

Central Asia-Caucasus Analyst

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EDITORIAL PRINCIPLES

The Analyst is an English language global Web journal devoted to analysis of the current issues facing the Central Asia-Caucasus region. It serves to link the business, governmental, journalistic and scholarly communities and is the global voice of the Central Asia-Caucasus Institute, The Johns Hopkins University-The Nitze School of Advanced International Studies. The Editor of the Analyst solicits most articles and field reports however authors may suggest topics for future issues or submit articles and field reports for consideration. Such articles and field reports cannot have been previously published in any form, must be written in English, and must correspond precisely to the format and style of articles and field reports published in *The Analyst* (www.cacianalyst.org) and described below.

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Analytical articles require a three to four sentence introduction to the article based on a news hook. Rather than a general, overarching analysis, the article must offer considered and careful judgment supported with concrete examples.

Analytical article structure: Ideal length between 1000 and 1200 words.

KEY ISSUE: A short 100-word statement of your conclusions about the issue or news event on which the article focuses.

BACKGROUND: 300-400 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: 300-400 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.

Specifications for Field Reports:

Field Reports focus on a particular news event and what local people think about the event, or about the work of an NGO. Field Reports address the implications the event or activity analyzed has for peoples' lives and their communities. Field Reports do not have the rigid structure of Analytical Articles, and are shorter in length, averaging ca. 700-800 words.

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

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THE UNOCAL-CNOOC-CHEVRON TRIANGLE DRAMA: BUSINESS AS USUAL OR POLITICAL DOMINATION?

Niklas Swanström

Unocal, the 8th largest U.S. oil company, is the subject of bidding from two major international oil companies. The most notable is Chevron, but politically more significant, China's National Overseas Oil Corporation (CNOOC) trumped Chevron's \$16.6 billion bid for Unocal by \$1.9 billion. This created an uproar in the U.S. that claimed a sale of Unocal to China would constitute a threat to national security as well as to American influence in Asia, where Unocal is well represented. While the direct consequences of this bid are exaggerated, it is indicative of the larger Chinese push for energy resources in Asia including Central Asia, which has set it on a collision course with U.S. interests there.

BACKGROUND: Chevron is seven times larger than CNOOC, but as CNOOC is a state-owned enterprise, it has the backing of China's foreign currency reserve, dwarfing Chevron's economic turnover and for that matter the economic value of all US oil companies together. It has been noted in the U.S. Congress that China could buy all the American oil companies with its foreign currency reserves, if allowed. It should also be noted that Royal Dutch/Shell owns a substantial part of CNOOC, which it acquired in 2002 when CNOOC conducted a public stock opening. However, fierce reactions from both Democrats and Republicans in the U.S. Congress were raised to refuse the Chinese bid to acquire a "strategically important" actor and a road to dominate Asia's energy market. In Central Asia and Azerbaijan, it has been argued, this deal should have been especially notable given the oil exploration and pipeline projects that Unocal is engaged in. As a result, the U.S. House of Representatives voted overwhelmingly for a non-binding resolution advising the Bush administration to block CNOOC from merging with Unocal.

Chevron has increased its bid and the Chinese have yet to react through CNOOC to this counter-bid before Unocal stockholders meet on August 10th. Regardless of the Chinese counter-bid, this process is no longer about economics but has, at least in Washington, come to be about politics and the potential spread of Chinese influence in a region where the U.S. would like control

or at least limit Chinese influence. The arguments emanating from the U.S. have focused overwhelmingly on security and protectionism even as the Chinese representatives have repeatedly claimed that this is a purely economic transaction. Both arguments are somewhat flawed.

IMPLICATIONS: The implications of a CNOOC-Unocal merger would be modest in Central Asia, as Unocal accounts only for 0.23 percent of world oil output and 0.3 percent of the U.S. consumption of oil, with reserves of 1.75 billion barrels of which 980 million are in Asia. Relatively small amounts of these reserves are in Central Asia. The deal's impact would be much higher in Burma, Thailand and Indonesia even if it would not be significant enough to dominate the oil and gas markets in these states. However, the aggressive larger Chinese policy to buy oil and gas assets at almost any cost has targeted Unocal as a primary interest. This is largely due to the fact that Unocal controls some of the most interesting oil and gas fields in China's immediate surrounding; and controlling energy resources in its immediate proximity is increasingly appearing to be a goal for Beijing, which has effectively targeted oil and gas resources in Central Asia and in particular Kazakhstan. If China would, as it seems, aim for regional influence and control over energy resources, Unocal is a very interesting actor as a step in a larger strategy in spite of its relatively small impact on the world market. China

has for some time focused on strengthening its regional position politically as well as economically, and if this can increase its energy sustainability, all the better.

In the short-term, China is in need of energy resources that can sustain its current economic development. China does not, despite some arguments, face an acute oil crisis – but the future, when it comes to sustaining China's energy, needs looks grimmer. Proven oil and gas resources are necessary since much of China's current investments are in oil and gas fields that have great potential, but these are either far from actually producing oil, or their connection to China through pipelines is incomplete. Therefore it makes economic sense to merge with existing companies with ongoing operations that would result in new energy resources available today. The competition for available energy resources is stiff, and China has overpaid for more than one oil deal in the past. Unocal seems to be no exception, unless political considerations and American protectionism takes over and the deal goes to Chevron.

In the long term, a Chinese acquisition of Unocal could establish a Chinese contact with the Middle East through the investments Unocal has made in pipelines, some of which could be connected to existing Chinese plans to construct a pipeline that connects the Middle East to Northeast Asia. The deal in itself will not tilt the strategic influence in Central Asia or any other region in any direction, but it has to be seen in the context of a long term Chinese strategy. Over a longer period, even if China appears to be overpaying for energy assets, extending control over strategically important energy resources in Central Asia and elsewhere could prove to be financially sound, especially with the potential political influence that control over energy resources will carry. China has made it clear that it is in its national interest to secure energy resources, and the Middle East and Central Asia as a transit route and partial providers is crucial in this strategy.

Apart from the deal's economic implications, it carries a potential to increase Chinese influence over governments in Asian countries. Unocal's impact might be minor, but more importantly the deal would work toward China's aim to decrease the American commercial and political presence in the region.

Concomitantly, the U.S. would firstly lose one indirect lever to influence regional governments, but more importantly, it would lose a tool to check the Chinese expansion in Asia. In spite of all the geopolitical implications of CNOOC's bid for Unocal, this bid should be put in context. Chinese investments in Iran are estimated to exceed \$100 billion over a 25-year period. For example, in 2004 it was concluded that China would import 360 million tons of liquefied natural gas from Iran. Similarly, China's investments in Kazakhstan exceed the Unocal bid, even if it is the single largest proposed merger that has been seriously attempted between a Chinese and a western firm. This said, in today's tight oil markets, even a small acquisition is important in a larger scheme and the outmaneuvering of political competition is important for both actors.

CONCLUSIONS: The direct consequences of this single merger appear to be exaggerated by some political forces in the U.S., even if its long-term consequences would undoubtedly be to favor China's aims at increasing its influence over regional actors and create a direct access to Middle Eastern oil through Central Asia. The Chinese claim that this is simply a business transaction and that there are no political elements tied to this bid is nevertheless equally problematic. Without a doubt, the acquisition of new oil fields are of economic importance, but the overpayment that Beijing is engaged in is not financially sound. Even if these deals are done with a view for the long-term, the payment has to include a political premium – i.e. the hope that they could influence regional actors in the future. However, from a Central Asian perspective, it could be positive if the deal went to Chevron as this would check the increasing Chinese influence in the region, something that strong forces in the regional countries would welcome.

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RUMSFELD IN KYRGYZSTAN: HALTING AMERICA'S FALTERING IN CENTRAL ASIA

Erica Marat

On July 25-26, U.S. Secretary of Defense Donald Rumsfeld visited Bishkek to discuss issues of bilateral security cooperation with Kyrgyzstan's Acting President Kurmanbek Bakiev and Defense Minister Ismail Isakov. His visit took place in the aftermath of the Shanghai Cooperation Organization's pressure on Kyrgyzstan to request deadlines for the closure of the U.S. military base in Bishkek, at the July 6 summit in Astana. The key argument behind the demand of the SCO's major member states – Russia and China – was that the situation in neighboring Afghanistan, for which the base was originally stationed in 2001, had stabilized.

BACKGROUND: This was the U.S. Secretary of Defense's second visit to Kyrgyzstan since the ouster of the former Akaev regime on March 24. Whereas the first visit in April was in support of the political changes in the country, the second is clearly related to the Pentagon's disagreement with the SCO's demands to limit the U.S. military presence in Kyrgyzstan and Central Asia. At the meeting with Isakov, Rumsfeld disagreed with the argument that the situation in Afghanistan had stabilized. The same day, U.S. and Afghan forces killed about 50 Taliban militants in a raid in the Uruzgan province. Isakov agreed with his guest.

There are about 950 U.S. troops at the Ganci Air Force Base at Bishkek's Manas International Airport, stationed there since the fall of 2001. Uzbekistan has provided an airport as well and Tajikistan provides refueling facilities for U.S. aircraft. According to Rumsfeld, these airports have been helpful in the U.S.' war on terrorism and they are now needed for both humanitarian and military missions in Afghanistan. The U.S. use of the airport contributes \$50 million to the Kyrgyz budget annually. The base notably contributed to the development of trades and services along the perimeter of Manas.

During the visit, Bishkek seemed to diverge from statements made in the aftermath of the SCO summit, stressing the need for a timetable for the withdrawal of the U.S. base. Rumsfeld was now told that the U.S. could use the base as long as it needed to. Isakov stated that "the air base in Manas will stay as long as the situation in Afghanistan requires". The U.S. and Kyrgyz Defense Ministers also discussed opportunities for further military collaboration, agreeing that the military base in Manas is at the center of bilateral relations. It was decided that the U.S. will be providing more support to the Kyrgyz National Guard by building better infrastructure for military divisions, supplying ammunition, and training facilities for increasing the professionalism among Kyrgyz troops. This assistance will improve the general capacity of the Kyrgyz armed forces.

