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# THE CENTRAL ASIA-CAUCASUS ANALYST

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**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.

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# RUSSIA'S PRINCIPLED CAUCASUS POLICY

Stephen Blank

*Five years after its war with Georgia, Russia is now moving to institutionalize its gains into enduring territorial-political structures. During September 2013, Moscow effectively blackmailed Armenia into joining the Eurasian Union and has now announced that it is going to sign a treaty with South Ossetia and Abkhazia, recognizing the "international borders" between them and Russia. As a result, Russian soldiers are now erecting fences effectively demarcating these territories from Georgia, if not formally annexing them to Russia. Both of these moves undermine the sovereignty, and in Georgia's case the integrity, of these two South Caucasian states and demonstrate that Russia's neo-imperial effort to create a closed bloc in the CIS is intensifying and accelerating.*

**BACKGROUND:** Armenia surrendered to Russia even though it had previously indicated that joining the Union was not its preference and that a customs union made no sense between states that do not share borders. President Sargsyan hinted as much by referring to Armenia's security dependence on Russia. But earlier this year, when Putin revealed that Russia had also been arming Azerbaijan, Sargsyan made it clear that Armenia, if it wanted to retain the territories conquered in Nagorno-Karabakh, had nowhere to go but Moscow. Thus Armenia's quest for territorial and ethnic homogeneity has paradoxically led it to undermine its own economic and foreign policy sovereignty. Armenia has become a prisoner of its own policies towards the Nagorno-Karabakh issue.

In Georgia's case, Russia conquered Abkhazia and South Ossetia in 2008 and declared them independent. Few other states accepted this and the U.S. formally regards them as being under occupation. Even though the new Georgian government is improving ties

with Russia, it cannot accept that these territories are lost forever and it has previously stated that it will not renounce Georgian sovereignty over them. Moscow's declaration of an impending treaty to demarcate borders thus represents further pressure on Georgia to surrender its sovereignty and integrity to Russian dictates. More broadly, it exemplifies Moscow's frequently asserted statements and actions implying that the sovereignty and integrity of other CIS member states is, in fact, provisional and not a subject of international law.

The Georgian territories in particular are illustrative of Russia's policy. We should remember that Putin in 2012 openly admitted that Russia had been planning this war since 2006, and had done so with the use of separatists as part of the plan. Thus, Moscow's assertion that the citizens of these Georgian territories, though in revolt against Georgia, were somehow Russian citizens as well and thus entitled to Russian defense under Article 51 of the UN charter, shows not only the hypocrisy of Russian policy in



2008. It also undermines the credibility of Russia's current arguments regarding Syria and the primacy of the UN, and that the use of force is legitimate only if sanctioned by the UN. This was not Russia's view in 2008. In addition, the Russian government, as Prime Minister Medvedev stated recently, sees no reason to rethink its actions in 2008 including the severing of these territories from Georgia.

But we also know that Russia, even as it was part of the Minsk group, charged along with France and the U.S., with superintending efforts to get Armenia and Azerbaijan to negotiate an end to the war, was simultaneously playing both sides off against each other to heighten tensions and ratchet up the danger of renewed escalation. That danger has grown as both sides have acquired new and more sophisticated weapons systems from Russia and elsewhere. For example, since 2010, 38 flights of Il-76s loaded with weapons have taken off from Podgorica airport in Montenegro – a country labeled as a playground for Russian organized crime – to Stepanakert airport in Nagorno-Karabakh. Moscow has thus succeeded in essentially freezing the U.S. and France out of this conflict resolution process and remains the principal supplier of weapons to both

sides, a situation that benefits Russia's policy to sustain a situation of controlled tension in the conflict that allows it to extend its defense, political, and now economic hegemony over Armenia and keep Azerbaijan under constant pressure.

**IMPLICATIONS:** Moscow also disposes of many instruments by which to threaten or pressure Azerbaijan, including a cutoff of arms sales, attempts to stop it from selling gas and oil in European markets, threats to its energy platforms in the Caspian Sea, potential collusion with Iran against it, and the ever-present possibility of attempts to organize disaffected ethnic or religious minorities to destabilize Azerbaijan from within. Moscow has also over the years made efforts to impede trade and migrants' remittances from Russia back to these countries. Those actions remain constant and readily available weapons in Moscow's arsenal of instruments of pressure against its neighbors.

These recent moves in the Caucasus, coupled with acts of economic warfare and pressure against Ukraine, Belarus, Moldova, Kyrgyzstan and Tajikistan, underscore the speed and urgency in Moscow's attempt to create a customs union and Eurasian Union around itself, regardless of the economic logic of such an endeavor. These two institutions are, in the Caucasus and elsewhere, primarily political phenomena – efforts to subordinate Russia's neighbors and, as then-Secretary of State Hilary Clinton said in December 2012, restore the Soviet Union in some form. Not least, the Eurasian Union is intended to recreate

a visible manifestation that Russia truly is a great power that can compete with China and the U.S. with a continental bloc behind it. The Eurasian Union remains a vital necessity for Russia vis-a-vis those large economies as well as the EU with whom it could otherwise not compete, and whose influence would then radiate to states between the EU and Russia and then through them into Russia, creating pressures for economic if not political reform in Russia itself. This is an additional reason why events in the South Caucasus have a direct bearing on European security organizations.

