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Kremlin judicial reforms draw fire from procuracy

Last fall, President Putin established a commission within the presidential administration to review judicial procedures and present a scheme for judicial reform. Dmitri Kozak, a deputy head of the administration and close associate of the president, heads up the commission, which recently has presented its program for reforms. The Kozak commission's proposals focus on the central role and authority of judges, and this has infuriated the procurator-general's office.

The Kozak commission will be presenting a series of codes and legislative initiatives aimed at making judges more independent and insulated, such as the grant of lifetime legal immunity, hoping this independence will not result in the spread of corruption. The commission also is proposing judicial pay increases, as well as the inclusion of scholars and non-practicing members of the legal community on oversight and disciplinary boards as hedges against corrupting influences. The plan is designed to span six years and cost R29 billion.

(ROSSIYSKAYA GAZETA, 17 Apr 01; FBIS-SOV-2001-0417, via World News Connection)

Strengthening the role of judges, however, leads to a lessening of the authority of prosecutors in the Russian system, and the procurator-general's office is protesting loudly the Kozak commission's plans. Sabir Kekhlerov, a deputy prosecutor-general who took part in the Kozak commission meetings, held a news conference to criticize the reforms, claiming "Better a bad old Code of Criminal Procedure than a bad new one." (MOSCOW NEWS, 25 Apr 01; via
He also revealed that, during the commission's deliberations, his was often the lone or minority dissenting opinion.

The procurator-general himself launched the most vicious broadside against the commission's plan, however. In his remarks before the Duma, Vladimir Ustinov unexpectedly attacked the Kremlin (or the Kozak faction within it) by scoffing at the reforms as the work of those who "merely copy Western models, saying these are the best and latest innovations." (NEZAVISIMAYA GAZETA, 26 Apr 01; Agency WPS, via lexis-nexis)

Ustinov further claimed that a new state "economic redistribution" was being planned, referring specifically to two companies closely linked to the Kremlin: Gazprom and Unified Energy Systems (UES). He immediately followed that reference with a charge of corruption: "[O]nly the prosecutor's office prevents some dishonest people from doing certain things, and this is why attempts are being made to remove the prosecutor's office from the scene."

Ustinov very well may be correct in his assessment of the Kremlin's reform plan. It may be intended to prevent the prosecutor's office from conducting some of the sputtering investigations of high-level political officials that have marked the last several years. The Kremlin almost certainly does not want the kind of legal light shining on the books of Gazprom and UES that have buried Media-MOST, and perhaps Ustinov is the kind of corruption-busting reformer who would take on those battles. The procurator-general's office, however, has not held that role in the recent past and appears to be in need of some reform and curtailment of its authority. More likely, though, the Kremlin has a video somewhere with Ustinov's name on it, and I think he just insured we'll all see it soon.

**GOVERNMENT**

*Tax police to strengthen legal foundation*
After a meeting with President Putin, Mikhail Fradkov, the director of the Federal Tax Police Service, announced a new set of priorities to strengthen the hand of the Tax Police in their fight against tax-evading businesses. Fradkov reported that the president has set three priorities for the service: 1) To define its position among law enforcement agencies (and presumably eliminate overlapping jurisdictions); 2) Not to interfere with legitimate businesses and "not... [to] put personal gains above state interests" (corruption in the ranks may have already become a problem); and 3) To work out the relationship among the service, the economic ministries and the legislature. (INTERFAX, 1724 GMT, 20 Apr 01; FBIS-SOV-2001-0420, via World News Connection)

It sounds a bit as if the Tax Police may have been stepping on some toes and now needs to define its role in policing and economics policy and enforcement. The result of this reordering should reveal the president's level of confidence with this organization.

**UES shareholders vote**

The headline result of the UES shareholders meeting on 28 April is a change to the company charter that will now allow the shareholders to dismiss UES Chief Anatoli Chubais by a simple majority vote (50% plus one share) rather than the previously required 75% vote. The shareholders also endorsed changes to expand the authority of the Board of Directors in participation with other commercial organizations and to determine policy on subsidiaries and dependent companies, previously the competence of the company's management. (INTERFAX BUSINESS REPORT, 28 Apr 01; via lexis-nexis)

The new Board of Directors includes: the head of the Presidential Administration, Aleksandr Voloshin; Trade Minister German Gref; Deputy Property Relations Minister Sergei Kosarev; Deputy PM and Finance Minister Aleksei Kudrin; Deputy Energy Minister Viktor Kudryavy; Head of the Fuel and Energy Commission, Georgi Kutovoi; Governor of the Vologda Region Vyacheslav
SECURITY SERVICES

The 'war on drugs'...

The trial of the American Fulbright student, John Edward Tobin, arrested on 1 February 2001, was held between 24 and 27 April. He is charged with selling drugs, luring more than two persons into addiction and keeping a drug den. The process at the Leninsky District Court in Voronezh was open but, on the first day, Mr. Tobin asked the press to leave the courtroom. He was sentenced to a term of three years and one month, to be served in a foreigners' jail in the Mordovia region, but Judge Tatyana Korchagina said that she expects him to file an appeal by 3 or 4 May. (INTERFAX, 28 Apr 01; via lexis-nexis, and ITAR-TASS, 1500 GMT, 24 Apr 01; FBIS-SOV-2001-0424, via World News Connection) Russian media have speculated that Mr. Tobin's attendance at an intelligence-related academic institution, the Defense Language Institute in Monterey, CA, may have contributed to his arrest, or that some cooperation with the Russian special services has eased his sentence, which could have been as high as 15 years in prison. (INTERFAX, 24 Apr 01; via lexis-nexis)

...'espionage'...

The trial of Igor Sutyagin, an employee of the Moscow Institute of the United States and Canada charged with high treason in the form of espionage, has resumed in Kaluga. (ITAR-TASS, 0904 GMT, 24 Apr 01; FBIS-SOV-2001-0424, via World News Connection)
Russian citizen V.E. Ojame was accused of cooperation with the British and Estonian special services, found guilty of state treason in the form of espionage under Article 275 of the Russian Criminal Code, and sentenced to seven years of imprisonment and confiscation of property. (INTERFAX, 28 Apr 01; FBIS-SOV-2001-0423, via World News Connection)

Valentin Danilov, the Russian space engineer arrested in Krasnoyarsk on spying charges, is suspected of passing information acquired in his work on projects at the Krasnoyarsk State University to the Chinese, thereby enabling them to develop new radiation shielding for satellite construction 15 years earlier. This case differs from other recent cases in that he is accused of spying for a non-Western country, and he is charged with fraud for transferring a large part of the $350,000 payment he received to a bogus company and cashing the money. (ITAR-TASS, 1513 GMT, 24 Apr 01; FBIS-SOV-2001-0424, via World News Connection)