Aside from Bishkek, Dushanbe and Tashkent also insisted on deadlines following the SCO summit. The Tajik and Uzbek Defense ministries submitted similar demands to the U.S.. Especially Uzbekistan was insisting on limiting Coalition's troops at Karshi-Khanabad. After Bishkek, Rumsfeld visited Tajikistan. He reached the same approval for continuation of cooperation with Foreign Minister

Talbak Nazarov. With the Tajik president, Emomali Rakhmonov, Rumsfeld discussed issues of counter-narcotics and enhancing regional trade. Out of the three countries, Rumsfeld did not visit Uzbekistan, perhaps indicative of the tensions in the U.S.-Uzbek relationship.

The newly formed Kyrgyz government faces a difficult decision to restore the fragile balance between foreign military presences. Reports that Russia wants to increase military units in Kyrgyzstan got underway already this May, after interim president Kurmanbek Bakiev and Chairman of the State Duma Committee on the Commonwealth of Independent States Andrei Koshokin met in Osh. The rumor raised widespread condemnation among local experts in Kyrgyzstan. To date, besides several regional military trainings, facilitating the escape of ousted president Askar Akaev and his family on March 24 was the only instance when the Russian Air Force base in Kant served a practical function.

IMPLICATIONS: Bishkek's stance on the U.S. base is far from clear. In particular, Foreign Minister Roza Otunbaeva and the Kyrgyz Ambassador to Moscow Apas Jumagulov in no unclear terms insisted on following the SCO recommendations. However, many Kyrgyz experts have been opposing the government's rather undiplomatic and abrupt demand for deadlines. The prospective Prime Minister, Felix Kulov, stated his support for the continuance of both American and Russian bases in Kyrgyzstan. The Head of the Kyrgyz Committee on Human Rights Ramazan Dyryldayev says that the Russian military base must face similar requirements as the American one: "In case it will be necessary to draw out foreign forces from Kyrgyzstan, then, simultaneously with the Coalition troops, the Russian military base in Kant must also be closed". Dyryldayev maintains that the SCO, headed by authoritarian regimes, was directed at supporting Akaev's increasingly illiberal government. The Kyrgyz government must not follow Moscow's demands while Russia hosts the

ousted president and his family following the March 24 revolution, says Dyryldayev.

The leader of Moya Strana party Joomart Otorbaev told the Kabar agency that thanks to the U.S. military presence in Kyrgyzstan, the country received a sense of stability and was able to pay back Japanese loans. At the same time, the U.S. has been the most generous donor in the development of mass media outlets and civil society institutes. The U.S. government extensively finances the local Radio Liberty service and the Coalition for Democracy and Civil Society through the National Democratic Institute. The radio channel and the coalition were active participants in the popular protests against the rigged parliamentary elections in February and March this year. The Director of Institute for Regional Studies Atyrkul Alisheva poignantly noted that the issue of the U.S. military base questions the Kyrgyz government's ability to think in longer and in broader terms. The U.S. base is important not only for the security situation in Kyrgyzstan, but the entire Central Asian region, as any local instability can be used by non-state insurgent or terrorist organizations to capture control. As Alisheva concludes, the Kyrgyz government must not immolate its security because of international competition, but continue to maintain a balance between several external powers.

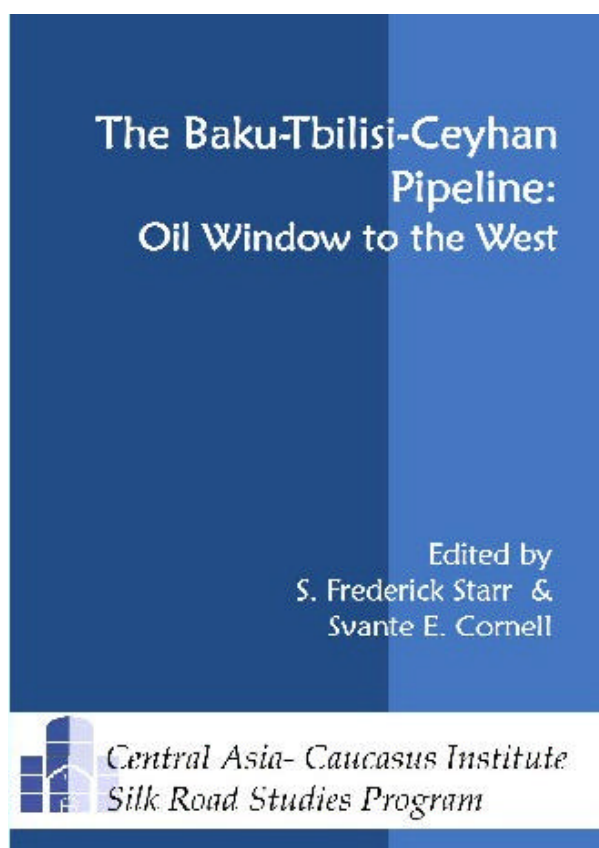
In spite of the reassurances Rumsfeld obtained, it is unlikely that the SCO states' pressure on Kyrgyzstan will completely come to an end after Rumsfeld's visit. Russian Colonel-General Leonid Ivashov insisted that Russia must actively resist U.S. military activity in Kyrgyzstan: "This is our geopolitical space, and we are being forced out of there". Russia and China are Kyrgyzstan's major trading partners. Dissatisfaction with Kyrgyzstan's policies and the state of affairs in the Central Asian region will clearly be reflected in Russian and Chinese policies towards transnational trade of goods and services. In particular, interstate relations on security will affect labor migrants and small-scale businessmen, shuttle traders, and seasonal

migrants that commute between Russia, China, and Kyrgyzstan on a monthly or yearly basis.

CONCLUSIONS: Rumsfeld's two-day visit to Kyrgyzstan marked the peak of geo-strategic contest over political influence in the Central Asian region between Russia, China, and the U.S.. As a result of the U.S.-Kyrgyz negotiations, the U.S. is no longer expected to submit deadlines for its presence. The Kyrgyz Ministry of Defense agreed with Rumsfeld's position that the U.S. base is needed in Kyrgyzstan to fight terrorism and to enhance bilateral relations. Thus the U.S. troops in Manas will continue to operate in Afghanistan, and the

U.S. will considerably increase its assistance in Kyrgyzstan, hence becoming a dominating foreign force in the country and perhaps in the region in the coming months. Both of these developments conflict with the SCO's decisions made earlier this month. Nevertheless, the last round has not been played, and Moscow and Beijing will continue to exploit the suspicions in the region that Washington is seeking to foment colored revolutions in Central Asia.

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MAKING SENSE OF THE SCO'S ASTANA SUMMIT

Stephen Blank

The most recent summit of the Shanghai Cooperation Organization in Astana was an epochal one. For the first time all six members demanded that the United States present a timeline for the length of time it intends to retain its Central Asian bases. The summit also endorsed a ringing denunciation of what it termed to be foreign interference in the internal political systems of the members. Uzbekistan's President Islam Karimov all but accused the United States of fomenting and instigating revolutions in Central Asia. To add to the pressure, the Uzbek and Kyrgyz governments both called for renegotiation of the treaties permitting these bases. What lies behind these unexpected events? And what do they portend for the future?

BACKGROUND: Sources disagree as to who was behind the summit's communiqué concerning the bases, attributing the initiative either to Karimov, Russian President Vladimir Putin or to China's President, Hu Jintao. However it is clear that several weeks if not months of Sino-Russian pressure upon Central Asian governments lay behind it. Russia has consistently and publicly sought to limit the duration of the U.S. military presence in Central Asia to the war in Afghanistan. And since the Ukrainian and Kyrgyz revolutions, its rhetoric about American ideological warfare and instigation of revolutions throughout the CIS has become quite shrill. Moscow has also brought considerable pressure to bear upon Kyrgyzstan and other local regimes to distance themselves from Washington. Then the Andijan violence and the subsequent hysterical charges emanating from organizations in Washington who have a rather incomplete picture of what happened there only infuriated Islam Karimov and made him more susceptible to Sino-Russian professions of support for his bloody repression of the insurgency in Andijan.

At the same time, there has been a mounting apprehension among Central Asian governments concerning America's failure to stop the burgeoning drug trade from Afghanistan that is corroding

Central Asian governments security as well. From this vantage point, it appears that Moscow and Beijing have both fostered and fanned this apprehension about American support for democratization movements and policies and issues of the drug trade in Afghanistan to advance their own agenda of ousting Washington from Central Asia. America's divided and ambivalent response to the Andijan violence has only played into this gambit. Thus it is not surprising that at the earlier Collective Security Treaty Organization's (CSTO) summit, Putin charged that the American conduct of the war in Afghanistan was of an inferior quality and not improving local security.

This wholly unjustified assertion reflects not just Russia's opportunism but also its larger apprehensions because the call for democratization threatens its regime as well as that of its neighbors in Central Asia, whom it, like China, hopes to dominate.

Both these states are in fact busily trying to expand their own presence in the area through blocs like the SCO or CSTO or the expansion of their overall military presence. Russia has just announced plans to double its military presence in Kyrgyzstan and its treaty with Uzbekistan in 2004 mentioned airfields as potential bases. Subsequent press reports around the time of the Astana summit suggested another

bilateral agreement between Moscow and Tashkent that could lead to Russian air bases in Uzbekistan. China has also mentioned the possibility of a base in Kyrgyzstan only to retract it once the ensuing negative publicity became visible.

