are big issues that

require large investments. Yet improving service on the ground depends on good management rather than funding. There are always complaints by customers about corruption of airport staff responsible for checking passengers. Passengers have to wait for hours to get their luggage, which in most cases is handled with no care. A complete disorder in the airport, and the significant number of uniformed police, do not add a pleasant dimension to customers' impression, especially those who visit the country for the first time. Customer service is one of the main aspects of success of companies dealing with people on daily basis, and Tajik Air - in line with many other Tajik companies - need urgent investment in training professionally qualified staff that can deal with a customer professionally.

The failure of the airline is the result of two negative issues that hold the Tajik economy from moving ahead. First is the lack of a proper system of privatization. In most developed countries, transportation companies are privatized and run by individuals with good management capacity and proper qualified specialists. The government only regulates the proper system of taxation which allows the company to grow and at the same time to contribute to the prosperity of the country. The companies are totally free to choose whoever they consider applicable for the management of that company. Second is the problem of passenger satisfaction, which secures the success of any company. Therefore Tajik air needs investment to keep its customers happy.

It is imperative for the company to develop a long term strategy, to identify internally and on the international level the causes of its failure, and also the possibilities based on which the company could survive.

## NEWS DIGEST

#### TURKMEN PRESIDENT SEEN AS CONSOLIDATING POWER 17 May

Arkady Dubnov, a long-time observer of Turkmen politics, wrote in Russia's "Vremya novostei" on May 16 that the recent dismissal of Akmurat Rejepov as head of the presidential guard is only part of broader moves by President Gurbanguly Berdymukhammedov to consolidate power. Dubnov noted that Murad Agaev, a business owner and an associate of Rejepov, was recently arrested in Ashgabat, and that references to former President Saparmurat Niyazov in the country's statecontrolled media are becoming less frequent. Dubnov quoted sources in Turkmenistan as saying that Berdymukhammedov is appointing residents of his native village, Goektepe, to posts in the security services and other agencies. Also on May 16, the online opposition newspaper "Turkmenskaya iskra" published an unconfirmed report that Geldimuhammed Ashirmuhammedov has been relieved of his post as head of the National Security Service. (RFE/RL)

#### KYRGYZSTAN HOPES TO EXPORT POWER TO PAKISTAN

#### 17 May

Meeting in Bishkek with a Pakistani parliamentary delegation headed by member of parliament Attiya Inayatullah, Prime Minister Almaz Atambaev said on May 17 that Kyrgyzstan plans "to build several hydroelectric power stations and wants to cooperate with Pakistan in this field." Atambaev also urged Pakistan to work actively with the Shanghai Cooperation Organization (SCO), which comprises China, Russia, and four Central Asian states. Pakistan holds observer status in the SCO, along with India and Mongolia. Atambaev said, "We hope Pakistan will be represented at the highest level at the SCO summit, which will be held in Bishkek on August 16, 2007." (24.kg)

#### INDIAN STEEL COMPANY FACES TAX EVASION CHARGES IN KAZAKHSTAN 17 May

The Tax Committee of Kazakhstan's Finance Ministry announced on May 17 that Mittal Steel Temirtau, a subsidiary of Arcelor Metal, has evaded paying taxes in Kazakhstan. According to the Tax Committee, an audit revealed that Mittal "had not declared a profit and failed to submit a significant amount of tax to the budget." The committee did not provide specifics on the amounts involved, saying that an audit of the company's activities in 2001-05 is continuing. Mittal Steel, which plans to produce 4.4 million tons of liquid steel in Kazakhstan in 2007, had no comment on the tax charges. (Reuters)

#### ARMENIAN PRIME MINISTER CONFIRMS PRESIDENTIAL INTENTIONS 17 May

Serzh Sarkisian confirmed in comments to journalists in Yerevan on May 16 that he intends to participate in the presidential election due in February 2008, RFE/RL's Armenian Service reported. The Armenian Constitution precludes incumbent President Robert Kocharian from seeking a third consecutive term. Sarkisian's Republican Party of Armenia (HHK) polled almost one-third of the vote in the May 12 parliamentary ballot, prior to which Sarkisian announced that he would run for president if his party polled over 25 percent. Sarkisian dismissed opposition allegations that the vote outcome was falsified, but vowed to ensure that both the Armenian people and the international community consider next year's presidential ballot "to be in full compliance with European standards." Taking into account the parliamentary seats it won in single-mandate constituencies, the HHK will have a total of 65 or 66 seats in the 131-member legislature, but Sarkisian

nonetheless reasoned that "the more political forces are included in the government, the more trusted that government will be." He said the HHK is ready "to cooperate with any political force, any capable individual." (RFE/RL)