Two Russian naval officers belonging to the Petropavlovsk-Kamchatsky garrison have been arrested for trying to sell components from the nuclear power plant of a nuclear submarine. The results of the investigation will determine whether there will be a trial. (ITAR-TASS, 1137 GMT, 23 Apr 01; FBIS-SOV-2001-0423, via World News Connection)

...'anti-terrorism'...
At a Federal Security Services (FSB) briefing in St. Petersburg, FSB director Nikolay Patrushev declared that up to 1,500 guerrillas currently operate in Chechnya. Included in their operations are the recent bomb attack on the Gudermes criminal police building in which six policemen were killed and five others injured, the murder of three policemen and two civilians in the village of Daba-Yurt in the Argun Gorge in Chechnya, and the murder of Adam [Shamalu] Deniev, Chechen leader Akhmed Kadyrov's special envoy to the Middle East,
who is credited with counteracting anti-Russian propaganda and reducing the inflow of funds to rebels. (Deniev, a known FSB collaborator, took part in the illegal arrest and detention of Radio Liberty correspondent, Andrei Babitsky.) According to Patrushev, "anti-terrorist operations" are now limited to "precision strikes on specific terrorist groups." (ITAR-TASS, 1639 GMT, 25 Apr 01; FBIS-SOV-2001-0425, via World News Connection, ITAR-TASS, 0738 GMT, 26 Apr 01; FBIS-SOV-2001-0426, via World News Connection, and ITAR-TASS, 2324 GMT, 13 Apr 01; FBIS-SOV-2001-0413, via World News Connection, and ITAR-TASS, 1511 GMT 18 Apr 01; FBIS-SOV-2001-0418, via World News Connection) At the same briefing, the chief of the FSB directorate for assistance programs, General Aleksander Zdanovich, declared that the FSB "has strong suspicions" that Rezvan Chitigev, one of the closest associates of the Jordanian warlord, Khattab, is an agent of the American Central Intelligence Agency. He suggested that the kidnapping of Medecins Sans Frontiers human rights worker Kenneth Gluck was related to the alleged Chechen-American intelligence links. (RIA, 1205 GMT, 18 Apr 01; FBIS-SOV-2001-0418, via World News Connection)

...and the media continues
General Zdanovich also asserted that one of the major threats to national security is the propaganda war being waged against Russia by the media. He proclaimed: "Today, not only armed international terrorists, but also those holding pens in their hands and sitting in front of the computers are acting against Russia." In particular, he was disturbed by Radio Liberty's plans to broadcast in Chechnya. (INTERFAX, 1145 GMT, 18 Apr 01; FBIS-SOV-2001-0418, via World News Connection)

FEDERAL ASSEMBLY
Shuffling papers and committees
The State Duma has been asked to prolong its spring session so that it can review a number of important bills concerning taxes, pension reform, labor relations, judicial reform and structural reforms in the economy, including banking...
bills and the Land Code. The Land Code, signed by Prime Minister Mikhail Kasyanov and forwarded to the Duma on 26 April, establishes turnover procedures for all types of land except farm land. (INTERFAX BUSINESS REPORT, 27 Apr 01; via lexis-nexis)

The Duma deputies also are debating some internal structural changes -- namely, reviewing the current system of Duma committees and reducing their number from 28 to as few as 12, as well as decreasing the number of parliamentary commissions (currently 20). These moves, proposed by the leader of the People's Deputy Group, Gennady Raikov, face particular opposition among the communists. Ivan Melnikov, head of the Duma committee on education and science and member of the communist faction, said that there is simply "no objective reason" to reorganize the committees. (ITAR-TASS, 1352 GMT, 20 Apr 01; FBIS-SOV-2001-0420, via World News Connection) The Unity faction is not against reducing the number of commissions, but has proposed that discussion of the issue should be postponed until the fall. Faction leader Vladimir Pekhtin explained that the idea "deserves attention, but it is untimely," and that the Duma's current priorities are "the earliest possible approval of the draft laws mentioned in the president's address to parliament." (INTERFAX, 22 Apr 01; via lexis-nexis) These reactions are not untimely since the communists are likely to lose a number of their leading positions if the committees are organized (now or anytime) whereas the Unity faction steadily is consolidating its influence and could gain much power if the committees are reorganized next fall.

POLITICAL PARTIES
Musical chairs?
The latest move in Unity's (and the Kremlin's) consolidation of power is the agreement, negotiated by their leaders, to create an inter-faction coalition and a common coordination council for four centrist deputy associations in the Russian State Duma: Unity (Vladimir Pekhtin), Fatherland-All Russia (Yevgeny Primakov) and the deputy groups Regions of Russia (Oleg Morozov) and People's Deputy
(Gennady Raikov). The coordination council, designed to harmonize the associations’ stances on issues discussed in the State Duma, will be co-chaired by the four leaders. The chairmanship will rotate among them in alphabetical order. (INTERFAX, 17 Apr 01; via lexis-nexis)

The melding is supported by regional leaders. The presidents of Bashkortostan and Udmurtia, Murtaza Rakhimov and Aleksandr Volkov, spoke favorably of the agreement at a news conference held during their business meeting in Ufa. Rakhimov declared that "The merger of big, medium and small political parties and movements in a powerful moderate bloc is capable of forming a counterbalance to the left-wing movement and pacifying political confrontation in society." He added that the unification of Fatherland and Unity is a step toward the formation of a two- or three-party system that characterizes strong democracies. (INTERFAX, 14 Apr 01; via lexis-nexis)

Russian Federation: Foreign Relations
By Sarah Miller

Powell-Ivanov meeting: first, second, third time's a charm?
With former Soviet President Mikhail Gorbachev's visit to the White House in April and the US State Department's invitation to the Russian foreign minister to visit Washington in May, the momentum appears to be building in preparation for a possible meeting of the US and Russian presidents in Genoa, Italy during the annual July G-8 talks. While the Russian side seems to hold high hopes for these upcoming talks, there is little indication that they will do anything more than provide a high-profile forum for voicing continuing differences in US and Russian interests.

Although both sides have pledged to take a "constructive" approach, Igor Ivanov has been particularly effusive on the subject of his 17-18 May meeting in
Washington with Powell. The meeting will be their third, and seems to be significant only for its location (this time actually in Washington instead of a neutral location) and for its timing, only two months prior to the Genoa summit. In recent statements, Ivanov appears hopeful that the meeting might somehow jumpstart "US-Russian fundamental relations," especially on contentious issues such as "strategic stability, START and ABM." (RIA, 0723 GMT, 19 Apr 01; FBIS-SOV-2001-0419, via World News Connection) In contrast to Ivanov, Powell's remarks have been measured, referring only to Washington's desire to "closely work together on security, trade and other issues." (REUTERS, 24 Apr 01; via lexis-nexis)

However, every statement out of Moscow or Washington these days seems to contain the caveat "serious differences remain." Whether it is the ongoing National Missile Defense (NMD) "debate" or arms sales (to "rogue states"), the two sides seem no closer to resolving such issues than they were at last year's G-8 Okinawa summit.

