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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.

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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.

Svante E. Cornell

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GEORGIA TURNS THE TABLES ON RUSSIA

Stephen Blank

In November 2010, Georgian President Mikheil Saakashvili announced that Georgia renounced using force to recover its occupied territories in Abkhazia and South Ossetia. He further advocated resumption of dialogue with Russia and stated that Georgia would accept Russian membership in the World Trade Organization if Georgian border guards were posted in these territories, thereby recognizing Georgia's sovereignty there. Saakashvili also urged the West to help foster a normalization of relations with Russia. Saakashvili here clearly took heed of long-standing Western and U.S. diplomatic representations to Georgia and in fact accepted one of Moscow's prime demands, namely the renunciation of force. Yet Moscow responded predictably, saying it had nothing to say to Georgia.

BACKGROUND: Since the Russo-Georgian war in 2008, Moscow has converted Abkhazia and South Ossetia into an armed camp bristling with Russian bases and forces and striven to garner widespread recognition for their independence. Moscow has also refused to enter into serious negotiations with Georgia about the fate of these territories, demanding in advance a renunciation of force. At the same time, Russia has continued its campaign to destabilize Georgia and unhinge its domestic political status quo. Yet except for militarizing the conquered Georgian territories where it had already wielded influence bordering on control before the war, it has achieved nothing. Saakashvili's government has overcome all manner of domestic challenges, reform continues even if Georgia's democratic credentials are far from immaculate, Russian plots have been uncovered and nobody except a few Russian clients have been willing to recognize Abkhazia and South Ossetia as independent. None of this has deterred Moscow from adamantly refusing to discuss the future of the region or from militarizing those territories and turning them into Russian economic, political, and military protectorates.

Worse yet from Moscow's standpoint, Georgia has continued to gain Western support for its position, even if it clearly will not enter NATO anytime soon. NATO recently reiterated its support for Georgia's integrity, namely that Georgia includes Abkhazia and South Ossetia, and Secretary of State Hillary Clinton has publicly labeled Russian policy as an "occupation" of Georgian territory. Indeed, Georgia has continued to engage in diplomatic moves that provoke Moscow's ire. In particular, earlier in 2010 Georgia announced that residents of the Russian North Caucasus would not need visas to enter Georgia, thus playing Moscow's attempts to detach its territories back on Russia. The North Caucasus is presently a cauldron of anti-Russian insurgencies where Islamic and ethno-national movements are demanding independence much like what happened in Georgia's territories. Since Russia has no answer to these movements and has proven utterly unable to respond to demands for improved governance other than by terror, repression, corruption, and continued misrule, the insurgencies continue. This misrule is, of course, the proximate cause of these insurgencies.



But by conquering and occupying Georgian territory, and then unilaterally declaring these areas to be independent, Moscow has made itself vulnerable to the precedent it set. It is hardly surprising that Russia's reacted furiously to Georgia's announcement that residents of the North Caucasus did not need visas. But Georgia's action was just another example of how Georgia has consistently replicated Russia's style of diplomacy as practiced for years against Georgia.

IMPLICATIONS: Georgia's latest initiatives therefore represent a departure from its previous tactics, e.g. unwillingness to make a public renunciation of force. To Russia and skeptical Western regimes, its previous policies looked like provocations of further Russian pressure on Georgia. They reflect a new realism in the conduct of Georgian foreign policy. Other evidence of the turn in Georgian policy is the attempt to reduce discord with West European governments, improve relations with Iran and strengthen its role as a conduit of

Caspian energy to Europe, e.g. through the AGRI (Azerbaijan-Georgia, Romania-Hungary Interconnector). Yet at the same time, these steps not only adroitly reverse untenable past positions, they have also exposed that Russia's claims in the South Caucasus rest on nothing more than force majeure and an atavistic neo-imperial belief that it is ordained to have a sphere of influence against the will of local governments. It is fast becoming apparent that while Russia won a decisive

military victory over Georgia in 2008, its political actions there have given it nothing more than a lasting albatross that continues to poison its relations with the West. In fact President Medvedev admitted during the NATO Summit in Lisbon that Georgia remains the most outstanding difference between Russia and the U.S. And now that NATO has reiterated the position that these territories remain part of Georgia, that dispute is now firmly lodged in the Russo-NATO agenda despite the present bilateral reconciliation.

Diplomatically, Russia no longer has any excuse for avoiding direct and serious negotiations with Georgia. And to its own chagrin the warnings of its own Foreign Ministry against unilaterally abridging the sovereignty and integrity of Georgia and the Helsinki Final Act are now beginning to bear fruit. Indeed, recent Russian press reports warn that the regime cannot hold on to the North

Caucasus much longer, yet it is unthinkable to Moscow that it simply let these regions go. If that would happen, Russia's ability to exercise the type of influence it claims for itself in the South Caucasus would be severely reduced. With the passage of time, Moscow's victory in 2008 thus seems increasingly hollow and in fact a stumbling block to the improvement of Russian relations with the West and to its own domestic security.

Russia's obduracy in refusing to talk with Georgia also adds to the overall tension throughout the Transcaucasus. The tensions over Nagorno-Karabakh show no sign of abating despite Moscow's attempts at mediation. And Russia's ongoing refusal to discuss anything seriously with Georgia leaves Abkhazia and South Ossetia as unresolved issues for all the Russian buildup there. In addition, that buildup seems directed more than anything at continuing to threaten Georgia, a needless policy that no longer has any grounds for existence given Georgia's renunciation of force with regard to recovering its lost territories. In other words, Russia is fast heading into an impasse of its own making.

CONCLUSIONS: Georgia's latest moves, probably made in response to Western urgings over the last two years, represent a clever tactical and possibly even strategic adjustment of its course. However, they do not suffice to initiate a genuine and serious negotiation process regarding the disposition of Abkhazia and South Ossetia as well as the other issues arising out of the Russo-Georgian war. It will take more than this to establish a legitimate, stable, and yet dynamic order in the South Caucasus that gives security and real guarantees to both its states and its non-state national movements. But Russia's position clearly rests on nothing more than chauvinistic great power

claims to hegemony and the illegal exercise of force in defiance of international treaties. The West needs more than declarations and resets to bring about a real negotiation.

Indeed, Moscow continues to turn the area into an armed camp and still tries to undermine the government of Georgia. Much of this undoubtedly has to do with the visceral personal animosity felt by President Dmitry Medvedev and Prime Minister Vladimir Putin for President Mikheil Saakashvili which, in turn, owes much to his defiance of their neo-imperial policies in the former Soviet Union. But it is also clear that Moscow is essentially sitting upon its bayonets and has no idea what to do in either the North or South Caucasus other than to continue this posture. It has long been known that this posture is strategically untenable. However, neither the West nor Russia, which should both have vital interests in stabilizing the region, seems ready to realize that the longer this untenable situation goes on, the only way it will be resolved is at least temporarily by force. The smaller local states cannot prevent that trend since it is Russia who has placed force at the center of the regional agenda. And in any case, they neither have the strength to restrain Russia nor possess (thanks to Nagorno-Karabakh) the unity of purpose needed to do so. But only an equal and countervailing political force of unified Western support for Georgia beyond empty rhetoric will force Moscow to realize that it can only serve its security by negotiation, just as Saakashvili has realized.

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NORTH CAUCASIAN REBELS' ECONOMIC POLICY DEFINED BY CONVENTIONALITY AND WISHFUL THINKING

Kevin Daniel Leahy

As the security situation has worsened in the Northern Caucasus over the past several years, Russian political pundits have taken to theorizing as to what sort of state might emerge there should Moscow become unwilling – or perhaps unable – to maintain its suzerainty in the region. It might be assumed that any economic strategy embraced by this new state would be defined by the political viewpoint of its leadership. When it comes to formulating economic strategy, however, it would seem that Moscow bureaucrats, local pro-Moscow elites and public representatives of the rebel movement in the region are reading from the same manuals.

BACKGROUND: In May 2010, an article entitled 'The Economic Prospects of the Caucasus Emirate' was posted on a website operated by agents of Dagestan's rebel organisation, *Jamaat Sharia*. This article was attributed to an anonymous third-year university student in the Dagestan State Institute of National Economy. The posting of this economic treatise was remarkable for several reasons. Firstly, it represented one of the first attempts by a representative of the Caucasus Emirate organization to explain the economic policies associated with that body.

