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Putin stumbles over free press

It's amazing how quickly circumstances can change. After "dizzying successes" in domestic policy proposals and a strong start to foreign appearances, President Putin was tripped up by a far from unexpected arrest. Vladimir Gusinsky, the now out-of-favor oligarch, whose media outlets have been the most skeptical observers of government policy in Chechnya and on a range of other issues, was detained for questioning in a fraud investigation that has kept the central suspect in jail for two years without charge. Within days, a heretofore compliant elite political leadership turned on the administration, sensing division within the Kremlin's ruling apparat, and diverse variety of journalists, financiers and politicians joined to protest the arrest and its possible chilling effect on freedom of the press and the free market.

Most astonishing of all reactions to Gusinsky's arrest was the President's. "This is a dubious gift," Putin claimed from Madrid. (VEDOMOSTI, 15 Jun 00, via lexis-nexis) He followed his apparently surprised reaction with an unbelievable claim that he had not been able to contact his chief law enforcement official. He later described the arrest as "excessive" and recognized Gusinsky's claims to amnesty based on a dubious state award to the oligarch for service to the Russian Government. (AGENCE-FRANCE PRESSE, 8:10 PDT, 16 Jun 00; C-afp@clari.net) Gusinsky has since been released from custody, after giving a personal guarantee that he will remain in Moscow, but lingering questions on the decision to arrest him, particularly who made the decision and who knew of it, raise doubts about Putin's control over his administration.
Kremlin Chief of Staff Aleksandr Voloshin has been targeted as the main culprit in this story. As head of the Kremlin apparat, holdover and liaison with the Yel'tsin regime, Voloshin carries the baggage of resentment for the "Family" interests of the Yel'tsin years. Voloshin also represents the process by which Putin came to power, which was almost certainly a "Family" plan. The Gusinsky arrest focuses attention, uncomfortably for those in power, on the doubts over Putin's ascent to office and who is really in charge in the Kremlin.

While there is conflicting information about the origin of the decision to arrest the Media-MOST chief, Putin has done little to mitigate the damage to his reputation. Indeed, his implausible denials of foreknowledge or ability to influence the Procurator-General have weakened him domestically. Putin's mention of the Procurator-General may suggest a clumsy attempt to create a scapegoat should the political need arise. It was widely rumored at the time of his nomination that Vladimir Ustinov was Voloshin's choice as Procurator, and that he was put forward in place of Putin's choice, Dmitri Kozak. Ustinov's ties to Boris Berezovsky and other members of Yel'tsin's Family revealed Putin's continued reliance on the previous administration, and Putin may wish to distance himself from that image by laying a political mess at his feet. This incident however, does little to clarify the level of authority Putin is able to wield. Gusinsky certainly believes the President was actively involved in the matter, he claims that Putin, not Voloshin, made the decision to have him arrested. (NEW YORK TIMES, 21 Jun 00; via nytimes.com)

Within the apparat, the Gusinsky arrest has demonstrated the uncertainty of loyalties in Putin's recent appointments to his administration. Some have suggested that the Kremlin is currently witnessing a clash of old guard Yel'tsin team members with newer Putin appointees. There may also be a division between bureaucrats and security service personnel. Central to the resolution of this question is the relationship between Putin and Voloshin. Despite media
speculation, Putin has retained him as Chief of Staff. That may indicate trust or dependence.

SECURITY COUNCIL

New Membership and new role?

If Putin feels the need for a counterweight to the administration, he will likely turn to the Security Council, which is supervised by his close associate, Sergei Ivanov. Putin's decision to add his regional representatives to the Council certainly has heightened its profile.

The current membership is as follows: President Putin as Chairman; Sergei Ivanov as Secretary; Prime Minister Kasyanov; Foreign Minister Igor Ivanov; Defense Minister Sergeyev; FSB Director Patrushev; Aleksandr Voloshin; Duma Speaker Seleznev; Federation Council head Stroyev; MVD Chief Rushailo; Prosecutor-General Ustinov; Justice Minister Chaika; Emergencies Minister Shoigu; FAPSI head Vladimir Matyukhin; SVR Chief Sergei Lebedev; Border Guards head Konstantin Totsky; President of the Russian Academy of Sciences Yuri Osipov; and the seven regional representatives, Georgi Poltavchenko, Viktor Kazantsev, Leonid Drachevsky, Viktor Cherkesov; Konstantin Pulikovsky, Sergei Kiriyenko and Petr Latyshev. (INTERFAX, 1723 GMT, 27 May 00; via lexis-nexis)

REPRESENTATIVES

New Regional bosses

President Putin's decision to superimpose seven federally-managed districts across the Russian state structure assumed a grim aspect as he unveiled his choices to head each region. Most have military or security services backgrounds, at least one, Viktor Cherkesov gained notoriety for his zealous persecution of dissidents. The level of concern with the President's plan was voiced by Boris Pustintsev, himself a former dissident, "The country is now being run by a Latin American-style junta." (SUNDAY TELEGRAPH, 21 May 00 via Nexis)
The appointments were not uniformly ominous however, former Prime Minister Sergei Kiriyenko, who is a noted liberal politician, was named to head the Volga region. While the President has proposed vesting his representatives with sweeping authority, the parliament is still debating elements of the bill that would enshrine their powers. The debate also involves reform of the upper house of the parliament, and particularly removing the immunity privileges enjoyed by Governors. During a meeting of the Federation Council, the Presidential envoy to the chamber provoked angry outbursts with his claim that if immunity were removed, some of the current MPs would soon be behind bars. The Procurator-General, who was also present, calmed the Governors with his reassurances that there were no cases pending against any of them. (ROSSIYSKAYA GAZETA, 08 Jun 00; FBIS-SOV-20000608 via World News Connection)

One element of the President's proposal has passed the Duma. Governors will no longer have input into the appointment of police officials. The new measure grants the Ministry for Internal Affairs the right to fire local police chiefs. (AGENCE-FRANCE PRESSE, 21 Jun 00, 3:30 PDT; via CAFP@clari.net)

Russian Federation: Foreign Relations

By Chandler Rosenberger and Sarah Miller

Although both Moscow and Washington have denied reports that Russia is seeking to ease Yugoslav president Slobodan Milosevic into a comfortable retirement, such a scenario fits neatly with Moscow's recent campaigns to promote itself as a reliable guarantor of European security against a post-Cold War threat of "international terrorism" and to highlight American failures to address European problems.
If, as reported, the White House has sought Russia's help in smoothing Milosevic's removal, the Clinton Administration has played into Moscow's efforts to secure a self-serving reputation. Vladimir Putin would like nothing more than for Russia to win a name as a bulwark of European values in an unstable world, since he could use -- and already has used-- such an image as a rebuke of the United States, portrayed in contrast as dangerously naïve.

**Slavic Solidarity**

Is Moscow working behind the scenes to guarantee Milosevic a safe European home? According to The New York Times, U.S. President Bill Clinton has asked Russian president Vladimir Putin to help ensure that Milosevic "be allowed to leave office with guarantees for his safety and his savings." Clinton reportedly asked for Putin's help in guaranteeing Milosevic's safe exit from power during their summit in early June. (NEW YORK TIMES, 19 June 00; via www.nytimes.com).

Unfortunately, such an American gambit -- if real -- would come at a time when Putin's Kremlin is pursuing influence in Belgrade at the United States's expense.

In a trip remarkable for its secrecy and effrontery to the West, Yugoslav Defense Minister Dragoljub Ojdanic visited Moscow for nearly a week in early May. Although the indicted war criminal took part in Moscow's May 9th celebration of the defeat of Nazi Germany and was welcomed by Russia's Defense and Foreign Ministries, his visit was not reported by Russian media or acknowledged by the Russian government until nearly a week after he left.