In the past month, Russian officials have not softened substantially their anti-NMD stand. In mid-April, Russian Deputy Prime Minister Ilya Klebanov reiterated that if Moscow fails to dissuade the US in Genoa from implementing NMD, Russia would consider implementing its own, "inexpensive and sufficiently effective response." (INTERFAX, 1253 GMT, 13 Apr 01; FBIS-SOV-2001-0413, via World News Connection) This mirrors statements over the past year in which Russia has pledged a variety of vague reciprocal actions in response to NMD. In other recent statements, however, Ivanov veiled Russian criticism of the US NMD, saying that Russia will "work together [with the US] to detect and evaluate the existing threats and heed legitimate US concerns in missile defense" [emphasis added]. By "legitimate," Ivanov is referring to the United States' fear of the "rogue threat" against which the US says NMD is being built. Russia has claimed that such a threat from those states does not exist.
Russian officials have not altered their stance on arms sales to "rogue states" like Iran either. The foreign ministry continues to defend Russia's right to sell arms, saying, "We will not allow anyone, including the United States, to try to oust Russia from promising markets on the pretext of combating proliferation... since Russia strictly observes international commitments both in the nuclear sphere and in the arms trade." (INTERFAX, 1009 GMT, 13 Apr 01; FBIS-SOV-2001-0413, World News Connection) Moscow has bolstered these statements with several current and upcoming visits by dignitaries from a variety of "rogue states." Although there are rarely announcements regarding arms cooperation with these countries, in the past when Russia has stressed cultivating "economic and trade ties," arms sales appeared somewhere on the horizon.

In a particularly weighty development, North Korean President Kim Jong-il's visit to Russia was postponed and replaced with an immediate meeting between the North Korean defense minister and Deputy Prime Minister Ilya Klebanov in Moscow. It may be noted that Klebanov usually leads the Russian delegation during "strategic partnership" or arms sales negotiations. (REUTERS, 25 Apr 01; via lexis-nexis) Even if the Russian-North Korean relationship does not yield any sales, most likely due to Pyongyang's inability to pay, the talks are likely to raise Washington's anxiety level as Moscow pursues generally closer relations with the DPRK. Even Russian papers predicted that "a nervous reaction in Washington is guaranteed." (VREMNYA, 24 Apr 01; via RussiaToday.com)

In addition to these long-running disputes, other differences also have created friction between the US and Russia. While the clamor over the mutual spy expulsions earlier this year has diminished, the NTV scandal has caused a new uproar in its place. US criticism about Russian treatment of the independent media and questions about the future of freedom of speech in Russia elicited a terse response from the Russian foreign ministry, which said that US allegations "are totally unfounded and false.... anything happening to NTV, Segodnya, and
Itogi bears no relation to freedom of speech." (RIA, 0723 GMT, 19 Apr 01; FBIS-SOV-2001-0419, via World News Connection.)

As Moscow makes its position known on these contentious issues, it seems to be practicing caution on others as July draws near. In particular, Moscow kept its distance throughout the US-China standoff in March, and has not yet given its usual publicity to the Russian-Chinese Interstate Treaty due to be signed during Chinese President Jiang Zemin's visit to Moscow in July. (ITAR-TASS, 0721 GMT, 20 Apr 01; FBIS-CHI-2001-0420, via World News Connection)

Furthermore, Russia has not offered any criticism of the proposed US arms sales to Taiwan, calling them "a question of bilateral relations." (AGENCE FRANCE-PRESSE, 25 Apr 01; via lexis-nexis) Perhaps Russia is simply reciprocating a similar response from the US on Russian arms sales to China.

The past four months have shown Russian foreign policy makers that patience is a virtue. The Bush administration has given no indication that it will open a substantive dialogue with Russia at least until the summer, nor has it made any promises concerning substance. Washington appears to be aware of the pitfalls of premature "summitry."

Russian Federation: Media
By Maria Metcalf

Other outlets now face government clampdown
The battle for NTV has ended rather quietly with Boris Jordan entering a relatively empty NTV building (with private security guards, the Ostankino's FSB and police bosses) in the wee hours of the Saturday before Easter, after he said the previous day that "no seizure of NTV by force is going to happen," and after President Vladimir Putin had said that the courts must settle the dispute and a hearing was set for May 17. (THE MOSCOW TIMES, 17 Apr 01) However, a
Moscow court ruled, before the scheduled hearing, that the NTV takeover was legal and that attempts to prevent Jordan from assuming the position of general director of NTV were illegal. Now it seems that the government, from the oblasts to the Duma, is turning up the heat on the media throughout the country.

Reverberations first were felt within the crumbling Media-MOST empire. Media-MOST claimed that, on 16 April, the Russian tax police filed tax evasion charges against Elen Metlikina, chief accountant for TNT, the small channel still owned by Gusinsky that is providing broadcasting capability for NTV exiles. On the same day, the newspaper Segodnya was closed. The next day the entire staff of the weekly newsmagazine Itogi, including editor Sergei Parkhomenko, were "given a two-month paid leave." In other words, they were sacked. Undoubtedly, when the staff members return, their jobs will not be waiting for them. After Gazprom fired Itogi's editors, the Washington Post Company's Newsweek magazine decided to sever ties with the Russian newsmagazine.

Vladimir Gusinsky is likely to lose control of the radio station Ekho Moskvy, which is a structural division of Media-MOST. Gazprom already owns a large portion of Ekho Moskvy shares. If Gusinsky does not repay his $262 million debt to Gazprom by July 2001, the gas monopoly will receive 25 percent of the shares and thus will gain controlling interests. (STRANA.RU, 18 Apr 01; via Johnson's Russia List)

The subsequent week, officers of the main military prosecutor's office searched the apartment of Valery Shiryaev, deputy general director of the biweekly newspaper Novaya gazeta. Although officials declared that the search was related to the criminal case against Media-MOST's headquarters, the newspaper had investigated corruption in several state agencies, such as the security services and the prosecutor general's office. (Jamestown Foundation MONITOR, 27 Apr 01) Novaya gazeta, which purportedly had released information on the
government case against Media-MOST, remains the most highly regarded independent Russian-language newspaper.

