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*Central Asia- Caucasus Institute
Silk Road Studies Program*

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THE CENTRAL ASIA-CAUCASUS ANALYST

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KEY ISSUE: A short 75-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.

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

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BEYOND GEORGIA: RUSSIA'S STRATEGIC INTERESTS IN EURASIA

Mamuka Tsereteli

With its continued policy of intimidation and military provocation toward Georgia, Moscow is seeking to prevent Georgia's integration into transatlantic security structures. Russia also wants to achieve a much greater geostrategic objective: to close the strategic access route to the heartland of the Eurasian continent for Western interests. The ports and railroad systems of the South Caucasus, as well as an air corridor through the region, provide a vital supply link for NATO and allied forces in Central Eurasia, including in Afghanistan. The destabilization of Georgia would impact the functioning of this vital system, as well as the functioning of the oil and natural gas transportation system that connects the Caspian Sea resources to world markets.

BACKGROUND: Georgia, together with Ukraine, is an aspirant country for NATO membership and was very close to receiving a Membership Action Plan during the recent NATO summit in Bucharest. But certain European countries, led by Germany, resisted this initiative, mostly under pressure from Russia, although the summit expressed its ultimate commitment for Georgian and Ukrainian membership, and decided to return to discussing the issue at the December 2008 NATO ministerial summit in Brussels.

The Russian political leadership apparently feels that it has a window of opportunity to destabilize Georgia, and if possible Ukraine as well. Since Russia's efforts to pressure Georgia through various economic sanctions in recent years produced no results, provoking military confrontation in the breakaway region of Abkhazia seems to be the only way Russia sees perceives that it has a possibility to close Georgia's door to NATO membership.

Georgia went through the turmoil of civil conflicts and ethnic tensions in the early 1990s, with the heavy involvement of forces in Russia that were displeased with Georgia's strong drive towards independence and its Western orientation. The ensuing conflict in Abkhazia produced almost three hundred thousand predominantly ethnic Georgian displaced persons. The

conflict left Abkhazia with a population of 150,000, with a devastated economy and Russian "peacekeepers" to maintain the status quo in the region. Despite erstwhile political statements on the part of the Russian Government recognizing the territorial integrity of the Georgian state, the fact is that Russian peacekeepers are supporting and implementing a policy of *de facto* annexation to Russia of this part of Georgia. Following decisions in April to solidify its relations with the Abkhazian and South Ossetian breakaway regions, Russia recently moved paratroopers and engineering forces into Abkhazia, steps perceived by Georgia as military provocations.

IMPLICATIONS: Russia is already pressuring Central Asian governments and their transportation companies to divert their cargos towards Russian transportation options. The Russian leadership is apparently hoping that should it manage to provoke a military confrontation in the South Caucasus and thereby destabilize Georgia, the strategic transit function of the South Caucasus region would be weakened, and the West would be forced to seek better terms to deal with Russia in order to secure alternative supply routes to Central Asia. If the Georgian link is weakened, Moscow's next target would in all likelihood be Azerbaijan. With its strategic energy reserves, and

its position as the only country bordering both Iran and Russia, Azerbaijan constitutes the prize in the region. Should it be rendered ineffective as a conduit for East-West trade, ultimately the South Caucasus would become dysfunctional for both military and economic access to Central Asia.

With the relative calm in Pakistan's tribal areas and the pressure on Taliban being somewhat relieved following the coming to power of democratically elected forces in Pakistan, militants are strengthening their positions in Afghanistan. Russia, in this context, is trying to seek the role of an indispensable actor for Western military and security operations in Afghanistan in the hope of securing much greater say in the geography and design of the operations. Russia also hopes that the next U.S. administration will be forced to have a much more pro-active diplomatic policy vis-à-vis Iran and will need Russian support at the UN Security Council.

In addition, Russia is hoping that European, and in particular German, dependence on Russian energy will continue to stimulate passive policies vis-à-vis Ukraine, Georgia, Moldova, Azerbaijan and other states of the former Soviet Union. The vertically integrated European energy companies, closely affiliated with their national governments, have special relationships with the Russian state-controlled monopoly, Gazprom. This, in turn, affects the decision-making process in those countries. Russia still considers its neighboring states as its own exclusive domain, and large European powers such as Germany, France, and Italy seem to be comfortable with this attitude. However it is clear that there is mistrust in Russia towards Europe as well.

Neither are Russia's recent moves limited to Georgia. In a set of developments corresponding to Moscow's habitual policies of sending test balloons of incipient policies, Moscow's mayor Yurii Luzhkov appeared in the Ukrainian province of the Crimea last month. There, he strongly stressed Russia's right to the Sevastopol navy base in particular and the Crimea in general, openly flaunting Russia's customary lip service to Ukraine's territorial integrity. Far from condemning his actions, the Russian parliament and Foreign Ministry endorsed his views, lambasting Ukraine for

its decision to declare Luzhkov an undesired person in the country. These events show that Moscow may be moving toward a more general policy of challenging the post-Soviet border delimitation of 1991, and that Georgia is merely the first instance where this policy is being tested.

CONCLUSIONS: The recent acceleration in Russian policy towards Georgia and Ukraine clearly needs to be considered in the context of attempt by Russia to revitalize both military-political and economic dominance over Central Eurasia. In absence of developed transportation links from Central Asia to the South or to the East, the Western direction through the South Caucasus is the only alternative to a Russian-dominated transportation system for the region. For the West, the South Caucasus transportation corridor is a vital access link to Central Asia and the Northern frontiers of the Middle East. That is why stability in the South Caucasus in general, and in Georgia in particular, cannot only be a concern for Georgians. Georgia has become the testing ground for the West's commitment to its own security interests, as well as to the values of democracy and free market economy in this strategically important area of the world. Success in Georgia sets the precedent for success on the Southern flank of the former Soviet Union, similarly to how the success of the Baltic States represents a precedent to follow for Georgia. Failure to uphold these principles, however, would resonate strongly in Central Asia and beyond.

Unfortunately, not everyone in the U.S. or Europe realizes the strategic importance of Georgia for long-term Western security interests. Except several congressional non-binding resolutions and European parliamentary statements, a forceful and unified Western response to recent Russian policies is yet to be seen. A NATO Membership Action Plan for Georgia and Ukraine is the best way to ensure stability in those countries, and thus keep alternative access routes to Eurasia alive. But more urgent steps are needed before December to secure western interests in this region.

AUTHOR'S BIO: Mamuka Tsereteli is the President of Georgian Association in United States and a Professor at the School of International Service at American University in Washington D.C.

CASPIAN ENERGY GAME HEATS UP

Richard Weitz

Last month, Gurbanguly Berdymuhammedov became the first Turkmen president to visit Azerbaijan since his deceased predecessor, Saparmurad Niyazov, traveled there in 1996. Any reconciliation between Azerbaijan and Turkmenistan would be doubly important from the perspective of world energy markets. First, the two countries possess extensive oil and gas reserves within their territories. Second, their geographic location allows them to function as potential gateways for energy exports from Central Asia through the South Caucasus to Europe and the Mediterranean region.

BACKGROUND: A week after Berdymuhammedov visited Baku, the leaders of Azerbaijan and six other former Soviet republics met in Kyiv to launch a new initiative to transport Caspian oil through Ukraine without traversing Russian territory. In addition to calling for a “Caspian energy space,” they announced ambitious plans to send oil from Azerbaijan and Kazakhstan through Georgia to Ukraine’s Black Sea port of Odessa, then on to the Ukrainian town of Brody and, by extending an existing pipeline through Poland, onward to the Baltic Sea port of Gdansk. Meanwhile, American and European government representatives recently visited several Caspian countries to reaffirm interest in importing natural gas through pipelines that would run under the Caspian Sea.

The improvement in relations between Azerbaijan and Turkmenistan could help remove one major obstacle to the desired increase in Caspian Sea energy deliveries to Europe. Niyazov and former Azerbaijani leader Heydar Aliyev argued over the repayment terms of Baku’s multi-million dollar debt to Ashgabat as well as over several Caspian hydrocarbon fields located between them. At their recent summit, Berdymuhammedov, who replaced



Niyazov last year, and Ilham Aliyev, who succeeded his father as president in 2003, agreed to repay the debt and negotiate ownership, or possible joint use, of the fields. The younger Aliyev evidently considered it an acceptable downpayment to initiate a potentially lucrative energy partnership with Turkmenistan.

Until now, the feud between the two governments had complicated the already difficult negotiations among the five littoral states regarding how to divide and manage the Caspian Sea and its valuable undersea natural resources. The main issue in dispute is whether to treat the Caspian as if it were

a sea (despite its being landlocked) or an inland lake (despite its enormous size and natural resources) according to international law. If the littoral states were to manage the Caspian as if it were a sea, then each country would control the territorial waters along their coasts and corresponding seabeds. If the Caspian is treated legally as if it were a large inland lake, there would be room to argue that all five littoral states should own the sea in common and share equally in its collective natural resources, though this is by no means standard international practice. The protracted legal stalemate has long discouraged multinational energy firms from investing the large-scale capital required to exploit the deep-sea oil and gas fields located far from the countries' coasts.

In addition, the bilateral Azerbaijani-Turkmen dispute and the failure of all five littoral governments to agree on uniform legal principles for maritime commerce has stalled plans to construct undersea pipelines to transport oil and gas from Turkmenistan, Kazakhstan, and possibly Uzbekistan across the Caspian in a direct route to European markets. Using seabed pipelines is more economically rational than the current practice of loading and unloading cargo on surfacing-going tankers.

Moscow and Tehran maintain that all five littoral governments must approve the construction of trans-Caspian energy pipelines because any country could suffer economic losses from environmental damage caused by the pipelines. Whatever the sincerity of these concerns, the desire to block east-west energy routes that circumvent Russian and Iranian territory might also explain their respective governments' demands for veto rights.