When the U.S. State Department protested that the United Nations held Ojdanic responsible for persecution of Kosovo Albanians, an anonymous source in the Russian Foreign Minister replied that Moscow believed such indictments to be "politically motivated" and therefore unworthy of enforcement. (INTERFAX, 1107 GMT, 17 May 00; FBIS-EEU-2000-0517, via World News Connection). It was not
for another week that Russian Foreign Minister Igor Ivanov backpedaled slightly, claiming Ojdanic's reception, although spread among top officials of two major ministries, had been the result of an administrative mistake. (INTERFAX, 1731 GMT, 24 May 00; FBIS-SOV-2000-0524, via World News Connection).

Moscow was more forthcoming about visits by Yugoslav Foreign Minister Zivadin Jovanovic, affording Belgrade's emissary a long interview in the government's newspaper, Rossiyskaya Gazeta and talks with Ivanov. In his interview, Jovanovic claimed that troops representing the United Nations in Kosovo were consciously allowing "terror, organized crime, smuggling and prostitution" to flourish in the province as a means to destabilize the Balkans and justify Western military activity in the Balkans.

Jovanovic also explicitly equated the separatist threat in Kosovo and in Chechnya, and claimed that the West was fomenting terrorism to its peril. "Brussels and Washington," he said, "do not realize that those who help terrorists and separatists, such as [former Kosovo Liberation Army comander Hashim] Thaci, [Former KLA commander Agim] Ceku, [Chechen president Aslan] Maskhadov and others, are opening a "Pandora's box" they should not be surprised at the "reverse effect" such as in Riyadh, Cairo, New York, Corsica, Bilbao, Nairobi, Dar-es-Salaam, and so forth." (ROSSIYSKAYA GAZETA, 16 May 00; FBIS-EEU-2000-0516; via World News Connection).

These moves towards Belgrade served Moscow's interests in two ways: they helped to discredit NATO's efforts to hold the Milosevic responsible for the debacles of Yugoslavia's collapse while also positioning Moscow as defender of "civilized" interests in Europe. If Moscow can later claim a role in easing Milosevic from power, it will have burnished its reputation for effective diplomacy even as it savages the United States for disrupting European stability.

A flat summit
Moscow has already shown how it plans to use the contrast of alleged American recklessness and Russian sophistication. During and following the summit in which Clinton's secret proposal was allegedly made, Putin contrasted America's "destabilizing" proposals for amending the 1972 Anti-Ballistic Missile Treaty with Russia's safer "pan-European" system of defense.

Clinton arrived to promote a defense compromise that Russia had ruled out in advance. In exchange for amendments to the ABM Treaty that would allow construction of a limited, land-based missile defense system, the United States would agree to cut its stock of intercontinental missiles to levels proposed under START III. But the Russians knew what pitch was coming, and were able to knock it out of the park. Rejecting Clinton's plan on the eve of their summit, Putin instead proposed a pan-European system, jointly developed by European, Russian and American scientists, probably based on Russian soil, of a missile defense that would intercept missiles in their "boost phase." (ITAR-TASS, 0854 GMT, 2 June 00; FBIS-SOV-2000-0602; via World News Connection).

On lightening trips to Rome and Berlin immediately following the summit, Putin hinted that the United States can not be trusted with European security questions. "It is very important," Putin said in Berlin, "that European states should speak out for the preservation of the US-Russian ABM Treaty thereby strengthening strategic stability in the world." Threatening to withdraw from START II if the U.S. abandoned the ABM treaty, Putin said the American plans are "tantamount to a proposal 'to burn the house in order to cook an omelette'." (INTERFAX, 1959 GMT, 10 June 00; FBIS-WEU-2000-0611, via World News Connection).

Taken together with Moscow's insistent claims that last year's Kosovo campaign failed, a Russian foreign policy position for Europe emerges. The Kremlin appears to hope that it can portray Washington's plans for missile defense as
another the disruptive American "scheme," one as risky and unsettling as its Kosovo campaign.

So far, the ploy appears to be working, weakening the American position among its NATO allies. Ernst-Jorg von Studnitz, German Ambassador to Russia, stated that Germany shared Putin's concerns about America's plans to establish its own missile defense system. "Berlin understands that in this case, the matter concerns the security of only one of the partners [the U.S.], whereas Germany has been talking of joint actions for many years," von Studnitz said. "We should find solutions in the ABM sphere which would meet all our needs." (INTERFAX, 1414 GMT, 6 June 00; FBIS-WEU-2000-0606, via World News Connection).

Nationality, Autocracy and Urbanity

If Moscow can court Belgrade while pushing for reform in rump Yugoslavia, Russia can rehabilitate its own reputation as well. Milosevic could be made a scapegoat, accused of over-reacting to a genuine "terrorist" threat; Moscow could push for his replacement and win over a new generation of Serbian leaders. The Kremlin could also make the case that its own experience of "fighting terrorism" in Chechnya, far from an embarrassment, ought instead to grant it a privileged position as a defender of European civilization.

This vision of Russia's new role would match the one political principle that Putin appears to hold dear -- defense and advancement of the ethnic "Russian" nation. A European-wide antiballistic missile system more suited to Moscow's interests than the U.S. scheme could then be promoted as a Russian contribution to a continent threatened by "terrorists" that Washington does not take seriously and, in the case of Kosovo, has even abetted. It is still unclear whether European leaders would buy a Russian claim to be a defender of their Eastern frontier. But as Kosovo roils and Washington provides no persuasive "Atlantic" vision of European security, Putin's case is certainly a lot easier to make.
Moscow summit shakes up Russo-Chinese relations

Russia and China have long seen eye to eye on ABM and NMD, but Putin's actions at the Moscow summit with President Clinton in early June seem to have shaken the united posture that Russia and China have embraced over the past eighteen months. Although it is still to early to assess the impact, if any, that the summit will have on broader Russo-Chinese relations, Putin's post-summit actions seem to hint that he is well aware of his misstep.

Only days after his Moscow summit with Clinton, Putin phoned Chinese President Jiang Zemin to reiterate Russia's commitment to the Russo-Chinese strategic partnership. Although he probably didn't mean for it to sound like an admission of guilt, Putin's pledge to Jiang that Russia is "ready to enhance coordination and cooperation with China on major issues of international strategy and stability" sounded like an "I'm sorry." (XINHUA, 1154 GMT, 8 Jun 00; FBIS-EAS-2000-0608, via World News Connection) Putin will have an opportunity to address the issue in person with Jiang during a brief Beijing stopover on his way to the Okinawa G-8 summit in July. For added measure, the Russian Foreign Ministry has confirmed that Putin will most likely stop in Pyongyang as well in an attempt to dispel western fears of a North Korean rogue threat. It appears that Putin is hoping that these measures might allay Chinese fears that he is wavering on ABM. However, Putin has yet to match his rhetoric with action, and the Chinese are well aware of it.

Russian Federation: Media

By Jonathan Solomon

Gusinsky Arrested

On the evening of 13 June, chairman of the Media-MOST group Vladimir Gusinsky was supposedly called in by investigators from the Prosecutor General's Office to explain why he 'kept ammunition on hand for a firearm that he
had received as an award.' After arriving at the office, he was summarily arrested for a completely different offence. Gusinsky was charged under Article 159 of the Russian Federation Criminal Code, as he stands accused of defrauding the government during the 1998 privatization of a video production firm called Russkoye Video. (INTERFAX, 1536 GMT, 13 Jun 00; FBIS-SOV-2000-0613, via World News Connection)

The Prosecutor General's Office has alleged that when Media-MOST acquired the former state asset, Gusinsky bribed Dmitry Rozhdestvensky, Rosskoye's general director, to allow MOST to acquire 70% of the company's shares for only $5000. Rozhdestvensky has been in prison for nearly two years awaiting trial on charges of misappropriating state funds and property in an unrelated case. MOST spokesman Dmitry Ostalsky denied that the group or Gusinsky had played any part in Russkoye's privatization, stating that it "had been privatized long before it became Media-MOST's partner." (MOSCOW TIMES, 15 Jun 00; via www.themoscowtimes.com)