In the second instance, the article is remarkable for the fact that neither mainstream Russian economists, nor their neo-liberal counterparts in the West, could take issue with the economic recommendations and conclusions advanced by the anonymous author. He criticises the dependence of the region's inhabitants on benefits provided by the Russian exchequer. Their reliance on state welfare makes it difficult for the people of the region to contemplate a future free of Russian influence. The fiscal burden of the 'Welfare State' is a familiar refrain from centre-right politicians

and neo-liberal economists in the West. The author believes that Russia's economic subsidization of the region's inhabitants is in fact a psychological weapon in Moscow's counter-insurgency strategy: it contributes to an impression, popular throughout the Northern Caucasus, that the region is incapable of managing its own economic affairs without Russian involvement.

The author urges his countrymen not to be apprehensive about a scenario whereby subsidies from the Russian budget are no longer available to them: "If Muslims have found the strength, by trusting in God, to struggle with a huge Empire for more than fifteen years, with Allah's help they will find the strength to feed themselves without any handouts". At this point it becomes clear that the title of this article is misleading; the author is concerned solely with the economic prospects of Dagestan and does not mention the other republics in the region or their economic resources.

At times, his language is virtually indistinguishable from that used by mainstream politicians in the West. He promises 'budgetary transparency' in the new state. He also proposes



Market in Dagestan (AFP)

tax credits and tax exemptions for small businesses. A green agenda is even outlined, with the author foreseeing the new government saving money by switching to alternative sources of energy such as wind and solar power. It is also proposed that Dagestan should make use of more traditional economic assets. The economic importance of the Caspian Sea is outlined; the possibility of exporting agricultural produce is discussed; and the sale of electrical power to neighbouring jurisdictions is envisaged as a means of swelling the state coffers. Taken at face value, this treatise contains a sensible strategy for instituting Dagestan's economic sovereignty within the context of a new Islamic state in the Northern Caucasus. The article runs to less than nine hundred words, however, and contains too many assumptions about social and economic realities in Dagestan to be in any way regarded as Prophetic.

IMPLICATIONS: The importance of federal subsidies to the economies of the Northern Caucasus is highlighted by the fact that almost 80 percent of Dagestan's budget is underwritten

by the Russian exchequer. In Chechnya and Ingushetia, meanwhile, federal subsidies account for approximately 90 percent of the budget. These statistics demonstrate that a Russian withdrawal from the region would necessitate a difficult economic adjustment for its inhabitants. The author of the treatise welcomes this

projected modification of the prevailing economic order. His ambivalence as to how this change will affect the lives of people living in the region resembles the attitude manifested by economic reformers in Russia in the early nineteen-nineties, who were determined to revolutionize the country's economy at whatever cost to ordinary Russians. For those who would be affected by the disappearance of Russian subsidies the author offers scant consolation, merely advising them to have faith in Providence.

The author also shows a certain naiveté in how he envisages the post-independence economic scenario unfolding in Dagestan. With respect to the agricultural sector, for instance, the author offers the following analysis: "We have good, fertile land, which with proper treatment will yield rich harvests. If the peasants do not interfere, do not create unnecessary administrative barriers and regulatory mechanisms, agriculture will be quite profitable".

Long-standing disputes concerning land ownership are a feature of the political landscape in the Northern Caucasus, not least in multi-ethnic Dagestan. In recent years, pro-Russian law-makers in various jurisdictions throughout the region have faced serious resistance to their efforts to redraw municipal boundaries. These disputes will not be resolved by a Russian withdrawal from the region, something the anonymous author tacitly acknowledges. The 'Land Question' in the Northern Caucasus cannot be ignored and will continue to vex whatever government succeeds to power in the region.

The late Anzor Astemirov, until his death in 2010 the chairman of the rebel's Supreme Sharia Court, discussed this issue in relation to land disputes in his native republic of Kabardino-Balkaria. Astemirov's stance on the distribution of land was unequivocal and is worth quoting at length: "... pastures and grasslands cannot be given as private property or as a collective property to a definite clan, tribe or ethnic group. Pasture, water and fuel are the common heritage of Muslims living in the area, regardless of their ethnic or racial identity. The procedure for using such lands is specified by a government that rules according to the Law of Allah". While Astemirov's analysis of the Land Question is less dismissive than that offered by our anonymous author, he too believed, with a sort of millenarian conviction, that the imposition of Islamic Law in the region will render localized disputes over land null and void.

CONCLUSIONS: The author of this treatise apparently believes that the withholding of Russian subsidies from the region can be compensated for by "trusting in God". He also

believes that generations-old land disputes in the region can be resolved by referring them to a system of Islamic justice. The first belief is rooted in irrationality; the second is based on wishful thinking.

While the document in question is not entirely specious, it does not offer anything original in terms of the economic strategy it outlines. In fact, much of the program advanced by the author is not at variance with the economic strategy set out by Alexander Khloponin, the man tasked by President Medvedev with rejuvenating the region's economy. Assuming that representatives of the Caucasus Emirate manage to fill the vacuum of power that would be created by a Russian withdrawal from the region, there is nothing in this treatise to suggest that such a regime would be any more successful than its predecessor at managing the region's economy.

We must be mindful of the possibility that the disappearance of Russian subsidies might result in mass social unrest. Would an Islamic government have the capacity to deal with such unrest? Furthermore, would such a government have the legitimacy and the resources to enforce Sharia law in questions of land ownership and other legally sensitive matters? The implementation of an economic strategy as envisaged by our anonymous Dagestani economist will naturally be dependent on the ability of any post-independence regime to adequately address the issues raised above.

AUTHOR'S BIO: Kevin Daniel Leahy holds a postgraduate degree from University College Cork, Ireland.

TURKMENISTAN SUSPENDS MAJOR MOBILE SERVICE OPERATOR

Tavus Rejepova

On December 21, 2010, Turkmenistan's authorities suspended the license of the local branch of Russia's major mobile service company Mobile TeleSystems (MTS). The sudden refusal of the authorities to renew or prolong the company's license led to a major dispute between the Ministry of Communications of Turkmenistan and MTS. The suspension of the service also generated nationwide frustration and live queues of thousands of people across the country trying to quickly switch from MTS to the state owned Altyn Asyr (Golden Age) mobile service provider.

BACKGROUND: MTS Turkmenistan is the only and leading foreign cellular communications operator in Turkmenistan. It has been providing services in the country since 2005 after it bought the shares of the U.S. registered mobile service provider Barash Communications Technologies (BCTI). In so doing, MTS struck a trilateral deal with BCTI and the Ministry of Communications of Turkmenistan. According to the terms of this deal, the agreement on profit sharing between MTS and the Ministry of Communications expired on December 21 and the Ministry refused to renew it without giving any reasons for doing so. The decision to suddenly stop the MTS' mobile services was not reported in any media sources in the country and the government's sudden move caught both the public and MTS by surprise. The MTS nationwide customer service centers released a letter a few days prior to December 21, saying that the government gave no reasons for its sudden suspension of its license and that the services will resume normal operation after one month.

According to official company reports, MTS currently has over 2.4 million subscribers in a nation of about 5 million people and has enjoyed a monopoly position in the mobile

service market. Mikhail Shamolin, the President and Chief Executive Officer (CEO) of the MTS Group in Russia, stated that MTS-Turkmenistan holds an 85 percent share of the existing mobile service market in Turkmenistan and that the remaining 15 percent of the total number of mobile phone users belongs to the state mobile service provider Altyn Asyr. At a press conference on December 22, Shamolin stated that Turkmenistan's Ministry of Communications also demanded that MTS dismantle all of its equipment by the end of 2010. He claimed that a period of less than two weeks for dismantling all MTS equipment across Turkmenistan is "illegal" and that it is physically impossible to do so at a short notice.

MTS-Turkmenistan put a 3G internet network into operation in 2010 and was planning to make it available in all provincial centers of Turkmenistan in 2011. In addition to its mobile phone and internet services, MTS-Turkmenistan has also been sponsoring projects such as the construction of the US\$ 23 million shopping and entertainment center "Children's World", planned to open in Ashgabat in 2011. Since there is no official government release or media report on the matter, the reasons behind this sudden move are still unclear. Shamolin



said that the Turkmen government has raised no previous complaints against the MTS services in Turkmenistan. He said that all respective state agencies in Turkmenistan such as Turkmen Telecom and others have unilaterally broken deals with MTS regarding renting offices, equipment and usage of air frequencies. “There is an ongoing coordinated attack on the business of MTS-Turkmenistan with the purpose of bringing its activities to an end”, said Shamolin. It is also feared that Turkmenistan’s authorities are orchestrating a ‘behind the scenes’ plan to nationalize MTS-Turkmenistan and start using the MTS’ equipment as well as SIM cards under the new name “Galkynysh” (Revival).