The Kremlin collects considerable dividends from Central Asian oil and gas deliveries that pass through its territory, which it resells to Europe. Tehran, which recently had to accept a hefty price increase for Turkmenistan's natural gas imported through the Korpezhe-Kurt Kui pipeline, presumably also wants to limit third-party competition for Caspian energy exports. In addition, Iran has been improving its Caspian port

infrastructure to induce Central Asian governments to send more oil and gas southward to its Persian Gulf ports. For example, Iranians are constructing a massive trade and port facility at Bandar-e Anzali.

IMPLICATIONS: The governments of Turkmenistan as well as Kazakhstan recently reaffirmed their intent to expand their deliveries of oil and gas northward through Russian-controlled pipelines connecting Central Asia with European markets. In addition, both capitals remain interested in delivering large quantities of oil and gas through Iran to South Asia. Nonetheless, they are eager to diversify their export routes westward to supplement their hydrocarbon exports through Russia, Iran, and China.

In late April, Kazakhstan's senate ratified an energy export treaty with Azerbaijan that would formally launch the long-planned Kazakhstan Caspian Transport System (KCTS). Following the construction of an oil terminal at Kuryk, ships will load as much as 500,000 barrels of crude oil daily and transport it across the Caspian to Azerbaijan, where their cargo will be unloaded and channeled into the Baku-Tbilisi-Ceyhan (BTC) pipeline. Energy analysts expect that, should the tanker system prove inadequate, Azerbaijan and Kazakhstan might commit to the construction of an undersea pipeline that would feed oil directly into the BTC. An obvious route, for either oil or gas, would utilize pipelines traversing Azerbaijan and Turkmenistan's sectors of the Caspian seabed since the distance between their shores is the shortest—and therefore the most economical—path across the sea.

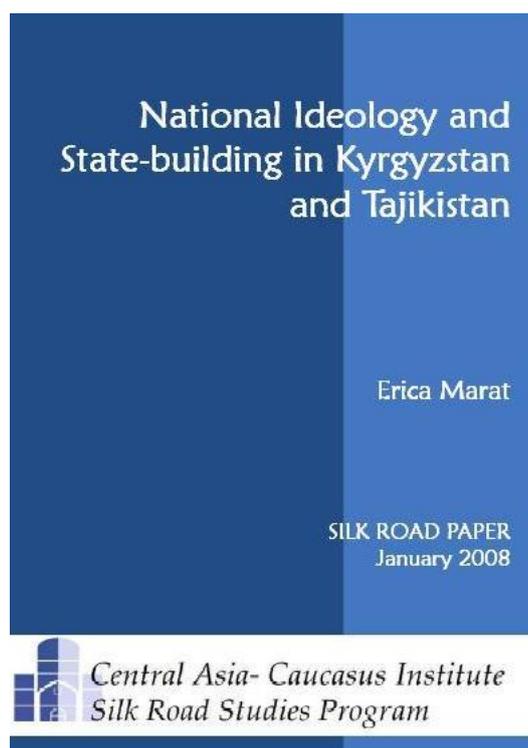
Ignoring Iranian opposition to such undersea pipelines as well as offshore energy production might prove risky. The uncertainties regarding Iran could discourage risk-averse foreign investment. In addition, Tehran boasts the second-strongest navy in the Caspian, which Iranian leaders have used previously to enforce their claims over Caspian resources. In 2001, Iran dispatched military ships and aircraft to threaten two Azerbaijani research vessels exploring oilfields in the southern Caspian.

However, Tehran has engaged in a charm offensive in Central Asia in recent years. Iranian officials wish to sustain Central Asian opposition to any military solution by the United States or its allies to the current confrontation over the status of Iran's nuclear program. In addition, Tehran needs Central Asian support to gain membership in the Shanghai Cooperation Organization (SCO). Iran currently has observer status in the SCO, but Tehran recently applied (again) for full SCO membership, which would help end its regional isolation as well as bolster its ties with Moscow, Beijing, and Astana, which all enjoy considerable diplomatic influence in Western capitals.

CONCLUSIONS: One factor that might encourage Moscow to compromise is a desire to secure

Kazakhstan's and Turkmenistan's implementation of their recent trilateral deal to expand the amount of oil and gas they would export through Russian-controlled energy pipelines. On June 2, moreover, Gazprom CEO Aleksei Miller visited Baku, where he offered to pay "European prices" (the market price minus transportation fees) for Azerbaijan's natural gas. Since Azerbaijan does not currently ship gas through Russia, such a deal would bolster the Kremlin's position as the key transit state for Caspian gas to Europe. The Kremlin recently announced that President Dmitry Medvedev would visit Azerbaijan and Turkmenistan in early July.

AUTHOR'S BIO: Richard Weitz is Senior Fellow and Director for Project Management at the Hudson Institute.



New Silk Road Paper:

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Kyrgyzstan and Tajikistan***

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The Paper can be downloaded free at www.silkroadstudies.org. Hardcopy requests should be addressed to Alec Forss at aforss@silkroadstudies.org.

RUSSIA AND THE GEORGIAN CRISIS: WHAT DOES MOSCOW WANT?

Stephen Blank

The Russian-initiated crisis against Georgia exemplifies the paradigm of coercive diplomacy. Ironically occurring after earlier statements at the beginning of 2008 that indicated that Moscow wanted a kind of détente in its relations with Tbilisi, it has both stirred up the likelihood of a conflict with Georgia and shown a reversion of Russian diplomacy back to the kind of pretexts for the use of force that Hitler and Stalin habitually employed in their wars.

BACKGROUND: The two triggers for this crisis were first the West's recognition of Kosovo's independence in the face of Russian objections and threats that this would destabilize the situation in the Caucasus, and second, the intention to award Georgia and Ukraine membership Action Plans (MAPs) for NATO. Russia in response moved to boost its official ties with the separatist republics of Abkhazia and South Ossetia, and unilaterally introduced several hundred soldiers in the ostensible guise of peacekeepers into Abkhazia, charging that Georgia is planning a military operation there against its citizens. As the United Nations has now substantiated, the Russian air force also shot down a Georgian unarmed drone. Russian officials have created a climate leading some of its officials and Georgian officials to warn that war is very close, while Georgia protest Russia's "aggression" and "occupation" of Abkhazia and South Ossetia.

The current crisis is only the latest manifestation of Russia's coercive tactics. Previously, Moscow has repeatedly tried to overthrow earlier Georgian governments, supported assassination attempts against previous presidents, launched overflights and bombing raids, instituted repeated energy cutoffs, trade sanctions, given Abkhazia and South Ossetian residents Russian passports, launched economic embargoes against Georgia, deported Georgians in Russia, dropped bombs on Georgian villages, and constantly threatened Georgia. Thus the present crisis merely continues but at a more intense level, earlier examples of coercive diplomacy. Thus, as in other examples of coercive

diplomacy where a real threat of force is openly displayed, the question then becomes what Moscow wants to achieve by its tactics?

To understand Russia's goals, it is necessary to understand that Moscow is simultaneously playing to three audiences. The first audience is its own elites and domestic public opinion. Moscow has for years saturated its media with demands that it be acknowledged as a great power, particularly by CIS states and depicted Georgia and its President, Mikheil Saakashvili, as a reckless, anti-Russian warmonger. When we take into account the apparent mutual loathing between Putin and Saakashvili, and Russia's campaign of abuse against him, it becomes clear that one issue at stake for Russia is its identity as a great power.

IMPLICATIONS: Moscow has painted itself into a position where it cannot be shown as having yielded to Georgia, a state for whom the Russian elite has openly and publicly expressed contempt. Thus after all the hysteria about a non-existent NATO threat should NATO expand to these states, Moscow cannot let itself be seen as having surrendered to Georgia. Moreover, such a "surrender" or acquiescence in NATO membership, means the end of any hope for reintegrating the former empire around Russia and would be taken in Moscow as signifying a "colossal" defeat vis-à-vis not just the domestic audience but the other two audiences – Ukraine and Georgia, and NATO.

Moscow's coercive tactics are also designed to register in the second audience, Ukraine and

Georgia. Hence it is no accident that Russia has concurrently again raised the issue of revising the treaties with Ukraine so that the Black Sea Fleet can stay past 2017 in Sevastopol, which Moscow Mayor Yuri Luzhkov proclaims, with support from the Foreign Ministry and Duma, as a Russian city.

Russia's coercive tactics reinforce the notion, voiced by Putin at the NATO-Russia Council, that Ukraine and Georgia are not really states, and that if they join NATO, Russia will see to it that they cease to exist as states. Putin's remarks are only among the many official statements from Russian officials that they do not really believe any of the post-Soviet states (or for that matter former Warsaw Pact members) to be truly sovereign states. Therefore, the East European states merely do whatever Washington dictates to them, and CIS states can be intimidated and have their sovereignty – or even territories – diminished if Moscow so desires.

In this context, Russia's moves against Georgia and Ukraine are intended to show that Moscow can stop them from joining NATO and will not let them act as truly sovereign states with regard to their national security and foreign policy. They must be neutral or openly pro-Russian, rather than covertly so under the guise of this neutrality, if they want to prevent their territories from being taken away from them. This is the case whether the subject is the Crimea, or Abkhazia and South Ossetia.