The Elites React
Reaction to Gusinsky's arrest was immediate. MOST officials avoided blaming Putin and instead accused Presidential Chief of Staff Alexander Voloshin and other "family" figures aligned with Gusinsky's rival, Boris Berezovsky. Gusinsky's chief deputy, Igor Malashenko, flew to Madrid to attempt to hold a press conference from the lobby of the Ritz Hotel in which Putin was staying during his visit to Spain. He was barred by Presidential security from doing so, but managed to meet with the press at the nearby Palace Hotel. As an interesting side note, for the first 25 minutes of the press conference, the lights mysteriously lost power until "it became clear that the press conference would go ahead." (Moskovsky Komsomolets, 15 Jun 00, pp. 1-2; Agency WPS- What the Papers Say, via Lexis-Nexis) Malashenko declared that the Berezovsky-Voloshin bloc's goal was to "build an authoritarian regime in Russia," and to that end have begun "a war against independent media." Putin, according to Malashenko, is a
"hostage" of these men, as they brought him to power, and now he is trying to free himself from their control. (MOSCOW TIMES, 15 Jun 00; via www.themoscowtimes.com)

Moscow Mayor Yuri Luzhkov, whose Fatherland-All Russia party was supported by Gusinsky's media assets in last December's Duma elections, also accused Voloshin, saying that the affair was "a test of society's reaction to repressions." He demanded Gusinsky's release, and offered to take his place in prison if Gusinsky fled the country.

In a joint statement by Fatherland-All Russia, Yabloko, the Union of Right Forces (SPS), and the Russia's regions party, the blocs demanded Gusinsky be released and requested that Putin explain himself: "We have no grounds not to believe Putin when he says he had not known about preparations for the arrest... but then another question arises: who is interested in splitting society exactly at the time when the president of Russia is carrying out such important reforms?" The blocs' leaders later told reporters that they may reconsider supporting Putin's bills on tax and federal structural reform when they reach the Duma floor.

Eduard Sagalayev, president of the National Association of Broadcasters, was more hostile. Noting that in the prior incidents, ranging from assaults against journalists to the raiding of Media MOST facilities by federal agents last month, his organization had given Putin the benefit of the doubt in his role in these repressions, "what happens now changes the picture radically." He went on to say that "Gusinsky's arrest removes the veil of ambiguity from the actions of the authorities. It is absolutely clear that they are trying to throw us back to a society in which political liberties and dissidence are considered a punishable crime." (MOSCOW TIMES, 15 Jun 00; via www.themoscowtimes.com)

UES Chairman Anatoly Chubays considered the arrest a grave mistake, observing that it would signal repression of freedom of the press and thus serve
to dissuade foreign investment in Russia. He also said that Putin had not mentioned any plans to arrest Gusinsky when the two had met the day before. "I can assume that such decisions are made at a low level by overzealous underlings of big wheels, said Chubays, who also hinted that Putin should not let decisions with such political ramifications be made at levels as low as the Prosecutor General's Office. (INTERFAX, 1342 GMT, 14 Jun 00; FBIS-SOV-2000-0614, via World News Connection)

Seventeen Russian businessmen (including a few of the 'lesser' oligarchs) published an open letter condemning the arrest. Among the signers were Chubays, Gazprom head Rem Vyakhirev, Alfa Bank President Pyotr Aven, and Interros holding company head Vladimir Potanin, whose firm has a 51% share in Izvestia newspaper. "Until yesterday we believed that we lived in a democratic country," scolded the letter. "Today we have serious doubts." (MOSCOW TIMES, 15 Jun 00; via www.themoscowtimes.com) Indeed, what prompted the letter is no doubt that many of the signers see themselves potentially in Gusinsky's shoes down the road.

Mikhail Gorbachev went on record to say that the arrest was a continuation of repressions against the free press that began with the federal raids on MOST offices last month, as well as "an attempt to frighten the media and society." Commenting on Gusinsky's incarceration in Moscow's notorious, overcrowded Butyrka prison for common criminals, Gorbachev noted that it "smacks of vengeance, to say the least," and that it "was pure politics." But, he also suggested that it was a move made by subordinates against Putin, meant to embarass the president while he was abroad. (INTERFAX, 0627 GMT, 14 Jun 00; FBIS-SOV-2000-0614, via World News Connection)

As for Putin's reaction from Madrid and Berlin, where he was conveniently out of town engaged in talks aimed at increasing Western investment in Russia, he at first expressed mild surprise at the arrest. "It was a dubious present [for me]... I
hope the security forces have sufficient grounds to make such an action and it has been done according to the law," he was quoted as saying to reporters in his `close circle. (MOSCOW TIMES, 14 Jun 00; via www.themoscowtimes.com) But after the firestorm of support for Gusinsky from at home, and surprisingly from abroad- namely the US, Putin said on the 16th that the Prosecutor General's Office had gone too far: "I think it should've been possible to handle this without an arrest." He stressed, though, that Gusinsky was under scrutiny for his business dealings and not for his chairing of a major opposition media holding. He denied any political aspects to the case. (MOSCOW TIMES, 16 Jun 00; via www.themoscowtimes.com) And sure enough, as was the case with the Babitsky affair in February-March, Gusinsky was freed on the 17th after promising that he would not leave Moscow before the case comes to trial. (MOSCOW TIMES, 17 Jun 00; via www.themoscowtimes.com) This is far from over for Gusinsky, and the intentions of Putin and the administration are ominous (see the Executive Branch section of this NIS Observed)

**Gusinsky: for better or for worse**

Gusinsky is no angel- he is an oligarch, and much of what MOST holds was gained in shady, deals during the mid `90s, as was just about every other major business in Russia today. It is not unlikely that some of the charges against him are based in reality. He played the game of influence in the Kremlin against Berezovsky, clashing in media wars with Berezovsky's outlets when he bet on Fatherland-All Russia and Yabloko in the December Duma elections, and Yavlinsky in the Presidential elections. Gusinsky lost that game, as we've seen all spring.

Hardly an idealistic champion of free speech, he is a default champion of the press right now, as his outlets have been (relatively) objective and the most critical of Kremlin policy in the last few years. NTV, Segodnya newspaper, Itogi, and the outlets that MOST has supported in the past, such as Novaya gazeta, are the last line of defense against the end of the free Russian press. No other
outlets in Russia have even remotely the reach that these enjoy, nor the editorial freedom. If Gusinsky goes down, as `dirty' as he may, MOST will likely be `redistributed' and Russia will lose its only viable. The `evil empire' has fallen, but if what began with glasnost dies, what will take its place?

Has Berezovsky declared war on Putin?
In Nezavisimaya gazeta on 18 May, an article was published that told us "not to confuse action against tycoons with threats to civil liberties." It told us that though it is a myth that Putin "is a weak president and a weak person," the writer has to admit "that the people who advocate this point of view, both in public and off the record, do have something to base their opinion on." It then presented a damning laundry list of ways that Putin has fallen short. (Nezavisimaya gazeta, 18 May 00, pp. 1, 3; Agency WPS- What the papers Say, via Lexis-Nexis)

In Kommersant on 25 May, an article was written that told us that the Commission for European Security and Cooperation wrote that "under Putin, the human rights situation in Russia has deteriorated." It listed ways in which the commission found this to be so. It stated that members of the US Congress wanted Clinton to raise the issue of free speech when he visited Moscow, "even if Putin doesn't find this issue to his liking." (Kommersant, 25 May 00, p. 2; Agency WPS; via Lexis-Nexis)

So what's strange about this? Many opposition papers in Russia have been saying this for months. What's different is that both Kommersant and Nezavisimaya gazeta are Berezovsky papers. The man is clearly increasingly hostile to Putin, and we can trace this progression from his statements made just before the election to today. Of note- Berezovsky does not lose a tear that Gusinsky is in trouble, but condemns the fact that he was arrested and tossed into prison. Berezovsky is playing all of his cards, trying to discredit Putin and keep him from consolidating any strength. Surely, he sees himself potentially in Gusinsky's position. But in Russia today, Berezovsky is a name that the public
finds vastly more onerous than Putin, and the public seems to have largely supported- or acquiesed to- Putin's moves thus far.