#### AZERBAIJANI EX-MINISTER SAYS CHARGES AGAINST HIM FABRICATED 17 May

Testifying on May 16 on the second day of his trial in Baku, former Economic Development Minister Farhad Aliyev said the charges of corruption and abuse of his official position that he faces were falsified. He demanded that those charges be dropped, and that he be tried on the initial charges against him of plotting a coup d'etat, which he equally rejected as unfounded. Aliyev described the circumstances of his arrest in October 2005, explaining that investigators demanded that he confess that money he lent to former Finance Minister Fikret Yusifov was intended to finance an "Orange Revolution" that would bring to power former parliament speaker Rasul Quliyev. Yusifov was initially accused of involvement in the alleged coup plot, but tried and sentenced last August only on charges of illegal possession of a pistol, and released three months later. Aliyev said that his trial is the direct result of his refusal to beg forgiveness from President Ilham Aliyev (to whom he is not related) and pay \$100 million. (zerkalo.az)

#### UZBEKISTAN PLANS TO COUNT LABOR MIGRANTS

#### 18 May

Uzbekistan's cabinet has adopted a resolution on collecting more accurate information on the number of Uzbek migrants leaving the country to find work abroad, an anonymous source in the cabinet told vesti.uz. The source said, "The document that was adopted is intended to perfect the system for keeping track of people who leave the country to find work or engage in business, and to ensure the defense of citizens while they are abroad." The source noted that the State Statistics Committee has been asked to prepare questionnaires and conduct quarterly surveys of labor migration beginning in the third quarter of 2007. The independent news agency uznews.net reported on May 4 that the authorities in Uzbekistan's Karakalpakstan Autonomous Region are developing measures to force some 200,000 Karakalpakstan residents to return to Uzbekistan from other countries where they have settled in search of work. Estimates of the numbers of Uzbek citizens working abroad vary, with some experts putting the number at a minimum of 1 million. The majority work in Kazakhstan and Russia. (vesti.uz)

#### FAMILY APPEALS ON BEHALF OF ARRESTED ARMENIAN EX-MINISTER 18 May

The family of former Foreign Minister Alexander Arzoumanian released a statement in Yerevan on May 17 deploring as "absurd" and politically motivated his arrest on May 7 on charges of moneylaundering, RFE/RL's Armenian Service reported. They dubbed the arrest of Arzoumanian, who last year launched an opposition movement called Civil Disobedience, part of "an ongoing campaign by the current leadership...aimed at suppressing true democracy and human rights in Armenia" and appealed for help in securing his release. Several dozen former Armenian government officials, including former Foreign

Ministry staff, released a similar statement in support of Arzoumanian on May 9. (RFE/RL)

#### TAJIK PRESIDENT DEFENDS RECORD ON RELIGIOUS FREEDOMS 21 May

In an interview with the Qatar-based Al-Jazeera television network broadcast on May 18, Tajik President Emomali Rahmon defended his record in response to accusations of state-sponsored repression of religion in Tajikistan. Asked whether people are harassed "just because they are Islamists," Rahmon replied that rights organizations employ double standards. Rahmon noted, "When we talk about human rights in Tajikistan, do we not forget Iraqis' rights in Iraq? Do we not mention the thousands of dead and the victims who are daily falling in Iraqi cities?" Queried about mosque closures in Tajikistan, Rahmon responded, "These are pure lies. We have at present more than 4,000 mosques that are open in Tajikistan." Asked about the ban on the Islamic veil in Tajik schools, Rahmon stated, "We are building a secular and free state," adding that students must dress "in accordance with the requirements of a modern school." (RFE/RL)