As Vladimir Frolov has written, in Georgia Moscow is moving to enforce a Cyprus solution where it is made clear to Georgia that it cannot have its integrity restored if it joins NATO, but that neutrality could lead to the restoration of its integrity. Until such time as Georgia supposedly learns the lesson that Moscow is trying to teach it, Russia will make certain that it cannot ever regain sovereignty over those provinces in any form. Thus the lesson Georgia is supposed to learn is also that Russian power dominates it, and that it cannot act against Russia's preferences and must accept a truncated sovereignty and freedom of action in its international relations. This truncated status would justify Russia's belief that none of these states can

stand on their own against Russia, and that Russia really is a great power which can act in the CIS with impunity much as the government acts at home, i.e. autocratically and arbitrarily. At the same time, it may hope to provoke Georgia into a rash act that it can then use to destroy the Saakashvili regime or at least cripple it decisively, while pointing out to the world that this government does not deserve NATO membership. Its policies are thus part blackmail, part intimidation, and part provocation.

These lessons also relate to the third audience, NATO. Moscow is determined to show NATO that it will prevent further enlargement and its consequence, European integration. It is determined to revise the post-Cold War settlement of 1989-91 and demands a free will in the CIS as the price of its cooperation with NATO. Beyond that, it also demands respect for its interests, including this revisionism and the disruption of European integration. In other words, Russia eventually hopes to block European integration and restore its neo-imperial position as the arbiter of Eastern European destinies. It tries to show Europe that neither the EU nor NATO can do anything to defend Ukraine and Georgia. Furthermore, these states are anyway too unruly to join NATO, who would then have to deal with their unresolved security issues at the price of irrevocably antagonizing Moscow. Consequently, Russia never refrains from claiming that Georgia is planning a war and that Ukraine's population opposes NATO membership. But behind all these moves lie its threat not to permit these states to defy Russia's neo-imperial program for them. It demands that Europe give precedence to Russian interests over those of smaller states, and its officials, like Chief of Staff Yuri Baluyevsky and Ambassador to NATO Dmitry Rogozin have now threatened that if Ukraine and Georgia receive MAPs, then Russia could suspend all cooperation with NATO, a threat that Moscow presumably intends to carry out.

CONCLUSION: If NATO were to refrain from giving these states MAPs, that would not enhance either the security of these states, not that of

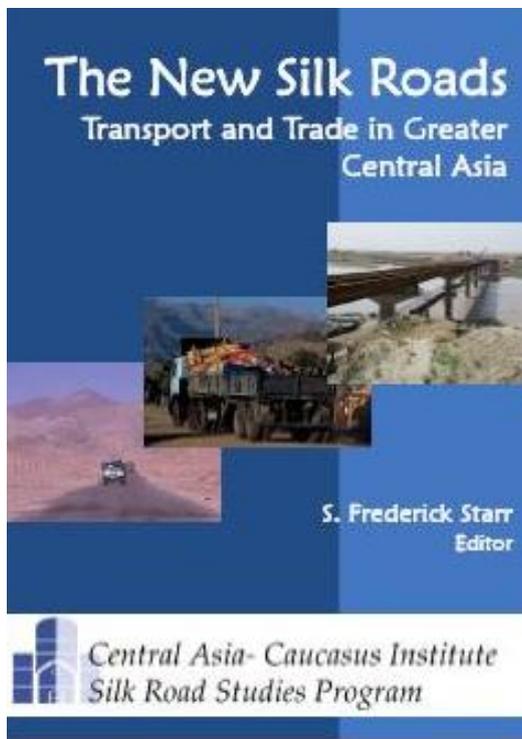
NATO. There is little doubt that Russia would then move further to diminish the independence, security and sovereignty of Ukraine and Georgia, while demanding that NATO, as the price for cooperation, acknowledge its suzerainty in the CIS. Neither would the Kremlin, with a wetted appetite, stop there. Russia has repeatedly threatened Poland, the Czech Republic, and the Baltic states with energy cutoffs and with being targets of Russian nuclear weapons. European diplomats and intelligence agencies report a consistent campaign launched by the Russian government, operating in tandem with organized crime, energy companies and Russian intelligence agencies, to penetrate and subvert European public institutions in a revival of the old Soviet term of “active measures.” There is little doubt that in the case of European irresolution, such provocative behavior would be intensified to further break down European resistance.

Neither would Russia be likely to desist from corresponding military moves. Defense Minister Anatoliy Serdyukov recently said that Russia must

possess one of the world’s five best militaries, entailing a vast modernization project.

But the question thus forces itself: who is threatening Russia? Certainly NATO is not and cannot threaten Russia, nor does Moscow perceive such a threat, for otherwise it would not have suspended its participation in the CFE treaty. Russia’s coercion directed against Tbilisi and Kyiv is really a demand that they and NATO let Russia revert back to being the kind of Russia that we thought had ended in 1991. Unfortunately, not only is that demand incompatible with the security of the rest of Eurasia, it also is incompatible with the security, stability, and prosperity of the sorely tried Russian people.

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THE JEWISH AND MUSLIM QUESTIONS IN PUTIN'S RUSSIA

Dmitry Shlapentokh

Contrary to common opinion, Putin's Russia has actually been surprisingly favorable in its policies toward Russia's Jewish community. This is directly related to the fear of Islam prevalent in Russian elites and society. While the threat of violence in the North Caucasus dictate a low profile to Russian government policies there, its policies in other areas, such as Tatarstan, are signs of its general attitudes to Muslims. In the end, current Russian policies are the opposite of Eurasianist ideas – Jews, not Muslims, appear to be the junior partner to the Orthodox Russian majority.

BACKGROUND: Recently, Russian authorities introduced the position of army rabbi in the Russian Army for the first time since 1917. This goes along with other signs of the tolerant approach toward the Jews by the authorities and a considerable part of the Russian population. While the reasons and implications of this process are many, the most important is that the Russian elite has continued to be basically Western-oriented despite all of its problems with the West. In addition, the predisposition to Israel, also related to the authorities' benign treatment of the Jews, indicates that the Russian elite and the general public are quite concerned with Islamic extremists, possibly even more than are the majority of the European elite.

Putin's conflict with Boris Berezovsky and the imprisonment of Mikhail Khodorkovsky – a person with Jewish roots – created the impression that former President and now Prime Minister Vladimir Putin's policy had an anti-Semitic tinge. This has nevertheless not been the case, and Putin has sent signals that he actually has quite a favorable view of the Jews. This was emphasized by several symbolic actions – for example, when Putin distributed the Russian National Award to leading individuals in 2005, an event quite similar to Soviet award-giving meetings. Of course, there were no Jewish bankers at that time. But there were during the Putin era, and one of them, together with another Jew, received the award. This should indicate that

attacks against oligarchs such as Khodorkovsky do not necessarily have an ethnic motivation. Moreover, these indications of the pro-Jewish slant of the Putin regime have actually increased as the regime approached its end.

In Putin's writings, he fondly remembers the Jews he met throughout his life; and he maintains warm, personal relationships with Russia's major rabbis. The media coverage of the life of Russian Jews is also positive and important, because it indicates the mood of the Kremlin, which controls the content of major TV programs as well as national radio. There is a stress on Russian Jews' contributions to Russia's cultural life. Russian national radio, for example, broadcast a positive review of a book by a Russian Jewish author. The authorities also indicate that they have no grudge against those Russian Jews who left the country en masse since the early 1990s. There is a humorous radio story about a Jewish émigré in New York who had published a book in which he exposed the machinations with oranges and other food in Leningrad. The author of the book, the manager of a food store in what was at the time Leningrad, had only one idea in mind when he decided to publish his book: he wanted to make money. At the same time, the publication of the book had some unforeseeable consequences. The information about the machinations, the story goes, helped the KGB to improve the supply of food to the city. Not only does the state hold no grudge

against its Jewish émigrés, but even understands the reasons why so many Russian Jews left the country.

While discussing the Soviet period in one TV show, the commentator of a movie about the Brezhnev period recently joked about the pathological anti-Semitism of the Soviet regime. The Soviet regime's treatment of religious Jews was especially bad and pushed them to emigrate, he said. And television broadcast a movie about a popular Russian Jewish actor, to illustrate the point. It was stated that one of the reasons why he moved to the U.S. was because he could not live in Russia as a practicing Jew. The official blessing of what is actually a pro-Jewish policy can also be seen in Moscow, where a new modern-looking synagogue was recently erected. Nearby is a monument to Sholokh-Alekhem created with money from the "Russian gold" company.

IMPLICATIONS: While the Putin/Medvedev regime increasingly demonstrates a benevolent approach to Russian Jews, the situation is quite different concerning Russian Muslims. It is true that officials continue to be rather charitable to Ramzan Kadyrov, a Russian viceroy of a sort in Chechnya, who recently met with newly elected Russian president Dmitry Medvedev. Still, this benevolent approach to Kadyrov and, implicitly, the Chechens, is an exception, in turn caused by the fear of a new wave of violence in Chechnya and the spread of jihadism from Chechnya and the North Caucasus. At the same time, in places where the authorities are not afraid of a violent reaction, they steadily increase their pressure on the Muslim population. Continuous arrests of Muslims accused of memberships in what Russian authorities regard as extremist organizations, such as Hizb ut-Tahrir, have taken place. The authorities continue to update the list of literature that is defined as extremist, the possession of which is considered a serious crime. The vast majority of books listed deal with Islam. Russian authorities continue to persecute even the readers of Said Nursi, the Turkish theologian whose writing is a reaction to what he regarded as the anti-Islamic policies of Kemal Atatürk, the founder of modern Turkey. Even Turkish authorities have not

regarded Nursi's work as subversive. Nursi's followers, the Fethullah Gülen movement, were recently banned from Russia.

Even the most moderate Muslim politicians or intellectuals whom Moscow could suspect of being troublemakers can expect rough treatment. This was the case with Rafael Khakimov, a prominent Tatar intellectual and long-time advisor to Tatarstan's president Mintimer Shamiev. Khakimov is a proponent of Euro-Islam, the theory that regards Islam as a legitimate part of European culture whose values are seen as quite similar to those of the modern West. Khakimov also supported a confederation with Russia for Tatarstan, or at least, the broadest autonomy inside the Russian Federation. His removal was seen by some Russian observers as the "end of an epoch" and a continuous relentless drive to strengthen "the verticals of power," i.e., the growth of centralization and the corresponding increase in power of Russian nationalism, some of whose representatives, possibly for the first time in Russian history, see Muslims as more of a threat for Russians than Jews.