These activities confirm that Russia steadfastly pursues a neo-imperial policy in the CIS. As the late John Erickson observed, this labeling is not pejorative but rather recognition of the consistent geopolitical or geostrategic explanation for Russian strategic behavior. Nevertheless this neo-imperialism has several dangerous consequences, because it rests on a presumption that Russia's interests are now served not only by the diminution of its neighbors' sovereignty and if necessary their territorial integrity, itself a conflict producing situation. In fact, beyond those inherently dangerous tendencies, these new turns in Russian policy demonstrate clearly that Russia sees an advantage in maintaining "a state of siege" or ongoing unresolved conflicts in the Caucasus in order to ensure its hegemony. Given the high degree of tension in Nagorno-Karabakh, this policy, as displayed in the provision of modern weapons to both sides, could lead to new rounds of conflict arising out of the many

skirmishes that have occurred with alarming frequency since 2010. Miscalculation or even deliberate calculation could trigger a process that would engulf this region with violence. This is perhaps why President Obama finally wrote to President Sargsyan of Armenia, urging him to make peace. But one reason Moscow has been able to get away with these policies is precisely the tepid EU and U.S. responses to its encroachments in the Caucasus. Mere protests are not enough, as John Hudson reported in *Foreign Policy*. The implication of Russian policy is a heightened possibility for long-term or recurrent, or so called frozen conflicts even though we have now seen how fast these conflicts can become hot ones, especially if Russia incites them.

**CONCLUSIONS:** An objective analysis of the South Caucasus reveals the necessity for sustained, long-term, and direct involvement of the West and comprehensive efforts to bring the existing conflict situations to negotiated resolution. The current ostrich-like policy, apparently based on the idea that the West needs Russian cooperation on larger issues in the Middle East and elsewhere and that involvement in "Russia's backyard" will only antagonize Russia and prevent cooperation, has only stimulated Russia's perception of Western weakness and disinterest in the CIS. Thus it emboldens Moscow to take the steps described here and those taken against other CIS states. Yet it has not produced effective crisis resolution in the Middle East or elsewhere. There are now rumors of an

impending rethinking of U.S. policy towards Russia. Such a rethink is not only desirable, it is long overdue. If there is going to be such a policy review, the Obama administration should start by looking at the South Caucasus. We have already seen the dramatic and global scale of the repercussions of the Russo-Georgian war. Surely that fact alone should encourage us to grasp the nettle and prevent more conflicts in the South Caucasus. A second failure to do so would have immense implications for international security.

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## INCREASING NUMBERS OF CENTRAL ASIAN JIHADISTS IN SYRIA

Jacob Zenn

*As the civil war in Syria enters its third year, jihadists from around the world continue to travel there to fight the government of Bashar al-Assad. In 2013, Central Asian jihadists have become more prominent among foreign fighters. There is also increasing evidence that fighters from Central Asia and the Caucasus who fought in Syria are returning to their home countries to carry out attacks. Central Asian countries now not only risk a revival of Islamist militancy in Central Asia after the war in Afghanistan but also as a consequence of the civil war in Syria.*

**BACKGROUND:** Since the start of the Syrian civil war in 2011, several thousand jihadists across the Muslim World have joined the rebels. In the first half of 2013 alone, more than 600 foreign fighters were killed in Syria. They came from countries ranging from Morocco at the western periphery of the Islamic World to Xinjiang, China. In addition, hundreds of Muslims from Europe, the U.S. and Turkey have joined the rebels.

Although the majority of fighters are Arab, one of the most influential contingents is the North Caucasians who, according to Russian intelligence sources, number more than 200 fighters. The jihadist website Kavkaz Tsentr claimed in March 2013 that Chechnyan-led Jaysh al-Muhajirin wal-Ansar (Army of the Immigrants and Supporters) included jihadists from the “Caucasus Emirate, Russia, Ukraine, the Crimea, and CIS countries.” Yet, there are also several hundred fighters from the five Central Asian countries. In May 2013, the Dushanbe-based weekly Nigoh confirmed that citizens of Tajikistan were undergoing training in Syria. One month later, in June,

Uzbekistan’s Harakat Online reported that several cells from the Islamic Rebirth Party of Tajikistan were sending youths to fight with Syrian jihadists. It also said that Tajikistani labor migrants in Russia had been recruited to fight in Syria. In 2012, the *Guardian* reported that Uzbeks were in Syria when it interviewed a Turkish jihadist “smuggler” who said he saw Uzbek foreign fighters entering the country almost every day.

Kazakhstan’s Religious Affairs Agency Chairman has said that disaffected Kazakh youths have traveled to Syria. In June 2013, Kazakhstan reported that eight of its citizens were arrested while seeking to secure funds to travel to Syria to fight with the rebels. One month later, in July, a Kazakh named “Brother Abu-Mu’adh al-Muhajir” appeared in a video of the Iraq and Sham [Damascus] Network with Syrian rebels introducing the “mujahedeen from Kazakhstan.” He called on “those who live in tyranny” to “emigrate from Kazakhstan, Kyrgyzstan, or any other country” and engage in jihad. Kyrgyzstani officials have also confirmed the presence in



Syria of as many as 20 of its citizens and reported detaining several citizens at the airport on the way to Syria.

Finally, there are Chinese militants in Syria. A Han Chinese convert to Islam, Yusuf al-Sini (Bo Wang), was featured in a rebel YouTube video released by Jaysh al-Muhajirin wal-Ansar in March 2013. Another video showing a “Chinese jihadist” was posted on YouTube by the user “Al-Nusrah Front” and featured a group of rebels repairing a projectile weapon, while a militant who appears to be ethnically Uighur and who a rebel calls “The Chinese Man” leads a prayer asking God to support the Muslims against “the infidels.” The Pakistani-based Uighur-led Turkistan Islamic Party (TIP) has implied its involvement in the Syrian conflict in its magazine *Islamic Turkistan* where it wrote in March 2013, “If China has the right to support al-Assad in Syria, we have the right to support our Muslim Syrians.” China has alleged that the TIP is sending fighters from Pakistan into Syria by way of allied Turkish Uighur organizations.

