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Russian Federation: Executive Branch

By Susan Cavan

Illarionov takes his leave

The resignation of Presidential Adviser Andrei Illarionov late last year had long been telegraphed. His remarks at the US-Russian Investment Symposium in November focused on a stark point, antithetical to the Putin regime: state controlled, owned and run companies, like UES, don't make sufficient profits; privately-owned companies with transparent accounting practices and dynamic and well-connected CEOs, like Mikhail Khodorkovsky's Yukos, do make remarkable profits...at least until they run afoul of the state. (1)

When Illarionov agreed to join the Putin team as economic adviser, replacing Aleksandr Livshits in 2000, there was a distinct and seemingly ascendant liberal economic wing to Putin's administration, centered around the Strategic Initiatives Institute, German Gref, Mikhail Kasianov, Aleksei Kudrin and Dmitri Kozak. While Kudrin and Gref are still nominally present (more on Kudrin's current position below), Kasianov has been replaced, Kozak has been sent to quell the Caucasus and now Illarionov has resigned.

Illarionov made it clear that his resignation was policy-based: He no longer felt that he was effective in formulating Kremlin economic policy, "my opportunities to influence economic decision making were considerably reduced." (2) His problem was not a lack of access to Putin: "I had the opportunity to talk to the president and express my point of view up to the very last moment." (3)

"I had come to the job to pursue an economic policy of broadening economic freedoms.... We essentially ceased pursuing that policy a minimum of two and a

half years ago. (...) At the very least, the interests of some corporations, which one may call state corporations, have a disproportionate influence on decision-making." (4)

While Andrei Illarionov had been one of the few remaining proponents in the Putin Kremlin of both liberal economic and democratic reforms, it is interesting to consider that he began his career in the Putin government at the crest of the wave that swept the "oligarchy" out of Russian politics, in order to develop a stronger state input, a "Chinese model" of economic reform. The difference in Russian political and economic governance from 2000 to 2006 is stark indeed: In 2000, a few wealthy businessmen formally or informally controlled a wide swathe of government policy formation and implementation through the state bureaucracy; whereas in 2005, a few bureaucrats, most of whom previously worked for the security organs, formally or informally control a wide swathe of government policy formation and implementation through the state bureaucracy, and along the way have become wealthy businessmen.

It is unclear whether Illarionov has learned the political lessons of Mikhail Khodorkovsky. When asked about his plans for the future Illarionov replied: "No decision has been made on making the decision public." (5)

Mikhail Kasianov, who is in the process of creating a new political or civic movement (reportedly to be called, Muzhiki—hopefully, the reports are inaccurate), apparently is considering asking his former colleague to join the new group. The Illarionov camp claims, however that "he has not received any proposals to join Kasianov's movement." (6)

"How does the Government feel about Gazprom's position?"

Lest Andrei Illarionov's concerns about the creeping corporatist nature of the Putin regime be disregarded, an end of the year round-up at the Security Council

resulted in a very telling interplay between the Chairman of the Board of Directors for Gazprom (Aleksei Miller) and the Prime Minister, Mikhail Fradkov.

After briefly surveying the results of government policy in 2005 over a wide range of issues (economic indices lower than anticipated, training in the army and navy "improving," the "acute" housing problem, and the MVD, where "there is still a great deal to do, a very great deal"), Putin broached the topic of negotiations with Ukraine over gas prices.

Miller claimed the Ukrainians were trying to get gas at unreasonably low costs, and accused Ukraine of "trying to artificially create problems for European gas consumers and, in this way, improve its negotiating position with Gazprom." (7) Miller also sketched the latest proposal in the negotiations to resolve the impasse.

President Putin, after hearing a few remarks on the issue, asked Prime Minister Mikhail Fradkov: "How does the Government feel about Gazprom's position?" Fradkov's response that "we are making a reasonable offer," brought a more emphatic question from the president: "Does the Government support Gazprom's position?" "Yes," Fradkov replied, "we support Gazprom's position." (8)

Perhaps Illarionov was on to something.

A plumbing operation?

An interesting crime log report has decidedly political overtones: "Burglars broke into apartments belonging to Finance Minister Aleksei Kudrin and UES Chair Anatoli Chubais in an elite residential building...." (9) According to the report, thieves ransacked the apartments at the Ulitsa Akademika Zelinskogo complex, making off with 50,000 rubles in cash and some jewelry from Kudrin, but leaving

Chubais' place empty-handed (Chubais allegedly doesn't keep valuables in the apartment). (10)

While the report cautions that break-ins usually spike during the stretch between New Year's Eve and the Orthodox Christmas holiday, is it really possible that the last two powerful liberals in Putin's administration were the victims of a random criminal attack? Where was the security? You would think after his close call last Spring, Chubais, at least, would have state-of-the-art protection for his property. Perhaps he just didn't take the assassination attempt seriously enough. Perhaps it was a reminder that no matter their official positions, Chubais and Kudrin are still vulnerable. Then again, maybe it was just a couple of lucky cat burglars. Random or orchestrated, the effect is chilling.