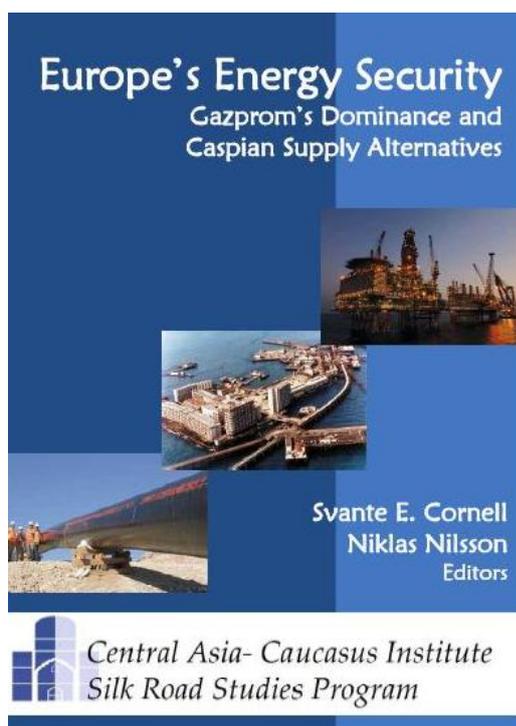
CONCLUSIONS: There are several reasons for the softening of the Russian position toward Jews. To begin with, the emerging Russian middle class and most of the Russian elite continue to be Western-oriented and integrated in the Western social-economic order, much more so than during the Yeltsin era. The acceptance of the notion of moneymaking as a legitimate enterprise has also influenced the Russian public, who relates these activities with Jews and the West. Some Russian Jews have become quite nationalistic, such as Vladimir Solovev, a popular Jewish TV commentator who has strong Russian nationalist messages in his comments. But even more so, the acceptance of Jews as a legitimate part of Russian society is due to Russians' increasing concern about Islamic pressure. Recent indirect evidence of this can be seen in Russia's reaction to America's problems in Afghanistan. One could have assumed that the Russian mass media would gloat; however they ignore the subject, perhaps because the North Caucasian Islamist website Kavkaz-Center

publishes glowing reports of Afghan Islamist successes. Russian authorities have even stated that Russia could help NATO troops in Afghanistan. Moreover, Russia and Israel recently ended a mutual visa requirement between the two countries. Nothing of this sort exists between Russia and Arab or Muslim countries.

By contrast, the growing pressure on the Muslim community in Russia in contrast to the rather benign treatment of the Jewish community, is also telling. All of this indicates that with all of their problems with the West, Russians, even the general Russian public, continue to be basically Western-oriented and see the major problems for Russia as coming from the East, with the threat of Islam both

inside and outside the Russian Federation in particular seen as the major concern. It also indicates the peculiar changes in ethno-social dynamics and ideology. The Eurasianists' ideas of a "symbiosis" of Orthodox Russians and Muslims is increasingly marginalized, and replaced either by Russo-centric Russian nationalism or a new, peculiar, "Eurasianism," in which the Jews replace Muslims as loyal "younger" brothers of the Orthodox Russians. On this scale, this is a truly novel phenomenon.

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FIELD REPORTS

TAJIK GOVERNMENT REGULATES WEDDING SPLENDOR

Erica Marat

One year ago, the Tajik parliament adopted a law regulating the population's spending on wedding and funeral ceremonies. The law was considered after Tajik President Emomali Rakhmon noticed how these ceremonies produce a devastating economic impact on the impoverished population.

Weddings in particular are an important part of the local culture with many rituals involved. Family members, neighbors, relatives, friends and colleagues are usually invited, and even the most distant relatives are involved. Often weddings turn into a mass dining event among people who barely know each other. People visit weddings not only to cheer for the newlyweds, but also for a good meal they can otherwise hardly afford. At the same time the social pressure for organizing weddings is strong, as these are important venues for communication and social networking.

To afford splendor weddings, local families often begin accumulating funds from a child's first years. These funds are used for celebrations instead of invested into real estate, food or cattle. As a result the money is scattered for one event, rather than improving living conditions in the long run.

In some cases men are forced to spend their early youth working abroad to save enough money for a decent wedding. In other instances, fathers work in Russia to send money for their sons' weddings.

Often young men postpone marriages due to insufficient funding for the wedding ceremony.

If collected funds are insufficient, parents see themselves forced to sell their property or are forced into debt. Wedding costs usually range from a few hundred dollars to several thousands.

The new law on weddings is quite rigid, with precise details on most rituals' limitations. It only allows 150-200 people per wedding, with one hot meal served, no more than four cars in a wedding cortege and three hours allocated for the entire celebration. The families of the groom and bride should provide equal funding for the celebration. Funerals may collect no more than 100 people, a low number according to local standards.

The law also provides elaborate enforcement mechanisms. A penalty for abusing these regulations comprises 2,000 somoni (roughly \$580). The penalty is higher for people with political ranks or owners of a business.

Families unable to organize grand weddings refer to the law as an excuse. Meanwhile, some families are caught between their wishes to, on the one hand, obey the law and, on the other, to avoid disappointing their friends and families who they would otherwise invite.

The law has also given rise to new forms of corruption. “By paying a small bribe, the government person who observes weddings will not notice some extra guests or several hot meals”, says an analyst from Dushanbe. Richer families in particular often organize larger weddings by bribing the wedding watchdog. Yet some organize several wedding celebrations to bypass the regulation. “My neighbor organized one wedding for the groom, one wedding for the bride, and one joint wedding, each with about 150 people present” says one Tajik woman.

Although the law caused criticism among local experts and sarcastic comments by regional mass media outlets, there is quiet support for such regulations among Tajiks. The government has a strong outreach across the country, compelling people to obey laws. The efficiency of the law could also be measured by the sharply increased number of weddings after the endorsement of the new

regulation, argues Olga Senchuk from Fergana.ru news agency.

In case Tajikistan’s experience with wedding regulations proves successful, neighboring states might adopt similar legislation. In Kyrgyzstan, for instance, several political officials have been suggesting to regulate organization of funerals and commemoration ceremonies. Similar to weddings, social pressure on organizing funerals is pervasive, often defining the funerals’ splendor as a sign of respect for the one deceased. Family members, mostly younger generations, are frequently forced to spend their savings, sell property or borrow for organizing funerals.

In the long run, regulating weddings in Tajikistan could provide incentives for saving up for other events than weddings or funerals. Previously, the Tajik government also canceled high school graduation balls – another event where families are expected to cash up for celebrations. This regulation has since been strictly observed.

GEORGIAN PARLIAMENT CONVENES

Niklas Nilsson

On June 7, Georgia held its first Parliamentary session after the Parliamentary elections on May 21. In the elections, the ruling United National Movement (UNM) gained 119 Parliamentary seats out of 150, thus holding a constitutional majority by a wide margin. The Parliamentary session was announced only the day before, a very short notice and apparently a tactic applied to prevent larger opposition demonstrations in connection with the inauguration.

Former Foreign Minister David Bakradze was formally elected Speaker of Parliament, marking the transfer of this post to a close Saakashvili ally from Nino Burjanadze, who along with Mikheil Saakashvili and the late Zurab Zhvania was a key

political figure in the 2003 rose revolution. Burjanadze announced her last-minute decision to resign as Speaker and withdraw from the UNM party list in late April, due to a controversy over the representation on MP lists, favoring candidates close to the President and not featuring a sufficient number of Burjanadze’s allies. Questions on Burjanadze’s post-election plans remain unanswered; however rumor has it she is considering a political comeback.

In his inauguration speech, President Saakashvili stressed the need for political unity in Georgia, referring to Georgia’s currently highly polarized political climate. The new Speaker, David Bakradze, subsequently provided a conciliatory message to the

opposition, stating that the UNM is prepared to offer them two posts as vice-speakers, posts in parliamentary committees, and a lowered threshold for forming Parliamentary factions, thus allowing both the Christian-Democratic Party and the Labor Party to form factions of their own.

The Parliamentary session turned out to be an almost exclusive UNM event. Two of the main opposition groupings with seats in parliament, the coalition United Opposition-New Rights and the Labor Party, consider the election results illegitimate and a product of large-scale fraud (in spite of international acceptance of the election) and have announced their intention to boycott all parliamentary sessions and if necessary prevent the Parliament from convening. The rally on June 7 nevertheless failed to gather significant amounts of supporters. The opposition had planned the start of their protest rally for June 8, as the parliament was expected to convene on June 9 or 10. The failure to gather a large crowd may thus partially be an effect of the earlier than expected Parliamentary session and the short notice given, but also of a general politics-fatigue among the Georgian public.

The Parliamentary boycott largely represents a continuation of opposition campaigning tactics applied during the fall and spring, to a large extent focused on street demonstrations and protest rallies. While the opposition coalition, in line with its boycott strategy, requested the Central Election Commission to annul its party list on June 9, it is now displaying a split on this issue. Most coalition partners seem to stick with their decision, but four of the MPs elected on the coalition ticket, including party leaders as well as individual MPs, have decided to take up their seats in Parliament, while others are reportedly considering doing so. The two individual MPs, Gia Tsagareishvili and Gia Tortladze, declared on June 9 that they were leaving the coalition due to the dominant role of Davit

Gamkrelidze's New Rights Party therein, and that they are assuming their MP seats. The On Our Own Party has also withdrawn from the coalition and its leader, Paata Davitaia, has stated he will assume his seat. The Labor Party has not yet announced whether it will take its seats or not.