On 26 April a group of armed men took over the offices of the Moskovya television company. Although the channel is 44-percent owned by the Moscow Oblast government, a 56-percent stake was sold to a company called Television Technical Center in 1999. The takeover occurred in much the same manner as in the case of NTV. (Jamestown Foundation MONITOR, 27 Apr 01)

Business as usual
Spanish courts ruled on 18 April not to extradite Gusinsky, referring to "questionable circumstances and peculiarities" in the prosecutor general's case against him. The Spanish prosecutors decided not to appeal the decision of the lower court. Immediately after the court decision, Gusinsky announced that he had no interest in NTV since Gazprom had taken control, and that he intended to sell his stake to the Ukrainian oligarch, Vadim Rabinovich. A successful and powerful businessman like Gusinsky, Rabinovich differs from the Russian in one very important way: He enjoys very close relations with Ukrainian President Leonid Kuchma.

Meanwhile, in order to prevent someone like Ted Turner from ever threatening the Kremlin's control of the media in Russia, the Duma voted 332 to 22 to approve on first reading a bill that prohibits foreign investor ownership of more than 50 percent of electronic and print media (only a week after the Duma approved on first reading a bill on Martial Law!). Although any possibility of a deal between Ted Turner's investment consortium and Gusinsky for a 30-percent stake in Media-MOST has long since been extinguished, if the bill ultimately were passed it would affect other media. The bill contains a clause of retroactive force, so foreign owners would have to sell their shares to Russian companies within a year. (Jamestown Foundation MONITOR, 27 Apr 01) The main target of such a bill would be the mostly Dutch-owned publishing house, Independent Media,
which produces the English-language newspaper The Moscow Times, the Russian-language newspaper Vedemosti and the Russian-language versions of Playboy, Cosmopolitan and other magazines. Such a bill by the Duma would constitute an ominous message to any investor. The deputy chairman of the Duma and leader of the Liberal Democratic Party of Russia, Vladimir Zhirinovsky, didn't want to wait for the bill to be passed to deliver such a message. He was quoted on 17 April as saying, "it's a good thing they are closing down NTV. Other channels should be closed as well, you are all offspring of the American CIA...we do not need democracy, democracy will ruin the country." (RFE/RL NEWSLINE, 19 Apr 01)

Additionally, the Russian Duma speaker is against American radio broadcasting in Caucasian languages.

**Has the West woken up?**
Since the anti-climactic Gazprom takeover of NTV, European leaders have joined the US in expressing concern for the anti-democratic implications of the state-run gas company controlling a once-independent television station. State Department spokesman Richard Boucher said that the United States was "extremely troubled" by the takeover and that Media-MOST outlets were "clear targets of a series of extraordinary pressures from law enforcement and other elements of the Russian government." German Foreign Minister Joschka Fisher said that the observation of press freedom was a "decisive yardstick for democracy in Russia." (RFE/RL NEWSLINE, 19 Apr 01) French Foreign Minister Hubert Vedrine said that the French government is "disappointed and worried," about the Gazprom media coup and the closure of Segodnya and Itogi. (RFE/RL NEWSLINE, 20 Apr 01) While no country has claimed that Putin is responsible directly for NTV's loss of independence, at last the West is expressing the sentiment that the case was a test of Putin's personal commitment to media freedom.
Inter-service debate shaping up for funding in the reform effort

The Russian Federation Ministry of Defense (MoD) sent strong signals in the past two weeks that further significant personnel changes are on hold while the ministry concentrates efforts on carrying through the ongoing military reform tasks at hand. However, while the statements from the defense minister and senior MoD staff exude a spirit of cooperation and harmony, individual statements and reports concerning the three main branches (ground, navy and air forces) point to an inevitable clash over scarce defense funding for competing service-oriented priorities.

The first personnel indicator came from the first deputy chief of the General Staff, General Valery Manilov, on 14 April when he admitted the previous tension between the chief of the General Staff, General Anatoly Kvashnin, and the previous defense minister, Igor Sergeev, but then went on to say that none of that animosity would affect the relationship with the new defense minister, Sergey Ivanov. "[They have] a good mutual understanding and they are working side by side, carrying out the same task," Manilov said of the cooperation between Kvashnin and Ivanov. (INTERFAX, 0935 GMT, 14 Apr 01; FBIS-SOV-2001-0414, via World News Connection) Two days later, Ivanov himself flatly denied rumors that he was preparing imminently to dismiss Kvashnin by stating the general's resignation is "not being planned or expected." Ivanov added that all deputy defense minister appointments are completed and "we have a coherent team. We are ready to work to implement the decisions adopted by the President in the beginning of the year with regard to military reform." (ITAR-TASS, 1702 GMT, 16 Apr 01; FBIS-SOV-2001-0416 via World News Connection)
Speaking in Minsk on 17 April, Ivanov broadly discussed some aspects of these reform efforts. He sketched out some ideas on restructuring Russian military districts, stated that Russia will move to a military structure centered on three main forces -- ground, air and sea -- and hinted at the reform goals for two of them -- Air Force and Navy:

Air Force: "to enable the peacetime groupings to fulfill the tasks of containing armed conflicts."

Navy: "The efficiency of the Navy is expected to be enhanced by combining and disbanding control agencies performing the same functions, and by scrapping obsolete armaments and ships." (INTERFAX, 1319 GMT, 17 Apr 01; FBIS-SOV-2001-0417, via World News Connection)

In theory, these reform goals truly may indicate the MoD leadership's intention in developing the Russian military; however, statements and plans from individual service leaders point to more expansive, and expensive, development plans.

The commander of the Russian Navy, Admiral Vladimir Kuroedov, said that Russia should support his desire to have 12-15 strategic missile submarines (SSBNs), 50 nuclear-powered attack submarines (SSNs) and 35 diesel submarines, as well as some 70 ocean-going surface combatants. Kuroedov stated this while touring the Severodvinski Shipyard, Russia's largest submarine builder, earlier this month. At the shipyard, he was briefed on construction progress for Russia's first fourth-generation SSBN, the Borey Class (Project 955) submarine and visited an Akula II Class (Type 971M) SSN which is undergoing final trials before being turned over to the Navy in July. Kuroedov also confirmed that the Kiev Class aircraft carrier, Admiral Gorshkov, will be repaired for sale to the Indian Navy and the Kirov Class battle cruiser, Admiral Nakhimov, will be repaired for re-commissioning in the Russian Navy. Furthermore, the Russian Navy is planning to start construction of the new Project 20380 corvettes, which
will be used for coastal patrol, escort and antisubmarine warfare operations. The first class of 1900-ton ships is scheduled to be laid down at the Severnaya Verf shipyard in St. Petersburg later this year. Kuroedov said that, to achieve these goals, the Russian Navy should receive no less than 25% of the defense budget (increased from its current share of approximately 12%). (JANE'S DEFENCE WEEKLY, 18 Apr 01)

The commander of the Russian Air Force, General Anatoly Kornukov, previously outlined comprehensive plans for rebuilding Russian air power. (See THE NIS OBSERVED, 21 Mar 01) These plans, when coupled with the Russian Air Force Armaments Department's announcement last week that over 60% of Russian military aircraft have exceeded their service life estimates, will create considerable requirements for spending and be in direct competition with similar goals by the other services. (INTERFAX, 0748 GMT, 22 Apr 01; FBIS-SOV-2001-0422, via World News Connection)

The newly appointed commander of the ground forces, General Nikolai Kormiltsev, recently stated that Moscow plans to be able to fight "in two or three strategic areas." He further alluded to "hot spots" like the Caucasus and Central Asia as some of these strategic interest areas. If the past and current Russian efforts in Chechnya are any indication, their ability to fight decisively and win in two to three similar conflicts will also require significant investment in the conventional ground forces. (RFE/RL NEWSLINE, 23 Apr 01) This effort will reach far beyond the current attempts merely to fix the financial distribution methods and pay scales that often fail to compensate the soldiers in this combat zone, contributing to the higher desertion rates.