So perhaps Putin is allowing Berezovsky to dig his own trap. We'll know for sure if sometimes in the near future, Putin replaces or discredits a member of the Berezovsky entourage in the Kremlin. And if that happens, we can be sure to hear far less `veiled' protests from the Berezovsky media.

**May I see your license and registration please...**

...because your newspaper was telling treasonous lies about the state in a no-dissidence lane of the information superhighway. On 10 June, Press Minister Mikhail Leslin declared that his ministry had reversed its policy and decided to uphold a 1998 law passed by the Duma that requires any publishing activity to be licensed by the state. To this point, the Press Ministry has upheld an earlier law that only required registration of newspapers and magazines. "If one strictly follows the letter of the law, we could have shut you all down a long time ago," he said in an interview by Obshchaya gazeta.

According to Leslin, a court decision is required to take away a license, but the Ministry can suspend a license for up to six months for the violation of any media law. Publishing in the mass media without a license is, under this law, a federal crime. However, the Ministry is likely to interpret media law at its convenience as is normal government practice, calling hostile media outlets criminals for technicalities others get away with.

Leslin even blamed the media for not following the 1998 law voluntarily, which `forced the Ministry's hand.' Noted Leslin, "But we don't want to take tough measures against violators, while the majority of print media are today among the violators." He lamented that he had "to make up for eight years of the government's lack of a media policy." (MOSCOW TIMES 10 Jun 00; via www.themoscowtimes.com)
Russian Federation: Domestic Issues and Legislative Branch

By Michael Thurman

JUDICIARY

Vladimir Ustinov confirmed as prosecutor-general

Coming as a shock to no one, the Federation Council officially dismissed Yuriy Skuratov from his post as prosecutor-general at President Putin's request. In so doing the Council resolved the situation whereby Skuratov technically remained the country's chief prosecutor although he had been suspended from his duties by former president Boris Yel'tsin. Putin's popularity seems to be the reason for the Federation Council's change of heart. Soon after the upper house confirmed Putin's appointment of acting-prosecutor Vladimir Ustinov to the post of prosecutor-general. (INTERFAX, 0726 GMT, 17 May 00; FBIS-SOV-2000-0517 via World News Connection)

Although the members of the Federation Council would have appointed anyone Putin threw at them, not everyone was pleased with the way in which the process was handled. Vladimir Fedotkin, chairman of the Ryazan Province Duma, proposed postponing the vote until June: "We don't even have the documents we should have," such as Ustinov's resume. But given the fact that they might not even be in office if Putin's proposals to revamp the Federation Council go through, the senators may be wanting not to unduly annoy the country's chief law enforcer. Anyway, as Chairman Yegor Stroyev reassured them, "he's right here in person; what else do we need to know about him?" . . . (IZVESTIA, 18 May 00, Vol. 52, No. 20; Pg. 18; via lexis-nexis)
So why the rush? It appears that Ustinov was not necessarily Putin's first choice. The day before Ustinov's confirmation, the Federation Council was discussing the candidacy of Petersburger Dmitry Kozak. At that point the senators seemed content with Putin's decision, but again, they would probably have voted for anyone Putin suggested. It was only the next morning that they found out that Kozak's candidacy had been withdrawn and replaced by Ustinov's.

"According to Sevodnya's information, [Prime Minister] Mikhail Kasyanov had intended to dismiss Kozak as government chief of staff and replace him with the head of Kasyanov's own secretariat, Konstantin Merzlikin. Members of Putin's inner circle got the idea of nominating Kozak for prosecutor general in order to counterbalance the role of the Family, which had pushed for Kasyanov to become prime minister. The president, who knows Kozak well, supported the idea. ButAleksandr Voloshin, who has the Family's (and his own) interests at heart, decided otherwise. Why?

"Back in Petersburg, Kozak earned a reputation as a pedantic stickler for the letter of the law. Voloshin had no guarantees that a man who wasn't close to the Family wouldn't start stirring up the Mabetex and Aeroflot corruption cases, which have been dying down. Ustinov, on the other hand, was a known quantity, already tested in both the Skuratov case and the 'high-profile cases.' According to our information, the Mabetex case will be closed any day now. Even though, as our sources at the Prosecutor General's Office say, it can't be closed officially, a 'creative approach is producing a solution to this problem.' . . .

"In short, the Family is still safe. At least as long as the Prosecutor General's Office is headed by Vladimir Ustinov, who is indebted to the entire Kremlin and to Aleksandr Voloshin personally." (SEVODNYA, 18 May 00, via lexis-nexis)
This interesting analysis by Sevodnya, if true, suggests that the Yel'tsin "Family" still commands considerable influence in the Putin Administration and he is not yet his own man.

**REGIONS**

**Putin reorganizes presidential representation in the regions**

President Putin has been busy trying to regain control over Russia's wayward regions. He began by establishing seven "federal districts" which, with the exception of the Volga District, coincide with the country's military districts. Each will be lead by a presidential representative who is supposed to coordinate the federal presence in each district's constituent regions. The president's present representatives in each of the individual regions would retain their posts and presumably report to the head of the federal district.

The presidential decree creates the Central Federal District (capital Moscow), the North-West Federal District (capital St. Petersburg), the North Caucasus Federal District (capital Rostov-on-Don), the Volga Federal District (capital Nizhny Novgorod), the Ural Federal District (capital Yekaterinburg), the Siberian Federal District (capital Novosibirsk), and the Far Eastern Federal District (capital Khabarovsk).

As might have been expected, these districts are becoming the basis for the reorganization of several layers of the Russian federal government. Recently the procurator-general has appointed procurators at the new district level. Prosecutor-general Vladimir Ustinov stressed that the newly appointed district prosecutors will not replace the regional ones. "We are just going to bring the central office nearer to the local structures," he said. (ITAR-TASS, 0744 GMT, 7 Jun 00 ; FBIS-SOV-2000-0607, via World News Connection)
A centralized police presence will also be set up in each of the districts, ostensibly for the purpose of fighting organized crime. (ITAR-TASS, 0816 GMT, 7 Jun 00; FBIS-SOV-2000-0607, via World News Connection) Even the court system is taking advantage of the districts by establishing district-wide legal jurisdictions. (ITAR-TASS, 1220 GMT, 26 May 00; FBIS-SOV-2000-0526, via World News Connection)

It is hard to discern whether these districts will have any lasting effect on reigning in the regions, or whether they are simply another level of bureaucracy and yet another line-item in the meager Russian state budget. Since the fall of the Soviet Union, Russian politicians have had a love affair with creating organizations. There have been discussions for a while about creating "super regions" of some fashion, often along the lines of the eight economic associations. It is therefore not too surprising that Putin finally made the discussion a reality. But his district representatives will have little power and so it is hard to know what they can or will do. For now it is enough for Putin's glowing admirers to point to this decree and claim that he is restoring order. The solution to Russia's problems does not lie in hobbling together yet another level of federal bureaucracy, it lies in the fair and unequivocal administration of the nation's laws - something that has eluded the Federation's leaders up to now. As the president of Ingushetia, Ruslan Aushev, pointed out, "What will the presidential envoy sitting, for instance, in Khabarovsk know about what is happening on the Kurils?" He added that he is 100% sure he would not be flying to Rostov-on-Don - the capital of the North Caucasus Federal District - to ask the presidential representative his opinion. (INTERFAX, 1716 GMT, 17 May 00; FBIS-SOV-2000-0517, via World News Connection)

**FEDERAL ASSEMBLY**

**Putin makes a move on the Federation Council**
Proclaiming that "Government has to work!", President Putin's address to the nation outlined his idea for revamping the membership in the Federation Council, and by extension, federal relations with the regions.