The additional party possessing seats in parliament, the Christian-Democratic party under former Imedi TV anchor Giorgi Targamadze, which has also been fairly vocal in its criticism of the UNM has, while not attending the Parliament's inauguration, nevertheless decided not to take part in the boycott. The Republican Party, possessing two majoritarian seats in Parliament, has announced a similar decision. The Christian-Democratic Party has instead proposed to unite the opposition around a memorandum, outlining demands from the authorities. The memorandum reiterates many of the opposition demands put forward in January, and which for a period served as a basis for negotiation between the opposition and the ruling party. It also outlines demands for the opposition's role in parliament, which are quite close to the offers made by Parliamentary Speaker Bakradze during the opening session. On June 11, Bakradze termed the memorandum a good basis for reopening dialogue between the opposition and the ruling UNM, and a meeting on this issue was reportedly held late on June 11 between the UNM, the Christian-Democratic Party, and the On Our Own Party.

However, representatives of the opposition faction retaining a hard line stance and pushing forward with the Parliamentary boycott have termed all opposition members assuming their MP seats or negotiating with the UNM "collaborators" and "not constituting real opposition". It thus remains an open question whether the reopened talks will develop into broader negotiations and a potential opening for broader political compromise.

EMOMALI RAKHMON IN SOGHD OBLAST

Sergey Medrea

On May 15, Emomali Rahmon flew to Soghd oblast in northern Tajikistan, with two main points on his agenda: first, to hold an official meeting with the president of Kyrgyzstan, Kurmanbek Bakiev, on water and border issues. Second, to observe the overall socio-political situation in the Soghd oblast and evaluate the fulfillment of the objectives set during this year's annual Presidential message to Parliament. The primary issue concerns measures to prepare for the coming winter.

The Soghd oblast of Tajikistan, whose major city is Khujand, was hit hardest by last winter's energy and gas shortages and some districts still enjoy regular electricity cuts. The Soghd oblast is separated from the central part of the country by the Zeravshan mountain range, and there are no power lines and grids in place to transmit hydroelectric energy produced in the south of the country to the north. The only road passing from Soghd oblast to the capital, Dushanbe, is regularly blocked in winter. Hence, the Soghd Oblast has always depended on supplies of electricity and natural gas from neighboring Uzbekistan. Recently, Uzbek suppliers have become quite serious about payment deadlines for gas and electricity and regularly cut off supplies, claiming an internal deficit. Celebrations of the spring holiday "Novruz", coming right after the winter, was moved this year from Dushanbe to Khujand, with the president directly participating in order to hoist the spirit of the public.

The Kyrgyz president's visit to northern Tajikistan was sparked by a water conflict in the cross-border area along the border between Tajikistan and Kyrgyzstan. During March this year, border services of Kyrgyzstan's Batken district spread information that citizens of bordering Isfara, Tajikistan, were planning to destroy a water dump on the trans-boundary river on the grounds that water had not been provided for their fields for several days. In turn the Tajik side, led by the head official of the Isfara district, argued that this incident took place on disputed territory and the

construction of a water dump by the Kyrgyz side on the trans-boundary river was illegal in itself. As a result, 150 Tajik citizens crossed what according to Kyrgyzstan is the border, thus raising tensions to a peak and drawing both civilians and representatives of the law-enforcement bodies of the two countries into the conflict.

The presidents of Tajikistan and Kyrgyzstan discussed different action plans and measures that can effectively handle water/border problems between the two countries. During the meeting, Presidents Rahmon and Bakiev stressed that a legal settlement of Kyrgyz-Tajik border issues is essential in further strengthening bilateral relations between the two states and to provided regional security and stability. The heads of the two countries ordered their governments to speed up the work of the Intergovernmental committee in charge of the delimitation and demarcation of state borders. Furthermore, to prevent a re-eruption of potential water/border conflicts, the Intergovernmental committee was asked to prepare an agreement that will ban all types of activities, including agriculture, along the border lines until the process of delimitation and demarcation is completed. The two presidents agreed that border delimitation and demarcation between the two countries should be undertaken in a spirit of friendly relations, mutual understanding and trust.

After meeting with the Kyrgyz President, Mr. Rahmon traveled through the province to see the overall performance of the region and to promise the fulfillment of earlier set targets, among which are effective land tillage and preparations for the winter (mending existing power grids and coal reserves). The president visited several farms in the province and delivered a speech to the government and authorities of the Soghd Oblast. Along with a few positive developments, he stressed several major shortcomings, among which are a decrease in the extraction of natural gas and production of hydroelectric energy from the Kairakum and

smaller regional hydro-electric stations, as well as a decrease in the output of both the light industry and the rural economy. According to the president, there are enough reserves in the province for overcoming the above mentioned shortcomings, if these reserves are used efficiently.

Furthermore, the president ordered the province's heads of energy and industry to take comprehensive measures for incorporating modern energy-efficient technologies into businesses and to fill the market with high-quality products. Finally, the president noted that there are 99 enterprises founded on foreign investments in the oblast, but that many of

those are not functioning. In this regard, the president ordered local authorities to either work for the activation of these businesses, or otherwise dissolve them in accordance with the national law on bankruptcy.

Though the meeting of Emomali Rahmon with the Kyrgyz president Kurmanbek Bakiev was overall successful and promises both in the short and long run to resolve the tensions on the densely populated border regions and thus ease popular grievances, the president's stay and orders in the Soghd oblast seem mere demagoguery and empty words that financially and realistically are impossible to fulfill.

PRESIDENT BAKIEV APPOINTS BROTHER TO SECURITY SERVICE

Nurshat Ababakirov

On June 3, Kyrgyzstan's President Kurmanbek Bakiev appointed his brother, Janysh Bakiev, as head of the State Security Service, which is responsible for the personal security of government officials. He has been out of office for almost two years after his dismissal as Deputy Chairman of the National Security Service (NSS), a result of the political scandal surrounding the planting of heroin on Omurbek Tekebaev, an ardent opposition member, in Warsaw's airport. Within the recent government reshuffle, his return, while generating different interpretations, appears the most sensational.

Janysh Bakiev, being the president's brother and a former NSS officer, remains bedeviled in the public view as a highly influential figure on cadre matters and activities of law enforcement agencies. As one of seven brothers, he started his career in the early 1980s as an average law enforcement officer. His steady career advancement was disrupted with his sudden appointment as Deputy Chairman of the National Security Service (NSS) to "ensure the reliability of information" going to the president.

However, after less than a year, in September 2006 he was relieved from his position following the scandal better known as "matryoshka gate," in which he reportedly took part in disgracing one of the president's strong opponents, then parliamentarian Omurbek Tekebaev. Tekebaev was actively pushing for reforms earlier promised by Bakiev through organizing mass rallies. After the parliament's unanimous conviction of Janysh Bakiev for his involvement in the case, the president had to dismiss the NSS leadership including his brother. The conviction of Janysh Bakiev's role in the setup is widespread, especially after an explanatory document by the deputy chief of Security at Manas international airport, Nadyr Mamyrov, revealed Janysh Bakiev's personal order to execute the operation. Despite the latter's rejection of this incriminating evidence, a handwriting test proved otherwise.

The Public Prosecutor, nagged by the parliament to investigate the issue, showed little willingness to proceed into facts and conclude the case. According to Tekebaev, "It does not even suspect anybody, let alone accuse." Nevertheless, Janysh Bakiev sought

to clear his name, even though the parliament's call for the Public Prosecutor to open the case against Janysh Bakiev was a recommendation. In September 2007 the Supreme Court issued a final verdict supporting two lower instance courts' decisions of his acquittal.

While being out of office, Janysh Bakiev kept busy with a couple of foundations such as the Foundation of Jusupbek Bakiev, named after their eldest brother, and the Security and Law and Order Foundation. Although providing lavish support for social projects, and ammunition and bonuses for law enforcement officers respectively, their sources of funding remain veiled and are confined to Janysh Bakiev's personal "connections," in turn fueling speculations on their actual activities.

Janysh Bakiev is also known for his desire to enter politics. Being a member of the Republican Party of Labor and Unity, whose members were later incorporated into the ruling Ak Jol party, he expressed his willingness to run for by-elections to the parliament, but abruptly changed his mind on the ground that it was an "unethical and politically wrong" move to make while his brother holds the Presidency. It would definitely harm President Bakiev's image, as the public were extremely negative toward Bermet Akaeva and Aidar Akaev, children of the former President, entering the parliament. This dissatisfaction eventually contributed to President Akaev's ouster.

Nevertheless, Janysh Bakiev's official return to office as a the head of his brother's personal bodyguard generates various interpretations. The hard-core opposition believes that President Bakiev is experiencing a lack of loyal cadres and is therefore attempting to strengthen his political position in light of potential social disturbances stemming from distressing economic hardships. In their view, this provides a practical explanation for appointing a hardly known former NSS officer, Bakyt Kalyev, as Minister of Defense. Unlike the countermeasures expected from the previous Minister of Defense, Ismail Isakov, an experienced military officer, this

will enable him to use army forces to shield the government if necessary, the opposition argues.

Observers agree that, given Janysh Bakiev's new responsibility for the security of the Parliament, the Supreme Court and the Constitutional Court, he will be able to expand his influence not only over the law enforcement and security agencies, but also over the social and political spheres, serving as a preparation ground for the next presidential elections in 2010.

Nevertheless, it is also believed that he is not likely to establish control over law enforcement agencies, perhaps being merely President Bakiev's measure to divert his brother's attention from entering politics. Indeed, before his appointment, Janysh Bakiev expressed his willingness to run in the next parliamentary elections. Observers also stress that his activities with political overtones served to prepare him as a politician.