All three of these military services have competing views of military reform and development that will compete also for the same scarce funding. If the numerous Russian statements about reacting to a US National Missile Defense (NMD) system through increased Russian nuclear offensive capability (more warheads
on more rockets) are serious, this will complicate further the theater forces reform which is currently planned largely at the expense of the strategic forces. Russia's immediate neighbors should be concerned about another message that is discerned easily in these comments: The military leadership is rethinking the nature and organization of conventional forces and where they might become operational.

Newly Independent States: Western Region
By Tammy Lynch

UKRAINE
Back to crawling? Or forward to walking?
This past year, Ukraine took its first small steps out of infancy. After a decade of seemingly arrested development, the country finally began toddling toward its goal of a liberal, Western-style democracy based on law and regulation. Reduced wage and pension arrears, realistic efforts to deal with the country's debts, GNP growth and attempts to diminish the shadow economy, signaled progress, even if adulthood was still too far away to imagine. The decision by parliament on 26 April to oust Prime Minister Viktor Yushchenko and his reform-oriented cabinet could provide the country with an important growth spurt or condemn it to return to its amoebic state. In many ways, which of these paths lies in store for the country will depend on the deposed prime minister. How much of a difference one man can truly make, however, is an important question.

Just hours after seeing the parliament vote no confidence in his cabinet, Yushchenko announced that he would become a candidate in the upcoming parliamentary elections and that his main task would be uniting a "broad front" of people "for the sake of a democratic Ukrainian idea." (THE INDEPENDENT, 28 Apr 01; via lexis-nexis) The vote, he suggested, actually might be a positive step for Ukraine. "I am optimistic," he told reporters, "because today lots of democratic
forces were able to hear the bell they couldn't hear before. You have to fight for transparent politics and a non-criminal economy and democracy. If we want to have it, we have to fight for it." (WASHINGTON POST, 29 Apr 01; via lexis-nexis)

Yet Yushchenko was careful to make it clear that the broad democratic coalition he envisaged would be "mainly oriented at a unifying notion and not against somebody." That somebody is, of course, President Leonid Kuchma, whose alleged involvement in the death of journalist Georgy Gongadze ignited the most rancorous protests in Ukraine since the country's independence. Although these protests -- organized by several opposition political parties -- failed to gain major popular support, the Gongadze issue paralyzed the work of parliament and indirectly led to Yushchenko's removal.

Yushchenko's emphasis on uniting Ukraine's fragmented opposition into a positive force for change will no doubt be met enthusiastically by Western leaders, who have urged just that for months now. Many in the opposition's rank-and-file, meanwhile, have reacted with jubilation. With Yushchenko leading the opposition movement, some suggest, the country finally could begin to develop a democratic political and civil society. While this is probably true, whether it is possible or not is the real question.

In recent months, Ukraine's government has been paralyzed by the Gongadze and Yushchenko affairs. At a critical juncture in Ukrainian independence, significant time has been lost. While politicians have been arguing over Kuchma's fate and Yushchenko's value, important initiatives for regional Eurasian energy and military cooperation have floundered. In addition, Russia has continued with plans to build a pipeline bypassing Ukraine, and has used Ukraine's political weakness to push for a number of concessions on military and state asset questions. In just the last few months, seven major Ukrainian national companies have been privatized into Russian hands -- with several of the winning tenders appearing suspect, and at least one of them being aggressively opposed by Yushchenko. (Baltimore Sun, 29 Apr 00; via Yahoo! News)
Even more important than the time lost, Ukraine's politicians have shown little ability to work together in any long-term constructive manner. Their behavior during the no-confidence vote serves as a clear example that Ukraine's political development remains in an embryonic state. The "debate" over the future of Yushchenko's government included a group of 40 parliamentarians effectively holding the rostrum hostage to keep the prime minister's opponents from being recognized, an attempted self-immolation, at least one MP drowning out speakers by shouting into a megaphone and numerous physical "scuffles." While yielding little in terms of substance, the debate was at least interesting for its entertainment value.

Immediately following the fall of Yushchenko's cabinet, Ukraine's former deputy prime minister and first opposition martyr, Yulia Tymoshenko, came out in support of her former boss. When asked whom she would like as the next president, she answered quickly. "I would like to see a person who is honest, professional, and the people's true choice. Viktor Yushchenko has those characteristics. I want Ukraine to have a president it would not be ashamed of." (CHRISTIAN SCIENCE MONITOR, 30 Apr 01; via Ukraine Today) Tymoshenko stressed her desire to support Yushchenko in lieu of her own presidential ambitions. The opposition leader, however, has made similar comments in the past, and then reversed herself just days later by suggesting that only she should lead the country. Additionally, the fact that her comments came as she was announcing her intention to hold a referendum to impeach the president calls into question her support of Yushchenko's positive message. It is more than doubtful that Yushchenko would ever support such an initiative, and the move lays the foundation for a major conflict between the two in the near future. But at least Tymoshenko made a supportive statement to the press about Yushchenko. Most major political leaders who may have a chance at the presidency in 2004 are remaining silent about the fallen prime minister's plans. "Unity" is a nebulous concept in Ukraine.
While Yushchenko continues trying to tilt at Ukrainian windmills, jockeying continues for positions in the new government. With parliamentary elections less than one year away, Ukrainian parliamentarians are in no rush to provide any of their strongest colleagues with the opportunity to use the cabinet as a campaign pulpit. Therefore, the government will probably fall into a holding pattern until after the elections -- losing even more time. All the while, Kuchma will remain in control of the media and power ministries, doing all he (and his business friends) can to limit Yushchenko's possible impact.

Despite Yushchenko's optimism, his removal creates more problems for Ukraine than it could possibly fix. Opposition members may welcome the popular prime minister to their ranks as their savior, but Ukraine unfortunately needs much more than just one man. Until other political leaders choose unity and constructive behavior over divisiveness, Ukraine is doomed to continue in its status as an under-developed, under-grown little brother.

Newly Independent States: Caucasus

By Miriam Lanskoy

ARMENIA/ AZERBAIJAN
How close are they to peace?