IMPLICATIONS: MTS-Turkmenistan claims that under the terms of the initial contract of 2005, it can continue its operations until February 2012 and that the current cancellation of its entire mobile service network is

‘premature’. In order to resolve the standing dispute, MTS has filed several lawsuits with the Arbitration Court of Turkmenistan and the International Court of Arbitration, demanding the government to pay a compensation fee of US\$ 600 million. At the same time, MTS is currently attempting to enter into negotiations with the government hoping that it would be allowed to continue its operations in Turkmenistan. Local analysts and representatives of international firms suggest that the Turkmen authorities may be seeking to significantly change the terms of the agreement on profit sharing or invite other cellular communications operators like MegaFon and Beeline. However, no signs of negotiations have occurred over the course of the four weeks since the mobile service was shut down. On the other hand, it is questionable whether any other mobile service operator would want to open in Turkmenistan considering the authorities’

current treatment of the MTS. There is so far no sign of involvement on part of the Russian government to help mediate the standing dispute.

Frustration grew steadily as the MTS-Turkmenistan mobile network was shut down and the basic communications system nearly halted before New Year's Eve, the biggest celebration in the country. Ordinary people on the streets of Ashgabat and provincial centers express their frustration by sarcastically saying that the government's sudden pulling the plug for the mobile network is the biggest New Year gift to the entire population of Turkmenistan. In an informal interview, local entrepreneurs and traders who import goods from countries like Turkey and China complain that a sudden cancellation of the mobile network is significantly affecting their businesses, and has a major impact on the country's economy. As the MTS waits for any positive sign from the government to continue its business, this stalemate also sends out a message to other foreign companies doing business in Turkmenistan and exhibits the general investment climate in this gas and oil rich country. The Heritage Foundation's 2011 Index of Economic Freedom gave Turkmenistan an overall freedom score of 43.6, ranking its economy as 169 out of 179 countries on its chart. On investment freedom in particular, the index notes a standing non-transparent and politicized bureaucracy in the country.

In order to stop the massive inflow of disappointed MTS customers, the city administrations and the Altyn Asyr state mobile service company are taking unprecedented precautionary measures such as maintaining strict police surveillance and

fencing their door gates with high reinforcement bars. Desperate to make phone calls, the public is simply lining up at the doorsteps of Altyn Asyr offices before sunrise and stay until dark to get a new SIM card. Some are spending several consecutive days in these long queues, either since their new SIM cards turn out to be dysfunctional or they simply want to pay their monthly phone bills at the cashier. Due to this massive switch of MTS subscribers to Altyn Asyr, the mobile network of Altyn Asyr is extremely overloaded. It takes at least 30 to 50 attempts to make a single phone call or get a ring tone during daytime. Because of the overload in the system, Altyn Asyr's 3G internet network also stopped functioning properly for a while. This added to an already existing dire situation with the internet, access to information and media freedom in the country.

CONCLUSIONS: Turkmenistan's sudden termination of the only properly functioning mobile service in the country caused immense disappointment among the population. Such a move once again demonstrated the secretive, behind the doors decision-making process of Turkmen authorities and the unpredictable nature of Turkmenistan's business climate. If many were optimistic when President Berdimuhammedov started initiating reforms in the educational and healthcare systems, recent moves like the abrupt cancellation of a mobile service and last year's similar unexpected travel restrictions for Turkmen university students abroad contradict these positive expectations.

AUTHOR'S BIO: Tavus Rejepova is a freelance writer based in Ashgabat, Turkmenistan.

INDIA FAILS TO GAIN A MILITARY Foothold IN TAJIKISTAN

Roman Muzalevsky

For almost a decade, India has been actively yet unsuccessfully seeking to establish a military foothold in Tajikistan, where it helped renovate the Ayni air base. The facility has long been on the radar screens of many powers, including the U.S., Russia, and France. For India, as a rapidly emerging power, the facility is particularly symbolic as it could be its first military base outside its national borders. Yet Tajikistan recently announced it was only negotiating with Russia on the use of the facility. Tajikistan's security and economic cooperation with Russia and China and Dushanbe's own balancing act among great powers have thus far thwarted Indian military ambitions in Central Asia.

BACKGROUND: The Soviet Union used the air base at Ayni, located 15 kilometers from Dushanbe, for military operations in Afghanistan in the 1980s, but after its collapse a few years later, the base has remained idle. India started revamping the base after the trilateral defense agreement with Russia and Tajikistan in 2002 – one year after the 9/11 terror attacks brought the U.S. military directly to Central Asia for the first time in history. After the US\$ 70 million renovation, which involved an extension of the runway and the construction of hangars and an air traffic control tower, Indian personnel allegedly left the base.

New Delhi planned to station a squadron of its Mi17 helicopters and some MiG29 fighter aircraft at the base. India has the world's fourth largest air force, after the U.S., Russia, and China, with more than a thousand planes in its arsenal. The base in its “extended neighborhood” could provide India with a strategic depth in the energy-rich Central Asia, where it is facing strategic rivalry from China and Pakistan. It could also serve as a platform for anti-terrorist and counter-Jihadist operations in Afghanistan and the broader region. In the 1990's, Tajikistan and India

supported the Northern Alliance against the Taliban in Afghanistan. Until 2002 New Delhi also operated a medical facility at Farkhor nearby the Tajik-Afghan border, providing treatment to members of the Northern Alliance.

Yet India is failing to secure the Ayni air base, vied over by France, Russia, and reportedly even the U.S., which seeks to open military training centers in Tajikistan. The Tajik government has recently announced that Moscow, not New Delhi or Washington, is the only country considered for use of the base. “We are in talks over the Ayni airfield only with Russia”, the Tajik Foreign Minister Hamrokhon Zarifi stated, adding that “such talks are not being held with any other party”. The visit of the Commander-in-Chief of the Indian Armed Forces, Vijay Kumar Singh, to Tajikistan last November was probably intended to change the mood in Dushanbe, but failed to produce a breakthrough.

Tajikistan is a member of the Russia and China-led security groupings in Central Asia: the CSTO and SCO. The country also hosts the largest overseas Russian military base numbering about 6,000 personnel. The air component of this base is reportedly deployed



in Kyrgyzstan. Dushanbe further entertains close relations with culturally akin Iran and Afghanistan, while cultivating bilateral and multilateral ties with Pakistan, Afghanistan, Iran, and Russia. An Indian military presence could infuriate Pakistan, Iran, Russia, and China – key economic and security actors for impoverished and fragile Tajikistan.

This is not to say that Tajikistan is reluctant to balance the interests of various powers to secure favors. Nor is Dushanbe willing to overlook the policy failures of neighboring Kyrgyzstan – the world's only country hosting military bases of both Russia and the U.S. and the only country in the region to experience two government overthrows in a decade. In the case of Ayni, Tajikistan has been seeking to extract rent money from Russia for the use of the base as it has been negotiating with India. Moscow,

which operates existing bases in Tajikistan and Kyrgyzstan for free, appears apprehensive to the idea.

IMPLICATIONS: The issue of payment has long delayed the decision on the status of the base, even contributing to strained Tajik-Russian relations in early 2009 when Dushanbe, amidst the global financial crisis, needed Russian support for its Rogun dam project viewed by downstream Uzbekistan as threatening to its economic security. The recent statement on the base comes in the context of improving relations between Russia and Tajikistan. Moscow and Dushanbe are allegedly negotiating the return of Russian border troops to the Tajik-Afghan border to address growing drug and terrorism threats as NATO scales down its operations in Afghanistan.

Tajikistan is currently facing grave economic and security conditions, especially in the Rasht Valley, which empowers Islamic opposition and terrorist groups supposedly supported by the Taliban, IMU, and Al-Qaida. In 2009, Tajikistan thus initiated the creation of the anti-drug Quartet comprising Russia, Pakistan, Afghanistan, and Tajikistan to address regional security issues. The four countries also consider participating in the CASA-1000 project, a half-billion dollar trade and energy scheme seeking to bring Central Asian electricity to South Asian markets, and a transport project linking Tajikistan and Pakistan via the Wakhan corridor in northeastern Afghanistan that would provide landlocked Tajikistan with access to Pakistani ports and Pakistan with access to markets in Central Asia and Russia.