In the shorter run, however, the appointment is seen rather as an attempt to keep the balance between the rivaling groups within the president's team. The recent dismissal of Adaham Madumarov as Speaker of Parliament was considered a victory for Medet Sadyrkulov, the president's Chief of Cabinet and an apparent foe of Janysh Bakiev. This might well suggest that President Bakiev is seeking to weaken Sadyrkulov's purportedly unrestricted influence and appease the group led by Janysh Bakiev.

As Bakiev's popularity declines due to the rising costs of living, he is becoming increasingly prone to transfer the blame for economic misfortunes on the global market. Many see President Bakiev's recent appointments of the Speaker of Parliament and the Minister of Defense with little known and highly dependable politicians as disregarding professionalism, and being consequential of the President's growing need for a loyal milieu. This will ensure his smooth endurance through, if not an ability to control, public dissatisfaction.

NEWS DIGEST

TBILISI DEMANDS MOSCOW WITHDRAW TROOPS FROM ABKHAZIA – FM EKA TKESHELASHVILI

2 June

Tbilisi will demand Moscow withdraw units of Russian railway troops from Abkhazia, Georgian Foreign Minister Eka Tkeshelashvili said. Upon completion of the session of the Georgian Security Council on Monday that was convened by Georgian President Mikhail Saakashvili due to the situation in the Abkhazian region, Tkeshelashvili said Georgia “intends to demand Moscow withdraw units of Russian railway troops from Abkhazia”.

“Certainly, we demand Moscow withdraw its railway troops from the Abkhazian region that it deployed on May 31. We also demand Russia pull out its military units, which were illegally deployed in this area under the cover of CIS peacekeeping forces,” Tkeshelashvili said. She described “the withdrawal of a battalion of Russian railway troops in the Abkhazian region as a military intervention”. In her words, “the Georgian authorities’ reaction will be very rigid.” Russian Ambassador to Georgia Vyacheslav Kovalenko said the restoration of the trunk railway in the Abkhazian region would facilitate the settlement of the conflict. “The restoration of the trunk railway in the Abkhazian region would help improve the people’s life, the restoration of trust between Georgia and Abkhazia and the settlement of the conflict,” Kovalenko told journalists. He was summoned to the Georgian Foreign Ministry and presented a note of protest due to the deployment of a battalion of Russian railway troops in the Abkhazian region.

“I don’t understand why this fact arouses so much concern. Any humanitarian action – the restoration of bridges and railway beds is aimed at improving the people’s life living in this region.

The better the people live the less they will have military intentions and it will be easier to restore trust between the warring sides,” the Russian ambassador said. In his view, “the improvement of life in the conflict area will help resume the negotiations between the direct participants in the talks, ease tension, create the atmosphere of trust and steel the conflict by meeting the interests of all sides.” Georgia’s Defence Ministry considers the deployment of a battalion of Russian railway troops in the Abkhazian region “preparations of Russia’s infrastructure for the military intervention”. Deputy Defence Minister Batu Kuteliya told journalists: “The deployment of units of Russia’s railway troops in the Abkhazian region is preparations of Russia’s infrastructure for the military intervention in order to annex this part of Georgia. Any such Russia’s actions will give an adequate assessment from the international community.” Georgian State Minister for Re-integration Temuri Yakobashvili called on Russia “to withdraw units of railway troops from the Abkhazian region that were deployed there without coordination with the Georgian authorities”. (Itar-Tass)

KYRGYZSTAN WANTS LARGER STAKE IN CENTERRA, MORE TAX

5 June

Kyrgyzstan's parliament urged the government on Wednesday to seek a larger stake in the Kumtor gold mine and press for a higher tax rate in its talks with Canada's Centerra Gold. Worries about potential nationalisation of the mine sent Centerra stock down 8 percent on Monday when its framework agreement with the Central Asian state expired after a June 1 ratification deadline. Kyrgyzstan's deputy parliament speaker Kubanychbek Isabekov said a parliamentary

committee urged the government to continue talks while seeking more favourable terms. "We have suggested a tax rate of 18 percent," Isabekov said. "It was 40 percent stake," he said. The earlier deal, turned down by the parliament, would have doubled the country's stake in Centerra to about 30 percent, while uranium miner Cameco's stake would drop to just under 40 percent from 53 percent. The agreement also aimed at replacing Kumtor's current tax regime with a simplified system taxing revenue at 11 percent in 2008, 12 percent in 2009, and 13 percent thereafter. When announced on Aug. 30, the deal seemed to quell concerns about the asset's possible nationalisation, but talks hit a stumbling block after the parliament challenged the government's decision and sought to revise the agreement." Kumtor's production accounts for about 4 percent of the impoverished country's gross domestic product. (Reuters)

GEORGIA'S RULING PARTY GETS 119 SEATS IN 150-SEAT PARLIAMENT

5 June

Georgia's Central Electoral Commission has published the full final returns from the May 21 parliamentary elections. The ruling party United National Movement gained the greatest number of votes in the elections held on the party ticket principle – 59.18 percent. Another three parties entered parliament – the biggest opposition bloc United Opposition: National Council – New Right (17.23 percent of the votes), oppositional party Georgy Targamadze – Christian Democrats (8.66 percent) and radical opposition Labor Party – 7.44 percent. The CEC's press-secretary, Zurab Kachkachishvili, told a news briefing in Tbilisi on Thursday the UNM won 48 seats of the 75 contested on the party tickets, United

Opposition: National Council – New Right, 15 seats, Georgy Targamadze – Christian Democrats and Labor Party – 6 seats each. In the single mandate constituencies the UNM won 71 seats of the 75, and United Opposition: National Council – New Right – 2 seats. Another two mandates went to the oppositional Republican Party, which failed to clear the 5-percent qualification hurdle in party ticket elections.

The final line-up of forces in parliament is as follows. The UNM will control 119 seats, United

Opposition: National Council – New Right – 17 seats, Georgy Targamadze – Christian Democrats and Labor Party – six seats each, and the Republican party, two. (Itar-Tass)

GEORGIA PARLIAMENT CONVENES EARLY, THWARTS PROTEST

7 June

Opposition lawmakers refused to take their seats in Georgia's parliament Saturday, claiming that election-rigging had made it illegitimate. United Opposition chief Levan Gochechiladze cut up the certificate granting him a seat in the legislature at a small rally in front of the parliament building. But his hopes of mustering tens of thousands of supporters on the first day of the parliament were thwarted when President Mikhail Saakashvili brought the date forward at the last moment. Authorities announced late Friday that the opening session would be held Saturday instead of Tuesday, leaving Saakashvili's opponents with little time to get organized. Opposition leaders have permission to hold demonstrations outside parliament for an 11-day period beginning Sunday; authorities could have intervened Saturday had the crowd become too large. A few busloads of riot police stood several hundred meters (yards) away, and the protesters dispersed at midday. The scheduling change and the presence of police "shows that this is not a popularly elected parliament," United Opposition co-leader David Gamkrelidze said from the steps of the colonnaded legislature as the session went on inside. "A group of bandits has seized power," said another opposition leader, Koba Davitashvili. Last month's parliamentary elections strengthened the pro-Western Saakashvili's grip on power in the ex-Soviet republic of 4.6 million people. Official results gave his ruling National Movement 119 of the 150 seats in the single-chamber legislature. The United Opposition alliance, which won 17 seats, claimed the election was marred by widespread violations, pressure on government opponents and slanted media coverage. (AP)

AZERBAIJAN FRETS OVER BP ROLE IN GAS FIELD

10 June

Azerbaijani Minister for Industry and Energy Natig Aliyev expressed concern Wednesday over the role of British Petroleum in development of Azeri gas fields. "This is my private viewpoint that (British Petroleum) postpones this project," Aliyev said. The minister said the development of Stage 2 of the [Shah Deniz](#) field was scheduled for 2012, but said delays on the part of British Petroleum pushed that timetable to 2013. The Shah Deniz field is the largest in Azerbaijan. Its reserves could supply Europe with natural gas without traversing politically sensitive countries such as Iran or Russia. British Petroleum holds a 25.5 percent stake in its development. Aliyev said increasing European energy demands means British Petroleum needs to "intensify some processes," the Trend Capital News Agency reported. "I think that peak (in gas production from Stage 2) can be increased to (1.1 trillion cubic feet) in gas a year," he said. (UPI)

AZERBAIJANI, ARMENIAN PRESIDENTS MEET ON CIS FORUM SIDELINES

6 June

The presidents of Azerbaijan and Armenia, Ilham Aliyev and Serzh Sargsyan, met in St. Petersburg on Friday on the sidelines of the CIS informal summit, the Azerbaijani state news agency AzerTaj said. The news agency also said that the OSCE Minsk Group cochairmen had taken part in the meeting. The two foreign ministers, Elmar Mamedyarov and Edvard Nalbandian, said that the meeting was positive and constructive. The media was not permitted to watch the dialog. The foreign ministers told a press conference that the national leaders "had studied each other's stands and ordered them to continue cooperation with the OSCE Minsk Group in the Karabakh settlement process." The chiefs of state supported further mediation of the OSCE Minsk Group in the Karabakh settlement process, Mamedyarov said. He noted that the sides were coordinating the date of another regional visit of the group cochairmen. The visit may take place in late June, he remarked. "Once we study each other's stands, we can continue to bring them closer together," Mamedyarov said. In the opinion of U.S. Cochairman of the OSCE Minsk Group Matthew Bryza, it is necessary to update the group proposals in line with the wishes of the

conflicting sides. Russian Cochairman Yuri Merzlyakov voiced the readiness for cooperation and confirmed their goal of practical results. (Itar-Tass)