**IMPLICATIONS:** The greatest concern of Central Asian governments is not only that their citizens are fighting with militant groups

connected to al-Qaeda in Syria, but that these militants will return home. Syrians who remain in the country report that Central Asian rebels, who mostly speak classical Arabic instead of local Arabic dialects, are more prone than Arab rebels to mistreat the local population in Syria. One reason for this is that they do not understand Syrian dialect or culture or have immediate family members in the country, so they tend to act like an occupying army just as Uzbek militants did when they first migrated to North Waziristan in the early 2000s. This has generated resentment towards Central Asians in the area of northern Syria where they mostly operate. It may also be why some of the rebel groups are encouraging Central Asians to return to their home countries, where they can carry out the jihadist mission without damaging the reputation of the jihadists in Syria.

The first reports that Central Asian jihadists returned to their home countries emerged in July 2013 when China reported that an Uyghur militant who studied in Istanbul and fought in Aleppo was arrested while planning “violent attacks” in Xinjiang. China also alleged that some of the 15 individuals who carried out an attack on a police station and nearby offices that killed more than 40 people in Turpan, Xinjiang in June 2013 were denied permission to travel to Syria and then carried out the attack at home. After the Shanghai Cooperation Organization (SCO) Summit in Bishkek on September 12, Kyrgyzstan also reported that it broke up an Islamic Jihad Union cell, including Kyrgyz and

Kazakh returnees from Syria, that targeted the SCO Summit.

Compounding the threat to Central Asia from jihadist returnees from Syria is that there are already several thousand Central Asian jihadists in Afghanistan. Since 2010, there have been numerous reports from the International Security Assistance Forces that the Islamic Movement of Uzbekistan (IMU) is carrying out attacks in northern Afghanistan near the Uzbekistan and Tajikistan borders, especially in Kunduz and Takhar provinces. In 2013, the IMU has also been active within 20 miles of the Turkmen border in Afghanistan's Faryab province.

The IMU is also threatening to attack Central Asia, despite the fact that the Afghan Taliban has promised to focus only on Afghanistan and not neighboring countries as long as they do not support the Karzai government. After IMU members carried out suicide bombings in Panjshir, north of Kabul, the IMU announced in a martyrdom video that its "future conquests are very near in the Mawarounnahr region" (the ancient name for modern-day Uzbekistan, Tajikistan, Kyrgyzstan, and Kazakhstan). In addition, the Uzbek-speaking IMU mufti, Abu Zar al-Burmi, said in a video with Kazakh and Caucasian Turkistan Islamic Party (TIP) fighters that after the U.S. war in Afghanistan, China will become the "number one enemy." Before 2001, the IMU and Uighur militants were under the control of the Afghan Taliban, but now they are under the Pakistani Taliban, which may not have the same political

interests as the Afghan Taliban to prevent Central Asian militants from attacking their home countries.

**CONCLUSIONS:** Central Asian fighters in Afghanistan and Syria will pose a threat to their home countries if they return. It is increasingly important for Central Asian countries to coordinate intelligence and identify fighters abroad and monitor them if they return or attempt to connect with radicals through the Internet or other jihadist networks. Moreover, the sympathy towards the rebels in Syria has the potential to radicalize and inspire Muslims throughout the world, including in Central Asia, to join the so-called "jihad." This should heighten the exigency for Central Asian countries to see an end to the civil war in Syria through a negotiated solution that would necessarily involve Iran, Russia, the U.S and potentially Israel in a broader framework deal that includes chemical, biological and nuclear weapons reductions. The SCO's support of Russia's proposal to disarm al-Assad's chemical weapons facilities and avoid an American attack on Syria can be attributed to SCO countries' desire not to see an rebel victory in Syria - although they recognize an al-Assad-led Syria is also not sustainable. A rebel victory would likely embolden jihadists around the world, lead to al-Qaeda-connected militants controlling several Syrian cities and governorates, and the return home of the Central Asian militants who won their "jihad" in Syria.

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## PAKISTAN'S DRONE DILEMMA

Rizwan Zeb

*The drone attack killing in early September 2013 of Mullah Sangeen Zadran, who had been a U.S. target since 2011, is hailed as evidence of the effectiveness of drone strikes in the war on terror. Islamabad has decided to raise the drone issue at the UN, although it is debatable what objectives this will serve. Nawaz Sharif's government wants to improve its relations with the U.S., a difficult objective considering the growing anti-Americanism in Pakistan due to these drone strikes. The drone issue is a serious complication in Pakistan-U.S. relations and puts Pakistan's ability to support the withdrawal from Afghanistan into question.*

**BACKGROUND:** In 2001, when then President Musharraf responded to U.S. demands by abandoning the Taliban in Afghanistan and joining the global alliance against terrorism, Musharraf cited a number of reasons for his decision, among which the security of Pakistan and the Pakistani nation was of paramount importance. Over the years, Pakistan made invaluable contributions in the global campaign against Al-Qaida. Pakistan captured or played a significant role in the capture of a score of Al-Qaida operatives and in foiling numerous Al-Qaida cells and terror plots.

However, due to Islamabad's alleged as well as widely believed ties to the Taliban and the Haqqani network, most of the power centers in the world, especially in the West, consider Pakistan to be part of the problem rather than the solution. It was this suspicion of Pakistan, along with a reluctance to put American lives at risk, which resulted in the U.S. reliance on drone warfare in the tribal areas of Pakistan. Drone strikes controlled and conducted by the Central Intelligence Agency's Special Activities Division

started in 2004 under President Bush. Under the Obama administration, the use of drone strikes accelerated rapidly. According to several estimates, so far at least 375 drone attacks have taken place in which over 3,500 people have been killed and over 3,600 have been injured. Until 2011, drones were operating from the Shamsi airbase in Pakistan, which U.S. forces were using as part of an understanding reached between Presidents Musharraf and Bush.