#### KYRGYZ SPEAKER SAYS U.S. BASE SHOULD ONLY AID AFGHANISTAN 21 May

Marat Sultanov, the speaker of Kyrgyzstan's parliament, told a press conference in Bishkek on

May 21 that the U.S. military base in Manas is "only for missions to Afghanistan," and that Kyrgyzstan will shut down the base if "we have any suspicions that it might be used for other purposes." Sultanov was responding to a question about the possibility of a U.S. strike on Iran from the base in Kyrgyzstan. Aleksandr Tiperov, the head of a movement seeking to close down the U.S. base in Kyrgyzstan, told a news conference in Bishkek on May 21 that the movement plans to hold a protest on June 2 under the name "Yankees out of Kyrgyzstan." "The presence of the air base is posing a threat to the citizens of Kyrgyzstan and it is inflicting a great loss on the country's environment. There is only one solution to this situation: the withdrawal of the air base," Tiperov said. The planned protest will take place outside the U.S. Embassy in Bishkek. On the issue of the Russian air base in Kant, Kyrgyzstan, Sultanov said that the Russian air base "is still a Collective Security Treaty Organization [CSTO] air base," even though Russia is the "principal tenant," and so it cannot be called "foreign." (akipress.org)

#### WIDOW OF KYRGYZ SHOOTING VICTIM CALLS U.S. COMPENSATION 'HUMILIATING'

#### 21 May

Marina Ivanova, the widow of a Kyrgyz citizen shot dead by a U.S. serviceman at a checkpoint at the U.S. base outside Bishkek in December 2006, called the \$55,000 compensation payment she received "humiliating." Ivanova told AP that she plans to ask for \$1 million in damages. The U.S. serviceman involved has returned to the United States, where he remains under investigation. Kyrgyzstan recently asked the United States to expedite the investigation. (AP)

#### ARMENIAN OPPOSITION REJECTS ELECTION RESULTS

#### 21 May

Some 3,000 people attended a demonstration on May 18 on Yerevan's Republic Square to protest the official results of the May 12 parliamentary election, Noyan Tapan and RFE/RL's Armenian Service reported. Aram Sargsian, head of the radical opposition Hanrapetutiun party, and People's Party of Armenia Chairman Stepan Demirchian separately pledged to file suit with the Constitutional Court to have the results annulled; the Orinats Yerkir (Law-Based State) and Nor Zhamanakner (New Times) parties have already

announced their intention to do the same. Sargsian admitted, however, that he does not "expect the Constitutional Court to rule in our favor." Armenia's Central Election Commission convened on May 19 to ratify the final results of the May 12 ballot. But of its nine members, two representing opposition parties refused to sign the protocol on the allocation of votes in single-mandate constituencies, and a third joined them in refusing to sign that on the allocation of votes under the proportional system, which one of the dissenters described as "the gravestone on the tomb of Armenian democracy." The ruling Republican Party of Armenia will have 64 mandates in the 131-mandate legislature; the Bargavach Hayastan (Prosperous Armenia) party 25, the Armenian Revolutionary Federation-Dashnaktsutiun 16, Orinats Yerkir 10, Zharangutiun (Heritage) seven, and Dashink (Alliance) one. (RFE/RL)

#### ARMENIA, AZERBAIJAN LEAD SOFTWARE PIRACY STATISTICS 21 May

A report issued on May 15 by the Business Software Alliance concluded that Armenia has the highest rate of business-software piracy in the world. The study found that 95 percent of all business software in use in Armenia has been copied illegally. Azerbaijan and Moldova followed, with 94 percent. Ukraine's rate, 84 percent, ranked it ninth. Others in the top 10 were, in order, Zimbabwe (91 percent), Vietnam, Venezuela, Pakistan, Indonesia, and Cameroon (84 percent). This was the first time that Armenia, Azerbaijan, and Moldova were included in the annual survey. The report found that in 2006 the average rate of business-software piracy in postcommunist states (including Central Europe) was 68 percent. (RFE/RL)