GAZPROM TO INVEST \$200 MLN IN IRAN-ARMENIA GAS PIPELINE

8 June

Armenia's Minister of Energy and Natural Resources Armen Movsisyan said that by the end of 2009, the Russian gas giant Gazprom will invest more than 200m US dollars in the construction of the Iran-Armenia gas pipeline. After the completion of construction work, Armenia will have access to another alternative gas pipeline along with the current one from Russia and based on the prices that are offered, will decide which of them it should use. Currently, Armenia pays Russian Gazprom 110 US dollars per 1,000 cu.m. of gas, however, the price will change from 1 January 2009, Arminfo quoted Movsisyan as saying. During his press conference, Armen Movsisyan also touched on the construction of an oil refinery outside Yerevan which will cost two or three billion US dollars. The plant, which will be able to process 7.5m tons of Iranian crude oil per year, will produce petrol and diesel. Speaking about energy projects with Iran, the minister mentioned that a joint hydroelectric power station will be constructed on the border river Araz. The construction of the station with a capacity of about 140 MW will be financed by Iran and will cost 240-250 mln US dollars. The construction work may commence in 2008, the minister said. The minister went on to say that the USA and the EU have allocated 10-12 mln US dollars to update the security of the Armenian nuclear power plant, Arminfo said. Up to now, technical assistance worth 90 mln US dollars has been allocated to update the security of the plant, the agency quoted the minister as saying. Armen Movsisyan added that it is planned to build a new nuclear block in Armenia in 2016 when the existing energy block of the nuclear plant expires. Even though Armenian legislation allows foreign investors to own 100 per cent of stocks, the government intends to control half of the project stocks, the minister said. "If the government does not take part in the project, then this project has

no real significance for us," Movsisyan said. However, the operation of the current nuclear block will not be suspended until the new one is built, the minister said. He noted that the technical feasibility of the new plant will be completed by September. (Fars News Agency)

ENERGY SHORTAGE IS BECOMING GLOBAL PROBLEM – BAKIEV

9 June

Kyrgyz President Kurmanbek Bakiev has described energy shortages as a global problem and called for guaranteed access to energy resources for countries that have none. "The gap between the countries possessing and disposing of [energy resources] and the countries not having such is being felt increasingly more vividly now," Bakiev said at the St. Petersburg Economic Forum on Saturday. Bakiev suggested that the problem of energy shortage is "becoming global" and called for raising the issue of "responsibility of the first-type countries [possessing energy resources] and global institutions for guaranteeing the planet population's access to resources essential for their survival." The rate at which the energy prices are growing in the developing countries is incomparable with that at which their incomes are growing, Bakiev said. Economic and energy crises "are becoming more and more grave," and their implications threaten increasingly larger numbers of people, he said. "If we do not find a solution, the world will be torn apart," Bakiev said. These problems call for drawing up a global economic program under the UN auspices, Bakiev said. He also pointed to importance of regional cooperation, which he described as "a precondition for survival and development." The countries need to coordinate their national interests and policies for a long term - at least for 10-15 or even "25-30 years," he said. Talking about the problem of distribution of water resources, Bakiev said, "The [Central Asian] region countries will be dragged into bitter water and energy confrontation deeper and deeper from year to year, and therefore we need to form a consolidated water-energy policy based on the joint promotion of our interests," he said. (Interfax)

UZBEK PRESIDENT CALLS FOR MERGING CSTO, EURASEC

9 June

Uzbek President Islam Karimov called for merging the Collective Security Treaty Organization (CSTO) and the Eurasian Economic Community (EurAsEC), as, in his view, they have very similar agendas and duplicate one another to a great extent. "Therefore, it is my opinion and Uzbekistan's opinion that we could set up a powerful organization on the basis of the CSTO and the EurAsEC," Karimov said at a meeting with Russian President Dmitry Medvedev in St. Petersburg on Friday. This merger could help the two organizations' member-states "to achieve much more and attain greater results," he said. Medvedev in response suggested discussing various forms of integration between the two international associations. The CSTO comprises Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan. The EurAsEC includes Belarus, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan. Armenia, Moldova and Ukraine hold observer status in this organization. (Interfax)

ALMATY TO EXPAND THROUGH SUBURBAN VILLAGES

9 June

Almaty will enlarge by swallowing nearby villages and uniting them into a new administrative district. According to Almaty city akim, Akhmetzhan Yesimov, the establishment of a new administrative district of the nearby suburbs will unravel an entire knot of problems such as illegal land seizure, unauthorized construction, social protection of local residents, modernization of obsolete infrastructure. "Attaching villages to the city as one administrative unit will solve unemployment and high crime rate issues," Yesimov said on Saturday at the meeting of the city construction development committee. This district is also proposed as a location for a special economic zone with industrial and logistic companies in order to entirely remove industrial production from the city center, ease up traffic and ameliorate environment," he said. The villages that will join

the city will account for one eighth of the city territory with nearly 190,000 of residents. Out of the total 25 bl tenge in financing for development of the adjacent suburban area, only 8 bl tenge have been put to a good use within infrastructure projects, which akim found utterly unacceptable. (Interfax-Kazakhstan)

ABOUT 2,500 ILLEGAL MIGRANTS DEPORTED FROM KAZAKHSTAN

9 June

About 18,000 foreigners were found within the Operation Illegal Migrant 2008 in Kazakhstan, the Kazakh Interior Ministry said on Monday. "Administrative charges were brought against 17,844 foreigners and stateless persons, including 17,054 from the CIS and 790 from other countries, for breaching the rules of their stay in the Republic of Kazakhstan," the ministry said on Monday. Courts authorized the deportation of 2,493 foreigners, including 2,346 from the CIS and 147 from other countries. A total of 1,631 people, among them 1,603 from the CIS and 28 from other states, were detained for identification. "Thirty-nine foreigners were detained on suspicions of various crimes, including nine on suspicion of drug possession and dealing and one on suspicion of illegal weapon possession. Thirty-nine criminal cases were opened on charge of violation of migration laws," the ministry said. The Operation Illegal Migrant 2008 was held between June 2 and 6. (Interfax-Kazakhstan)

JPMORGAN MAY HELP KAZAKHSTAN BORROW \$15 BL

9 June

JPMorgan Chase & Co., U.S.'s third largest bank, may help Kazakhstan raise \$15 billion through borrowing and issue of securities in the next 5-7 years, said Bloomberg agency. According to JPMorgan Cazenove Vice Chairman Robin Renwick, Kazakhstan will receive short-term investments in its oil and gas sector, steel, chemical, extractive and energy industries. "The investors' interest in Kazakhstan is still very high. We expect a lot of large projects to be implemented here," he said. Renwick is an independent director of Kazakhmys Plc., Kazakhstan's largest copper producer. (Interfax-AFI)

GAZPROM READY TO FINISH TALKS WITH TURKMENISTAN ON EUROPEAN PRICE FORMULA

9 June

Gazprom is ready to finalize the talks on the price for Central Asian gas for 2009 by July 1, Gazprom's deputy chief executive officer Alexander Medvedev told journalists. "We are prepared to finalize [the talks], if they [Turkmenistan] are ready for this, too. This goal is attainable," he said. The price for gas will be based on the European formula, he also said. "We have been successfully applying this formula with Kazakhstan at Karachaganak," he said. Karachaganak Petroleum Operating B.V. and the KazRosGaz Russian-Kazakh joint venture on June 1 2007 signed a 15-year Karachaganak gas purchase and sale contract for up to 16 billion cubic meters, annually. The price formula, documented in the contract, was not disclosed. Gazprom is the main buyer of Turkmen gas and it buys some 50 cubic meters of gas each year, with the projected increase to 70 billion – 80 billion cubic meters. Turkmenistan also exports gas to Iran via the Korpedje-Kurtkun gas pipeline, and it shipped 8 billion cubic meters of gas in 2007 and 5.4 billion cubic meters in 2006. Projects are under development to lay a gas pipeline from Turkmenistan to China with shipments of up to 30 billion cubic meters of gas each year from 2009 for the next 30 years; to link Turkmenistan with Afghanistan, Pakistan and India by a pipeline with an annual capacity of 30 billion cubic meters; to build a Caspian pipeline with an annual capacity to transport 10 billion cubic meters of Turkmen gas and 10 billion cubic meters of Kazakh gas, and to lay a Trans-Caspian gas pipeline. (Interfax)

ARMENIA TO DO ITS BEST FOR RETURN OF FOUR CITIZENS FROM AZERI CAPTIVITY

9 June

"5 Armenian citizens (4 civilians and 1 serviceman) are kept in Azeri captivity. We possess information that they are subjected to violence and tortures. During a meeting with head of the International Committee of the Red Cross delegation in Armenia, I asked him to take

action for return of our citizens. For its part, the Armenia side is ready to transfer Azeri captive Vyusal Eyubov," Seyran Ohanyan said. "Azerbaijan's allegations that the captives are officers of the Armenian special forces are absurd," he added. On April 28, thirteen young men wanted a showdown with the commander of a friend. After the commander fired into the air, they got into cars. Four of them (originally from Noraduz and Gavar) crossed the border accidentally. (PanArmenian.net)

DONORS TO PLEDGE \$15B TO REBUILD AFGHANISTAN

10 June

More than 60 countries are expected to pledge close to \$15 billion to rebuild Afghanistan at a donor's conference Thursday. The United States will pledge the lion's share of over \$10 billion, despite growing frustrations with President Hamid Karzai's leadership, State Department officials said. The officials spoke on the condition of anonymity because they didn't want to upstage first lady Laura Bush, who is expected to announce the U.S. commitment at the conference in Paris, France. State Department officials said that while the United States continues to believe that Karzai is the right leader for Afghanistan, there are some concerns about his leadership. "There is a lot of buzz about Karzai both in Afghanistan and in the U.S. and elsewhere in the world that he is not as strong as he used to be, that he is not that charismatic forceful guy anymore, but maybe a man that might be tired," one official said. "There are a lot of cabinet battles he doesn't win and he has a difficult balancing act." Since the U.S.-led invasion in 2001, the United States has provided \$26 billion in aid to Afghanistan, U.S. Assistant Secretary of State Richard Boucher told reporters Thursday. Karzai is expected to ask the international community for \$50 billion in aid over the next five years for his long-term development strategy for the country, Boucher said Tuesday. (CNN)