Source Notes:

(1) The ISCIP Analyst, 6 Nov 05.

(2) Ekho Moskvyy, 1305 GMT, 29 Dec 05; BBC Monitoring via ISI Emerging Markets Database.

(3) Ibid.

(4) Ibid.

(5) Ibid.

(6) The Moscow Times, 20 Jan 06 via ISI Emerging Markets Database.

(7) Transcript of the Meeting with Security Council Members, 31 Dec 05 via www.kremlin.ru.

(8) Ibid.

(9) Moscow Times, 10 Jan 06 via Lexis-Nexis.

(10) Ibid.

Russian Federation: Security Services

By John Kafer

MVD and OMON

The activities and organization of Russia's MVD police units are not widely publicized. During the Soviet era, Russia relied heavily on its elite OMON units to control public unrest in the country. Attempts to determine details such as their current organizational structure, recruitment pool, and dependability during operations remain illusive. Nonetheless, OMON units clearly remain widely active throughout the country, and MVD forces continue to play a prominent role in Russian security affairs.

Synopsis of Recent OMON Activity

Daily press reports concerning security affairs routinely make mention of OMON involvement in operations throughout the country, particularly in the North Caucasus. The following paragraphs highlight only a few of the typical OMON operations throughout the Russian Federation.

Over the past year, OMON special forces have been accused of human rights violations in two operations outside the immediate North Caucasus area. In December 2004, OMON special forces conducted four days of "mopping up" operations in Blagoveshchensk, a town in Russia's Far Eastern District near the Chinese border, where hundreds were beaten. (1) In June 2005, OMON forces conducted a "clean-up" operation in a village of Stavropol territory, south of Moscow and closer to the Caucasus, where dozens were arrested and beaten after a policeman had been killed. (2)

In October 2005, OMON forces reportedly were active in operations throughout the North Caucasus. In the well-publicized Nalchik attack in the Kabardino-Balkaria region, OMON forces were active in repulsing the attack. (3) In Ingushetia, the commander of an OMON detachment was killed during a night raid by 50-60 gunmen. (4)

In an unusual Moscow operation that appears politically motivated, a squad of masked OMON officers raided Boris Nemtsov's Neftyanoi Bank, reportedly as part of a "criminal investigation" into money laundering by the Prosecutor General's Office. Nemtsov, the bank's director, was a former leader of the Union of Right Forces and former deputy prime minister under Yeltsin who publicly supports former Prime Minister Mikhail Kasyanov's run for the presidency in 2008. (5)

Most recently, OMON forces have been cited in operations both in Chechnya and Dagestan. In the first, OMON staffers were injured during a New Year's Eve attack by gunmen in Grozny. (6) During the recent large-scale operations to "eliminate a gang of bandits" in Dagestan, several OMON officers were reported killed or wounded. (7)

MVD reorganizing for success or failure?

Although some officials, even some within the MVD, have proposed efforts to reform Russian security forces, they do not appear to be effective. Russian officials continue to display a lack of confidence in MVD tactical leadership, despite increases both in funding and personnel.

Former Defense Minister, Marshal Sergeyev, proposed a reform in 2000, which would have consolidated all armed forces (currently dispersed among ten ministries) under the Ministry of Defense. His proposal was never enacted, perhaps due to the lack of "checks and balances" between the ministries that his proposal would entail. (8) No doubt the other "services" were not eager to be subordinated.

More recently, Russian officials established Tactical Command Teams in the Southern Federal Region, headed by an Internal Troops Colonel. The teams include "united forces" with units from the Internal Troops, OMON, Defense Ministry, Civilian Defense and Emergency Ministry. (9) During an interview in

December 2004, the Commander of MVD Internal Troops, Colonel-General Nikolai Rogozhkin, described the same organization as Operational Control Groups (GrOU), with a combined number of 19,000. (10) Regardless of their name, their purpose remained the same. The Tactical Command Team Commander would, in response to a security situation, “automatically become the head of the operational headquarters” with the power to make decisions without consultations with Moscow. (11)