Putin pointed to three areas of change he would like to see implemented: First, the membership of the upper house would change. No longer would the heads of the regions and the leaders of the regions' legislatures sit in the Federation Council. Instead, these same politicians would appoint someone to represent them in the Federation Council. The Russian Constitution states that the Federation Council is to be constituted by two representatives from each region one of which is to represent the executive branch in the region, and the other the legislative branch. It does not stipulate how this is to be accomplished. The present system of having the actual head of the regions and regional parliaments was instituted after the ratification of the Constitution. Putin believes that the heads of the regions and regional parliaments cannot possibly hold down both jobs and do each well, and so a permanent representative needs to be sent to Moscow to represent the regions.

Second, Putin wishes to construct a mechanism for removing regional leaders from office and dissolving regional legislatures when laws in conflict with federal legislation are passed. The same procedure would also apply to regional leaders and lower levels of regional government.

Third, regional leaders should also be able to remove elected officials below them. (ROSSIYSKAYA GAZETA, 19 May 00; via lexis-nexis).

The bills sailed through the Duma, but are now being discussed in the Federation Council. Some form of the bill will certainly pass, but the sticking point for the present membership is the retention of parliamentary immunity which they would be forced to forgo if their representatives were seated in the Federation Council instead of themselves personally.
Russia’s European ABM proposal, a paper tiger

On June 1st Russian President Vladimir Putin unexpectedly proposed a joint Russian-European ballistic missile defense system. Kremlin sources were later quoted to the effect that Putin's boost phase intercept proposal concerns "only non-strategic anti-ballistic missile systems designed for fighting non-strategic missiles." (RFE/RL NEWSLINE, 5 Jun 00) The proposal is even more surprising because Russia has belittled United States’ concerns regarding proliferating technology of ballistic missiles and weapons of mass destruction and has also called the rogue nation threat "virtual." The deeper one digs into the proposal, the more uninspired it. Lacking any technical merit, it would serve Russia's political interests and would not provide any tangible contribution to Western Europe's defense.

Following Putin's announcement, Russian Defense Minister Igor Sergeyeev presented another vaguely worded statement that was more suited to starting a debate than serving as a blueprint for European missile defense. First, he recommended joint expert consultations on the proliferation of weapons of mass destruction, and, if successful, a joint assessment of missile threats. If Russia and Europe decide there is a missile threat, then they would commence a joint assessment on the level of threat. Eventually, the group would draw up a joint concept of a pan-European non-strategic anti-ballistic missile system, and test the concept in joint exercises. (MOSCOW RIA, 1544 GMT, 11 Jun 00; FBIS-SOV-2000-0611, via World News Connection) Finally, after endless study and testing, a defense system may be fielded. The proposal forces all interested parties into exhaustive, fruitless discussions while producing mountains of useless paper. To date, Europe has been skeptical of United States concerns of
a rogue nation threat. It is doubtful their attitude will change working with Russia, particularly when Russia calls the threat "virtual." However, the proposal would give Europeans political cover to claim they are doing something about missile defense while they refuse to stomach increased defense budgets. Julio Castro Caldez, the Portuguese defense minister said, "I do not see how you can convince European partners to increase their budgets" to pay for a defensive system. "We don't have the money." (UPI, 8 Jun 00; via lexis-nexis)

The proposal is part of a larger Russian goal to divest the United States of its link to European security and further Russia's power and prestige. In the Cold War, it was a classic Kremlin tactic, usually wielded with a heavy hand. Today, Mr. Putin only insists that Russia is a fellow European power and is primarily interested in preserving the current arms control framework. (NEW YORK TIMES, 11 Jun 00; via Primary Current News Service) Putin's proposal plays on European fears of the United States plan to field a national missile defense system. The current plan will not protect Europe, leading to concerns of a two tier system of security within NATO. In addition, Putin has openly stated that, if the US fields a nationwide missile defense system in violation of the 1972 Anti-ballistic Missile (ABM) Treaty, Russia will "tear up" all arms control agreements. Russia will parlay European fears of a new arms race into anti-U. S. sentiment, potentially driving a wedge between Europe and America.

Russia's meaningless ballistic missile defense proposal serves Russia, not Western Europe. It is part of a diplomatic offensive to block U. S. plans for a nationwide missile defense system.

**The second ABM proposal**

The second element of Russia's plan for anti-missile defense is a boost phase intercept system. Russia says it is developing the new defensive system, designed to be placed near threat countries, that would protect Russian and American territory. (NEW YORK TIMES, 14 Jun 00; via Primary Current News
Service) Boost phase intercept describes ballistic missile destruction during its ascent phase. A missile is most vulnerable during this phase because it is emitting a hot plume of flame and the warhead has not separated from the missile, presenting a relatively large target. Destruction of the missile in the boost phase ensures the warhead will not reach its target. Missile destruction in the mid-course and terminal phases poses more difficult intercept problems. However, there are technical challenges to a boost phase intercept architecture. First, the defense requires more than just very fast interceptors. Sensors, coupled with a command and control system, must enable the decision maker quickly to distinguish a hostile missile from a commercial rocket. The time of boost phase is short, approximately three to five minutes. Therefore, when one accounts for determining Inter-Continental Ballistic Missile (ICBM) trajectory and interceptor flight time, an interceptor launch decision must be made in less than two minutes. Russia's ballistic missile defense proposal would emphasize joint operations. Decision by committee has no place in the time constrained ballistic missile defense scenario. Another technical challenge is developing a seeker to distinguish the missile from its plume of flame. Finally, the interceptor must be nimble enough to intercept an accelerating target. These issues do not render boost phase intercept architecture technically unfeasible. Commitment, time and copious amounts of money could solve these problems.

There are also other challenges to Russia and America working together on missile defense. First, the two sides differ on the need for anti-missile systems. While Americans, believing the missile threat is inevitable, plan to rely on technology and diplomacy, Russia prefers to call the threat "virtual" while hiding under a "political umbrella" based on diplomacy. (WASHINGTON POST, 14 Jun 00; via Primary Current News Service) Also, Russia believes their boost phase intercept system can be fielded in lieu of the proposed land based system. The U. S., on the other hand, insists an anti-missile system must be operational by 2005 to counter the expected North Korean threat. Due to the technical challenges, a boost phase intercept system probably could not be fielded prior to
2005, therefore the U. S. views boost phase as complimentary to its land based, mid-course phase intercept system. It is unclear if Russia's proposal would be ABM treaty compliant.

Former intelligence officials recently voiced their concerns of Russian tactics on missile defense. For example, a popular notion among arms control advocates is the ABM treaty provided the cornerstone of strategic stability between the United States and the former Soviet Union. However, the Soviet Union did not want to spend resources on offensive and defensive capabilities. By prohibiting development of nationwide missile defenses, the ABM treaty enabled the Soviet Union to pour resources into the development of offensive weapons such as nuclear tipped ICBM's. The Soviet goal was obviously not to limit strategic weapons, but to limit the United States in an area of its technological superiority. Shortly after the treaty was signed, the Soviets fielded the SS-18 and SS-19 ICBM's, both with multiple warheads. Due to the broad public support for arms control, it would have been political suicide for the United States to withdraw from the ABM treaty. (DEFENSE DAILY, 6 Jun 00; via Primary Current News Service)

In 1972, technology did not support a workable ballistic missile defense system. However, 28 years later, technology advances make effective ballistic missile defense a distinct possibility. Russia's refusal to consider any modifications to the ABM treaty constitutes a continuation of Cold War policy. Moscow prefers to spend scarce resources maintaining its nuclear arsenal, its justification as a great power. An anti-missile system would force Russia to divert resources towards devising countermeasures, such as decoys and multiple warheads. Russia is producing 10 single warhead Topol-M ICBM's per year, not enough to maintain even proposed START III levels of 1000 warheads. (NIS OBSERVED, 1 Nov 99) By default, Russia's warhead levels will decrease, therefore the arms race threat is groundless.
A serious effort to cooperate with the United States would be a reversal of current Russian policy. The proposal is part larger Russian goal to stop U. S. plans for a national missile defense system.