#### GEORGIAN OPPOSITIONIST SLAIN 21 May

Academician Guram Sharadze, 66, leader of the opposition nationalist party XXIst Century --Language, Fatherland, Faith, was reportedly shot dead on the street in Tbilisi late on May 20 by Giorgi Barateli, a cameraman for the progovernment television station Rustavi-2. Barateli was reportedly a friend of Sharadze's son Lasha, whose death nine years ago has never been clarified, and lived for a while as a member of Sharadze's household. Sharadze was elected to parliament in 1995 and 1999, and gained notoriety for his efforts to have Jehovah's Witnesses banned in Georgia. Police apprehended Barateli, who has confessed to killing Sharadze, but his motive remains unclear. (kavkazuzel.ru)

#### NAZARBAYEV SIGNS CONSTITUTIONAL AMENDMENTS INTO LAW 22 May

Kazakh President Nursultan Nazarbayev has signed into law a bill amending and enlarging the constitution. The bill was approved by parliament on May 18. The law, officially published Tuesday, gives Nazarbayev - Kazakhstan's first president the right to run for office indefinitely. All other candidates will not have the right to be elected for more than two consecutive terms. The amendments made also reduce the president's tenure from seven to five years after 2012. Nazarbayev's current sevenyear term expires in 2012. He was elected president for a second consecutive term in direct presidential elections in late 2005 and took office following inauguration in January 2006. (Interfax-Kazakhstan)

#### KAZAKH PROSECUTORS WARN MEDIA ON COVERAGE OF INVESTIGATION 22 May

Prosecutors in Almaty have warned the commercial television company KTK and the "Karavan" and "Vremya" newspapers about covering the ongoing investigation of a scandal involving Nurbank. A statement signed by Almaty Prosecutor Bagpana Taimbetova asked the media outlets to "refrain from publications or broadcasts on the course of the investigation into this criminal case without the permission of agencies involved in the preliminary investigation." The warning noted that violations could lead to the shutdown of the media outlets. Police are investigating the disappearance of Zholdas Timraliev, the deputy chairman of the board at Nurbank. The bank has been at the center of allegations of improper conduct by Rakhat Aliev, Kazakhstan's ambassador to Austria and the son-inlaw of President Nursultan Nazarbaev. (Interfax-Kazakhstan)

#### U.S. AMBASSADOR SAYS KYRGYZ BASE WILL NOT BE USED FOR STRIKE AGAINST IRAN

#### 23 May

Marie L. Yovanovitch, the U.S. ambassador to Kyrgyzstan, told akipress.org and state-run Kyrgyz television KTR in Bishkek on May 22 that the U.S. airbase in Kyrgyzstan cannot and will not be used for any possible military operations against Iran. "The agreement which was signed between the United States and Kyrgyzstan in 2001, and approved by the Kyrgyz parliament, defines the tasks of the base: it will be used only for an operation in Afghanistan, which is aimed at fighting terrorism," Yovanovitch said. She added, "It is absolutely out of the question that this airbase could be used for an operation in Iran." Murat Sultanov, the speaker of Kyrgyzstan's parliament, recently warned that Kyrgyzstan will shut down the U.S. airbase if there are suspicions it might be used for a strike against Iran. (RFE/RL)

#### KAZAKH PRESIDENT'S SON-IN-LAW FACES KIDNAPPING CHARGE 24 May

Bagdat Kozhakhmetov, a spokesman for Kazakhstan's Interior Ministry, told a press conference in Astana on May 23 that Rakhat Aliev, Kazakhstan's ambassador to Austria and the son-inlaw of President Nursultan Nazarbaev, is facing criminal charges of kidnapping. Aliev is charged with kidnapping Abilmazhen Gilimov and Zholdas Timraliev, two managers at Nurbank, in late January. Timraliev is still missing. Gilimov's brother told a news conference in Almaty on May 23 that his brother told him, "Rakhat Aliev handcuffed us, threatened us with weapons and physical violence, and demanded that all of our acquaintances, friends, and relatives...give up [their] parts of the business," Reuters reported. Aliev, who is a shareholder in Nurbank, has denied allegations of improper conduct in a bid to take over the company. (Interfax-Kazakhstan)

#### ANOTHER INGUSH MUSLIM ABDUCTED 23 May

Unidentified masked men allegedly grabbed Akhmed Kartoyev on the street in Nazran on May 22, forced him into a car and drove away. Kartoyev, who was born in 1977, is reportedly a devout Muslim and graduate of Cairo's Al-Azhar University. Between 150-200 Ingush, many of them practicing Muslims, have disappeared without trace after being similarly snatched by unknown abductors over the past two-three years. (RFE/RL)