India lacks significant security and economic ties with Tajikistan to support its military strategy in Central Asia. The trade turnover with Tajikistan hit just US\$ 30 million in 2009, with India investing a mere US\$ 720,000 in 2008. Indian companies also invested US\$ 17 million in the modernization of the Varzob-1 power station and US\$ 5 million in the construction of a hotel. Plans exist to invest US\$ 16 million in the construction of a cement plant and US\$ 12 million for the development of gas fields. This contrasts with a trade turnover at US\$ 1.2 billion with Russia in 2008 and over US\$ 600 million with China in 2009, as well as Russian and Chinese investments at around US\$ 170 million and US\$ 25 million respectively in 2008 and 2010. Russia also invested about US\$ 600 million in the Sangtuda-1 power station.

Tajikistan is purportedly planning to secure around US\$ 1 billion from China.

India is also perceived by Pakistan, Russia, Iran, and China as tilting toward the U.S. in the attempt to contain them, which may well be affecting India's military maneuvers in Central Asia negatively. Tajikistan's neighbors clearly fear the geopolitical implications of bringing a new military player to the region. Besides, Dushanbe itself is not interested in becoming either the battleground of the strategic rivalry between India and Pakistan, a platform for Islamist forces, or the focal point of competition between China and Russia.

CONCLUSIONS: The air base negotiations and India's likely failure to secure the base – at least for the time being – implies that, first, Russia still plays the predominant security role in the region. Second, the absence of an Indian military foothold will diminish New Delhi's ability to influence the security dynamics in Afghanistan and the broader region. Third, without a significant economic presence, India will unlikely be able to project its military power in and from Central Asia any time soon, though lingering negotiations may still present it with a second chance. Finally, the air base talks clearly show Tajikistan's interest in balancing regional powers to secure financial and political support as it sees convenient.

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FIELD REPORTS

IRAN TO BUILD CEMENT PLANTS IN TAJIKISTAN

Alexander Sodiqov

In January 2011, Tehran's embassy in Dushanbe announced that an Iranian company will invest about US\$ 300 million in building two cement plants in Tajikistan. When completed, the new coal-driven plants are expected to produce two million metric tons of cement a year. According to the embassy, Iran is now choosing from four sites with large limestone reserves, which have been proposed by the Tajik government, to decide where to build the plants.

Tehran has long been interested in investing in Tajikistan's cement industry. Since 2009, Iranian specialists have carried out feasibility studies at two locations with proven limestone deposits, in the Danghara and Qabodiyon districts in southern Tajikistan. Tajikistan's Ministry of Energy and Industry announced in December 2010 that Iran proposed to build a cement plant near the Khoji Qoziyon limestone reserve in Qabodiyon and a coal power plant to meet its energy needs. Although it remains unclear at the moment where exactly the new cement plants will be constructed, it is most likely that Tehran will choose the locations that have already been studied by its experts.

For Iran, the new and hitherto largest investment in Tajikistan is a key component in a strategy to secure a stronger influence in the country that has been its major ally in Central Asia. Tehran has already invested over US\$ 180 million in the construction of the Sangtuda-2 hydropower station on the Vakhsh River. It has also invested more than US\$ 30 million in loans and grants to build a five-kilometer tunnel, which is an important part of the Chinese-renovated road connecting Dushanbe with northern Tajikistan. These projects and a number of smaller

joint ventures have resulted in a steady increase in trade between the two countries, which reached US\$ 202 million in 2010.

Tajikistan's cement market has recently been expanding as the country launched large-scale energy and transport infrastructure projects. The country's annual demand for cement is estimated at 1 to 1.5 million tons and is expected to continue rising. The domestic production has not been able to meet Tajikistan's needs in recent years. In 2010, Tajik companies produced about 290,000 tons of cement. The country's largest, state-owned cement producer, Tajikcement, was responsible for around 90 percent of the output. The remaining 10 percent was produced by five smaller cement plants. Another two small plants, with a combined annual output projected at 170,000 tons, are now under construction in the Mastchoh and Varzob districts. Even with these two facilities completed, domestic producers will not be able to meet the country's growing demand for cement.

The demand is strongest for high-quality cement, an important component of hydropower projects. The Tajikcement plant located at the outskirts of Dushanbe has a projected annual capacity of 1.1 million tons of such cement. However, in recent years, the company has operated at a fraction of its capacity, largely because of the technological obsolescence of the facility built in the 1950s. A highly unreliable supply of natural gas from Uzbekistan has also affected production. The company is now attempting to update its production technology, including by switching from natural gas as a fuel source to local coal. In 2010, the Tajik government announced that it will sell the state-

owned enterprise in a bid to raise its competitiveness and help attract investment.

Unable to produce enough cement to meet its needs, Tajikistan has been importing cement, mostly from Pakistan and Iran, followed at a long distance by Russia and Kyrgyzstan. According to the national statistics office, the country imports about 400,000 tons of cement annually. In practice, the imports are likely to be higher. The Tajik authorities expect that

the newly built and renovated plants will soon turn Tajikistan into a net exporter of cement. However, it is unclear where Dushanbe plans to export its surplus cement in the future as its neighbors in the region, including China, Pakistan, Uzbekistan, Kyrgyzstan and Kazakhstan, produce much more cement than needed for domestic consumption and compete for larger shares of the regional cement market.

LEGAL BATTLES CONTINUE BETWEEN KAZAKHSTAN AND MAJOR OIL COMPANIES

Georgiy Voloshin

The recent World Economic Forum in Davos, attended by more than 2,500 high-level decision-makers from all over the world, was the place where Kazakhstan's Prime Minister Karim Massimov promised that his country would double its daily oil output by 2020, thus reaching the level of 3 million barrels per day. A few months earlier, the Kazakh Minister of oil and gas, who had been traditionally invited to deliver a keynote speech at the Kazakhstan International Oil and Gas Exhibition (KIOGE) in Almaty, told the journalists that over 100 million tons of oil would be exported every year in ten years' time. He also hinted at a possibility that such a trend might be sustained for at least four decades.

While experts may be devoting their free time to guesswork about these optimistic declarations of Kazakh government officials, the country's short-term strategy is becoming ever clearer. As was recently reported by Kazakhstan's Customs Committee, Kazakh authorities fined the Karachaganak Petroleum Operating, a major oil producer on the Caspian Sea, almost US\$ 143 million after a large-scale auditing campaign that had revealed serious inconsistencies in the company's financial statements for the last 5 years. The consortium owned by British BG, Italian ENI, U.S. Chevron and Russian Lukoil, which is now

working at the oil field, is responsible for a half of Kazakhstan's gas and 18 percent of its oil.

In 2010, the company's management was indicted with fraud exceeding US\$ 1.3 billion. The local prosecution, which had previously claimed that the KPO regularly practiced overproduction in order to obtain immediate gains to the prejudice of Kazakhstan's national interests, later dropped its accusations without citing any particular reasons. Another incident of the past year was related to a three million dollar fine imposed on three foreign companies, Agip, TengizChevrOil and the same KPO, for breaching national environmental regulations for the oil and gas sector. The most serious charge was put forward against the KPO's policy of waste utilization which was mainly based on the dumping of environmentally unfriendly substances in the absence of special protection measures.

Despite the seeming legality of such actions, some experts doubt the sincerity of Kazakh officials, as the Kazakh government is believed by many to be aggressively seeking to reassert itself regarding the distribution of oil revenues. Oil and gas minister Sauat Mynbayev eagerly commented on the KPO's troubles, saying that the company, whose major contract with Kazakhstan is due to expire only in 2037, had not even partly fulfilled its contractual

obligations concerning the “local content” clause. This provision means that Kazakh technical specialists should be directly involved in the project so as to be able to manage it after the eventual departure of foreign engineers.

Another legal battle has been gradually unfolding for a number of years around the most ambitious Kashagan project, which was entrusted to an ENI-led consortium. Interestingly, the production sharing agreement was signed back in 1997, when the Kazakh President was visiting Washington, but the idea was subsequently put on the backburner due to a lack of funds and a need for heavy investments. Kazakhstan expected to see the production starting in 2007.