The views are extremely divided on the legal and moral aspects of drone strikes. Those opposed consider it a violation of international law. Ben Emmerson, a senior UN official who led a team to Pakistan to investigate the issue, stated that the drone attacks violate Pakistan's sovereignty. A related view is that drone strikes are counterproductive as they harden the resolve of the terrorists and further expands the recruitment base of militant organizations.

In response to the mounting global criticism, President Obama on May 29, 2013, stated that the drone strikes will continue. At the same time, he vowed to increase transparency and more careful targeting. A number of media



reports indicate that the CIA uses a careful screening process when deciding to kill a person or a group through a drone strike. As early as March 2010, U.S. Department of State legal advisor Harold Koh said that the drone strikes are legal under the right of self-defense. Pakistan's current Prime Minister Sharif stated several times during his election campaign that drone strikes are an attack on Pakistan's sovereignty. However, the strongest opposition came from Imran Khan, the leader of Pakistan Tehreek-e-Insaf, which is the ruling party in the strategic province of Khyber Pakhtunkhwa, who said he would order the drones to be shot down once elected prime minister.

**IMPLICATIONS:** The effectiveness of the drone strikes could be gauged by the fact that before he was killed, Osama bin Laden reportedly was considering moving Al-Qaida operatives to the forested regions of Afghanistan so that they could not be targeted by drones. Despite repeated denials by Musharraf and the PPP government, it is now public knowledge that drone strikes were taking place in the tribal areas of Pakistan as part of the aforementioned agreement between Musharraf and President Bush. The Shamsi airbase was used for this purpose until U.S. forces were asked to vacate the base

after the American attack on the Pakistani army post at Salala in 2011. Yet, the PPP government continued to protest against the drone strikes mostly for domestic political consumption without seriously addressing the issue with the U.S.

Recently, Al Jazeera leaked the Abbottabad commission report. According to media reports, General Ahmed Shuja Pasha, then director general of the ISI, told the commission that the drones certainly had their uses. He also stated that although there was no written agreement, there was a political understanding between the two countries on the issue of drone strikes. In addition, he said it was easier for Pakistan to refuse the strikes several years ago but that it was currently more difficult to do so, adding that the Americans had been asked to stop the strikes as they kill more civilians than terrorists.

Pakistan's drone policy is not clear. The issue has been termed a violation of Pakistan's sovereignty that kills innocent civilian non-combatants, which results in further militant recruitments. The cynics are of the view that the drones are used to kill those who want to make peace with the state of Pakistan, citing a recent attack that killed Waliur Rehman, second in command of the Tehreek-e-Taliban Pakistan (TTP). It was believed that Rehman was in favor of negotiating with Pakistan for a peace settlement but soon after his death in a drone strike, TTP decided to withdraw its earlier peace talks offer. At the same time, it is a fact that Naik Muhammad and Baitullah Masud, declared enemies

of the state of Pakistan were killed in drone strikes. A number of media reports have indicated that Islamabad has asked for drone technology from the U.S.

Perhaps the most important aspect of this debate is that drone strikes are a manifestation of American distrust of Pakistan's Army. Unless this changes, the drone strikes will continue. The aforementioned September 2013 drone strike in Dargo Mandi in North Waziristan that killed Mullah Sangeen Zadran along with Abu Zubair Muzi, Abu Dajana Khurassani and Abu Bilal Khurassani, is a great blow to Al Qaeda, the Haqqani network and the TTP. Mullah Sangeen was considered to be an influential militant leader enjoying respect in militant groups throughout the AfPak region.

**CONCLUSIONS:** Pakistan-U.S. relations are going through a rough patch and a gulf of distrust is opening between the two. Pakistan has to play a significant role in the lead up to, during and after the withdrawal from Afghanistan. Both countries consider the relationship important and need to maintain a meaningful engagement beyond war against terror. Islamabad has decided to take up the drone issue at the United Nations, although it is questionable what purpose this will serve other than a cosmetic gesture since it will be vetoed by the U.S. if raised at the Security Council. The death of Mullah Sangeen in North Waziristan is the latest indication of the fact that unless the safe haven for terrorists in the tribal areas is eliminated, the drone strikes will not end and this is where Islamabad needs

to focus its energy. It is time that both countries work out a mutually beneficial solution to their problems by meaningful engagement. Drones are a major obstacle but one that should not be allowed to wreck the relationship.

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# HAJJ REMAINS A SOURCE OF TENSION BETWEEN KYRGYZSTAN'S MUFTIATE AND STATE AGENCIES

Jamil Payaz

*On August 30, Kyrgyzstan's Muftiate complained that the pilgrimage to Mecca might be disrupted this year after the State Committee for National Security (GKNB) froze the Muftiate's bank account, claiming tax evasion during previous pilgrimages. This dispute sheds light on more serious issues related to the Muftiate. As an organizer of the Hajj, which involves dozens of millions of dollars, the Muftiate is often associated with corruption scandals. Corruption opportunities, fueled by competition for limited hajj visas and an uncontrolled flow of money, makes the Hajj a source of tension between the Muftiate, state agencies, and even criminal groups.*

**BACKGROUND:** After the Bakiyev regime fell in April, 2010, the Muftiate (the Spiritual Administration for Kyrgyzstan's Muslims) was seriously disorganized just like the central government. On April 20, a criminal group kidnapped and assaulted the Supreme Mufti Murataly Jumanov, 37, who served for eight years, reportedly to extort one million dollars. He was released the same day, but died of cancer after about three months, as reported by his family members. In June, acting Supreme Mufti Suyun Kuluev was also severely beaten by unknown people who reportedly wanted him replaced as the Supreme Mufti.