In practice, however, senior officials seem to lose confidence in the teams when situations arise to use them as designed. Despite having been formed and ready prior to the Beslan tragedy, the role of the Tactical Command Team Commander was essentially zero; Valeri Andreev, the chief of the local Federal Security Service (FSB) directorate, nominally ran the tactical headquarters. Again, during the October 2005 Nalchik response, the Tactical Command Team ran the operation only for the first four hours, after which the Commander of Internal Troops assumed command. In February 2005, Dmitry Kozak, the Presidential Envoy in the Southern Federal Region, argued to shift the command from the Tactical Command Teams to the regional FSB. (12)

Regardless of their effectiveness or even the concerns of senior leadership, Russia is investing in the MVD and its organizations. The Military Balance reports the number of Interior troops grew from 140,000 a few years ago to 170,000 in 2005. (13) In May 2005, President Putin signed an executive order providing for Interior Troops numerical strength of 199,800, the same number previously reported by Colonel-General Rogozhkin in his December 2004 interview, effective by 2006. (14) On the funding side, the Deputy Interior Minister reported in October 2005 that the OMON and rapid-reaction detachments would receive an extra 370 million rubles for specialized equipment this year. (15)

No one appears to have a long-term strategy concerning security forces and command and control of those forces during crisis. Clearly, despite the continued prolific use of OMON units throughout Russia, infighting between the FSB and MVD over who is in charge of anti-terrorism efforts remains (FSB units are notably absent in the makeup of Tactical Command Teams). Putin's November 2005 decree on the maximum number of staff in the MVD adds to the confusion. The decree, effective 1 Jan 06, set the maximum staff at 821,268 which includes 661,275 with MVD agencies and 159,993 civil servants and workers. (16) These are very specific numbers without detailing the number of Interior Troops or stating whether the numbers represent an increase or decrease in authorizations. The decree itself is unusual, given that Putin seldom, if ever, publishes decrees establishing maximum numbers in any ministry, and given the previous executive order increasing the Interior Troops to approximately 200,000. Does anyone have a strategic plan to grow the MVD and special forces or are petrol dollars simply fueling bureaucratic growth?

Source Notes:

- (1) "Rights Activists Worried About Violations by Law Enforcement," Interfax, 4 Oct 05; FBIS Transcribed Text via World News Connection (WNC).
- (2) "Mass Rights Violations Reported in Police Raid on Southern Russian Village," BBC Worldwide Monitoring, 19 Jun 05 via Lexis-Nexis.
- (3) "Declaring a State of Emergency," Gazeta.ru, 14 Oct 05; FBIS Translated Text via WNC.
- (4) "No Change on North Caucasus Front. Fighting and Sweep Operations Continued Yesterday in Ingushetia, Dagestan, and Kabardino-Balkaria", by Andrey Riskin and Mariya Bondarenko, Nezavisimaya gazeta, 20 Oct 05; FBIS Translated Text via WNC.
- (5) "OMON Raids Nemtsov Bank" by Valeria Korchagina, The Moscow Times, 9 Dec 05 via ISI Emerging Markets.

- (6) "Five Killed in Night Shoutout in Chechnya" Ria Novosti, 1 Jan 06 via Lexis-Nexis.
- (7) "Bodies of Two Russian Soldiers Found in Dagestan," ITAR-TASS, 6 Jan 06 via Lexis-Nexis.
- (8) "Defense Minister Reported to be Seeking Single Military Commander," BBC Summary of World Broadcasts, 5 Apr 00 via Lexis-Nexis.
- (9) "Rapid Reorganization Force," by Andrei Soldatov and Irina Borogan, Novaya gazeta, 5 Dec 05 via Lexis-Nexis.
- (10) "Russia: Internal Troops Emphasize Anti-Terrorist Role," Moscow Nezavisimoye voyennoye obozreniye, 24 Dec 04 via WNC.
- (11) Ibid, "Rapid Reorganization Force."
- (12) Ibid.
- (13) The Military Balance 2005-2006, International Institute for Statistical Studies (Routledge, Taylor, and Francis Group, London, UK), Oct 05.
- (14) "Kremlin Set to Reinforce Interior Troops," Moscow News, 1 Jun 05 via ISI Emerging Markets.
- (15) "Russian Police Commandos to Receive Extra R370 Million Funds," RIA-Novosti, 11 Oct 05, FBIS Translated Text via WNC.
- (16) Interfax, 3 Nov 05; FBIS Translated Text via WNC.