At that time, the first major crisis in Kazakhstan’s relationship with ENI erupted, when the company was unable to stick to its obligations by declaring that the start of drilling operations had to be postponed until 2013 (the initial deadline was due three years earlier). Moreover, the projected cost went up at a surprisingly rapid pace, from US\$ 57 billion to US\$ 136 billion. The Kazakh Government was even contemplating the possibility of stripping the Agip KCO (a joint venture set up by ENI) of its operator’s status. However, the new production

sharing agreement concluded in January 2008 extended the deadline in accordance with the consortium’s wishes, in exchange for an increase in the share of Kazakhstan’s national oil company, KazMunaiGaz. The latter more than doubled its participation in both investment and distribution of profits, bringing it up from 8 percent to 16.81 percent. This bargain was struck behind the back of the Japanese Inpex, which meant a third failure for Japan, after the deals with Russia and Iran, to secure production rights abroad in order to compensate for its energy dependency. A vigorous reaction came from ExxonMobil, but its managers were soon ready to give up any claims.

On January, 31 2010, Minister Mynbayev said that Kazakhstan would be quite reluctant to accept the tentative schedule proposed by the North Caspian Operating Consortium (which replaced the Agip KCO in early 2009) regarding the launch of the Kashagan oilfield’s second phase. This project is intended to increase Kazakhstan’s production capacity by simultaneously linking its major oilfield with the Black Sea pipeline system. The NCOC’s inability to satisfy Kazakhstan’s huge appetite for oil revenues is likely to give rise to another legal battle.

KYRGYZ NATIONAL COMMISSION CLAIMS UZBEK COMMUNITY LEADERS RESPONSIBLE FOR JUNE VIOLENCE

Joldosh Osmonov

On January 11, the national commission investigating the causes of the inter-ethnic clashes between ethnic Uzbeks and Kyrgyz in southern Kyrgyzstan presented its report to the Kyrgyz parliament. The long-awaited official results of the commission caused heated discussions for two full days in parliament.

The commission was formed by then Interim Government (IG) leader Roza Otunbaeva and consisted of government officials, human rights defenders, journalists, and other people well known

to the public. Abdygany Erkebaev, a member of the IG, was appointed head of the commission.

When presenting the results, Erkebaev stated that the clashes were premeditated and organized. The commission claimed Kadyrjan Batyroev and other Uzbek community leaders were the main instigators and perpetrators of the conflict. According to Erkebaev, after the April 7 events which led to ouster of the President Bakiev, Batyroev and his supporters organized over 25 protests and demonstrations of a separatist nature in southern

Kyrgyzstan, demanding improved political and economic rights including autonomy for the Uzbek minority. Moreover, before the clashes they formed special armed groups of young Uzbeks, ostensibly to protect Uzbek neighborhoods, and re-equipped ordinary Soviet trailer trucks into military vehicles which were later found in the houses of ethnic Uzbeks. According to Erkebaev, the presented facts prove that these Uzbek leaders were preparing for bloody clashes.

It is notable that Batyrov has previously stated that the Uzbek community has never demanded autonomy. "Neither me nor any other Uzbek community leader has ever touched this issue", he said. In turn, Batyrov named several reasons for the outburst of inter-ethnic conflict and emphasized the constant oppression of the Uzbek minority by the authorities and criminal leaders as the main cause of resentment among ethnic Uzbeks. However, he disagreed with the opinion that the conflict was instigated by ethnic Uzbeks.

Batyrov was born in Jalal-Abad in southern Kyrgyzstan. He owns a number of businesses in Russia, Ukraine and Uzbekistan, whereas all his activities in Kyrgyzstan are solely philanthropic. He opened the private university in his hometown and sponsors other social initiatives while presiding of the Jalal-Abad Uzbek National Cultural Center. Batyrov was a Member of Parliament from 2005 to 2007 and was known as one of former President Bakiev's critics.

Regarding the alleged role of former President Bakiev and his family and supporters in the June events, which was frequently mentioned by law enforcement bodies during that time, the commission concluded that further examination and research is necessary to determine their role in the conflict. However, the commission mentioned meetings of Maxim and Janysh Bakiev, the son and brother of former President Bakiev, with leaders of the Islamic Movement of Uzbekistan, the Taliban, and the United Tajik Opposition, of which the latter supposedly agreed to assist in destabilizing the situation in Kyrgyzstan. For this purpose, dozens of

militants entered southern Kyrgyzstan prior the June clashes, Erkebaev claimed.

Furthermore, the commission partially accused the then Interim Government of failing to act responsibly before and during the June events. Erkebaev emphasized that prior to the conflict the IG received nine pieces of intelligence data from the security services warning of the possibility of inter-ethnic clashes. The commission singled out certain members of the IG, those responsible for the law enforcement bodies, for failing to prevent the conflict from escalating. "These people were not able to carry out their duties and should thus bear partial responsibility for the events", the report states. The head of the State Security Service Keneshbek Duyshebaev, former Interior Minister Bolot Sher, former coordinator of law enforcement bodies and deputy IG leader Azimbek Beknazarov, former General Prosecutor Baytemir Ibraev and the former special IG representative to the south Ismail Isakov, along with many other names, were included in the list.

Responding to such accusations, Isakov, currently a Member of Parliament, called the results one-sided and false. According to Isakov, the IG and all its members took the responsibility during those days and did everything possible to stop the clashes. Isakov intends to sue the commission since the report offends his dignity.

It is notable that the results of the commission are questioned not only by those who were mentioned in the report, but also by the members of the commission itself. A number of members of the commission, mostly journalists and human rights defenders, left the commission criticizing the methods of the chairman. According to these former members, the commission's work lacks transparency and is partial.

Besides this national commission, two other commissions, one international and one parliamentary, are investigating the tragic events. The international commission led by Kimmo Kiljunen, the Special Representative of the OSCE Parliamentary Assembly in Central Asia, has

promised to announce the results in February 2011, whereas the parliamentary commission will present its report in March.

MISTRAL DEAL RAISES GEORGIAN SECURITY CONCERNS

Eka Janashia

The Georgian government and some European officials view the recently signed Mistral deal between Russia and France as a potential threat to Georgia and to regional security.

Moscow crowned the lengthy negotiations on the procurement of the French warship Mistral by signing an intergovernmental agreement with Paris on January 25. Along with several Eastern European countries, Georgia considers the deal a threat to its national security and a security risk to the Black Sea region as a whole. The symbolic connotations of the agreement are even more significant from Tbilisi point of view. Whereas analysts in Moscow calculate the benefits that Russian-French military cooperation may bring, Georgia appraises disadvantages it may face in the post-contract period.

Under the agreement, Moscow purchased four French Mistral warships, including two to be built in Russia with French support, capable of carrying around 16 helicopters, 13 battle tanks, a battalion-size landing force, a 69-bed hospital and facilities for a full command. The purchase costs roughly € 1.37 billion according to Russian sources.

Such sophisticated naval equipment raises Georgian concerns over Russian ambitions. Georgian president Mikheil Saakashvili termed the deal "very, very risky" during the Russian-French negotiations.

"I can only assure you that if we buy something, we will use weapons where we see fit," the Russian Prime Minister Vladimir Putin responded to a French journalist's question one year ago on the possible usage of the Mistral against Georgia. Admiral Vysotsky, the Chief of Staff of the Russian Navy, stated more clearly that during the Georgian-

Russian war in 2008, such a ship would have given Moscow the opportunity "to do in 40 minutes what we have done in 26 hours". The Kremlin later changed its rhetoric, saying that the equipment already in Russian possession is quite enough to conduct any military operation on Georgian territory and that it does not need the Mistral for these purposes.

Analysts doubt that the deal will justify its cost in terms of pure military benefits. According to the Russian military doctrine, the naval forces operate as an auxiliary to the ground forces. Thus, the strengthening of ground force capabilities is still on the agenda and will draw additional expenses. In addition, the operation of the new warships will require importing fuel, lubricants, spare parts and ammunition resulting in additional costs for Russia. Moreover, due to the Mistral's weak self-defense capacities, it will not be effective even in local conflicts unless accompanied by strong escort. The ship is also vulnerable to ice, as the units purchased by Russia were built for operations in the Mediterranean or the South Atlantic. Finally, operating the Mistral's command and control software, one of the key benefits of the warship from a Russian perspective, require specially trained technical personnel.

Supporters of the deal, however, argue that it will prompt the transfer of advanced technology to Russia, increase the country's overall defense capacities and intensify Moscow's military ties with Paris.