# CHECHEN DIASPORA APPEALS TO PUTIN 23 May

The Association of Chechen Community and Cultural Organizations that represent Chechens in other regions of the Russian Federation has written to President Putin asking him to put a stop to efforts to whip up "anti-Chechen hysteria" among the Russian population. The appeal enumerates reprisals against Chechens in recent months and notes that in the wake of one such clash, unsubstantiated rumors began circulating that a Chechen terrorist network is active in Moscow. Association head Mavlit Bazhayev, who is a member of the Public Chamber, told the newspaper that it will take between five and 10 years to counter the stereotype image of Chechens as having "problems with the law." (RFE/RL)

# U.S. AMBASSADOR MEETS WITH ABKHAZ LEADERS. U.S.

#### 24 May

Ambassador to Georgia John Tefft traveled to Sukhum(i) on May 23 where he met with Sergei Bagapsh, de facto president of the unrecognized republic of Abkhazia, Prime Minister Aleksandr Ankvab, and Foreign Minister Sergei Shamba, to discuss the prospect of resuming direct talks between Abkhazia and

Georgia. The Abkhaz side refuses to return to the negotiating table until Georgia withdraws the Interior Ministry troops it deployed in July 2006 to the Kodori Gorge. During a conversation that Tefft described as "frank," Bagapsh repeated to Tefft that the Abkhaz side considers that deployment a violation of the 1994 cease-fire agreement, but Tefft explained to journalists after his talks that the agreement does not preclude a police presence in Kodori. Bagapsh and Tefft also discussed Georgia's refusal to release an Abkhaz official detained earlier this year. Asked to comment on Georgian President Mikheil Saakashvili's initiative to create a provisional pro-Georgian administration in the unrecognized republic of South Ossetia, Tefft said that the United States "supports all steps by the Georgian leadership aimed at bringing all sides in the South Ossetian conflict to the negotiating table, including Mr.

Kokoity," the region's de facto president. Ankvab briefed Tefft on the state of the Abkhaz economy and expressed interest in establishing bilateral economic cooperation. (apsny.ru)

#### GEORGIAN LABOR LEADER CALLS ON SAAKASHVILI TO RESIGN 25 May

Georgian President Mikheil Saakashvili has failed to live up to the expectations of his voters, Labor

Party leader Shalva Natelashvili said. "He fulfilled none of his campaign promises, he has not returned our lost money in savings banks accounts, created new jobs or raised pensions or wages," Natelashvili said in an interview with the Moskovskiye Novosti newspaper published on Friday. "People already hate Saakashvili as a liar, as an agent of influence of certain foreign forces, as a person who created a new corrupt clan which has established unbearable, inhuman taxes for an unemployed and poor population ... Saakashvili is hated for selling our natural resources, the most precious thing for any nation," the Labor leader said. "Recently, in front of the parliament building, under the surveillance of security video cameras, 8,000 people signed a petition demanding the president's resignation, and there was still a queue of those who wanted to do so. If Saakashvili does not resign, we are going to make him leave - peacefully," he said. "Saakashvili is a classic dictator within a one-party system. He does not have his own policy and is only in power thanks to his foreign patrons. They forgive him absolutely everything - the destruction of the multi-party system, rigged elections, corruption, and the holding of political prisoners," Natelashvili said. (Interfax)

#### BUSHEHR NOT A THREAT TO NON-PROLIFERATION REGIME - KIRIYENKO 25 May

Russian Federal Atomic Energy Agency (Rosatom) Director Sergei Kiriyenko has ruled out the United Nations' Security Council imposing sanctions in relation to Russian-Iranian nuclear cooperation. "Our cooperation with Iran has no links with Security Council demands to Tehran to attach additional guarantees to observing the nonproliferation regime," he said. "Moscow-Tehran cooperation on the construction of the Bushehr nuclear power plant is not a threat to the nonproliferation regime. Experts around the world acknowledge this," Kiriyenko said. (Interfax)