In other words, the SCO summit was an effort to link together strategic and ideological rivalry in Central Asia. The strategic rivalry is the competition among Washington, Moscow, and Beijing for bases, influence, energy, etc. The ideological battle is fought over the terrain and issues of democratization and human rights, and in both cases Washington has found that Moscow and Beijing have made common cause against it and its policies favoring democratization. Thus they have spread the canard, believed by leaders from Kuchma to Karimov, that Washington is behind these revolutions and seeks to unseat noncompliant rulers, a notion that these leaders are all too ready to believe or at least exploit. The overlay of ideological and strategic rivalry thus creates conditions in Central Asia not just of a great game but also of a strategic bipolarity reminiscent of the Cold War in the Third World. This summit's statements indicate how Moscow and Beijing are using the fusion of these two elements of rivalry to advance their aims at the expense of America and to attempt to re-subordinate these states to their goals and domestic political structures.

IMPLICATIONS: The United States has properly refused to take account of the SCO's statements, placing its stand on the sovereign decision of the states involved as to whether or not they wish to retain American bases and under what circumstances. Indeed the negotiations on this point with Uzbekistan are taking place currently. But at the same time Washington cannot remain aloof from or unresponsive to the challenges emanating from the region. It must do more to attack the narcotics problem in Afghanistan. It must also clarify its stance on democratization so that it is clear that the U.S. government, while supporting human rights and liberalization as provided for in international agreements that these governments are parties to, is not seeking their

overthrow. If anything, greater liberalization in these governments might prevent the alternative from remaining a choice between Karimov-like regimes or the extremists. It must also do a better job of exposing the truly neo-colonialist programs and policies carried out by both Beijing and Moscow in these states, e.g. China's practice of holding Kyrgyz businessmen as prisoners to ensure no support in Bishkek for the Uighur insurgents in China or Russia's colonialist designs upon their economies. The bases in Central Asia, apart from their strategic significance in the war against terrorism in Afghanistan, are also guarantees of the Central Asian states' independence, stability, and integrity. They also signify America's interests in preserving those attributes of these governments even as Washington strives to improve their domestic stability.

Merely leaving the bases or cutting off aid in a fit of pique or misplaced moralism only confirms Moscow and Beijing's propaganda and turns these states over to the tender mercies of those two governments who have not the slightest interest in domestic reform. Indeed, they abhor it because democratization makes the return of their imperialism quite impossible. Central Asia has become a cockpit not only of terrorism and of a renewed great game, but also of ideological contestation.

CONCLUSIONS: Remaining in the Sino-Russian orbit is the only destiny that ensures that Central Asian states will see more instability, violence and backwardness. If there is an option for local governments that enhances their security, stability, integrity, and development, it is with America and the West, not Moscow and Beijing. Engagement with America is not a panacea for them or for anyone else for that matter, but it is clear what Russian and Chinese imperialism offers to those states. While American policy will undoubtedly come under further pressure, this does not mean that Washington needs to abandon the field to its rivals or refuse to listen to local governments who may be corrupt and authoritarian. Punishing them and leaving in a fit of virtuous moralism neither

advances American interests or their interests, let alone American values. Finally, for there to be a consensus, no matter how limited, on democratic values with local regimes, there must first be a convergence of interests, and the war on terrorism is for Central Asian governments and for the United States exactly such a converging interest.

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TALIBAN-STYLE LAW IRKS MUSHARRAF REGIME

Naveed Ahmad

The hasty passage of controversial Hisba (accountability) bill, termed as Taliban-style moral code by critics, in the Northwest Frontier Province not only intensifies the struggle between Islamists and liberals, but also challenges Pakistani president General Musharraf's slogan of 'enlightened moderation'. The Hisba plan is seen as similar to the Department of Vice and Virtue set up by the Taliban regime in Afghanistan. The disputed legislation is just a short of governor's ceremonial approval to become a full-fledge law. The governor, an appointee of General Musharraf, strongly opposes the 'Talibanization' of the province.

BACKGROUND: Under the new law, the North West Frontier Province government would appoint ombudsmen (mohtasibs) – those who hold others accountable – at provincial, district and village levels to ensure that people respect the call to prayers, pray on time, and do not engage in commerce during the Friday prayers besides stopping unrelated men and women from appearing in public places together, and discourage singing and dancing. With a religious police under his command as an enforcement arm, the army of newly-appointed mohtasibs would also monitor the media to ensure 'useful for the promotion of Islamic values'. Besides General Musharraf's regime, human rights organizations, politicians and media bodies see the attempt by the religious clerics to

'effectively install ultra-conservative rule' in the province, conflicting with fundamental rights enshrined in the 1973 constitution and violating personal freedoms.

Although Pakistan's ruler, General Pervez Musharraf, has hastened to file a rare presidential reference in the Supreme Court seeking its opinion in a 'damage control' measure, the atmosphere is highly charged to the benefit of six party religious-political alliance – Muttahida Majlis Amal (MMA) – ahead of nationwide local government elections. The Frontier province, is the only one amongst Pakistan's four federating units to be ruled solely by the Islamists while the same alliance is a coalition partner with the pro-Musharraf Pakistan Muslim

League in Balochistan province which also borders Afghanistan.

For the first time in the country's history, the religious parties grouped together ahead of the 2002 electoral alliance in reaction to the invasion of Afghanistan by United States and its allies. The religious-political alliance managed to gain an unexpected number of seats, predominantly in the NWFP and Balochistan provinces. Besides playing on the anti-US and anti-Musharraf sentiments, the MMA leadership promised replacing all secular laws and practices with the Islamic ones once they were voted to power.

MMA Secretary General Maulana Fazl-ur-Rahman, a religious cleric representing the Deobandi shade of Islam, congratulating the people after the passage of the Hisba bill with a 68-43 vote, said, "We have delivered what we had promised to you in the election campaign and with your cooperation, more such Islamic laws would be implemented in the province." Although the law and order situation in the MMA-led province has by far been the best over the past three years, there has been little change in the standard of living of the common man in the Afghan refugee-infested province. While the alliance's leadership mulls creating an Islamic society, their chosen chief minister and some of his cabinet members are being alleged to have involved in corruption and nepotism. "To cover up their failings and weakness, once again the mullahs are hiding behind Islam," said Asma Jehangir, former chairperson of the Human Rights Commission of Pakistan.

Except cricket hero and philanthropist Imran Khan's Pakistan Tehrik-i-Insaf party, every political circle in the country is questioning the timing of the move. "More than their desire to Islamize Pakistani society, the mullahs have timed the passage to regain support ahead of the local body elections," said Senator Farahatullah Babar of Pakistan Peoples' Party. Still MMA leader Hafiz Hussain Ahmad defended the passage of the controversial bill and questioned the basis of General Pervez Musharraf's reference in the Supreme Court. The superior court can interpret the laws but cannot reverse them or

give a judgment on their practicability, he said. Meanwhile, the 9-member court bench led by the chief justice is set to start hearing into the presidential reference under the Supreme Court Advisory Jurisdiction (Article 186 of the Constitution) to extend its opinion on constitutionality and validity of the legislation in question.

IMPLICATIONS: Creating a religious watchdog body to monitor the observance of religious values in public places not only runs contrary to the much publicized 'enlightened moderation' but is also being propagated as 'violation of fundamental rights'. Although the passage of Hisba bill has temporarily united the anti-Musharraf forces, the same circles continue to blame the country's military elite for creating an enabling environment for the MMA's advances in the 2002 general election.

While analysts foresee a tough turf battle between the liberals and the Islamists, constitutional experts believe that the enactment of the Hisba bill would encroach on an existing justice system by creating a parallel one on religious lines, undermining judicial independence and denying citizens their right of access to courts.

Many analysts blame the Musharraf regime for deliberately failing to engage the MMA government in talks but instead to opt to confront a democratically elected provincial government. "The insecure general needed something fresh to remind the west how volatile the situation in the frontline state is and how indispensable he remains as war on terror goes on without an end in sight," says Tariq Mahmood, former judge and president of Supreme Court Bar Association.

Politically speaking, the implications are serious for the camps, pro-Musharraf and the Islamists with local bodies' elections just around the corner in August and a general election likely in 2006 after a likely deal with the liberal-minded but power-hungry Peoples' Party led by Benazir Bhutto. On the ground, the gulf within the Pakistani liberal elite and common people, majority of whom is relatively conservative, has further widened after a recent

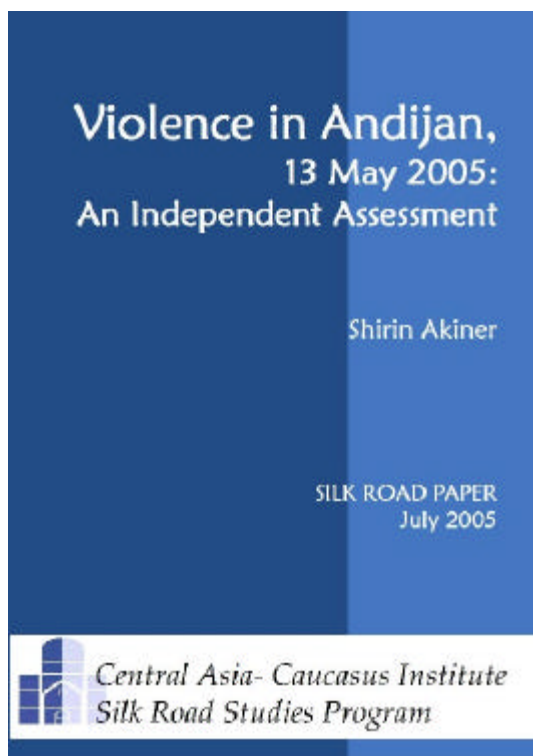
crackdown on religious schools all over the country following General Musharraf's promise with British Premier Tony Blair to extend all help in a probe into the 7/7 perpetrators.

CONCLUSIONS: Following the government's flawed handling of the MMA in the NWFP and the crackdown on religious schools, the MMA, with its enormous and pro-active street power, already seems to emerge as beneficiaries while Musharraf and his associates as losers.