The Georgian government insists that the Mistral purchase entails political, rather than military, benefits for Moscow. Consolidating its maritime supremacy in the Black Sea region will allow the

Kremlin additional leverage with vulnerable non-NATO members. Even East European NATO members, such as Poland, Hungary, Romania and the Baltic states, express their concerns regarding the extension of the Russian Black Sea Fleet lease on Ukrainian territory and the implications of the Mistral deployment for the region in general and for Georgia in particular.

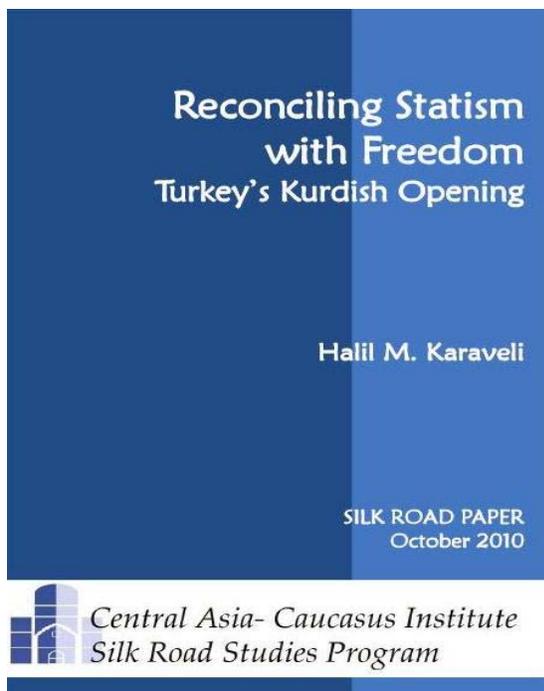
The Mistral deal significantly weakens Tbilisi's prospects for achieving a Russian fulfillment of the 2008 ceasefire agreement brokered by France. The fact that the former mediator has decided to provide Russia with warships casts a symbolic shadow over Tbilisi's diplomatic efforts. Recently, Georgia has made significant efforts to convince the West to term the conflict zones "occupied territories" and the continued presence of Russian troops on Georgian territory illegal.

Another disadvantage for Tbilisi is that the deal opens the door for other countries, such as Spain

and the Netherlands, which are eager to launch their own sales to Russia. Tbilisi voices concerns that such sales will boost militarization in the region and thus exacerbate public insecurity.

Washington has expressed its discontent with the Mistral deal, saying that the U.S. is concerned not about the growth of Russia's military potential but the connotations present beyond the agreement.

The intergovernmental agreement between Russia and France seemingly delivers an unpleasant message to Georgia in the form of a wider gap within NATO between those who perceive Russia as a threat and those who believe it should be engaged through economic and military cooperation. Such a division may push Georgia, an aspiring member of NATO, to rethink its security strategy and seek military alliances with more circumscribed groups of states, who share Georgia's threat perceptions.



New Silk Road Paper:

***Reconciling Statism with Freedom: Turkey's
Kurdish Opening***

By Halil M. Karaveli

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NEWS DIGEST

AZERBAIJAN ISLAMIC PARTY HEAD ACCUSED OF COUP ATTEMPT

21 January

The leader of Islamic Party of Azerbaijan Movsum Samadov has been accused of coup attempt, the agency reports. According to Lenta.ru, Movsum Samedov have been accused of coup attempt. The court sentenced M. Samedov to a three-month arrest. Head of Islamic Party of Azerbaijan Movsum Samadov was arrested on January 7 after a video of a speech he had made denouncing President Ilham Aliyev was posted on the video-sharing website YouTube. The deputy head of the party, Vagif Abdullayev, party activist Elchin Hasanov, and Samadov's driver, Mir-Husseyyn Kazimov, were also detained, Hurriyet Daily News reported. Hurriyet Daily News also informed the Interior Ministry said Samadov was actively planning to put his espoused beliefs into action while police have said they found "three combat grenades" in a shop owned by the IPA leader's father, and "seven gun cartridges" in a cousin's apartment. Samadov has been charged with conspiracy to commit terrorism and planning "public disorder." (Kazakhstan Today)

TURKMEN PRESIDENT SAYS NECESSARY TO HAVE MULTI-PARTY SYSTEM

21 January

Turkmenistan's President Gurbanguly Berdimuhamedov has ordered the country's parliament to speed up the work on the political parties bill. "The right to organise political parties is a basic civil right," he said. It is necessary to "speed up the work on the bill on political parties and to unify the principles of formation of civil society's election institutions." Over 20 years of Turkmenistan's independence, which is celebrated in the country this year, there has been only one party – the Democratic Party, which was organised in 1991 as the Communist Party ceased to exist. Berdimuhamedov said for the first time in February of 2010 about the necessity of having a multi-party system. "Turkmenistan develops democratically

and should anybody initiate a new political party, we, in compliance with the Constitution, will register it the same year," he said adding that "it may be an agricultural or any other political party." "It is only natural that new parties will take part in the social and political life and will compete with the Democratic Party," he said. "They must serve one common purpose – to provide that Turkmenistan gains a decent place in the international community and becomes a well-developed country." (Itar-Tass)

SAAKASHVILI VISITS ARMENIA

22 January

Georgia and Armenia are "old allies" and the two countries "will be lost" without close cooperation, President Saakashvili said in Yerevan. He started two-day working visit to Armenia on January 22. Speaking at a ceremony of awarding winners of Armenian-Georgian school students' competition in Yerevan, Saakashvili described his Armenian counterpart, Serzh Sargsyan, who was also present, as his "friend and brother". "He deserves my respect and admiration," Saakashvili added. He also said that Georgia would provide ten presidential scholarships for the Armenian students for studying in Georgia. The Armenian President said on January 22, that his Georgian counterpart's visit would be "one more step towards strengthening of our relations." (Civil Georgia)

EU PRESSED ON TALKS WITH UZBEKISTAN

25 January

European leaders weren't tough enough when they pressed the president of Uzbekistan on human rights issue, Human Rights Watch alleges. Uzbek President Islam Karimov during meetings with European Commission President Jose Manuel Barroso was pressed to free political prisoners and expand military cooperation with the European community, London's The Independent newspaper reports. Human Rights Watch in its annual report,

however, criticized what it described as habitual support for regimes that it considers repressive. The European Union was criticized for lifting sanctions on Uzbekistan after state security forces fired on protesters in Andijan in 2005, killing at least 187 people. Human Rights Watch Executive Director Kenneth Roth said it was hard to find a "more ruthless" leader in the world than Karimov. "For him to be received warmly by Mr. Barroso is in a sense a culmination of this gradual capitulation to Uzbekistan," he was quoted by The Independent as saying. Barroso, however, defended his actions, describing support of Uzbekistan as "conditional." (UPI)

KYRGYZSTAN ROW OVER PLAN TO NAME MOUNTAIN AFTER VLADIMIR PUTIN

26 January

The leading opposition party in the former Soviet republic has accused the new pro-Russian leader of making the country a "laughing stock" with the plan, and of making the offer without realising that it is illegal under Kyrgyz law. Almazbek Atambayev, Kyrgyzstan's prime minister, earlier this month signed a bill to give the name Peak Vladimir Putin to a 14,587 foot summit in the country's Tian Shan range. The country already boasts a Peak Yeltsin and a Peak Lenin. "We will become a laughing stock," said Joomart Saparbayev, an MP with the opposition Ata Meken party. "Unfortunately some politicians in the government, in trying to build good relations with Russia, are doing pretty stupid, foolish things." To Mr Atambayev's embarrassment, he made the offer without realising a 1995 Kyrgyz law makes it illegal to name a mountain, or indeed any geographical feature, after a living person. (The Telegraph)

CAR BOMB KILLS AT LEAST THREE IN RUSSIA'S DAGESTAN

26 January

At least three people have been killed by a car bomb in the North Caucasus republic of Dagestan, say reports. Police say at least three other people were injured when the bomb went off by a cafe in the town of Khasavyurt. Islamist separatists in Dagestan have been fighting the Moscow-backed authorities for years. The militants are suspected of being behind this week's attack on Moscow's Domodedovo airport which killed 35 people and injured more than 100. Police spokesman Magomed Tagirov said all those killed in Khasavyurt had been inside the Karavan cafe when the blast struck, the