GAZPROM TO INVEST \$500 MLN IN TAJIK GAS EXPLORATION

10 June

Russia's Gazprom said on Tuesday it would invest \$500 million within the next five years into

exploration of four natural gas fields in the Central Asian state of Tajikistan. According to a deal signed on Tuesday between Gazprom and the Tajik government, the Russian gas giant will also build a gas distribution network in the impoverished former Soviet republic. "We are interested in making Tajikistan self-sufficient in terms of fuel and energy because it will ease the economic tensions in the country," Gazprom Deputy Chief Executive Valery Golubev told reporters. The company expects the four fields located in the south and west of Tajikistan - Rengan, Sargazon, Sarykamysch and West Shaambary - to produce around 2 billion cubic metres of gas by 2012 which would meet all the needs of the domestic market. Tajikistan currently relies on neighbouring Uzbekistan for gas supplies. The country suffered an acute energy deficit last winter when Uzbekistan reduced supplies due to severe cold throughout the region. (Reuters)

RUSSIA-BELARUS-KAZAKHSTAN CUSTOMS UNION COULD START WORKING BY 2010 - EURASEC HEAD

10 June

The customs union being formed by Russia, Belarus and Kazakhstan within the EurAsEC is expected to start working fully by 2010, said EurAsEC General Secretary Tair Mansurov. "The prospect of forming a customs union between 2008 and 2010 is quite real," Mansurov told Russian Prime Minister Vladimir Putin on Tuesday.

"The goal of forming a customs union is "to allow citizens of the member-states to enjoy the benefits of economic cooperation," he underlined. Mansurov also said that trade within the Customs Union from 2000 to 2007 jumped from \$3.4 billion to over \$100 billion. (Interfax)

KAZAKHSTAN INVESTMENT FUND INVESTS 2 BL TENGE IN MAKLAKOVSKIY SAWMILL

10 June

Kazakhstan Investment Fund JSC has acquired a stake in Maklakovskiy timber and wood processing factory OJSC (MLDK). "In May 2008 Kazakhstan Investment Fund acquired a shareholding in MLDK JSC. The Investment

Fund now participates in a major project of sawmill's upgrade and its integration into the lumber industry of Kazakhstan," Investment Fund announced on Tuesday. The Fund plans to invest 1.955 bl tenge to upgrade sawmill's equipment. "The sawmill, Russia's wood exporter, will be able double lumber processing up to 400,000 cu meters annually," reads the news release. Currently, MLDK studies an opportunity of establishing a joint venture with Kazakh partners to produce doors and windows using sawmill's products, according to the statement. Investment Fund of Kazakhstan JSC is a development institute of Kazakhstan wholly owned by Kazyna Fund of Sustainable Development. The Investment Fund finances private companies to establish competitive manufactures by participating in the registered capital of new and existing companies. The Fund has registered capital of \$314 ml that will be increased in the future. It can finance a project worth up to \$300-350 ml by attracting additional credit resources. Maklakovskiy timber and wood processing factory set up in 1916 is among biggest timber exporters in Russia. (Interfax-Kazakhstan)

KAZAKHSTAN, RUSSIA HOLDING JOINT MILITARY EXERCISE

10 June

Kazakh and Russian armed forces started a joint command post exercise in Kazakhstan on Monday, the Kazakh military said. The Interaction 2008 exercise, which is being held in Eastern Kazakhstan region, brings together the forces of Kazakhstan's East Regional Command forces and Russia's Volga-Ural Military District and 2nd Army, the East Regional Command said in a statement. "The exercise is testing the readiness and ability of the command services of the East Regional Command to carry out functional tasks of controlling troops and the readiness and ability of troops to carry out their combat tasks. The objective of the exercise is to achieve harmonious performance on the part of the command of a joint armed forces group in organizing a special military operation, to test how well-trained they are, to organize interaction between the command services of the armed forces of Kazakhstan and the Russian Federation, to raise the standards of the tactical and field

training of military personnel, and to develop necessary combat skills and psychological qualities in the trainees," the statement said. East Regional Command chief Nikolai Pospelov is coordinating the exercise, which finishes on Wednesday. (Interfax-AVN)

KAZAKHSTAN'S KAZMUNAYGAS STARTS SYNDICATING \$2.5-BLN LOAN 10 June

Kazakh national oil and gas company KazMunayGas(KMG) on Monday began syndicating a three-year loan for \$2.5 billion at Libor + 1.55%, a source in banking circles told Interfax. The loan is to be repaid in two years. The bookrunners of the loan are Credit Suisse and ABN AMRO, while the organizers are Barclays, Bank of Tokyo-Mitsubishi, Societe Generale, SMBC, WestLB and Deutsche Bank. KMG will use the funds to refinance a \$3.1-billion syndicated loan it received in early 2008 for the purchase of Romania's Rompetrol. It was reported in January that KMG concluded a deal to raise a one-year \$3.1-billion syndicated loan at Libor + 0.9%. In August 2007, KMG announced the signing of an agreement with Rompetrol Holding SA on the purchase of a 75% stake in The Rompetrol Group N.V. (TRG) based on a valuation of \$3.616 billion. Rompetrol Holding will retain a 25% stake. (Interfax AFI)

AFGHANISTAN AIRSTRIKES LEAVE 31 DEAD

11 June

Officials says 31 people died in airstrikes in eastern Afghanistan. Interior Ministry spokesman Zemer Bashary says most of the 31 people were foreign fighters. But Khalid Farooqi, a lawmaker from Paktika, says at least nine civilians were killed. The U.S.-led coalition says four civilians were killed and that several militants died in the clashes in northern Paktika province early Wednesday. Twelve militants were detained. Farooqi says the operation apparently targeted militant commander Mullah Mohammad Nabi and fighters who served under him. Civilian casualties have been a problem for the U.S.-led coalition over the years, though fewer civilian deaths have been reported so far this year than in 2007. (AP)

RUSSIA BEEFS UP MILITARY PRESENCE IN KYRGYZSTAN

11 June

Russia will deploy more personnel and equipment at its air base in Kyrgyzstan, the Air Force commander told a Russian daily on Wednesday. In an interview with the *Nezavisimaya Gazeta* newspaper, Col. Gen. Alexander Zelin also said that flight training programs would be intensified to prepare more pilots. He earlier said the base was set to receive four combat trainers from the Krasnodar military pilot school, plus an An-26 transport plane and several new Su-27 aircraft. The Russian base in Kant, about 20 miles west of the Kyrgyz capital, Bishkek, was established in October 2003, and currently deploys about 400 troops, including 250 officers and NCOs and 150 conscripts, as well as several Su-25 Frogfoot attack aircraft and Su-27 Flanker fighters, two Mi-8. The 2003 bilateral agreement between Russia and Kyrgyzstan stipulates the presence of the Kant air base in the Central Asian republic for 15 years with an automatic extension every five years after the expiration of the original term. The agreement is in the framework of the Collective Security Treaty Organization - a regional security bloc in Central Asia, which also includes Armenia, Belarus, Kazakhstan, Tajikistan and Uzbekistan. Kyrgyz Defense Minister Ismail Isakov said in March that Russia annually pays some \$4.5 million to Kyrgyzstan for military bases and also provides Bishkek with military and technical equipment as part of the lease agreements. (RIA Novosti)

WRITER CHINGIZ AITMATOV TO BE BURIED NEAR FATHER'S GRAVE JUNE 14

11 June

The body of writer Chingiz Aitmatov will be flown to Bishkek from Germany on June 12, an official from the state commission for funeral arrangements told Itar-Tass on Wednesday. A civil funeral will take place at the National Philharmonic Hall on June 14, following which Aitmatov will be buried at the Ata-Beit memorial complex near the village of Chon-Tash. Near this village, located 20 kilometers south of

Bishkek, a mass grave of Kyrgyzstan's public figures - executed by firing squads in the 1930s -- was found 15 years ago. Aitmatov's father Torekul Aitmatov was among the victims. The commission for funeral arrangements is headed by state secretary Nur Uulu Dosbol. Kyrgyz President Kurmanbek Bakiyev announced June 14 a day of mourning. Aitmatov died in hospital in the German town of Nuremberg on Tuesday. He was hospitalized to an IT ward of a Kazan hospital with renal insufficiency and septic shock on May 16. The writer was taking part in the shooting of a documentary in Tatarstan's capital to mark his upcoming 80th birthday in December. On May 19, Aitmatov's relatives decided to send the writer for treatment to Nuremberg. Kyrgyzstan announced the year 2008 a year of Aitmatov. In Turkey, a committee was set up to nominate him for Nobel Prize in literature. The death of the famous Kyrgyz writer is a great loss not only for the Turkic countries, but also the whole world, Turkish President Abdullah Gul stated on Wednesday. Chingiz Aitmatov's works serve the development and mutual exchange of cultures in the Turkic world. "His outstanding unforgettable works will live on and remain in our hearts. His work as one of the most important persons in the world of literature and his contribution to our epoch will always be remembered warmly and with respect," Gul noted. Kyrgyz Ambassador to Russia Raimkul Attakurov said a book of condolences would be opened at the Kyrgyz Embassy starting June 12. "The book of condolences will be open for three days," Attakurov said. The Embassy said it would assist all those wishing to attend Aitmatov's funeral. Russian President Dmitry Medvedev and Prime Minister Vladimir Putin have expressed condolences on the death of Chingiz Aitmatov. (Itar-Tass)