Given this unstable situation, the government decided that the State Commission for Religious Affairs (SCRA) should organize the Hajj in 2010, with 5060 visas allocated to Kyrgyzstan. However, the SCRA's organization of the Hajj became tainted with a corruption scandal, allegedly involving government officials and infamous pilgrim group leaders. In

November 2010, the GKNB arrested an Iranian citizen at the Manas airport trying to leave the country with 139 hajj visas. The Kyrgyz Embassy in Saudi Arabia observed the arrival of over 900 foreign citizens from Turkey, Iran, and Uzbekistan with visas illegally obtained in Bishkek. The Financial Police estimated that these visas were sold to foreigners for up to US\$ 4,000 each. A journalistic investigation by the RFE/RL's Kyrgyz service revealed that up to US\$ 5 million disappeared during the pilgrimage.

As a result, the parliament found the work of the SCRA as well as other involved agencies unsatisfactory, citing a lack of experience in logistical administration. It also recommended that appropriate agencies take measures against then President Rosa Otunbayeva's Chief of Staff, Emil Kaptagayev, and his son Kubanychbek, who worked in the Foreign Affairs Ministry and reportedly had personal contacts with councils from Saudi Arabia. They were pointed out as the



main masterminds and beneficiaries of the corruption schemes.

In August, 2010, the Council of Ulamas (religious scholars) elected Chubak Jalilov, 35, a graduate of Umm Al-Qura University in Saudi Arabia, as the Supreme Mufti. Jalilov, who was widely viewed as a reformer and an expert on Islamic law, set up the Center for Hajj-Umra, consisting of 17 people, including himself and his deputies, five parliamentarians from each political faction, and seven legal experts. Importantly, he made pilgrims pay their money to a bank to avoid the use of cash and published a list of pilgrims on the Center's website as anti-corruption mechanisms. He also selected hajj group leaders anew from among the imams and madrasa teachers, with harsher requirements. He also carried out testing for all the Muftiate workers, including the Qazy of Bishkek, Osh and seven oblasts, and rayon level Imam Hatips to bring in qualified religious workers. He dissolved the Muftiate's office in the country's south and fired his first deputy there, accusing him of abuse of power and obstruction of the reforms. The successful organization of the pilgrimage in 2011 was acknowledged by many including the government, the

Kyrgyz Embassy in Saudi Arabia, and Saudi Arabia's Hajj Ministry.

**IMPLICATIONS:** On July 16, 2012, despite all the observable positive changes, Jalilov resigned from his post citing health issues. His resignation came as a surprise to those who believed in his competence. But his resignation was apparently dictated by different groups unhappy with his somewhat radical reforms. For example, two months earlier, the Muftiate openly called on President Atambayev to check a group called "Black Square" allegedly planning to change the Supreme Mufti by pressuring members of the Council of Ulamas to convene and vote against him. The names of Jantoro Satybaldiyev, who was then the President's Chief of Staff and currently Prime Minister; Abdilatif Jumabayev, the head of the SCRA; and some GKNB officers were mentioned as a part of this group. In addition, in July, a group led by a former acting Mufti, Ruslan Jumagulov, announced an alternative Muftiate and set up a yurt outside the Muftiate.

Evidently, Jalilov was appointed Supreme Mufti with no serious contenders, as few would dare to challenge surging criminal groups, who had filled the vacuum left by the demoralized law enforcement after the April events in 2010. After the death of Jumanov, two of the three different acting Muftis resigned. Despite the SCRA's failure to organize a uncorrupted pilgrimage, then President Otunbayeva vetoed the parliament's decision to return the prerogative over the Hajj to the Muftiate in what was

seen as her cabinet's reluctance to give up control over large funds. Even though the parliament managed to override the president's veto, different groups attempted to gain control over the Supreme Mufti or replace him with someone more manageable. It remains unclear what specifically made Jalilov resign, but he was bombarded with populist accusations in local media. His opponents declared that the Center for Hajj-Umra was not representative, that the Hajj costs were unreasonably high, and that foreigners were buying Hajj visas. The SCRA questioned the legitimacy both of the Supreme Mufti and his Center for Hajj-Umra.

The next Supreme Mufti, Rahmatulla Egemberdiyev, managed to gain the support of the Kurultai of Muslims in December 2012. His path to become a legitimate Mufti was also marked with attempts to sideline him. On the eve of the Kurultai he was pressured by President Atambayev's advisor Farid Niyazov and the GKNB not to put forward his candidacy, informing him that in October 2012 a criminal case had already been launched against him and Jalilov, allegedly for committing economic crimes in 2011, particularly tax evasion. The GKNB then froze US\$ 3.5 million in the Muftiate's pilgrimage bank account. The Muftiate appealed to court, claiming that no financial violations were found during the inspections. At present, when the first groups of pilgrims have already departed for Mecca, about US\$ 300,000 remain frozen, a sum that the Muftiate supposedly needs to pay the Tax Service and the Social Fund. Recently, the Mufti complained in parliament

that he spends half of his working time answering questions of the GKNB.