Associated Press news agency reports. A spokesperson for the town's main hospital told Russia's Interfax news agency that the dead were all civilians. The Ria-Novosti agency quoted a medical official as saying a fourth person had died while undergoing surgery. The Dagestan region experiences almost daily attacks from militants wanting to set up an independent Islamic state. The attacks mostly target security forces and police. The militants have increasingly focused their operations on Dagestan, since neighbouring Chechnya - where Moscow has fought two bloody wars with separatists since the fall of the USSR - has been gradually pacified. (BBC)

GEORGIAN PRESIDENT WARNS AGAINST VIOLENCE IN THE REGION AFTER MOSCOW ATTACK

27 January

Mikheil Saakashvili, the President of Georgia, told The Independent yesterday that attacks like Monday's suicide bombing at a Moscow airport were "payback" for Russia's policies in the North Caucasus, as he compared the country to a "crocodile ready to swallow you up". Mr Saakashvili and the Russian leadership have exchanged regular insults since the 2008 war between the countries over the breakaway territories of South Ossetia and Abkhazia, but his comments are likely to enrage Moscow, coming so soon after the blast at Domodedovo Airport that killed 35 people. Speaking in the Georgian capital last night, President Saakashvili - whose country's two breakaway regions are recognised by Moscow as independent states - accused Russia of trying to destabilise neighbouring countries by encouraging secessionist movements. "I discussed this personally with Vladimir Putin a while ago. I said to him that the payback for his country for supporting separatists would be that violence would come back to hit them as well," Mr Saakashvili said. "Putin said, 'No, if anyone tries anything against us, we shall crush them like cockroaches,' while jabbing and twisting his thumb on the table in front him." He said "I do not know who carried out this bombing but I totally condemn this kind of terrorism. The Georgian people have nothing but sympathy for those who have suffered losses in this attack. We must be very careful and try to stop this type of violence. It is certainly not in our interest for the region to be destabilised and all responsible powers must try to avoid policies which could lead to such things." Before his interview with The Independent, the

Georgian President made similar comments in a televised question-and-answer session. "Russia has a political mentality which is on the level of a reptile, like a crocodile ready to swallow you up," Mr Saakashvili said. There is a well-documented personal enmity between Mr Saakashvili and Mr Putin. The Georgian President once said that talking to Mr Putin was "like somebody standing with an axe at your head and saying: "Don't worry, everything's OK, close your eyes and relax." Mr Putin, meanwhile, has made fun of the time that BBC cameras caught Mr Saakashvili chewing the end of his tie. He also reportedly told French President Nicolas Sarkozy that he wanted to "hang" Mr Saakashvili "by the balls". Critics of Mr Saakashvili, who came to power in the Rose Revolution of 2003 promising democratic reforms, worry that the Georgian President is aiming to become a powerful prime minister when his second presidential term ends in 2013, just as Mr Putin did in 2008. Yesterday, Mr Putin said preliminary investigations into Monday's blast suggested that the bomber did not come from Chechnya. It was unclear whether he meant he had no links to the North Caucasus, or was from a neighbouring republic such as Dagestan. He also ruled out negotiation with terrorist groups. (The Independent)

SUICIDE ATTACK KILLS EIGHT AT KABUL SUPERMARKET

28 January

Afghan police say a suicide bomber has killed eight people and injured six in a grocery store in Kabul frequented by foreigners. Kabul police chief Mohammad Ayub Salangi said three foreigners and a child were among the dead. The store is situated in the heavily guarded Wazir-Akbar Khan district, an area favored by foreigners and wealthy Afghans. In a text message sent to reporters, the Taliban claimed responsibility, saying the attack was against the chief of a U.S.-based security contractor, Xe Services, formerly known as Blackwater. (RFE/RL)

CHECHEN MUFTIS INTRODUCE HIV TESTS FOR FUTURE NEWLYWEDS

28 January

Muslim spiritual leaders in the southern Russian republic of Chechnya have made it obligatory for young people who want to get married to pass an HIV test. Muftis justify the move by citing increasing numbers of HIV-positive young people in the republic. The idea has widespread public

support. "The spiritual leadership of the Moslems has drawn up special marriage certificates with a special line devoted to HIV results," a spokesman said. Couples have to show officials their test results before they can receive a marriage certificate. The local Anti-AIDS center has registered 1,140 HIV patients in the republic, mostly drug addicts. (RIA Novosti)

US WARNS OF TERRORIST THREAT IN AZERBAIJAN

29 January

The State Department is warning Americans of a terrorist threat to Western targets in Azerbaijan and urging U.S. citizens to be vigilant in the oil-rich former Soviet republic on the Caspian Sea. In a security alert issued Saturday, the U.S. Embassy in Baku said there was a "potential for attacks in Azerbaijan, including against American interests." It said the warning was "based on terrorist threat information." It added that that U.S. citizens in Azerbaijan "should remain vigilant, particularly in public places associated with the Western community." The alert did not elaborate on the nature of the threat or who might be behind it. (AP)

U.S. "CONCERNED" ABOUT FAIRNESS OF KYRGYZ MURDER APPEAL

31 January

The U.S. Embassy in Bishkek says it is concerned about the fairness of an appeal hearing in a murder case related to last year's ethnic violence in the south, RFE/RL's Kyrgyz Service reports. The Supreme Court on January 26 began hearing the appeal of Azimjan Askarov, a well-known human rights defender, and seven other ethnic Uzbeks convicted of murdering a police officer during the clashes in June. Askarov and four others received life sentences, two were given 20-year prison terms, and one was sentenced to nine years in a case that has been criticized by rights groups in Kyrgyzstan and abroad. In a statement today, the U.S. Embassy said it was encouraged by the court's decision to allow the inclusion of previously disallowed documents on behalf of the defense. But it also said it was "troubled" by some of the court's reported actions, saying the court's refusal to allow Askarov and other defendants to attend the hearing and make their own statements "could call into question the impartiality of the hearing." The embassy urged the court to exercise impartiality, saying a fair, impartial hearing "will send a solid message to the world that Kyrgyzstan is clearly on the path to

becoming the free and democratic society its citizens desire." The international campaign group Human Rights Watch said last week the case against the eight has been a "miscarriage of justice from the very beginning" and urged the Supreme Court to order a retrial and probe into allegations of torture. Clashes between ethnic Uzbeks and Kyrgyz last June in Osh and the nearby Jalal-Abad regions left more than 400 people dead. (RFE/RL)

KAZAKHSTAN'S PRESIDENT CALLS FOR EARLY ELECTIONS

1 February

Kazakhstan's long-serving leader called Monday for early presidential elections, hours after the constitutional court ruled against a proposed referendum on extending his term. President Nursultan Nazarbayev had the right to challenge the ruling, but said he elected not to do so because of "the will of our people for the trustworthiness of the democratic processes," according to official news agency Kazinform. Elections were to be held in 2012, but Nazarbayev said he was calling for an early vote, the agency said. It was not clear whether he proposed a date. Nazarbayev, who has ruled Kazakhstan since it declared independence from the Soviet Union in 1991 has tried to project a democratic image despite detractors accusing him of corruption and undemocratic practices _ Parliament has no members from opposition parties and Kazakhstan has never held an election deemed free and fair by the Organization for Security and Cooperation in Europe, which the country chaired in 2010. Parliament last year proposed extending Nazarbayev's term, but he swiftly rejected the proposal. A petition drive was then started by a university rector to hold a referendum that would have allowed him to extend his term for at least a decade. Petition organizers said they had collected signatures from about half the electorate, and parliament voted in January to change the constitution to allow the referendum. However, the constitutional council ruled against the move on Monday. If Nazarbayev were to run for another term, he'd be almost certain to win. Despite the misgivings of his critics, he is generally held in high esteem by the population, and supporters credit him with ensuring stability and rising prosperity. Kazakh authorities have in recent years been steadily installing what has been described by some as a cult of personality. Most notably, parliament voted last year to name Nazarbayev "leader of the nation" – a title that gives him the right to approve

important national and foreign policies after he retires and grants him lifetime immunity from prosecution for acts committed during his rule. Kazakhstan is rich in oil and natural gas and is of additional strategic interest because it borders both Russia and China. The U.S. State Department said last week that the proposed term-extension referendum would be a step backward for democracy. There was no immediate reaction from Washington to the announcement of early elections. (AP)