Whether the Hisba is enacted into a law after ceremonial approval from the governor or shut down by the supreme court, the MMA stands a fair chance to gain politically in the forthcoming polls for attempting to Islamize the largely conservative northwestern province in particular and the rest of the country in general. Since the fresh row with Musharraf's administration, the internal cracks of the MMA seem to have filled up and the alliance is ready to contest the forthcoming series of elections. Last time, it was 9/11 and the subsequent carpet

bombing of Afghanistan by the US-led coalition; while this time, Musharraf regime's mishandling of the Hisba bill and poorly planned actions against religious schools in the backdrop of 7/7 are setting the tone of the election campaign for the theocratic alliance. The MMA's move to enact the Hisba Bill has more political undertones than theocratic; yet civil society activists are harping to create a paranoia amongst their 'valued audience' in the western capitals.

AUTHOR'S BIO: Naveed Ahmad is an investigative journalist, broadcaster and academic whose work regularly appears in the Pakistani daily newspaper, *The News*, and the monthly magazine, *Newline*. He also hosts a 30-minute current affairs talk show, *Insight*, for Radio Pakistan's News and Current Affairs Channel. He serves on the panel of the Global Journalists Program, which is associated with the International Press Institute and U.S. National Public Radio.



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FIELD REPORTS

TENTH YEAR ANNIVERSARY OF NIYAZOV'S HEALTH PROGRAM

Chemen Durdiyeva

A few days after the nationwide celebration of the harvest of 3,100,000 tons of wheat, Turkmenistan moved to the consecutive milestone event in the history of the country. This July 21, or the 21st of the month of Gorkut as locally used, is marked as the 10th anniversary of President Niyazov's Health Program. Looking back, the healthcare system in Turkmenistan has gone through ups and downs, often idiosyncratic to political development of the country.

Along with other major state reforms in the country, President Saparmurad Niyazov declared "Saglyk" (health) as a National Program in 1995. The chief purpose of this program is to reconstruct the healthcare system in Turkmenistan to an utmost level, prepare new local specialists in the field and provide the nation with medical services that meet the challenges of the Golden Age of the Turkmen. Announcing similar big policies and accepting national programs for the future prosperity of the country is very widespread in Turkmenistan. However, whether this particular program has served its purpose and brought tangible results within a decade or not is an interesting mixture of developments so far.

The Turkmen radio service continually airs that reconstruction of the healthcare system in Turkmenistan is being carried out at two modes: the physical and spiritual levels. Ever since the Health Program was declared, new hospitals and diagnostic centers are being built at all levels in the regions of the country, though with continuous layoffs of nurses. A particular emphasis is being made on medical treatment and introducing prophylactic measures by using herbal methods reminiscent of

old Turkmen traditions. "With the help of natural herbs, it is even possible to cure people from cancer, AIDS and many other serious diseases," says a self-made healer, Kerim Aga who has been healing people for years now. In a personal interview, Kerim Aga told that when certain mountainous herbs are mixed and boiled together, one can get a cure for more than 600 illnesses at a time.

Within the framework of the Health Program's goals, a couple of years ago Turkmenbashi ordered the construction of the "Saglyk" road on top of the hills in the vicinities of capital city Ashgabat. This 25 km grandiose marbled road was built by 25 ministries (each per km), and serves as a highpoint in sightseeing for visitors and local residents of the capital. Many people walk along the "Saglyk" road to get the special feeling that the President says it has. President Niyazov also gives his Cabinet members personal directives to climb up the road to become and remain physically fit and healthy. Every higher educational establishment or university in Ashgabat has its own appointed day when the students also have to climb up the "Saglyk" road.

As to the spiritual level, every person is expected to read the Ruhnama to become spiritually healthy and stay away from the so-called corrupt way of thinking and behavior. To strengthen the grip of this discipline, smoking was officially prohibited in all the public areas in Turkmenistan. According to the National Institute of Statistics, the lifespan of an average Turkmen has increased to almost 70 years by now. This average life expectancy is expected to reach the age of 75 according to the

National Program for Socio-Economic Development of Turkmenistan until the year 2010.

Amid the changes in healthcare, Mr. Niyazov reportedly sacked 15,000 nurses and other medical service employees lately, and replaced them with soldiers from the Turkmen army. For clarity's sake about any possible misperceptions regarding the replacement of nurses with soldiers, an observation in many hospitals including military ones in the northeastern parts of the country was made. On the basis of this small-scale observation, it was also possible to establish that the soldiers are not commissioned to carry out the duties of nurses as the reverse was earlier reported in certain foreign newspaper sources. Instead, soldiers are used as cheap labor doing basic chores such as cleaning up and guarding the hospitals.

This time, on the occasion of the 10th anniversary of the program, Mr. Niyazov received officials of foreign firms, recognized international

organizations and a number of letters in support of his national program. Mr. Agravala, head of the Indian firm Ajanta Ltd, the monopolist in providing pharmaceutical medicaments in Turkmenistan, noted that Turkmenistan has managed to make root changes during the last years in healthcare. On this very occasion, Mr. John How, President of HOPE project in Turkmenistan, also sent his own letter of support to Turkmenbashi. The HOPE project has been operating in Turkmenistan for five years on the control of tuberculosis. Josje Reinartz, director of the international humanitarian NGO "Doctors Without Borders" (MSF) also expressed the firm's satisfaction with the bilateral work done so far. Besides, selected doctors and nurses nationwide were also brought to Ashgabat to participate in a two-day conference regarding the "Saglyk" Program. Overall, the celebration of the anniversary turned to a historical event in Turkmenistan. As to future possible reforms in healthcare, that remains to be seen.

AZERBAIJAN BECOMES A PIONEER IN BUILDING RELATIONS WITH NORTH CYPRUS

Alman Mir Ismail

On July 27, Azerbaijan became the first country, besides Turkey, to open direct flights to the unrecognized Republic of Northern Cyprus. The charter flight, although handled by the private company IMAIR, carries a huge significance for bilateral relations as well as for lifting the Turkish side of the island from economic isolation. More than 90 Turkish and Azerbaijani businessmen have flown to the Northern Cyprus to participate in a business forum and promote trade and business relations between the two nations. The move comes several days after a group of Azerbaijani parliamentarians visited Lefkosia, the capital of the Northern Cyprus and held talks with the political leadership of the republic. Hadi Rajabli, the head of delegation, in an interview with ANS-TV said that

the intention behind the trip was to lift the political and economic isolation of the island through informal meetings between Azerbaijani parliamentarians and their colleagues in Northern Cyprus.

The delegation of Azerbaijani businessmen to Cyprus also includes several prominent Azerbaijani singers, as well as works of Azerbaijani artists and sculptors. This is done with the aim of further strengthening the relations between the two countries in the field of arts and culture. Last month, the delegation of the Azerbaijani state committee on the affairs of Azerbaijanis living abroad also visited the republic and opened the

Azerbaijan House there, with the aim of developing Diaspora relations.

The intensification of the bilateral relations between Azerbaijan and Northern Cyprus is more and more evident. Local analysts link this to the recent visit of Turkish Prime Minister Recep Tayyip Erdogan to Baku and his steady persuasion of the Azerbaijani leadership to start these measures. Until recently, official Baku, although supportive of its "ethnic brothers" in Cyprus, have been reluctant to make any moves towards building state relations with the Northern Cyprus because of the fear that Greece or Southern Cyprus might retaliate with similar actions towards Nagorno-Karabakh. Earlier this year, Azerbaijani delegates at the Parliamentary Assembly of Council of Europe decided not to attend the session of the assembly in which the agenda included the allocation of a non-voting member status to the delegates from Northern Cyprus. Many in Turkey and Azerbaijan called this act as "backstabbing", but the Azerbaijani delegates explained it with the complex situation around Nagorno-Karabakh conflict.

Indeed, local opposition newspapers have been bashing at the Aliyev administration for such moves, claiming that it would hurt the foreign policy of Azerbaijan and the overall peace process on Nagorno-Karabakh conflict. President Aliyev himself, while on a visit to Ankara last year, promised to strengthen relations between Azerbaijan and Northern Cyprus. Some local analysts even questioned whether this meant the official recognition of the Northern Cyprus Republic. And while the Azerbaijani government

has abstained from that move, several above mentioned actions indicate the willingness of the Azerbaijani government to break the isolation of Northern Cyprus.

At the same time, the development of the bilateral relations can bring many benefits to the Azerbaijani economy as well, since the Republic of Northern Cyprus has significant potential in the fields of tourism, agriculture and food industry. These are areas in Azerbaijan that urgently need foreign expertise.

There are some analysts in the country who also believe that President Aliyev is making these steps towards the Northern Republic of Cyprus to please the Turkish political leadership prior the sensitive parliamentary elections in Azerbaijan. The Turkish prime minister, while in Baku, once again stressed the importance of free and fair elections. Worried about the velvet revolutions in the post-Soviet space, the Azerbaijani leadership is eager to gain allies in the face of regional powers.

Yet, it must be also noted that the actions of the official Baku have become bolder after the referendum in Cyprus on April 24, 2004. 65% of the Turkish Cypriots voted for the unification of the island, while 76% of the Greek Cypriots have rejected the UN proposal for unification. Azerbaijan's leadership seems to believe that this choice makes the Cyprus conflict different from the one in Nagorno-Karabakh, because in the latter the two communities of the conflict have not formally decided upon the future of the area. It remains to be seen how Greece and Cyprus will react to these recent policies of Baku.

PRESIDENTIAL ELECTIONS IN IRAN AND PROSPECTS FOR AZERBAIJAN *Gulnara Ismailova*

During 14 years of independence, Azerbaijan has had complicated mutual relations with Iran. By

virtue of historical, cultural, religious, ethnic, geopolitical and other reasons, both states are

connected by strong ties dooming them to close cooperation. At the same time, problems concerning the 30 million Azeris of Northern Iran, the unsolved legal status of the Caspian Sea and a number of other problems remain stumbling blocks between the two countries.