In a nutshell, while the Muftiate remains dragged into legal issues, which are not likely to be settled any time soon, and preoccupied by constant allegations of corruption, the religious situation seems to develop on its own, in an unpredictable direction in the long-run. The GKNB blamed the Tablighi Jamaat for attracting children aged 15 or younger to study in Bangladesh. Currently, 50 children from remote villages were reported to be studying in unofficial madrasas in Dhaka. There is also an increasing number of cases of girls dropping out of school due to local pressure. It is also said that many religious parents abstain from routine vaccination of their children, finding it un-Islamic. Criminals exploiting Islam for their own ends seems to be another underestimated issue.

**CONCLUSIONS:** Kyrgyzstan's Muftiate, as a remnant of the Soviet Union's Spiritual Administration of the Muslims, is clearly going through a process of adjusting to new realities. Without the government's financial support, it remains dependent on charity from pilgrims. The Muftiate faces enormous temptation for corruption, as more people than allowed for by the quotas are willing to go to Mecca and to pay more money than the basic cost of a package visa. Such lucrative opportunities attract government officials to interfere in organizational matters, as well as cadre politics within the Muftiate through the GKNB and SCRA. The Muftiate remains far from a democratic

institution with its vaguely defined rights and responsibilities with the Council of Ulama. These factors taken together increasingly risk undermining the Muftiate's reputation when various Islamic movements are challenging moderate teachings of Islam in Kyrgyzstan.

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## KYRGYZSTAN'S PRESIDENT VISITS BRUSSELS

*Arslan Sabyrbekov*

Directly after hosting the Bishkek Summit of the Shanghai Cooperation Organization, Kyrgyzstan's President Almazbek Atambayev paid a four day official visit to Brussels. The trip included a number of meetings with high level officials of the European Union and resulted in several important announcements and agreements.

The talks with key EU officials resulted in their unanimous support for Kyrgyzstan's efforts to carry out democratic reforms. The President of the European Parliament Martin Schulz called Kyrgyzstan "a strategically important partner in the region" and reiterated his institution's support for strengthening the country's parliamentary democracy. Schulz stated that, "The European Parliament will provide all possible assistance to Kyrgyzstan, so that elections in the country will be democratic, honest and fair." For these purposes, a group of experts will travel to Kyrgyzstan to provide consultations prior to the presidential and parliamentary elections. With the objective of promoting and enhancing the rule of law in Kyrgyzstan, the EU signed a separate agreement with the country's Ministry of Justice and pledged to allocate some 13 million Euros to implement further needed reforms.

The President of the European Commission Jose Manuel Barroso also praised Kyrgyzstan's efforts to consolidate its democracy and assured

his full support for the recently adopted national development strategy 2013-2017, which in his words has a "balanced and inclusive approach." The EU also expressed its readiness to provide 30 million Euros for Kyrgyzstan's macro-financial stability. A separate agreement was signed with the European Investment Bank and Kyrgyz authorities, which should serve as another basis to attract foreign investments.

Within the framework of his official visit to Brussels, Atambayev held bilateral talks with NATO Secretary General Rasmussen. The sides discussed issues of regional security after the withdrawal of NATO troops from Afghanistan in 2014. Atambayev also invited NATO representatives to participate in the upcoming International Conference on Afghanistan to be held in Bishkek on October 10. During his press conference in Brussels, the Kyrgyz President reminded once again about the closure of the Manas Transit Base and stated that, "Manas International Airport will exclusively be a civil hub." Rasmussen welcomed Kyrgyzstan's involvement in NATO's counter-narcotics projects in the region and stated that disaster response, logistics and defense reform can be possible areas of further enhanced cooperation.

Prior to Atambayev's visit to Brussels, a number of International Human Rights Organizations called on the EU to press Kyrgyz authorities on a

number of issues, among them the life imprisonment of Azimjan Askarov, a prominent human rights defender who is serving a life sentence in prison on charges of fueling the interethnic violence that broke out in Kyrgyzstan in June of 2010. Human Rights Activists continue to state that his trial was deeply flawed and report that he has suffered from ill-treatment and torture by the police. A Representative of Human Rights Watch stated that, "Askarov's case is perhaps the clearest illustration of the grave injustices that followed the outbreak of ethnic violence in southern Kyrgyzstan three years ago." Kyrgyzstan's President repeated his opinion about the case in Brussels once again, stating that the verdict was made by the judiciary based on certain facts and that his office must respect the independence of the judicial branch and cannot put any pressure on it. "The case can only be reopened if any new developments and facts emerge, which is not the case for the moment," Atambayev stated.

During the press conference, journalists also raised a troubling proposal by two members of the Kyrgyz Parliament to initiate a law on "foreign agents." A similar bill was recently adopted by the Russian Federation, requiring organizations receiving foreign funds to register as "foreign agents." Atambayev responded that Kyrgyzstan has no need for such a law to govern the behavior of the numerous non-governmental organizations active in his country. If passed, the bill would severely limit the activities of civil society groups and raise significant questions regarding the overall development of democracy in the country.

## RUSSIA CONTINUES BORDER DEMARCATION IN SOUTH OSSETIA

*Archil Zhorzholiani*

In mid-September, the Russian troops restored the installation of fences or the so called “borderization” process along the South Ossetia administrative boundary line (ABL) in the vicinity of the villages Ditsi and Khurvaleti.

Russia started setting up barbed wire fences in April-May 2011. By now, the border guard troops of the Russian Federal Security Service have erected wire fences along a section of about 22-25 kilometers of the ABL, which is 250 kilometers in total. The intensive installation of metal fencing posts was renewed in February, 2013. After a short suspension, another wave of installations began in mid-September.

The borderization process has shifted the ABL deeper into Georgian-controlled territory, restricting the freedom of movement across the conflict zone as well as inhabitant’s access to water for irrigation. In many cases, the wire fences has cut local residents off from land plots and cemeteries, which has surged tensions in villages surrounding the ABL. On September 17, residents of the Ditsi village clashed with the chief of South Ossetia’s border guard service, Robert Gazayev. Later, Gazayev even rowed with journalists who arrived at the scene to cover the incident.