The chances for peace are better now than at any time in the last decade, says Carey Cavanaugh. He would know. As US special negotiator for the Nagorno-Karabakh conflict since August 1999, he spearheaded the US mediation efforts and raised the profile of the nearly defunct OSCE Minsk Group. The presidents have arrived at a basic understanding, which is endorsed by the three chief mediators who represent France, Russia, and the US. The three will work out the particulars and present a proposal to the presidents at the next meeting in Geneva in June. Now the presidents must obtain public acceptance of the peace
process, and this, according to Cavanaugh, constitutes the biggest obstacle to peace. (PRESENTATION to Strengthening Democracy Initiative (SDI), Harvard University, 23 Apr 01)

During the first week of April, President Robert Kocharian of Armenia and President Haidar Aliev of Azerbaijan arrived at the basic formula while attending four days of OSCE-mediated talks in Key West which were hosted by US Secretary of State Colin Powell. Then the presidents had individual meetings in Washington, DC, with US President George W. Bush.

The parties and the OSCE are keeping the substance of the talks secret, but some details have been leaked in a scattered way among different media outlets and others can be inferred from the official statements. The Armenian side would return six of the occupied seven districts of Azerbaijan outside Nagorno-Karabakh. This would allow the vast majority of the more than 700,000 Azerbaijani refugees to return home. According to Azerbaijani Foreign Minister Vilayat Guliev, a territorial exchange is not on the agenda, but the retention by Armenia of the "Lachin corridor" linking Armenia and Nagorno-Karabakh must be balanced by a corridor through Armenia from Azerbaijan proper to its non-contiguous territory, Nakhichevan. In this context, having dismissed the territorial swap, it would seem that by "corridor" the parties mean extra-territorial roads. (However, in the Lachin region some change of borders in Armenia's favor seems to be implied.) As regards status, Cavanaugh says the "common state" formula has been discarded and Guliev says that Nagorno-Karabakh will have a "high degree of autonomy" but formally remain within Azerbaijan. (REUTERS, 19 Apr 01; via habarlar-l@usc.edu, and THE ECONOMIST, 21 Apr 01)

The US State Department has announced that the OSCE in the person of Carey Cavanaugh is informing Iran about the talks and that a group of experts on borders has been summoned. This also suggests that extra-territorial roads are under discussion, since a road from Azerbaijan proper to Nakchichevan would
have to pass very close to the Iranian frontier, perhaps even running along the border where there is a railroad already. If the agreement is signed, restrictions on US assistance to Azerbaijan and the trade embargo that Azerbaijan and Turkey have imposed on Armenia would be lifted. This would pave the way to normalizing relations between Turkey and Armenia.

How to sell the compromise?
The arrangements discussed above are nothing if not fair: The Armenians are guaranteed security and self-rule; the Azerbaijanis retain territorial integrity (at least in areas other than Lachin) and obtain a link to Nakhichevan, which constitutes an uninterrupted path to Turkey. But these provisions fall far short of banners under which the war was fought or the slogans that the demagogues in the parliaments and on the streets of Yerevan and Baku still chant.

Persuading the populace in both states that this compromise represents the best available outcome requires a degree of openness and public accountability that has been woefully lacking. However, the last couple of months witnessed some very productive experiments with public discussion. The February publication of the outdated draft OSCE texts created a context for debate in Azerbaijan that humiliated the opposition, which had no viable alternative to offer. (See THE NIS OBSERVED, 28 Feb 01 and 21 Mar 01)

The presidents must trust their publics to be savvy enough to distinguish between an opposition that criticizes real flaws in the peace proposals and an opposition that only uses the occasion to attack the plan's authors. At the same time, the presidents have a very powerful tool -- deniability. The governments already have leaked more information than was made available in 1997 and 1999, the two previous occasions when a compromise seemed imminent. Over the next few weeks, the opposition can have its say and, if its representatives propose improvements, the governments can modify the proposals before making them public. (Ways of ensuring the security of the roads without
introducing foreign peacekeepers represents one fruitful area for discussion.) In other words, the break before the Geneva meeting provides the presidents with an opportunity to steal the thunder from the opposition by appropriating any constructive proposals that may emerge.

In 1994, when the cease-fire agreement was signed, both nations were exhausted by war. Now they are exhausted by poverty. The international community can play a very constructive role by holding out generous financial incentives. The Azeri refugees who eked out an existence amid devastating squalor need more than the formal right of return; they need services, transportation, and shelter. Veterans in both countries lack medical care, pensions, and employment. It's not enough to suggest that peace will remove obstacles to trade and promote economic recovery. It would be far more persuasive to offer an aid package to improve immediately the condition of those who suffered the most from the war.

**Why isn't Russia misbehaving?**

In his comments at Harvard on 23 April, Cavanaugh emphasized that the three mediating countries share a common constructive attitude and are working in tandem to develop a concrete proposal. In this context, Cavanaugh mentioned that Russia has treaty obligations to help Armenia in the event of a new war over Nagorno-Karabakh, but Russia has to contend with its own conflict in the North Caucasus.

In March two former Azerbaijani officials, Tofig Zul'fugarov and Eldar Namazov, proposed launching limited operations to retake the Armenian-occupied districts east of Nagorno-Karabakh. (ZERKALO, 7 Mar 01) Would the armed forces of Nagorno-Karabakh and Armenia be sufficient to counter such moves? True, Russia has bases and thousands of troops in Armenia and it has supplied extensive weaponry to Armenia (most recently by moving CFE-limited equipment from a base in Georgia to Nagorno-Karabakh). But what if hostilities resumed on
such a scale that this was not sufficient? Would reinforcements from Russia be available? The Russian military faces another summer of war in Chechnya, including mounting rumors of a Chechen counteroffensive. According to the preeminent Russian expert on nationalities, Emil Pain, the Russian side is running low on reinforcements, whereas the Chechens have the demographic resources to fight a guerrilla war for the next 50 years. (PRESENTATION to The Institute for the Study of Conflict, Ideology & Policy, Boston University, 4 Apr 01)

A second front in the Caucasus seems more than Russia can handle.

It's ironic that for the second time in a decade the South Caucasus is poised to reap the benefits of a Chechen war. Nearly two years ago Azerbaijan's elder statesman, Vafa Guluzade, resigned his position as foreign policy advisor to Aliyev in protest over Azerbaijan's lack of support for the Chechens. His words ring prophetic now.