LTC James Temple, USAF and LCDR Richard Miller, USN are inbound to replace LTC Jill Skelton and LCDR James Duke. LTC Skelton is enroute to the Air Force Staff at the Pentagon. LCDR Duke is enroute to USS GARY (FFG 51) for duty as Executive Officer.

Newly Independent States: CIS
By Sarah Miller

It's summit time, but stagnation all the same
In the run-up to the 21 June CIS Heads of State Summit and Foreign and Defense Ministers' follow on meetings, the unrelenting rift in CIS relations looks larger than ever. In preparation for the summit, the only truly CIS-wide meeting occurred over a month beforehand at the 18-19 May Astana CIS Interior Ministers' Meeting. (ITAR-TASS, 0703 GMT, 18 May 00; FBIS-SOV-2000-0518, via World News Connection) Although it appears that many of the CIS members will ratify Russia's pet project, the Anti-Terrorism Center, at the June summit, the issue of terrorism and the possible CIS reaction to it has become more contentious than ever over the past few weeks. While all the CIS members seem to agree on the importance of counter-terrorism measures the two poles within the CIS couldn't be more different. While the Russian-6 have banded together tightly against their perceived aggressors (see Central Asia below), the GUAM members have looked inward and westward for answers.

Beginning with Presidential Spokesman Sergei Yastrzhemsky's late-May threat of force against Taleban-funded terrorists operating out of Afghanistan, the hard-line Russia-6 approach to terrorism began to unfold. (INTERFAX, 0708 GMT, 24
Almost concurrent with this statement and Ministry of Defense statements on the practicality of preventative air strikes against terrorist groups on CIS borders, the Collective Security Treaty (CST) members plus Uzbekistan met in Minsk to give more teeth to CST Treaty, thereby making Yastrzhembsky's comments even more ominous. By all accounts it now looks as if the legal presence of elite Russian Alpha troops on CST members' soil in case of a "terrorist" action is a foregone conclusion.

Even Uzbekistan, which is no longer a CST member, has embraced the possibility of Russian "assistance" in the face of a terrorist attack. As far as the practicality of such counter-measures, or even preventative strikes against a terrorist threat is concerned, the CST members take no time in pointing out the applicability of the two previous years' Shield of the Commonwealth exercises. Clearly drawing from NATO's Kosovo airstrikes, the CST scenario utilizes strictly air strikes so as to minimize CST damages.

In contrast to the CST members' rather draconian rhetoric and posturing, GUAM members addressed their long-term outlook in May as well. If a venue can speak a thousand words, then GUAM has done it twice in as many years. Much like their prominent if short-lived expansion at the NATO anniversary summit in Washington last spring, GUAM members used Washington again this May to display their westward tilt. Although this comes as no surprise, in contrast with the CST meetings back in the former USSR, the GUAM members' appeals to the US Congress for more attention seemed far more diplomatically correct. For GUAM, which still portrays itself as an economic and semi-strategic grouping, the emphasis of the trip was on promoting their image as the rational, democratic and westward leaning group. In fact, the ambassadors from all five GUUAM member states-Uzbekistan is still playing on both sides-told an RFE/RL seminar that they wished specifically to expand relations with the US. In an apparent jab against their CST rivals, the Georgian Ambassador stressed that GUUAM was
not an "artificial organization based on coercion" but a group of five countries with "common problems and threat perception." (17 May 00; via www.guuam.org)

Given the events of the past month, the prospects for the upcoming CIS Summit on 21 June look undeniably bleak. Even if the Anti-Terrorism Center does pass, the CIS has yet to create either the administrative mechanisms for implementing it or appoint a head to guide it, despite the fact that it is scheduled to become operational the day after the summit.

Newly Independent States: Western Region
By Tammy Lynch

The right thing to do, politically expedient or both?
Over the past year, something quite amazing has been going on between US and Ukrainian prosecutors. It is something that has generally been quite rare in US dealings with the states of the former Soviet Union. It is called cooperation.

In February 1999, the United States detained former prime minister Pavlo Lazarenko and began investigating charges that he had laundered millions of dollars of illegally obtained Ukrainian money through US banks. By that time, Lazarenko had already been charged with money laundering and embezzlement in Ukraine and Switzerland, and had seen his diplomatic immunity stripped by the Ukrainian parliament. Soon after Lazarenko was arrested in the US -- as he was apparently attempting to flee the Ukrainian and Swiss warrants -- US and Ukrainian officials began working together to follow the money trail.

On 5 March 1999, Ukrainian Prosecutor-General Mikhail Potebenko announced that his office had sent the United States "additional evidence" regarding the Lazarenko case. The documents showed, Potebenko said, that "the person in question . . . must be held responsible for crimes committed." (INTERFAX, 5 Mar
By 23 November, the Deputy Prosecutor-General said that the case against Lazarenko was "measured in some two thousand volumes" and included "bank accounts checked by the prosecutor-general's offices of Ukraine, Switzerland and other countries, including quite exotic ones." (INTERFAX, 0941 GMT, 23 Nov 99; FBIS-SOV-1999-1123, via World News Connection)

Now, after more than a year of investigation, a US federal grand jury has indicted Lazarenko on one count of conspiracy to commit money laundering, seven counts of money laundering, and 23 counts of transportation of stolen property. A statement from the US Attorney's Office carried in The Kyiv Post said, "According to the charges, between 1994 and 1999 Mr. Lazarenko transferred approximately $114 million that he had corruptly and fraudulently received into bank and brokerage accounts in the United States." (KYIV POST, 9 June 00)

This indictment would undoubtedly have been impossible without the cooperation of Ukrainian officials. Although those same officials are unhappy that Lazarenko was not immediately extradited to Ukraine for trial, they have chosen to support the US investigation instead of standing in its way. This fact is in marked contrast, of course, to the current US investigation into Russian money laundering through the Bank of New York (BoNY). Although Moscow police have raided several banks allegedly involved in the BoNY scandal, US "authorities" told Newsweek that "the Russians have not yet shared much of that evidence." (NEWSWEEK, 28 Feb 00; via lexis-nexis) Days before that Newsweek report, Associated Press reporter Vladimir Isachenkov called on then-presidential candidate Vladimir Putin to allow "his law-enforcement agencies to share what they know . . .." (ASSOCIATED PRESS, PM Cycle, 21 Feb 00; via lexis-nexis) The request apparently fell on deaf ears. (For additional background on the BoNY scandal, see NIS Observed, 16 May 00)

Of course, there are several factors that make cooperation in the Lazarenko case easier than in the BoNY case. Lazarenko's status as an enemy of just about
everyone in Ukrainian politics has likely made it much easier for his former colleagues to work with US officials on the issue. In addition, the scandal appears to be much more limited in scope than in the Russian case. It is, therefore, easier to investigate, and -- most important -- less dangerous to prosecute. Nevertheless, the fact remains that Ukraine's actions in this matter appear to have held it in good stead. Ukrainian President Leonid Kuchma told reporters that the Lazarenko issue was discussed during his meeting with US President Bill Clinton. According to Kuchma, Clinton told him that the charges brought against Lazarenko will help "increase investors' confidence in Ukraine." (INTERFAX, 1542 GMT, 6 Jun 00; FBIS-SOV-2000-0606, via WNC)

So, while there is no question that corruption is rampant in Ukraine, at least in this case the country seems to be doing what needs to be done. Whether they are doing so because it is the right thing to do, or because the situation allows them to get rid of Lazarenko, will soon become clear. In Lazarenko's indictment, Ukrainian Deputy Prime Minister Yulia Timoshenko is named as someone who helped Lazarenko profit from his position. The indictment, quoted in the Financial Times, specifically alleges that "Lazarenko received money from companies owned or controlled by Ukrainian businesswoman Yulia Timoshenko [before her appointment] . . . in exchange for which Lazarenko exercised his official authority in favor of Timoshenko's companies." (FINANCIAL TIMES, 5 June 00) How Ukraine's politicians and law enforcement officials react to this news will demonstrate whether the country's leaders truly want to eliminate government corruption, or whether they only want to eliminate certain corrupt government officials.