The EU Monitoring Mission in Georgia (EUMM) facilitated an ad hoc meeting between Georgian and South Ossetian officials to deal with the case. EUMM called on the parties to focus on the local community’s concerns that

were raised anew by the developments in mid- September.

The process of borderization intensified after President Vladimir Putin endorsed a proposal by the Russian government proposal to sign an agreement on the state border between Russia and South Ossetia. The decree published on September 12 said that Putin had directed the Russian Foreign Ministry to hold talks with South Ossetia and sign a specific treaty on behalf of Russia upon reaching an agreement. Murat Jioyev, a representative of South Ossetia’s commission on delimitation and demarcation, said the breakaway region’s government is currently preparing a border agreement for signing.

The Georgian ministry of foreign affairs (MFA) sent a note of protest to Russia via the embassy of Switzerland. The document would have no legitimacy and would be deemed invalid in accordance with international norms, the Georgian MFA stated.

On September 20, the U.S. called on Moscow to comply with the commitments stipulated in the August 2008 ceasefire agreement and its obligations under international humanitarian law. It condemned “the increased pace” of wire fence installation near the villages Ditsi and Khurvaleti that “further separates families and neighbors, and has a profound negative impact on the lives and livelihoods of populations on both

sides of the barbed wire, cutting off local communities from their farm land, keeping children from attending school, and blocking access to cemeteries.”

The Russian Foreign Ministry blamed Tbilisi for stirring “propagandistic hysteria” over the borderization process and termed as “absolutely legitimate” the actions taken by the Tskhinvali authorities to reinforce “state borders.”

The Russian Foreign Ministry’s statement rejected Tbilisi’s claims about shifting the border line and accused the Georgian police of artificially organizing protest rallies across the conflict zone accompanied by a biased media coverage like the case in the vicinity of Ditsi on September 17, the statement said.

President Mikheil Saakashvili insisted that moving the line deeper into the Georgian-controlled areas ended the speculations about President Putin’s personal hatred against him. Russia is attacking Georgia’s sovereignty and its interests regardless of who is in government, he said.

In a political talk show on Imedi TV on September 27, Saakashvili asserted that Moscow was obtaining Georgian land without paying any price for it. The country should not lose in peacetime what it maintained during the war, he said. In the same show, former diplomat and healthcare minister Zurab Tchiaberashvili slammed the government for not employing all possible legal leverage against Russia. He said the Georgian government should have informed the European Court about the violations of the European Convention on Human

Rights taking place in Georgian villages, and in particular about the breach of articles 2 and 3 of the convention that protects the right to life and prohibits degrading treatment. The European Court imposes temporary measures on its member states in such cases and this advantage should have been utilized, Tchiaberashvili said.

Another guest on the show, former deputy foreign minister Sergi Kapanadze stressed that a further relocation of the ABL might leave the Baku-Supsa oil pipeline outside Georgian-controlled territory, which would certainly have dramatic consequences for Georgia.

Two days earlier, Georgia’s Prime Minister Bidzina Ivanishvili declared that the resumption of borderization was linked to the Kremlin’s anxiety regarding the upcoming 2014 Sochi Winter Olympic Games. “Much will be clarified probably after the Olympics. At this stage all these barbwire, I think, is not even in the interest of [Russia], but the Olympics is of major importance for Russia,” he said.

However, the PM’s assumption on linkages between the Olympics and borderization is questionable since the installation of fences started several years before the Olympics. It seems that by such statements Ivanishvili seeks to downplay the potential consequences of the process and convince the Georgian population to be patient ahead of the Olympics, hoping that Russia’s policies will become less aggressive after the games are concluded.

Yet, such hopes seem overoptimistic. If the resumption of borderization is Russia's reaction to the Georgian government's rapprochement efforts, then the Kremlin is unlikely to change its attitude towards the breakaway regions. It is more likely that the

borderization process will continue to stir unrest on the Georgian side of the ABL, given the limitations it imposes on the local population's ability to carry out agricultural work or accessing emergency medical services.

## ARMENIA PLACES ITS FIRST EUROBONDS

*Haroutiun Khachatrian*

The Armenian government has recently faced much criticism making the case that it has lost its ability to take decisions independently. This is a reaction to the September 3 statement of Armenia's President Serzh Sargsyan, who said his country was seeking to join the Russia-led Customs Union, thus destroying the results of four years of negotiations with the EU over an Association Agreement, which would have been finalized at the Eastern Partnership summit in Vilnius in November. Sargsyan's move was widely interpreted as a result of Russian pressure on a small and weak country that needs support in many areas.

At the same time, the Armenian government has made at least one strong move that might help it to partly reduce its dependence on Russia, as it entered the international debt market. As of December 31, 2012, Armenia's state debt was reported to be close to US\$ 4.4 billion, which was below 45 percent of the country's GDP. (No newer data are available. In addition, Armenia's GDP is highly season-dependent). More than 80 percent of

that sum constitutes loans taken from external sources, including the loan of US\$ 500 million provided by Russia in 2009, when the global economic crisis hit Armenia. The remaining part of the external debt originates mainly from different low-interest sources, for example the World Bank.