"I will tell you right now that if that brave and courageous people in their tiny republic (of Chechnya) had not managed to defeat Russia in the 1994-1996 war, Moscow would long have been back in Azerbaijan, making further trouble and trying to destroy our independence. Our debt to the Chechens is huge -- and yet not one voice in this government will speak one word of support or solidarity. Silence. I am ashamed, mortified. That is why I quit." (Thomas Goltz, "The Question of Succession in Azerbaijan: Is the Aliyev era (almost) Over?" SDI CASPIAN STUDIES EXPERTS CONFERENCE REPORT, Oct 99)

Evolution of US policy

Major improvements in US policy under the present administration constitute the second set of factors pushing Russia to support a peaceful and fair solution to the impasse over Nagorno-Karabakh. In 1999, in a zealous pursuit of an elusive legacy, the Clinton administration abandoned the OSCE process. In the midst of the war against Serbia, Madeleine Albright launched the bilateral negotiations which were held in total secrecy and left Russian representatives out in the cold.
When those talks showed promise, Armenian leaders were murdered in the nation's parliament. Then it was Putin's turn to mediate the bilateral talks, then Chirac's. In the meantime, the OSCE process languished. In its waning days, the Clinton administration made a shameful last-ditch effort by secretly offering a deal: It would lift US restrictions on aid to Azerbaijan if Turkey ended its embargo of Armenia. (AZTV1, 25 Feb 01; BBC Monitoring, via Habarlar-l@usc.edu) Had Azerbaijan accepted that offer, a key bargaining chip in the Nagorno-Karabakh settlement would have been squandered.

The Bush administration improved the process substantially by merging the bilateral talks with the OSCE mediation. In Key West the main talks were among the negotiators and between the negotiators and each of the parties separately. The presidents met only once and for only a brief period. This format shares the spotlight among the mediators, expedites the process by having the presidents on hand to react swiftly, and gives symbolic weight to the proceedings by involving top figures from the US administration.

The Bush administration has come under criticism for taking a tougher line in its relations with Russia than the previous administration. Yet, in this instance, the Bush administration involved the Russian representatives in a cooperative and fruitful manner. This administration is said to be weak on foreign policy and uninterested in international conflicts. Yet, according to Cavanaugh, on the 10th day of the administration President Bush discussed the Nagorno-Karabakh quandary with President Chirac; in its 10th week the administration was hosting the negotiations in Key West. Azerbaijani embassy sources say that the US president himself ran the half-hour meeting with Aliev. Bush exhibited such mastery of the complexities of the situation that the Azerbaijani president was very satisfied when he left the room.

Newly Independent States: Central Asia
Officials focus on border issues

Bilateral and multilateral attempts to strengthen border control were topics at the meeting of Kyrgyzstan President Askar Akaev and Tajikistan Foreign Minister Talbak Nazarov in Bishkek on 13 April; they addressed particularly the presence of "terrorist bases" in Tajikistan. The officials are reported also to have dealt with border demarcation and economic cooperation in terms of energy, mining and transportation.

Kyrgyzstan and Tajikistan remain at loggerheads over the presence of "terrorist bases" in Tajikistan's Pamir mountains. Kyrgyzstan has continually warned Tajikistan that its territory is being used as a secure base for the Islamic Movement of Uzbekistan (IMU) and has cited alarm at the real possibility of renewed fighting in the region. The IMU incursions into southern Kyrgyzstan in August 2000 purportedly were staged from bases in northern Tajikistan. However, Tajikistan has denied vehemently the presence of such bases on its territory. Nazarov assured Kyrgyzstan's president that "there are no militants" in Tajikistan. (KYRGYZSTAN DAILY DIGEST, 16 Apr 01; via EURASIANET.org) The Tajik foreign minister even suggested forming a joint commission that could verify there are no IMU insurgents there. (KYRGYZSTAN DAILY DIGEST, 16 Apr 01; via EURASIANET.org) Such discord needs to be resolved: According to the International Crisis Group (a European-based multinational organization dealing with conflict prevention), porous borders and unpredictable security relationships between the Central Asian states, together with the war in Afghanistan, have increased the potential for "inter-state conflict" in the region. Indeed, enhancing regional security will depend greatly on the ability of Kyrgyzstan and Tajikistan -- considered by many defense analysts to be the weakest links in the Central Asian security system -- to work together more closely on border security.
In addition to their bilateral talks, Kyrgyzstan and Tajikistan discussed border security with Belarus, Kazakhstan and Russia (within the framework of the Council for Border Problems) on 17 April in Moscow. While increasing regional efforts, the forum, another Russian-led endeavor, undoubtedly will strengthen Russia's hand in Central Asian security matters.

Additionally, chiefs of the General Staffs of the Shanghai-5 states -- China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan -- met in Bishkek on 18-19 April to discuss problems of "international terrorism" and drug trafficking, as well as the establishment of a joint counter-terrorism center in Bishkek. (NEZAVISIMAYA GAZETA, 18 Apr 01; via lexis-nexis) Their military representatives signed a letter of intent at the end of the conference to cooperate in fighting terrorism. The Shanghai-5 members are expected to sign an "anti-terrorism agreement" at their July summit in Moscow. (INTERFAX, 20 Apr 01; via lexis-nexis)

Central Asian security efforts are not limited to regional structures, however. Additional support comes from organizations such as the European Union, which is investing $3 million in a two-year program to fight drug trafficking in Central Asia. The main goal is to stem the flow of narcotics from Central Asia to Western Europe. The agenda calls for tighter security control in Almaty, Ashgabat, Bishkek and Tashkent as well as the port cities of Aktau, Atyrau and Turkmenbashi. Additionally, the program emphasizes improved channels of communication between the law enforcement agencies of the five Central Asian states and the establishment of a joint information network to coordinate customs procedures and border security. (INTERFAX, 11 Apr 01; via EURASIANET.org)

Speaking with a group of European military attaches in Dushanbe on 19 April, Tajikistan President Imomali Rakhmonov reiterated his stand that the EU and OSCE should play a more prominent role in mediating the Afghan civil war. Rakhmonov argued that the "Afghanistan problem" has serious implications for European as well as Central Asian security. (TAJIKISTAN DAILY DIGEST, 23
Apr 01; via EURASIANET.org) Military attaches from Italy, France, Germany and Scandinavian countries have been visiting Tajikistan to observe the Russian border force and specialized Tajik units engaged in counter-drug operations. These operations have resulted in the seizure of approximately two tons of drugs, including 800 kilograms of heroin, in the first quarter of 2001 alone. International experts forecast a sharp increase in Afghanistan's drug production this year. (ITAR-TASS, 18 Apr; via lexis-nexis)

Newly Independent States: Baltic States
By Kate Martin

What's in your suitcase?
April was a very good month for the Baltic states and their hopes to join the NATO military alliance. Latvian President Vaira Vike-Freiberga may not have brought home souvenirs from the Lincoln Memorial, but what she did bring back from her 23-30 April trip to Washington is sure to be appreciated even more: assurances from President George W. Bush and various senators that the US continues to back Baltic integration with NATO and the European Union. As the Baltic countries focus on overcoming significant hurdles to joining the alliance (obstacles that resulted from several decades of nondevelopment), several NATO members in addition to the US also went on record (some, not for the first time) as standing in the Baltic corner. Such support is essential, as the 2002 NATO summit -- at which the states are anticipating an invitation to join -- approaches.