#### GEORGIA MARKS INDEPENDENCE ANNIVERSARY 26 May

Georgia marked on May 26 the anniversary of the 1918 declaration of an independent republic. Speaking at a military parade in Tbilisi, President Mikheil Saakashvili appealed for unity as the decisive factor that has always enabled the Georgian nation to defeat its enemies. Saakashvili also defined the primary task of the Georgian armed forces as defending the country's territorial integrity, and, speaking in Ossetian, he stressed the "heroic" contribution Ossetians have made to Georgian history. Supporters of jailed former intelligence service chief Irakli Batiashvili were prevented by police when they tried to disrupt the military parade, calling for Batiashvili's release. (Caucasus Press)

### MORE DRUGS CONFISCATED IN KYRGYZSTAN

#### 27 May

The Kyrgyz Drug Control Agency has marked a many-time growth in the volumes of confiscated drugs in the country. The agency confiscated 1,122.5 kilograms of drugs and mind-altering substances in 2006, a 258.9% increase if compared to some 312 kilograms confiscated in 2005, a source in the agency told Interfax-AVN. "The activity of nine drug groups was suppressed, ten points of selling drugs, which existed for along time, were liquidated in the country in 2006. A total of 146 people were punished," the source said. The international activity of the agency has expanded, he said. The agency, together with its foreign partners, conducted six 'Controlled Delivery' operations (there was one similar operation in 2005), as well as six joint working-outs were implemented (three in 2005), including four with Russia's Drug Control Servcie, one with Latvia's police, while one was a multilateral one. A total of 190 kilograms of drugs and mind- altering substances, a 130% increase in comparison with 2005, were confiscated in the implementation of joint working-outs and operations, the agency said. (Interfax-AVN)

#### KYRGYZ PREMIER SAYS PROTESTERS 'ATTACKED' HIS MOTORCADE 28 May

Speaking to reporters during his visit to the northern Kyrgyz Talas district, Prime Minister Almaz Atambaev said that the "attack" on his motorcade on May 26 was a "planned action" directed against the government, AKIpress reported. As Atambaev arrived in Talas district, his convoy was stopped by about 500 participants in a nearby demonstration by local environmental activists demanding the closure of a controversial gold mine in the area. Local police arrested eight protesters involved in the rally, sparking a demonstration of over 3,000 protesters the next day calling for the release of the detainees. Atambaev's visit to Talas was intended to defuse tension over the operations of the Andash and Jerooy gold mines, which local residents and activists say have caused significant damage to the local environment and harmed residents' health. (akipress.org)

#### FORMER KAZAKH AMBASSADOR TO AUSTRIA DECLARED INTERNATIONALLY WANTED

#### 28 May

Former Kazakh ambassador to Austria and President Nursultan Nazarbayev's son-in-law Rakhat Aliyev has been declared internationally wanted on suspicion of involvement in abductions. "Aliyev is now in Vienna. He has been declared internationally wanted on charges of abduction," head of the Kazakh Interior Ministry press service Bagdat Kozhakhmetov told a Monday briefing in Astana. "The prosecutor's office has issued a writ for his arrest. A special team has left for Vienna led by Deputy Prosecutor General and Interpol representatives in Kazakhstan," he said. (Interfax)

#### KYRGYZSTAN LEADER "WAS POISONED" 30 May

The prime minister of Kyrgyzstan was poisoned this month with a toxin of unknown origin, a government medical report has stated. Almaz Atambayev said he was unconscious for two days after someone tried to poison him when they handed him a glass of water in his office on 11 May. Mr Atambayev said he had had death threats over a nationalisation plan. President Kurmanbek Bakiyev appointed him in March to try to curb political turmoil in the central Asian state. The presidential medical office said the diagnosis on the prime minister was "acute toxic hepatitis". It said: "According to the results of the investigation, it can be surmised... that toxins of unknown origin entered the patient's body." Mr Atambayev had blamed "some government official" for the poisoning. He said he had recovered and had no intention of resigning. Mr Atambayev linked the incident to his attempt to nationalise a semiconductor plant in Jalalabad. The government took over the Sovietbuilt plant in April and Mr Atambayev said he wanted to turn it into Kyrgyzstan's Silicon Valley. (BBC)