TURKISH PM ERDOGAN TO TALK TRADE, ECONOMY IN KYRGYZSTAN

1 February

Turkish Prime Minister Recep Tayyip Erdogan will discuss the development of trade and economic relations between his country and Kyrgyzstan, where he arrives for an official visit on Tuesday, a senior Kyrgyz government official said. "I believe that the visit will yield weighty and positive results. A business forum involving some 300 businessmen from both countries will be held during the visit," Sapar Isakov, the head of the foreign policy department with the Presidential Administration, said. Contracts on the export of Kyrgyz agricultural products to Turkey are expected to be signed during the business forum, he said. Isakov added that it would be the first visit of the Turkish prime minister to Kyrgyzstan over the past eight years. "We want to verify our earlier reached agreements, to improve relations in the perspective and to synchronize our steps regarding Turkish investments into economy of our country," he said. The diplomat also recalled that Turkey helped his country by giving \$21 million in aid last year, when Kyrgyzstan was embroiled in a political turmoil. Kyrgyzstan saw large-scale opposition riots in April of 2010 that overturned President Kurmanbek Bakiyev and brought the opposition to power. The political situation in the country stabilized after the country elected a new parliament and approved Roza Otunbayeva, the former opposition leader, as president for a transitional period until 2012. (RIA Novosti)

FOUR INJURED IN EXPLOSION IN KIZLYAR, DAGESTAN

2 February

An explosion at a food stop on the first floor of a private house in the town of Kizlyar, Dagestan injured the house owner, his wife, daughter and niece, the press service of the republic's Interior

Ministry told Itar-Tass on Wednesday. Earlier reports said three people had been injured in the blast. The incident occurred in Bagration Street at 22:15, Moscow time, on Tuesday. "An unidentified person entered the premises of the shop and set off a homemade pipe bomb there," police said. The explosion ruined the roof, several walls and smashed the windows. It is not the first bomb explosion in Kizlyar. Some time later, an unidentified person smashed a window of the cafe in Korotky Lane at around 23:05, Moscow time. Nobody was hurt. (Itar-Tass)

DEPUTY MINISTER: AZERBAIJAN PREPARES NEW STATE PROGRAM IN YOUTH POLICY

2 February

Azerbaijan is working to prepare a new state program in youth policy. "Azerbaijan is carrying out work on the preparation of a new state program in the sphere of youth policy, which will cover 2011-2015," Azerbaijani Deputy Youth and Sports Minister Intigam Babayev told Trend. In 1997, Azerbaijani national leader Heydar Aliyev signed a decree declaring Feb. 2 the Day of Azerbaijani Youth. "The state program on youth policy was designed until 2010, and we have started to create a new program to increase the achievements that we made over the past years. The program will be submitted for public discussion," Babayev said. Babayev added that there is also a need to improve the legislative framework in youth policy, and work is underway. In 2002, Azerbaijan adopted a law on youth. It was amended in 2007. Babayev considers the preservation of youth achievements as the ministry's main task. "It is necessary to create conditions for the comprehensive development of youth to help them attain an education at the highest qualitative level," Babayev said. According to him, it is also necessary to make greater efforts in patriotic youth education. (Trend)

GREECE EXPECTS AZERBAIJAN TO BECOME MAJOR GAS SUPPLIER

2 February

Greece expects that Azerbaijan will become a major gas supplier, Greek Deputy Foreign Minister Spyros Kouvelis said today in Baku during the third meeting of an Azerbaijani-Greek intergovernmental commission on economic cooperation. He said Greece attaches great importance to pipeline projects such as Turkey-Greece-Italy and Turkey-Greece-Bulgaria. Azerbaijan's role is of great

importance for the implementation of these projects, he said. Also, according to Kouvelis, these countries can cooperate in areas such as oil refining in addition to oil and gas. In particular, the Greek side is ready to share its experience in the field of alternative energy sources, energy facility and highway construction, and tourism, health and education. Kouvelis said the development of transport communication between the sides is also vital. As the head of the commission from the Azerbaijani side, Industry and Energy Minister Natig Aliyev said relations between Azerbaijan and Greece in the political and diplomatic spheres, as well as inter-parliamentary relations, are at a high level. He also highlighted the high level of relations in the economic sector. Aliyev stressed that, in a short period of time, the trade turnover between the two countries has reached \$160 million. According to the minister, in addition to cooperation in the energy sector, high level relations have also been observed in culture, health and agriculture. (Trend)

TURKEY TO INTRODUCE VISA-FREE TRAVEL FOR KYRGYZSTAN

2 February

Turkey will introduce visa-free travel for nationals of Kyrgyzstan till the end of year 2011, Prime Minister Almazbek Atambayev said at press-conference on the results of visit of Turkey Republic Prime Minister Recep Erdogan, news agency "24.kg" reported. "We had meaningful negotiations. We reached agreements we did not expect. Now we will be able to visit Turkey and stay there as long as we need. This decision also applies to citizens of Turkey," said Prime Minister of the Kyrgyz Republic. (Trend)

AFGHANISTAN PRESIDENT TO VISIT INDIA

2 February

Afghanistan's President Hamid Karzai is leaving for a two-day visit to India where he is to meet with Indian Prime Minister Manmohan Singh and other senior officials, his spokesman said Wednesday. 'President Karzai's visit is aimed to discuss regional economic capacity development with the Indian authorities,' Seyamak Herawi said. 'He will also meet with the Indian president and the prime minister.' Karzai is also scheduled to deliver a speech at a conference on sustainable economic, political and social development in New Delhi to be held Feb 3-5. India has invested heavily in infrastructure and reconstruction aid, and remains

the fifth-largest donor for the war-torn country. Pakistan remains wary of growing Indian influence in Afghanistan and views India's aid work as a front for spying and making trouble for Islamabad. After India, Karzai is to visit Germany for two days to attend the Munich Security Conference, his spokesman said. (DPA)

AFGHAN, PAKISTANI TROOPS EXCHANGE FIRE, ONE KILLED

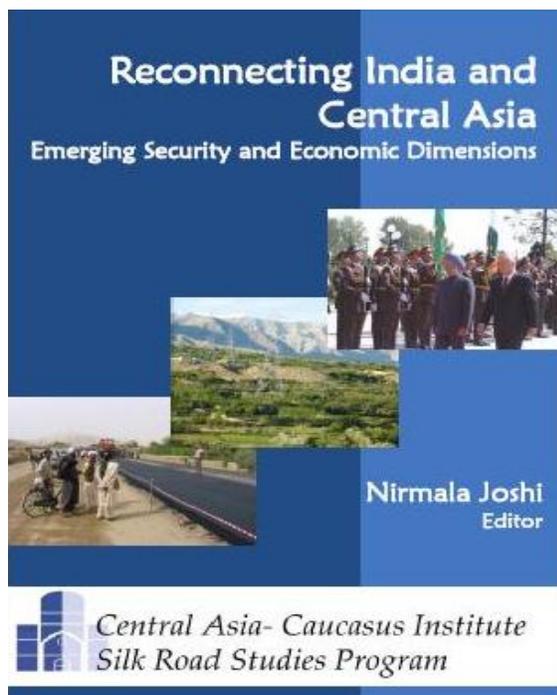
2 February

Officials say one Pakistani soldier was killed when Afghan and Pakistani troops exchanged fire across the border today. In Pakistan's northwestern city of Peshawar, a senior military official said Afghan forces fired on Pakistani military checkpoints, killing one Pakistani soldier and injuring three. A border police commander in Afghanistan's eastern province of Khost confirmed the exchange of fire and accused Pakistan of starting the battle. It was the most serious cross-border clash between Afghan and Pakistani troops since May 2007, when three civilians and a policeman were killed. (RFE/RL)

KAZAKHSTAN PARLIAMENT PASSES BILL ON EARLY ELECTIONS

2 February

Kazakhstan's parliament today approved amendments to the constitution allowing President Nursultan Nazarbaev to call an early presidential election. Nazarbaev, whose current term expires in 2012, on January 31 rejected a plan to hold a referendum to extend his rule until 2020, saying that he would instead call an early election. The planned referendum had been strongly criticized by both the United States and the European Union. The bill amending the constitution was unanimously approved by the parliament's two houses today and now has to be signed into law by the president. The 70-year-old Nazarbaev has ruled Kazakhstan for more than 20 years. Nazarbaev -- as the first president of the country -- has the exclusive right to run for the presidency an unlimited number of times. (RFE/RL)



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