At a 23 April White House meeting, President Bush expressed satisfaction with Latvia's achievements during the last few years and essentially voiced support for integration of the Baltic states into NATO, according to Aiva Rozenberga, the Latvian president's spokeswoman. Vike-Freiberga also met with US Vice President Dick Cheney and Secretary of State Colin Powell, from whom she
heard strong reassurance "that Russia would never be given a veto over who is or who is not part of NATO and we will examine each country in accordance with the conditions and standards put forth." (BNS, 0735 GMT, 24 Apr 01; FBIS-SOV-2001-0424; via World News Connection)

The Latvian president also received comforting news from Capitol Hill. According to Rozenberga, Sen. John McCain and Sen. Gordon Smith, chairman of the Senate Foreign Relations European Affairs Subcommittee, backed the stance that the Baltics be invited to join NATO. (LETA, 0810 GMT, 25 Apr 01; FBIS-SOV-2001-0425, via World News Connection)

Elsewhere, Spain's Minister of Foreign Affairs, Josep Pique, expressed his country's support for Baltic integration as well, during a one-day trip to Riga. He downplayed concern over Russia's possible reaction to NATO expansion: "All together, we will be able to explain to Russia that NATO enlargement means greater security." (LETA, 1234 GMT, 18 Apr 01; FBIS-SOV-2001-0418, via World News Connection)

Poland reiterated its approval of NATO's open-door policy. As he prepared for a visit to Vilnius, Polish Foreign Minister Wladyslaw Bartoszewski said, "The acceptance of new European members in the alliance would not only strengthen NATO, it would expand the zone of peace and stability in Europe and beyond." (BNS, 1139 GMT, 18 Apr 01; FBIS-SOV-2001-0418, via World News Connection)

Backling came as well from Luxembourg's prime minister, Jean-Claude Juncker, following a meeting with Lithuanian Prime Minister Rolandas Paksas. "In our opinion, Lithuania has truly become a guarantee of security, and it naturally belongs in NATO," Juncker said. (BNS, 1057 GMT, 23 Apr 01; FBIS-SOV-2001-0423, via World News Connection)
Still, not everyone in the neighborhood favors Baltic accession to the military alliance. In a German newspaper interview, Finnish President Tarja Halonen expressed serious concern over possible Russian reactions to NATO expansion. "We do not want to prevent the Baltic states from joining NATO. . . . Of course every independent country is free to make its own decisions but Finland cannot support the NATO interests of the Baltic states in the same way as it does their integration in the EU. Stability and security in Europe must be seen in a larger framework. For this we need Russia. . . . I hope that the NATO leadership is sufficiently aware of this," Halonen said. (DER SPIEGEL, 9 Apr 01; FBIS-WEU-2001-0409, via World News Connection)

However, the Finnish official's underwhelming support later was downplayed by the country's defense minister. At talks with Latvian Foreign Minister Indulis Berzins, Finnish Defense Minister Jan-Erik Enestam said his (neutral) country fully respects Latvia's choice to join NATO but cannot influence the decision on Latvia's admission or non-admission to the alliance. (BNS, 1032 GMT, 18 Apr 01; FBIS-SOV-2001-0418, via World News Connection)

Meanwhile, Baltic officials continue to face obstacles as they gear up their countries for the alliance's decision. An increase in defense spending -- one virtual prerequisite for continued consideration as a NATO candidate -- has Estonian PM Mart Laar less than optimistic. Raising the defense budget to 2 percent of GDP, which NATO members have made clear is the minimum needed to bring Estonia's military in line, is a contentious proposal for the cash-strapped country. "I can already picture the kind of debate spiced with populistic arguments that will arise on this issue in parliament," Laar said on 14 April at the Fatherland Alliance party congress. This year's decision to raise defense allotments to 1.8 percent of the gross domestic product was difficult but inevitable, he said. "We got away with it, while avoiding artificially inflating our budget, actually lowering the tax burden and keeping the budget in balance,"
Laar explained. (BNS, 1235 GMT, 14 Apr 01; FBIS-SOV-2001-0414, via World News Connection)

Lithuania, too, is trying to meet the defense budget hurdle and NATO members, while being helpful, have shown no inclination to let that requirement slide. During a recent trip to Vilnius, Lewis Moonie, the UK’s parliamentary under-secretary of state on defense, reminded Lithuanian officials that their country’s pledge to increase military spending to 2 percent of GDP next year remained an important part of preparing for NATO membership. Moonie told Lithuanian Defense Minister Linas Linkevicius that, while in the capital, he would review Lithuania’s emergency management, conscription system and defense planning. The UK has been providing Lithuania with long-term consultations since 1994 and British officials have been serving in the Lithuanian defense ministry for short-term stints. British experts have helped with policy and budget planning. (BNS, 1642 GMT, 24 Apr 01; FBIS-SOV-2001-0424, via World News Connection)

The Baltic states also are receiving assistance from newer NATO members. Lieutenant General Jiri Sedivy, chief of the General Staff of the Czech Army, recently proposed an expansion of training and an increase of material assistance, according to Raimonds Graube, commander of the Latvian Armed Forces. So far, Latvia has received guns, mortars, three tanks and other equipment from the Czech Republic, and is interested in Czech recovery vehicles and spare parts for equipment on hand. Sedivy also confirmed that spare parts and ammunition will be supplied. (LETA, 1026 GMT, 12 Apr 01; FBIS-SOV-2001-0412, via World News Connection) Later that week, General Sedivy traveled to Vilnius, where he met with Lithuania’s chief of staff, Jonas Kronkaitis. Lithuania was interested in the Czech Army’s modernization program, especially the passive monitoring system, according to a spokesman for the Czech defense ministry. Kronkaitis also met Czech Defense Minister Vladimir Vetchy, who
offered spots at Czech military academies to Lithuanian Army officers. (CTK, 1319 GMT, 17 Apr 01; FBIS-EEU-2001-0417, via World News Connection)

Such support apparently is making a difference. In addition to the recently voiced support from NATO member leaders, other persons rating the aspiring countries have produced positive comments. At a North Atlantic Council meeting in Brussels, 12 NATO ambassadors assessed as "impressive" indications of Latvia's defense and macroeconomic development. Prime Minister Andris Berzins and Defense Minister Girts Valdis Kristovskis described Latvia's progress towards NATO membership and answered questions that concerned primarily the Baltic country's relations with Russia, as well as public integration, naturalization and privatization. (BNS, 1714 GMT, 23 Apr 01; FBIS-SOV-2001-0424, via World News Connection)