But at the same time, Azerbaijan and Iran have expanded economic cooperation during the last year. So, in comparison with 1998, trade turnover has increased by 6 and has reached US\$600 million a year. Economists say at this rate, Azerbaijan-Iranian economic cooperation will increase to up to US\$1 billion a year soon.

In the beginning of this year, during Azerbaijani President Ilham Aliyev's official visit to Iran, up to 10 intergovernmental documents were signed, including agreements on the allocation by the Iranian Bank of Development of Export of a credit for the sum of \$40 million for the construction of a strategic highway between Baku and Astara, and also constructing a railroad line connecting the two countries. The decisions should accelerate the process of realization of the "North-south" transportation project.

The announcement of the final results of the ninth presidential elections in Iran, contradicting forecasts, was held in two rounds for the first time, and revealed a new tendency in the political life of the Islamic republic. According to official information, having collected about 62 percent of votes, mayor of Teheran Mahmud Ahmadinejad in the second round left behind ex-president Ali Akbar Hashemi Rafsanjani, who collected ca. 35 percent of the votes.

The surprise election of Ahmadinejad drew the attention of the wider region, and for Baku it is now a matter of priority to find out whether the president-elect is capable of showing pragmatism in the development of relations with Azerbaijan and identify focal points of mutual interest.

Immediately after the announcement of official election results, Ilham Aliyev directed one of the first congratulatory messages to Ahmadinejad. In his turn, Iran's ambassador to Azerbaijan, the ethnic

Azeri Afshar Suleymani declared that the foreign policy of Iran will be based henceforth on mutual trust and mutual interests. "Azerbaijan is a country taking an important place in the foreign policy of Iran. Regardless of the person who will be head of state in Iran, the policy of official Teheran concerning Azerbaijan will not undergo changes", the ambassador noted.

However, Azerbaijani political expert Rasim Musabeyov commented that Azerbaijan was clearly favoring a Rafsanjani victory. "Azerbaijan as a neighbor of Iran's is interested in stable mutual relations between Iran and the West. The deterioration of the geopolitical situation in the region constitutes threats for Azerbaijan as well. But the unexpected victory of the young politician, unsophisticated in international affairs and in public administration exposes both the state and the region as a whole to serious risk".

At the same time, before the beginning of the second tour of elections in Iran, the Movement of national Awakening of Southern Azerbaijan (MNASA), representing the interests of the Azeri population of Iran, together with other organizations of national minorities disseminated a joint application, calling to boycott presidential elections in Iran. The head of MNASA's Baku office Huseyn Turkelli argues there is no force accepted to positions of authority not professing the interests of the Persians. "The Azeris of Iran saw no difference in the election. Rafsanjani is the biggest chauvinist among politicians of Iran. And Ahmadinejad is the most fanatical of all known religious fundamentalists. The Victory of Ahmadinejad has become some kind of success of one of the two competing mullah groupings in ruling circles of the country. Authorities don't care about problems of human rights, democratization and freedom of speech. All candidates for president were carriers of ideas of the Iranian regime", argued Turkelli.

Official Teheran appears increasingly interested in good relations with Baku. With mounting U.S. charges against Iran as regards the Iranian nuclear weapons program, Iran needs Azerbaijan as a

neutral party in the conflict between the U.S. and Iran. Iran also wants to secure itself against possible provocations from the North. This likely contributed to Iran's unexpected consent to open an Azerbaijani consulate general Tabriz, which Baku has sought for a decade.

However, at the same time, the Party of democratic reforms of Azerbaijan (PDRA) was recently created in Baku, which considers as one of its objectives the struggle for the national rights of the Azeris of Iran.

Member of Parliament Sabir Rustamkhanly also informed on the publication of the independent magazine "Baku-Tabriz". "Today in Iran there is no opportunity even to study the native language at school. We are going to draw the attention of the international society to this issue. We have no right to stand aside", declared Rustamkhanly.

KYRGYZ PRESIDENTIAL ELECTIONS: AN OBSERVER'S VIEW

Hasan Ali Karasar

The July 10th Presidential (early) elections in Kyrgyzstan were a first in this part of the world. Being independent nations for almost 14 years now, none of the Central Asian nations had achieved either to establish a democratic system or to organize a democratic election. The July 10th elections were the closest to this objective in Central Asia's modern history, with people making a free choice for the first time. This was the case, however, under the conditions of one single candidate receiving the support of his strongest rival and the deposed president at the same time.

The very moment former President Askar Akaev called the protesters in the South as alcoholics and narcotic addicts and even Islamists, many people thought the same thing: Akayev is gone! This very "Soviet" label used for any kind of civil unrest in the former Soviet Union demonstrated the fragility of Soviet bureaucracy to anything "civil." However, as the main opposition leaders repeated several times, they were not expecting Akaev to retreat so easily. Many agree that a short show-off to the masses and couple of political promises would very quickly have changed the course of the events.

Some call the events as a "revolution", but some prefer to call it as a popular movement or takeover. In either case, it has resulted with a clear transfer of

power to the former aides of Akayev regime, aides from the old days when even Akayev was more sensitive about clan and regional balances in the administration. Traditional clan rivalries and alliances have never been more open and visible in the history of this society.

In the countryside, Kyrgyz (ethnically mostly Kyrgyz and Russian) volunteer observers were quite active from the opening of the ballot boxes to the counting and tabulation of results. In most cases, these 3,000 volunteers worked round the clock, from 6 am on July 10th to 6 am on July 11th. After five similar missions in the past, it was a real surprise for this author to see such a decisive civil initiative in post-soviet Central Asia. It was also impressive to observe the patience and hospitality of the members of regional election commissions to international observers, even when in some cases they were openly insulted due to the ignorance of national traditions and customs on the part of foreign observers.

The election technology was also worth of praising. The transparent ballot boxes, special ink only visible with an ultraviolet light, and a nationwide computerized tabulation and data system "Shailoo" (election in Kyrgyz) were impressive. However, all this cosmetic was far from helping people to

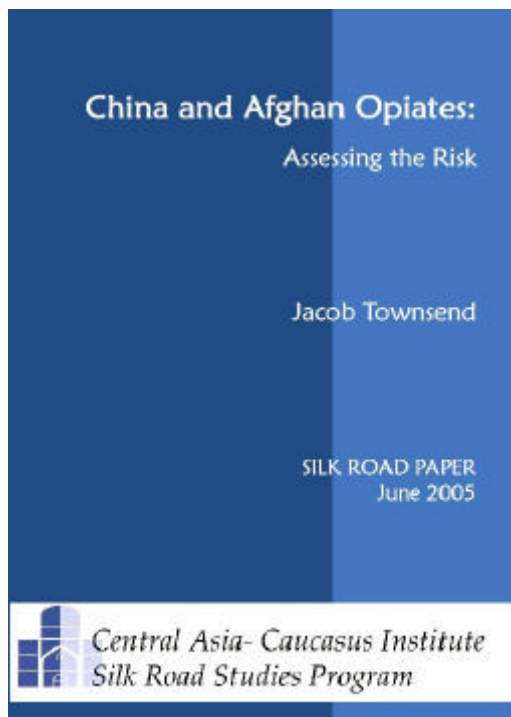
improve the quality of their civil choice. In the majority of the voting stations, there was a scarcity of young people voting, whereas most of the local volunteers with orange t-shirts, observing the elections consisted of young activists. To vote for Bakiyev, who already received the support of his two major potential rivals (in terms of tribe, clan and regional allegiances), was like an automated process.

One important issue is that the ethnic Uzbeks are still marginalized from the political arena of the county, even in the South. However, this is also subject to rapid change. The need for a national reconciliation is forcing Kyrgyz policy-makers to try their best to win over the hearts and minds of ethnic minorities. Russians, of course, were the first to give a positive response. The sizable Uyghur minority in Bishkek and other cities is still waiting to see the first steps to be taken by the new administration concerning their status and Kyrgyzstan's relations with China.

The status and future of the Uzbek refugees from Andizhan are still unknown. One would agree that

their future is closely associated with the future of Kyrgyz democracy and regional transition. It is remarkable that the new administration has already started to voice a heavy tone about achieving "stability and peace within the country." This might be considered as a sign of upcoming pressures on Uzbek refugees.

Needless to say, one of the major factors preparing the end of Akaev regime was the agitation of the opposition, especially in the South, about Akaev's deal with China, surrendering a considerable size of territory to the Eastern neighbor. It is important now for many Kyrgyz patriots for something similar not to happen in forthcoming border demarcation regulations. In that respect, the status of the Uzbek enclaves in the South and West are explosive in nature. IN the final analysis, Bakiyev's anti-American comments not only nullified conspiracy theories about the U.S.-engineered revolutions in this part of the world, but also uncovered the willingness of the new cadres to continue to work with Russians and the Chinese in the short run.



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by Jacob Townsend

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NEWS DIGEST

CASPIAN STATES TO CREATE ANTITERRORIST FLOTILLA.