MOLDOVA

Putin to the rescue . . . not

For almost a month now, the OSCE (Organization for Security and Cooperation in Europe) has been gently suggesting that the promised Russian troop pullout from Moldova is not proceeding as it should. At a 6 June briefing in Chisinau,
William Hill, the head of the OSCE’s mission in Moldova, said that he was "concerned" about the lack of progress being made on the troop withdrawal issue. Shortly after, Hill stated, "An overwhelming number of OSCE countries are seriously concerned over the lack of movement in the withdrawal process."

(AGENCE FRANCE PRESSE, 17 June 00) Hill reiterated the OSCE’s desire to provide Russia with whatever monetary assistance it might need for the withdrawal -- up to 30 million dollars -- but said that the country needed to make a formal request for the money. It doesn't appear that this request will be coming any time soon, particularly when Russian President Vladimir Putin’s recent visit to Moldova is considered.

Although the OSCE and Moldovan government had been hoping that Putin's visit would result in the announcement of a concrete timetable for the withdrawal (which Russia has been promising to provide since the December Istanbul OSCE summit), this hope was characteristically in vain. Putin carefully avoided discussing the specifics of Russia’s promises during that summit and instead reiterated his belief that Russia should be the guarantor of "stability" in the CIS region. He then formed a "state settlement commission" headed by that well-known peace broker Yevgeny Primakov. While the Russian Kommersant Daily praised the appointment of this "peacemaker" who would "not allow any weakening of Russia’s military presence in the remote areas of the former Soviet Empire," the OSCE response was muted, at best. (KOMMERSANT DAILY, as quoted in the RUSSIAN PRESS DIGEST, 20 June 00)

Therefore, it now appears clearer than ever that Russia will miss its Istanbul Summit 2002 target date for removal of troops. It also appears clearer than ever that Russia does not feel the need to either explain itself or change its mode of operation. (For a detailed analysis of the results of the Istanbul Summit, see Behind the Breaking News, 1 December 99)

Meanwhile . . .
At the same time that the OSCE was expressing its concern about the situation in Dneistr, Moldova was attempting to ease tensions between the central government and the country's other autonomous republic -- Gagauzia. Strains in the relationship between Gagauzia and the central authorities once again became apparent during the last week of May. At that time, the Moldovan parliament refused to exempt a shipment of diesel fuel from Turkey to the Gagauz Republic from the country's custom and excise taxes. The Popular Assembly [parliament] of Gagauzia then issued a statement threatening to demand the status of a "third equal partner," with Chisinau and Tiraspol. (IPR, 5 June 00) The Assembly wrote, "The attempt to revise the constitutional law, infringements on the region's rights in matters of shaping its own budget, delays in passing state property located in the autonomy's territory into Gagauzia's ownership, . . . the refusal to exempt from paying excise duties and VAT on the importation of diesel fuel as humanitarian assistance from Turkey are elements of a purposeful policy of liquidating the autonomy -- the main achievement of the Gagauz people." (INFOTAG, 1705 GMT, 31 May 00; via lexis-nexis)

The Moldova Parliament responded quickly to Gagauzia's threats, backing down and voting to exempt the fuel shipment from taxes and fees. Therefore, tensions seem to have been alleviated for the moment. The fact remains, however, that in both of these cases, as well as with the country's Bulgarian minority, the central government is largely powerless, able to give in to threats, but not to influence events in any way. While the situation has been stabilized for now, there is no question that it will not always remain so.

Newly Independent States: Caucasus

By Miriam Lanskoy

Chechnya
A cog in the wheel
The Russian leadership would like to control Chechnya through a Chechen leader who has the support of his countrymen and is a political and religious moderate. Those considerations led the Russian leadership to support Aslan Maskhadov in the 1997 Chechen presidential elections. The same reasoning would suggest negotiations with him now, except for one small problem: He is the elected president and can not simply be appointed to serve as yet another administrator in a sprawling, corrupt, Russian bureaucracy.

Not so for Chechnya's mufti, the spiritual leader of the official religious establishment who became the deputy, to the deputy, of a Russian general. As the head of Chechnya's provisional administration, Akhmad Kadyrov answers to the (still to be appointed) deputy to General Viktor Kazantsev, the presidential envoy for the North Caucasus. (Novoe Vremya, June 2000. WPS via Nexis)

When confronted with evidence of abuse and discrimination against Chechens at a Nezavisimaya gazeta conference on May 26, at which I was present, the FSB spokesman General Zhadanovich explained that FSB policies can not be considered anti-Chechen because there are Chechens serving in the FSB. They are fighting "terrorism" and "banditism" along with members of other nationalities, he contended. At the same time, Zhdanovich rejected out of hand the idea of organizing a Chechen consultative assembly (which was mooted by pro-Moscow Chechens) on the grounds that such a body would be uncontrollable. "How do you guarantee that the other representatives will have reasonable positions?" he asked. The meaning of these comments is fairly clear: Its okay to have Chechens serve the state as long as they don't occupy an autonomous role. This kind of thinking constitutes the context for Kadyrov's appointment.

It was no surprise when on June 8 Putin imposed direct presidential rule over Chechnya. Kadyrov's appointment, which came a few days later may contribute to the fragmentation of Chechen society, taking support away from the Maskhadov government. But for the time being, Kadyrov has his hands full
consolidating the pro-Moscow Chechens With the support of Putin's administration, in the form of repeated praise from the presidential spokesman Sergei Yastrezhembsky and the military commander in Chechnya Genadii Troshman, Kadyrov has overcome the initial opposition from the district level authorities, who were appointed by Nikolai Koshman, the outgoing governmental envoy. Kadyrov looked particularly vulnerable when he twice postponed taking up his arrival in Gudermes after a close associate, Imam Umar Idrisov, was murdered on June 16. Kadyrov finally assumed his duties on June 20 and on June 24 he was endorsed by 250 out of 470 Chechen imams.

One of the chief attractions of the mufti for the Russian leadership is his principled stand against, "wahabism," which he has recently renewed, by calling for the abolition of the movement. Ironically, it is precisely the sort of cozy and subordinate relationship between the government and the religious leadership, seen in the Kadyrov appointment, that has compromised the official clergy deeply in the eyes of the public and laid the foundation for the spread of radical religious movements.

In the absence of tangible improvements in the social situation in the republic there is little chance for success on the anti-wahabism front. With few, if any, administrative, financial or police powers, Kadyrov is unlikely to provide the protection or basic services the population so desperately needs. If Kadyrov is able to get his hands on the oil businesss he may at least establish some degree of independent financing, but at present he says he will rely on federal outlays. (His predecessor, Koshman, is embroiled in a dispute with the oil company Rosneft, having been accused of siphoning off oil to the black market. He in turn attributes the shortfall in oil revenue to the Finance Ministry. (AFP June 21, 2000 and Vremya MN June 10, 2000)

On the eve of his fourth mission in Chechnya, a Russian spetz-naz officer "Grisha," (not his real name), expressed grave doubts to me about Putin's
tendency to appoint military and security services personnel to administrative duties. "Everyone has his work," he argued "but if you make me the head of a collective farm, I will turn it into a concentration camp." When asked if he had rules of engagement to govern his behavior in the field he said that there were no formal rules. Still there are some common sense practices: Operating in the mountains, Russian and Chechen reconnaissance units will pass each other without incident. But woe to any civilians that get in Grisha's way in the attainment of a mission. Grisha, who considers himself ill suited to administrative work and professes to "have no moral code" is currently employed in arranging governmental structures in Chechnya.