In 2009, Armenia obtained a loan from Russia of US\$ 500 million at the rate of LIBOR+3% over 15 years including a four-year grace period, implying that an interest of around US\$ 10.9 million would be paid that year and around US\$ 20 million in each of the following years. However, the government and Armenia's Central Bank must repay US\$ 225 million in 2013, a significant amount for an economy of Armenia's size. Under these conditions, the government decided to release its first dollar-nominated bonds (eurobonds) to raise money in the international markets. It was an unexpected decision that has not been forecasted or planned in any official government documents. The placement took place on September 19 when the Armenian bonds named "Kardashian bonds," named after Kim Kardashian - a star of the U.S. reality

TV show “Keeping Up With The Kardashians,” were floated. Three large banks, Deutsche Bank, HSBC and JP Morgan, acted as underwriters. Armenia raised US\$ 700 million from the sale, which set a final yield of 6 percent for the bonds which have a maturity period of seven years.

Specialists say that these result should be considered quite successful for a small country under embargo from two of its neighbors. For example, Brazil’s one-year bonds have a yield above 9 percent, not to speak of Greece. Armenia’s rating was Baz by Moody’s and BB- by Fitch. “Public finances are a lot stronger in Armenia than Serbia, but par with Georgia ... Political stability - stronger in Armenia these days than either Georgia or Serbia. Net-net, Armenia probably should price wide to Georgia but inside Serbia,” a Standard Bank officer was quoted as saying.

As for the use of the money earned, Armenian officials have previously said that it would most likely be used for early redemption of the Russian debt. The raised money extends the volume of the debt and hence the problems related to the interest payment can easily be resolved. Although the revenue from the bonds is more expensive than the actual debt, the political outcome of this change would be important as Russia will lose a strong lever on Armenia and, as a result, the latter may obtain more room for maneuver in its further negotiations either with Russia or the EU. Some local observers do not exclude the possibility of new contacts between the EU and Armenia after Armenia’s failure to initial its Association Agreement at Vilnius in November.

## NAZARBAYEV UNVEILS KAZAKHSTAN’S DEVELOPMENT AGENDA

Georgiy Voloshin

On September 10 and 11, Kazakhstan’s capital hosted the annual meeting of the Eurasian Forum of Emerging Markets. This non-profit organization was founded in 2005 and aims to facilitate a direct dialogue between governments and the private sector in order to establish socioeconomic conditions favorable to growth and shared prosperity. While the plenary session of the Forum was attended by such

prominent world leaders as the former Prime Ministers of Italy and Israel, Romano Prodi and Ehud Olmert, as well as the former President of Poland, Alexander Kwasniewski, it was Kazakhstan’s President Nursultan Nazarbayev who chaired the high-level meeting.

In his welcome address, Nazarbayev reiterated the key priorities of his country’s upcoming development stage,

as they had earlier been outlined in the Kazakhstan-2050 Strategy of last December. Building on Kazakhstan's latest success in becoming one of the world's 50 most developed nations, Nazarbayev suggested that more efforts be invested into consolidating this international standing. Thus, the new strategy foresees that Kazakhstan should gain a place among the world's top 30 countries by 2050. "This is not some kind of utopia for our society. It is a clear historical milestone that we need to attain and leave behind," summarized the Kazakhstani leader.

As regards the concrete ways to achieve this ambitious objective, President Nazarbayev identified the two core areas on which his country plans to focus most of its future endeavors. First, Kazakhstan is expected to make a breakthrough in developing its human potential. While the enhancement of highly qualified human resources is currently viewed as the main vector of national development, education has already become a privileged area of state policies. As the latest economic crisis has shown, the inability of jobless workers to rapidly obtain qualifications in new fields represents a serious constraint for Kazakhstan's recently proclaimed innovative development agenda. For this reason, the Ministry of Education is increasingly focused on the implementation of lifelong learning programs taking full account of ongoing transformations in the real economy and of the actual needs of the country's industry.

The second area of the Kazakhstani government's expanding involvement concerns the regulation of economic

activities and the relationship between the business community and the state. Earlier in September, Nazarbayev already touched upon this topic in his address to the Parliament by promising increased legal protection for business people against administrative abuse and corruption. This promise was further reiterated at the Eurasian Forum of Emerging Markets, in a context where the success of socioeconomic reforms is now closely associated with the state of affairs in small and medium companies, which are set to become the major drivers of national growth in the post-crisis era. However, it remains uncertain whether the central government would be capable of holding regional authorities accountable to the business community, given its own limited ability to effectively control their work.

Nazarbayev also said that the share of the state in large infrastructure projects would progressively decrease in favor of fully private participation, ensuring better efficiency and optimized spending. Currently, Kazakhstan's sovereign wealth fund, SamrukKazyna, is in the process of withdrawing from the BTA, Alliance and Temir banks, nationalized in the wake of the 2008 credit crunch to avoid bankruptcy. The government is also considering the adoption of new privatization packages aiming to alleviate the burden of poorly performing companies on the national budget and to redirect resources towards priority areas where private financing has been mostly inadequate due to the lack of incentives.

Nazarbayev also mentioned agricultural development as a priority

field for the next few years. Thus, Kazakhstan is slated to boost the establishment of innovative agricultural companies oriented towards exporting their produce to the world market. Besides Kazakhstan's leading position in the production and export of grain products, it also strives to become a key player on the regional meat market, especially with regard to the possibility of increased exports to neighboring Russia and China.

Other plans include the introduction of energy saving schemes into the industrial practice, the creation of a state agency in charge of clean energy issues as well as the development of

alternative sources of energy. At the same time, Kazakhstan is committed to further tapping its vast oil and gas reserves, while the attraction of the most progressive technologies in this sector is hence a precondition for foreign companies' participation in joint hydrocarbon projects. According to Nazarbayev, even the worst-case scenario can be considered as acceptable for Kazakhstan's development goals. As the president said, the production of not more than 2 million barrels of oil per year could be sufficient to sustain the Kazakhstani government's future undertakings.