14 July

The Caspian Sea countries have backed the idea of establishing a task force for fighting terrorism in the region, a senior officer in the Russian Navy said Thursday. "The idea is to create a task group of the littoral states' ships, similar to the Black Sea Force group, to fight terrorism, drug trafficking, and bio-terrorism," said Vice-Admiral Yury Startsev, who commands the Russian Caspian Flotilla. An international conference devoted to security in the Caspian is taking place in the Astrakhan region, in Russia's Volga area. The parties attending are exchanging opinions at an informal meeting on the Tatarstan missile ship, the Caspian Flotilla's flagship. The fight against terrorism is the central issue on the conference agenda, Startsev said. "This problem requires joint efforts by all Caspian states [Kazakhstan, Russia, Azerbaijan, Turkmenistan and Iran]," the admiral said. "Therefore, it is extremely important to promote cooperation on the Caspian, as it will allow [us] to respond promptly to emerging threats." (RIA Novosti)

CANADIAN OIL COMPANY FACES \$55 MILLION JUDGMENT IN KAZAKHSTAN

14 July

PetroKazakhstan, a Canadian-registered company that extracts oil in Kazakhstan, announced on 14 July that a Kazakh court has rendered a \$55.4 million judgment against it for violations of antimonopoly legislation. The company said it has not yet received a written copy of the court ruling, but noted that it plans to appeal. Wilf Gobert, a Calgary-based energy analyst, told Canadian Press that PetroKazakhstan may still be able to salvage the situation. "The company usually ends up taking these things to the Supreme Court," he said. "And ultimately they end up having the charges thrown out or substantially reduced." (Reuters)

KYRGYZ EX-PREMIER TO ANSWER PROSECUTOR'S QUESTIONS NEXT WEEK

14 July

Former Kyrgyz Prime Minister Nikolai Tanayev is due to arrive in Bishkek and come to the Prosecutor General's Office for questioning early next week, lawyer Maxim Maximovich said on Thursday. "Tanayev is coming to Bishkek at the beginning of next week to answer the Prosecutor General Office's questions as part of the

criminal cases opened [against him]," Maximovich said. "Tanayev's visit does not mean that he admits his guilt in the crimes he is accused of. He will give testimony to dispel the numerous rumors [about him] to help the investigation proceed normally," the lawyer said. "Kyrgyz Ambassador to Russia Apas Zhumagulov has agreed to act as guarantor of the former premier's security," he said. (Interfax)

MYERS ACCUSES RUSSIA, CHINA OF BULLYING

14 July

The top U.S. military officer accused Russia and China on Thursday of "trying to bully" smaller Central Asian nations that host U.S. troops and cooperate with Washington in fighting terrorism. Gen. Richard B. Myers, chairman of the Joint Chiefs of Staff, was asked by a reporter what he thought of a statement last week by a regional alliance, led by China and Russia, calling on the U.S. to set a date for withdrawing forces from bases in the former Soviet republics of Uzbekistan and Kyrgyzstan. U.S. forces have used a base in each country since the early days of the war in Afghanistan. Both governments recently have questioned the need for continued U.S. access. Uzbekistan has imposed new limits on U.S. use of its Karshi-Khanabad air base, after the Bush administration spoke critically of Uzbekistan's handling of anti-government rioting in May that killed 200 or more people. The statement last week by the Shanghai Cooperation Organization was interpreted by some as an attempt by Russia and China to push the U.S. out of a region that Moscow regards as historically part of its sphere of influence and in which Beijing seeks a bigger role because of the region's extensive energy resources. "No, I don't think the Shanghai memo or communique or whatever came out was particularly useful," Myers said. "Looks to me like two very large countries were trying to bully some smaller countries. That's how I view it." Myers said the U.S. has much to offer that region. "Security and stability in Central Asia is an important concept, and those who can bring security and stability ought to be welcome in Central Asia," he said. (AP)

OPPOSITION BLOC APPEALS FOR FORMER AZERBAIJANI PRESIDENT'S RETURN

15 July

The Yeni Sisayet (YeS, or New Policy) addressed an open letter on 15 July to President Aliyev asking that

former President Ayaz Mutalibov, who has lived in exile in Moscow since May 1992, be permitted to return to Azerbaijan to participate as a candidate in the 6 November parliamentary election. The appeal said allowing Mutalibov to return to Azerbaijan "for the sake of justice and statehood" would contribute to the development of democracy. The Social-Democratic Party of Azerbaijan, of which Mutalibov is co-chairman, is a corporate member of Yes. (Turan)

NEW ARMENIAN PEACEKEEPING DETACHMENT DEPARTS FOR IRAQ

15 July

A small detachment of 45 Armenian troops departed Yerevan on 13 July to replace a contingent of Armenian peacekeepers serving in Iraq. The rotation of Armenian peacekeepers in Iraq was originally scheduled for 10 July but was postponed by the delayed arrival of a U.S. military transport plane. The Armenian peacekeeping force in Iraq, first deployed in January 2005, serves under Polish command and is composed of military doctors, sappers, and transport personnel. The initial Armenian 46-man detachment is expected to return to Armenia on 16 July. (Noyan Tapan)

GEORGIAN MINISTER WARNS OF IMMINENT 'PROVOCATION' IN SOUTH OSSETIA

16 July

Giorgi Khaindrava, who is Georgian minister for conflict resolution, told journalists on 16 July that the situation in the South Ossetian conflict zone remains tense in the wake of the 6 June abduction of four Georgian men. Repeated search operations have failed to locate the four, and Major General Murat Kulakhmetov, commander of the Russian peacekeeping contingent in the conflict zone, said on 15 July he fears they are dead. The brother of one of the four blamed Khaindrava on 16 July for failing to secure their release and threatened to kill the minister when he next travels to the conflict zone. Khaindrava on 16 July accused Russia of seeking to exacerbate the situation in South Ossetia, and he criticized the Georgian police for failing to prevent armed militants from moving freely within the conflict zone. (Caucasus Press)

SEVENTY TERROR ACTS STAGED IN DAGESTAN IN FIRST HALF OF 2005 - EXPERT

17 July

As many as 70 terrorist attacks were perpetrated in the republic of Dagestan over the first six months of 2005, Igor Dobayev, a Russian Academy of Sciences expert, said in a report, copies of which were circulated by the Moscow Bureau for Human Rights. "As many as 70 terrorist attacks were staged in Dagestan in the first half of 2005 alone. Of them, more than 40 [attacks] took place in [the Dagestani capital of] Makhachkala. Every second

terrorist attack staged over the period of time in question was perpetrated through planting and detonating explosive devices, every fourth involved automatic weapons and grenade launchers, while some other instances used cars packed with explosives," Dobayev's report reads. "More than half of the aforementioned number of terrorist attacks were aimed against high-ranking officials, one-third [of attacks] targeted deputies of various levels and law enforcement officials, while some other attacks were staged against servicemen and their family members. Methods of "untargeted terrorism" have become quite popular among terrorists, who commit their destructive actions in public places where primarily civilians are concentrated," it reads. Referring to Dagestan's law enforcement agencies, Dobayev said that 30 crimes of a terrorist nature, which killed 16 people and injured another 39, were registered in the republic in 2004. Of them, 18 were reported in Makhachkala and another six in the republic's second-largest city of Khasavyurt. Other attacks took place on highways or targeted the Mozdok-Kazimaged gas pipeline. (Interfax)

UZBEK EMBASSY IN KYRGYZSTAN ISSUES STATEMENT ON ASYLUM SEEKERS

18 July

Uzbekistan's embassy in Kyrgyzstan issued a statement on 16 July saying that the issue of over 400 Uzbek asylum seekers currently in Kyrgyzstan will be resolved in "close collaboration with appropriate Kyrgyz agencies in accordance with the principles of good-neighborliness, fraternal friendship, cooperation, and mutual assistance," RFE/RL's Kyrgyz Service reported. The statement warned, however, that "the puppeteers who want to destabilize the Ferghana Valley by means of obedient international organizations and NGOs continue to exploit the fallout from the failed plan to bring off an armed coup in Uzbekistan in order to justify their step-by-step imposition of the so-called 'project to advance democracy.'" The embassy denied that Uzbekistan is exerting pressure on Kyrgyzstan. Kyrgyz officials have said that they hope to resolve the asylum-seeker issue through three-way consultations involving Uzbek authorities and international organizations. The latter have urged Kyrgyzstan not to return the asylum seekers to Uzbekistan. (RFE/RL)

AZERBAIJANI OFFICIAL SAYS KARABAKH SETTLEMENT 'CLOSER THAN EVER BEFORE'

18 July

Addressing a press conference in Baku on 18 July, Azerbaijani Deputy Foreign Minister Araz Azimov, who is President Ilham Aliyev's special envoy for the Karabakh peace talks, said that "in present conditions we are closer to peace than ever before." Echoing comments by Foreign Minister Elmar Mammadyarov last month,

Azimov enumerated aspects of the conflict currently under discussion, including the withdrawal of Armenian forces from districts of Azerbaijan adjacent to the unrecognized Nagorno-Karabakh Republic, the repatriation of displaced persons, economic rehabilitation of the conflict zone, and the deployment of a peacekeeping force. At the same time, Azimov characterized as either a "provocation" or a "trial balloon" Armenian statements last week that a peace settlement could make provision for a future referendum on the status of Karabakh vis-a-vis Azerbaijan. He said Mammadyarov will meet in Moscow on 23 August with his Armenian counterpart Vartan Oskanian to prepare for talks on the Karabakh conflict three days later in Kazan between Armenian President Robert Kocharian and Azerbaijani President Aliyev. (day.az)

RUSSIA AND TURKEY SEEK CLOSER ECONOMIC, SECURITY COOPERATION

18 July

Talking to journalists ahead of talks with Turkish Prime Minister Recep Tayyip Erdogan at his summer residence in Sochi, President Vladimir Putin said on 17 July that bilateral trade has reached \$10 billion a year and that both presidents "set an absolutely realistic task" of bringing it to \$25 billion "within the next few years." Putin also noted the intensified political contacts between the two countries. In addition to bilateral trade and the expansion of energy cooperation, the two leaders also plan to discuss the situation in Iraq and the Middle East, and security problems in Central Asia and the Caucasus. Erdogan is scheduled to stay in Putin's residence for talks all day on 18 July. In addition to trade, Turkey has become an important Russian tourism destination. In 2004, Turkey was visited by 1.6 million Russian tourists, while Turkish construction companies have completed projects worth \$12 billion in Russia in the last several years. (RFE/RL)

OSCE 'PLEASED' WITH KYRGYZ PRESIDENTIAL BALLOT

19 July

OSCE special envoy Alojz Peterle met with acting First Deputy Prime Minister Kulov on 18 July to discuss Kyrgyzstan's recent presidential election and the country's progress toward democracy, RFE/RL's Kyrgyz Service reported. Peterle commented, "I'm more than pleased that the [Kyrgyz presidential] elections were done in that way as they were done." He added that he feels that the new government is "preparing themselves to do what is necessary to be done for the benefit of the country." For his part, Kulov said that the new government's priority tasks will be the battle against corruption, unemployment, and poverty. (RFE/RL)