Can Kadyrov rein in the likes of Grisha? This is highly doubtful since at present he lacks the authority even to appoint his own deputies. (Vremya MN, June 24 2000 via WPS via Nexis)

Newly Independent States: Central Asia
By Nicholas Burk

As "Talibanized" activity escalates, Central Asia tilts to Moscow
The Great Game appears to be in its final phase as the phenomenon of "Talibanization" squeezes Western influence out of the region. The Central Asia States and Russia stand tall against this amorphous "terrorist" movement, which spans everything from the Taliban regime to Osama bin Laden to Chechen insurgents and the Islamic Movement of Uzbekistan. Tensions continue to escalate. The Taliban have pushed closer to the Uzbek border with anti-aircraft weapons and tanks in tow, promising to hold Central Asia responsible for any airstrikes against them. Kyrgyzstan is poised to repel another invasion of the IMU from Tajik territory, while last year's incursion mastermind, Juma Namangani, is taking refuge in Taliban-controlled territory. Perhaps the most bizarre microcosm of Talibanization was this month's revelation about a terrorism center in southern
Afghanistan. An epicenter of Wahhabi subversion, the center seeks to create an Islamist state in the Fergana Valley and China's Xinjiang Province, and carry out subversive activities into the depths of Central Asia (INTERFAX, 30 May 00, FBIS-SOV-00-0530, via World News Connection). Ironically, the West's position on terrorism in Central Asia makes it increasingly difficult to dislodge these states from Moscow's influence, while other CIS states (GUUAM) move in the opposite direction (See CIS section above).

Certainly the US is in a difficult position to criticize any strikes against Afghanistan given Washington's unilateral missile attacks in 1998. And what of NATO-ally Turkey? This month Turkish officials discussed a Kazakh role in the Baku-Ceyhan pipeline. Foreign Minster Ismail Cem also asserted an interest to share information to help combat terrorism and promote an Afghan settlement with Kyrgyz officials (AGENCE-FRANCE PRESSE, 13 June 00, via lexis-nexis). Yet this is the same Kyrgyzstan which this month adopted Russian as an official language to help to bring it into the "world community". President Akaeyev has asserted that ""Russia was, is, and will remain our main strategic partner"" (INTERFAX, 6 May 00, FBIS-SOV-00-0506, via World News Connection).

As for Kazakhstan, Astana lashed out at moderate Islamic nations including Egypt for exporting terrorism to Central Asia. It is not surprising that Turkish Minister Abdullah Cay warned his Kazakh counterpart of Putin's neo-Soviet designs on the region, which the Kazakh minister largely brushed aside (Anakara Anatolia in English, 30 May 00, FBIS-WEU-20000-0530, via World News Connection).

Most startling is Uzbekistan, a linchpin of GUUAM and NATO's Partnership for Peace program, and staunch member of the Turkic world. After May's Putin-Karimov summit, the Uzbek President stated what could become an inscription on the Great Game gravestone: "There must be no doubt that our views fully coincide" (Moscow ITAR-TASS, 19 May 00, FBIS-SOV-2000-0519, via World
News Connection). Putin declared that an "arch of instability" had risen in Central Asia, while Uzbek Defense Minister Yuri Agzamov asserted that he was pleased by Putin's declaration that Russia would come to Uzbekistan's aid should its territorial integrity be threatened.

Add to this the fact that Gazprom will import 5 billion cubic meters of Uzbek gas to Russia over five years, and that the Duma will rule on a dramatic military cooperation pact between the two countries, and it seems as though Moscow has few stumbling blocks in Central Asia (INTERFAX, 18 May 00, FBIS-SOV-2000-0518, via World News Connection). Does the Taliban regime have military reach to cause chaos on the Tajik or Uzbek borders? Are bin Ladin, the IMU, and Chechen insurgents brothers-in-arms, equipped to subvert the Central Asian states? These questions may be viewed as little more than issues for the future, with obtaining a lasting sphere of influence over its former Central Asian colonies. This must be kept in mind should the Taliban move against the Uzbek border or the IMU attempts another invasion of Kyrgyzstan. For Turkey and the West, the window of opportunity is closing quickly, thanks to "Talibanization."

Kazakhstan and Kyrgyzstan: the start of greater Chinese involvement?
There are signs this month that relations between Bishkek, Astana, and Beijing are strengthening. For the Central Asian nations, China represents large export market, especially for Kazakh oil. Meanwhile, the PRC pursues an active engagement of Kyrgyzstan and Kazakhstan to strengthen its hold on the volatile Xinjiang Uighur Autonomous Region (XUAR). Clamping down on any Uighur separatism and opening a prosperous return to the Silk Road is designed to defuse what has been traditionally a turbulent Northwest frontier for China. And, as indicated above, Talibanization has a tendency to bring states closer together. Since the end of the Cold War, China has been especially fearful of an Islamist bent to Uighur separatism. The occasional rumor that bin Ladin was planning a Uighur insurgency was an extreme example in the 1990's. At the same time, some Uighurs did obtain experience fighting against the Soviet Union in the
Afghan War. Concern over Talibanized Uighurs is increasing. The Afghan-based terrorism center (see above) is being pitched by Russian intelligence as a series of stepping stones: first the Fergana Valley, then Xinjiang (BBC, 01 June 00, via lexis-nexis). But Central Asia (including Xinjiang) is not the only region where these subversive Uighurs are feared. There are indications that Islamist Uighur violence is on the upswing throughout China, and even Hong Kong has tightened up security at army barracks, government offices, and businesses after receiving tip-offs about looming attacks (SOUTH CHINA MORNING POST, 04 June 00, via lexis-nexis).

Kyrgyzstan has been more then willing to help its giant neighbor. On May 25, two Chinese government officials (both Uighurs) were gunned down in Bishkek, by what are believed to be Islamist Uighur terrorists. This can be seen as a tragedy and an embarrassment for Kyrgyzstan. Earlier in the month, Kyrgyz authorities convicted five terrorists who were accused of bombings in Osh in 1997. The five consisted of a bizarre rogue's gallery of three Uighurs, one Turkish ultranationalist "Grey Wolf", and a Karachay who was trained by bin Ladin henchman Khattab in Chechnya (BBC, May 29, 00, via lexis-nexis). Bishkek and Beijing further cemented their firm ties after a June 2 high level meeting between Kyrgyz Defense Minister Esen Topoyev and Chinese Vice President Hu Jintao. Both leaders agreed to increase cooperation at all levels, including military-to-military contacts (ITAR-TASS, 1 June 00, FBIS-SOV-2000-0601, via World News Connection).

Kazakhstan also has a role to play in clamping down on Islamist Uighurs, but it is also instrumental in providing the oil which could stimulate needed development in Xinjiang. Caspian oil tends to elicit extreme feelings of despair or euphoria. Not surprisingly, the discovery of potentially vast oil finds in the Kazakh sector of the Caspian Basin this month evoked the following declaration from Prime Minister Tokayev: "if this is confirmed, we can count Kazakhstan among the world's leading oil powers" (INTERFAX, 12 May 00, FBIS-SOV-2000-0512, via World
News Connection). This could be very important for China. The chief of Kazakhstan's national oil transport company has suggested that China is Kazakhstan's most lucrative market for export, given that there is less competition over pipeline to the east than routes to the Black Sea, Mediterranean, or Persian Gulf. Astana is eagerly eyeing a deal to send oil to China in a joint venture with Gazprom. This month, Kazakhstan also formalized agreements with Beijing clarifying territories on the Kazakh-Kyrgyz-Chinese border, and also steps to safeguard Chinese and Kazakhs living in each other's territory (BBC, 18 May 00, via Lexis-Nexis, and BBC, 21 May 00, via lexis-nexis).

China's engagement of Central Asia should take the spotlight at the Shanghai Five summit in Dushanbe on July 5. This group, consisting of Russia, China, Kyrgyzstan, Kazakhstan, and Tajikistan, plans to increase "confidence building measures" on borders and jointly "combat terrorism and religious extremism." With Kyrgyzstan capable of surpassing Islamist Uighurs and Kazakhstan holding a its petroleum trump card, this may be the beginning of a more vigorous China in Central Asia. Shanghai Five’s drive to stamp out regional terrorism could introduce a more assertive Beijing, still seeking to stabilize and develop its turbulent Northwest periphery. Such a China would be an augmenting, not a conflicting force in the Russian/Central Asian drive to crusade against "Islamicist terror."

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