WESTERN MILITARY PRESENCE NOT NEEDED IN C. ASIA - MINISTER

19 July

There is no need for permanent Western forces in Central Asia because the situation in Afghanistan has changed, said Tajik Foreign Minister Talbak Nazarov. "The Afghan problem is being solved. There are almost no Taliban left, political stabilization is obvious, the presidential elections have been held and preparations for the parliamentary election are underway," Nazarov told a news conference in Dushanbe on Tuesday. "There are problems, but they can be solved without standing forces," he said. (Interfax)

EUROPEAN UNION CONDEMNS UZBEK REFUSAL TO ALLOW INQUIRY INTO ANDIJON VIOLENCE

19 July

A meeting of European Union foreign ministers in Brussels on 18 July issued a statement condemning "the Uzbek authorities' refusal to allow an independent international inquiry into the recent events in [Andijon]," according to a press release on the EU Council's website (ue.eu.int). Stressing that "EU-Uzbekistan relations are based on mutual respect for the principles of democracy, rule of law, and human rights," the statement condemned "the Uzbek leadership for breaching these principles in the light of the reported excessive, disproportionate, and indiscriminate use of force by the Uzbek security forces during the [Andijon] events." (RFE/RL)

OPPOSITION RALLY IN AZERI CAPITAL

19 July

Some 20,000 people have marched in Azerbaijan's capital Baku demanding free and fair elections and calling for the president to resign. It is the second time in the past two weeks that Azerbaijan's government has allowed the opposition to hold a rally. It was organized by three leading opposition parties which form the the Azadlig or Freedom bloc. And as the race for the November parliamentary poll heats up, the opposition says it will stage more. There was a sea of orange flags and T-shirts as thousands of demonstrators filled Baku's main square. Police in riot gear encircled the rally and some people said they were stopped from entering the square. All the same, young people in orange headbands gave flowers to the policemen to show their protest was peaceful. This is what activists in Azerbaijan have learned from Ukraine's so-called orange revolution and a peaceful revolution is what many of them say they will push for if the government fails to ensure that the November poll is free and fair. None of Azerbaijan's previous elections have been truly free. For years, this oil-rich nation has been ruled by one family. After the late President Heydar

Aliyev died, his son Ilham Aliyev came to power in elections in October 2003. That poll was marred by irregularities and violence and since then, election observers say, Azerbaijan's already poor democratic record plummeted further. They say violence against political activists is common and the media are not free. Poverty and corruption are major problems. Still, many across Azerbaijan are sceptical about the opposition, if only because its leaders have failed to stand up to President Aliyev's government in the past. At the rally on Saturday, they promised this time things would be different. Opposition supporters say they are inspired by the democratic changes that swept Georgia and Ukraine and that they started this election campaign with a kind of enthusiasm they have never felt before. (BBC)

CHECHNYA BLAST DEATH TOLL RISES TO 14 19 July

The Tuesday explosion in Nadterechnaya district in Chechnya killed 14 and injured more than 20, said Chechen President Alu Alkhanov. "The bloody events perpetrated by terrorists have caused extreme indignation on the part of the entire Chechen people," Alkhanov told reporters. "A bloody war has been unleashed against us, a war in which people are dying, and it is being waged by the basest of means," he said. "It is a war without any boundaries, a war without any rules, which is already called the 'plague of the 21st century' throughout the world," he said. "I declare in all responsibility that all the victims of this monstrous act will receive the necessary assistance and attention from the leadership of the Chechen Republic," Alkhanov said. (Interfax)

TAJIKISTAN SENTENCES 299 HIZB-UT-TAHRIR MEMBERS IN 2000-05

20 July
Tajik Prosecutor General's Office official Abdukodir Mukhammadiyev said that 299 members of the banned Hizb-ut-Tahrir extremist organization have been sentenced in 2000-05. "Fifteen cases are currently open," Mukhammadiyev said. "Since the beginning of the year, 20 criminal cases on 25 members of the organization have been closed. All of the suspects were sentenced for publicly inciting a change of the country's constitution under orders from hostile organizations or representatives of foreign countries to five to 12 years' imprisonment," he said. "None of these cases have been given back to the Prosecutor General's Office for further investigation and none of the suspects have been released due to lack of proof," Mukhammadiyev said. (Interfax)

ABASHIDZE'S SUPPORTERS PUT UP POSTERS IN BATUMI

20 July
Former Ajarian leader Aslan Abashidze turned 67 on

Wednesday, and a group of his supporters marked the day by hanging posters marked with his picture and the slogan "I will be back" in Batumi. The posters were quickly torn down by the police. The Georgian authorities claim there are no people supporting Abashidze in Ajaria. Georgian President Mikheil Saakashvili restored control over Ajaria in May 2004, and introduced direct presidential control. Ajarian leader Abashidze then left the republic without officially surrendering his authority. (Interfax)

RUSSIA PLANS TO LAUNCH IRAN'S FIRST SATELLITE

20 July
Russia plans to launch Mesbah, the first Iranian communications satellite, by the end of this summer, RIA-Novosti reported on 20 July. The Mesbah satellite will be used to control power-supply systems and pipelines, as well as collect data on ground and water resources. According to an agreement signed in January, Russia will launch a second satellite for Iran in 2007. (RIA Novosti)

AZERBAIJANI GOVERNMENT OFFICIAL IMPLICATES TOP MUSLIM CLERGYMAN IN IMPORT OF WAHHABI LITERATURE

20 July
Speaking recently on the independent television station ANS TV, State Council for Religious Affairs Chairmen Rafik Aliev alleged that on two occasions within the past three months state customs officials have intercepted and confiscated consignments of radical Islamic literature addressed to the Caucasus Muslim Board (UMK). Aliev said the first consignment of books weighed 14 tons and the second 10 tons. But UMK officials claimed that the literature in question was in Arabic, Uzbek, and Kazakh, and was intended for shipment to Uzbekistan. They said the consignments were sent to Baku "by mistake." Over the past year, Aliev has repeatedly criticized UMK Chairman Sheikh-ul-Islam Allakhshukur Pashazade. (zerkalo.az)

TAJIK NATIONAL DEBT CLOSE TO \$1 BILLION

21 July

Tajik Finance Minister Safarali Najmuddinov told a news conference in Dushanbe on 20 July that Tajikistan's national debt now stands at \$905 million, or 40 percent of GDP, RFE/RL's Tajik Service reported. The national debt in 2000 was \$1.3 billion, or 70 percent of GDP, Najmuddinov said. Of the \$905 million, \$710 million is in direct government debt and \$127 million in loans taken by Tajikistan's National Bank. Tajikistan's chief creditors are the World Bank, at \$308 million; the Asian

Development Bank, at \$97 million; the Islamic Development Bank, at \$40 million, the European Commission, at \$46 million, and the OPEC Fund, at \$11 million. (RFE/RL)

AZERBAIJANI PRESIDENT RULES OUT INDEPENDENCE FOR KARABAKH

21 July

President Ilham Aliyev told a cabinet session in Baku on 21 July that the independence of the unrecognized Nagorno-Karabakh Republic cannot be a subject of discussion "today, tomorrow, in 10 years, or in 100 years." He predicted that "the occupation of Azerbaijani territory will not last forever," but stressed that those territories will be liberated "peacefully, by means of negotiations." Aliyev again advocated a step-by-step approach to resolving the conflict, saying that the occupied territories should be liberated and the former residents of those districts repatriated prior to discussion of the future status of the NKR. He repeated his previous offer to grant the enclave "the highest degree of autonomy in the world" within the Azerbaijan Republic. (day.az)

GEORGIAN POLICE ARREST SUSPECT IN BUSH GRENADE INCIDENT

21 July

Acting on an anonymous telephone call, Georgian antiterrorist police raided a building in the suburbs of Tbilisi late on 20 July where the man who allegedly threw a hand grenade at U.S. President George W. Bush during his visit to Tbilisi two months ago was believed to be hiding. The suspect was wounded, and one antiterrorism squad officer killed, in an exchange of fire. The suspect escaped but was tracked down and apprehended two hours later. He has been identified as Vladimir Arutiunian, 27. Arutiunian has been hospitalized and has reportedly confessed to throwing the grenade, saying: "I would do it again." Police searched the basement of Arutiunian's home and confiscated hand-made detonators, grenades, maps of Tbilisi, and "biological and chemical substances. (ITAR-TASS)

RUSSIAN GOVT OKAYS RATIFICATION OF TAJIKISTAN BASE AGREEMENT

21 July

The Russian government has approved a bill that ratifies an agreement on Russia's military base in Tajikistan. Defense Minister Sergei Ivanov said during the session that the base plays a key role in sustaining peace and stability in Central Asia and helps Tajik border guards stationed on the border with Afghanistan. The base's support of Tajikistan's Armed Forces in case the country is attacked by a foreign nation is hypothetically possible, the minister said. "The agreement, which was signed on October 16, 2004, comes as a follow-up to the 1999 treaty

on the status of the Russian military base in Tajikistan and the conditions for its deployment. The Tajik party has already finalized all internal procedures, while Russia will have to ratify the agreement," Ivanov said. (Interfax)

PUTIN SIGNS LAW ON RUSSIAN AIR BASE WITH KYRGYZSTAN

21 July

President Vladimir Putin has signed into law a federal bill ratifying the agreement with Kyrgyzstan on the status and operating conditions of the Russian air base in Kyrgyzstan, the Kremlin press service reported on Thursday. The State Duma passed the bill on July 8 and the Federation Council approved it on July 13. The Kant air base is part of the air wing of the collective rapid deployment force of the Collective Security Treaty Organization in Central Asia. The base was officially opened in October 2003. The agreement has a term of 15 years and will be automatically prolonged for five years if neither side wishes to terminate it. (Interfax)

INVESTIGATORS INDICT RUSSIAN NATIONALISTS IN GROZNY-MOSCOW TRAIN EXPLOSION

21 July

Moscow's Meshchanskii Raion Court charged Vladimir Vlasov and Mikhail Klevachev, allegedly members of the banned extremist Russian National Unity (RNE) party, in connection with an explosion on the Grozny-to-Moscow train on 12 June. Vlasov and Klevachev were arrested by the FSB and charged with terrorism and attempted murder. Fifteen people were injured in the explosion and subsequent derailment of the train. The RNE campaigns against mixed marriages and demands a ban on Judaism and "nontraditional confessions." (RFE/RL)

IMF LAUDS ARMENIAN ECONOMIC GROWTH

22 July

Speaking on 21 July at a press conference following two days of talks in Yerevan with Armenian government officials, International Monetary Fund (IMF) Deputy Managing Director Agustin Carstens praised Armenia's continuing high rate of GDP growth and progress in reducing poverty, RFE/RL's Armenian Service reported. He noted that "very few countries...have achieved such important progress in such a short period of time," and said the IMF "stands ready to assist Armenia with policy and technical advice." GDP in Armenia grew on average by 11 percent in each of the past four years, and by a further 8 percent during the first six months of this year. At the same time, Carstens pointed out that tax revenues still account for only a small proportion of GDP, and he implied that some individuals or companies liable for

large tax payments seek to withhold them. He said an increase in tax revenues would permit the government to increase spending on health care, education, and infrastructure development. (RFE/RL)

U.S. CONGRESS CALLS FOR FAIR ELECTIONS IN AZERBAIJAN

22 July

The House of Representatives adopted a resolution on 20 July calling on the Azerbaijani leadership to ensure that the parliamentary election scheduled for 6 November is free and fair. Specifically, the resolution called on the Azerbaijani authorities to permit the total participation in the ballot of opposition parties, including those opposition activists jailed for their imputed role in the post-presidential-election unrest in October 2003. Those activists have since been released, but the criminal charges against some of them have not been annulled. The resolution called on all sides to desist from violence in the run-up to the ballot, and on the international community to deploy a large enough number of observers to monitor the vote. (zerkalo.az)

ABKHAZIA, RUSSIA OPT OUT OF UN-SPONSORED TALKS

22 July

Abkhaz and Russian representatives declined at the last minute to attend talks in Tbilisi under the UN aegis, scheduled to take place on 22-23 July and to address security measures to be implemented in the Abkhaz conflict zone. Abkhaz Foreign Minister Sergei Shamba told the independent Georgian television station Rustavi-2 that Sukhum's decision not to attend the talks was made in response to Georgia's failure to hand over cargo confiscated from a Turkish vessel intercepted by the Georgian Navy last month. Georgian Minister for Conflict Resolution Giorgi Khaindrava rejected that argument as illogical, and accused Russia and Abkhazia of "boycotting" the UN-sponsored search for a settlement of the conflict. (Caucasus Press)

YOUNG LAWYERS ALLEGE MISAPPROPRIATION FROM GEORGIAN PRESIDENTIAL FUND

23 July

Representatives of the Georgian Association of Young Lawyers told a press conference in Tbilisi on 23 July that hundreds of thousands of laris from the presidential fund were spent last year in violation of existing legislation. Some 200,000 laris (\$110,405) were paid to an Italian company for unspecified "consultations," while 33,000 laris were used to cover the travel costs of Georgian parliament deputies who accompanied President Mikheil Saakashvili on a visit to Italy. At the same time, only 4,000 laris from the fund was allocated in emergency aid

to inhabitants of Dusheti whose homes were destroyed or damaged in flooding earlier this year. The independent daily "Rezonansi" similarly alleged on 22 July that 180,000 laris from the presidential fund was made available to Supreme Court Chairman Kote Kemularia to cover the cost of renovation of his office and the purchase of an automobile. (Caucasus Press)

MOSCOW DENIES ALLEGED INVOLVEMENT IN GEORGIAN BLASTS

25 July

The Russian Defense Ministry has denied claims by Georgian officials that its military intelligence agents were involvement in acts of sabotage in Georgia. "We strongly deny Georgian claims of the alleged involvement of staff members of the General Staff's Main Intelligence Department in acts of sabotage and terrorism in Georgia," a source in the ministry's information and public relations department told Interfax on Monday. "Claims by the Georgian interior minister about the alleged involvement of Russian military intelligence agents in the terrorist acts and sabotage in Gori and other places in Georgia are untrue, same as Mr. Merabishvili's words about several groups of Russian sabotage agents in Georgia," he said. "There are no Russian military intelligence agents on Georgian territory," the source said. (Interfax)

ABKHAZIA, S. OSSETIA CONDEMN GEORGIA, MEDIATORS

26 July

Georgia's breakaway regions of Abkhazia and South Ossetia may offer "military assistance" to each other "if there emerges a need for mutual support," Abkhaz President Sergei Bagapsh said on Tuesday. Bagapsh issued the warning at a news conference after talks in Gagra between him and his South Ossetian counterpart, Eduard Kokoity. The Abkhaz leader said, however, that this could not be seen as a plan for a military bloc. Kokoity said that "South Ossetia and Abkhazia are ready for peace negotiations with Georgia, but on equal terms." (Interfax)

ABKHAZIA WANTS GREATER UN ROLE IN GEORGIAN-ABKHAZIAN SETTLEMENT

26 July

Abkhazia has urged the UN Security Council to increase its role in the search for a settlement in the conflict between Georgia and Abkhazia, a letter by the breakaway republic's foreign minister Sergei Shamba says. The letter has been sent to the UN Security Council President Adamantos Vassilakis. Abkhazia also urged the UN Security Council "to promote more actively and productively the Georgian-Abkhazian peace process under the aegis of the UN." Shamba said that the

sanctions regime, affecting thousands of civilians in Abkhazia, is being worsened even further by regular seizures of the few merchant ships carrying peaceful cargo to Abkhazia. The sanctions regime "is absolutely unacceptable" in the context of the search for a settlement and efforts to build up trust and develop peace initiatives, the letter says. (Interfax)

U.S. GAINS INDEFINITE CONTINUED USE OF AIR BASE IN KYRGYZSTAN

26 July

Defense Secretary Donald Rumsfeld has won assurances from top government officials in Kyrgyzstan (KEER'-gih-stan) that the U-S can keep using an airport there to support operations in Afghanistan. But officials also note that's not a permanent welcome. The country's defense minister provided the reassurance during a news conference today with the visiting U-S official. After his election this month, Kyrgyzstan's president said it was time to consider a U-S exit in light of progress in stabilizing Afghanistan. Officials say the U-S use of the airport contributes about 50 (m) million dollars a year to the Kyrgyz economy. (AP)

U.S. NEED FOR AIR BASE DISCOUNTED BY RUMSFELD

26 July

The U.S. military could sustain its operations in Afghanistan even if it lost access to a key air base in neighboring Uzbekistan, Defense Secretary Donald H. Rumsfeld said Monday at the outset of a three-day tour of the region. "We're always thinking ahead. We'll be fine," Rumsfeld told reporters traveling with him. A frequent visitor to Central Asia since the terrorist attacks of Sept. 11, 2001, Rumsfeld arrived here amid growing questions about the U.S. government's long-term intentions. The Uzbek government has raised doubt about continued U.S. access to Karshi-Khanabad air base, which has been used as a staging point for operations in Afghanistan since the war started. (AP)

KYRGYZSTAN AGREES TO HOST U.S. BASE UNTIL AFGHANISTAN 'NORMALIZES'

26 July

Kyrgyz Defense Minister Ismail Isakov told a press conference in Bishkek on 26 July that the U.S. air base in Kyrgyzstan will remain until the situation in Afghanistan normalizes, RFE/RL's Kyrgyz Service

reported. Isakov was speaking after a meeting with U.S. Defense Secretary Donald Rumsfeld, who is on a three-day trip to Kyrgyzstan and Tajikistan. Isakov later told RFE/RL's Kyrgyz Service: "In reality, there is no reason to say that the [security] situation has improved. The terrorist attacks in London, Egypt, and also in Afghanistan itself prove that. That is why only after the situation has improved, this issue [U.S. withdrawal from the Ganci air base at Bishkek's Manas airport] will be considered by the two sides in accordance with agreements between Kyrgyzstan and the United States only." Rumsfeld also met with Kyrgyz President-elect Kurmanbek Bakiev in Bishkek on 26 July, congratulating him on his recent election to the presidency and promising to support Kyrgyzstan "on its path to democracy and a market economy." (RFE/RL)

ARMENIAN PRIME MINISTER MEETS WITH GEORGIAN COUNTERPART

26 July

Andranik Markarian began a two-day visit to Georgia on 24 July by undertaking with his Georgian counterpart Zurab Noghaideli a tour of the predominantly Armenian-populated region of Djavakheti in southern Georgia, Georgian agencies and RFE/RL's Armenian Service reported on 25 July. The two prime ministers met with local Armenians in several villages and in the regional center of Akhalkalaki. Armenia has agreed to provide financial and economic assistance to the impoverished region, including the reconstruction of local schools and an intensive road-building program to lessen the region's isolation. On 25 July, Markarian met in Tbilisi with President Saakashvili and parliament speaker Nino Burdjanadze. (RFE/RL)

PROTESTERS TRY TO STORM US BASE OVER DETAINEES

27 July

BAGRAM -- More than 1,000 Afghans, some throwing stones, tried to break down an outer gate at the main US base yesterday while demanding the release of eight detained villagers; Afghan troops fired warning shots and used clubs to beat the crowd back. US troops also fired into the air. In southern Afghanistan, meanwhile, a provincial governor said that about 50 suspected insurgents and two Afghan soldiers had been killed in an overnight battle. (AP)