Russian Federation: Foreign Relations

By Marisa Payne

Crimean lighthouse illuminates Russia-Ukraine strife

The beginning of 2006 has been rocky for Russo-Ukrainian relations. On January 13, Ukraine seized a Crimean lighthouse, which supposedly had been under contract until 2017 to the Russians. According to Ukrainian officials, the lighthouse's staff was prevented from entering the lighthouse in Yalta due to allegedly expired documents. (1)

But Russian officials have claimed that this incident is about more than a single lighthouse. Russian Foreign Ministry official Mikhail Kamynin said "This incident can hardly be regarded as anything other than an attempt by certain forces in Ukraine to once again complicate the situation around the Black Sea Fleet, creating incidents that hinder the normal operation of its navigation-hydrographic facility." (2)

By "certain forces," Kamynin most probably is referring to the administration of Ukrainian President Viktor Yushchenko, who swept to power in 2004's Orange Revolution. It is no secret that since Yushchenko has oriented Ukraine more toward the European Union and NATO, President Putin's Russia has entered upon a more turbulent relationship with Ukraine.

The Russian media were quick to cover the lighthouse dispute, which it portrayed as a "territorial claim" that is likely to affect the status of Russia's Black Sea fleet. An NTV correspondent stated, "The Russian Foreign Ministry complains that Ukraine is stirring passions and politicizing issues—solutions to which should be sought at talks." (3)

Ukrainian Transport Minister Viktor Bondar stated that the lighthouse dispute would be resolved over two months of negotiations but that the facilities are Ukrainian property and should remain so. (4) Moreover, the deputy chief of staff to Yushchenko, Anatoliy Matvienko, said that the Ukrainian president agrees with Bondar's remarks (5).

Russian Foreign Minister Sergei Lavrov called the aforementioned assertions "unacceptable" and vowed to make the Black Sea fleet a priority in next month's talks with Ukraine (6).

However, the lighthouse dispute comes at a time when Russo-Ukrainian relations are churning over the question of gas supplies and Russian demands for higher prices. (See Armed Forces: External for more on the lighthouse situation)

Taking into account the wider strife between Russia and Ukraine that followed the Orange Revolution, it seems likely that the lighthouse dispute is not simply a territorial claim. While it is unclear how this issue will be resolved, it seems probable that Ukraine may demand higher rents for continued Russian use of the lighthouses and, more widely, the Crimean section of the Black Sea within the context of its negotiations with Russia over gas prices.

Diplomacy in Iranian nuclear bids

In a January 17 press conference, Foreign Minister Sergei Lavrov maintained that Russia's top priority regarding Iranian nuclear ambitions is "to ensure the inviolability of the nuclear non-proliferation regime" and "to act carefully and avoid unnecessary sharp moves that may artificially create additional problems and exacerbate the situation" regarding Iran. (7)

Yet in a January 20 meeting between President Vladimir Putin and the Director of the Russian Federal Atomic Energy Agency, Sergei Kiriyenko, Kiriyenko maintained that Russia would go ahead with its plans with Iran. He reported to Putin that Russian officials are "ready and have even prepared production facilities." (8)

Putin discussed with Kiriyenko the details of Russia's role in Iranian nuclear activities, asking how his agency plans to avert security threats, including the possibility of Iran using nuclear materials to produce weapons of mass destruction (WMD). Kiriyenko assured the president that the plan has taken any security issues into consideration and will serve to allay international concern:

“There are two dangerous elements involved in developing nuclear energy – the enrichment and processing of spent fuel. Regarding the situation in Iran, Russia has concluded a contract with this country under which spent fuel from the nuclear power plant we are building there will be returned to Russia and in this sense, in accordance with all the international regulations, there is no security risk involved, and this is something that all countries recognize.” (9)

However, Russia is walking a thin line, trying to address both economic interests and international obligations. Lavrov obviously prefers discussing Iran’s compliance with international nonproliferation agreements at next month’s International Atomic Energy Agency (IAEA) meeting rather than at the United Nations. Lavrov’s approach differs sharply from US preference for imposing sanctions on Iran if it does not stop its supposed nuclear enrichment programs.

Russia has been quite clear that it would rather not leave the matter to the United Nations Security Council. Russian state TV has stressed the use of diplomacy in negotiating with Iran during next month’s IAEA meeting. On Rossiya TV, host of Vesti Plyus Dmitry Kiselov stated, “The forthcoming meeting of the governing council of IAEA is not simply a formality for referring the Iran dossier to the UN Security Council, as the Europeans and American think, but remains an opportunity for proper discussion of Iran’s actions – a chance to not let things get out of hand. Russia is using all its influence to this end.” (10)

It seems likely that the Europeans and Americans will not easily be persuaded to agree with Russia on this matter.

Cold War Revisited

On a popular Russian television program, a group of persons claiming to be officials of Russia’s Federal Security Bureau (FSB) said they possessed footage demonstrating a British attempt at espionage.

The program aired a grainy video, centering around a rock that supposedly was equipped to transmit secret data from up to 60 feet away. The FSB officials on the Rossiya TV channel explained that the individuals, who they claimed used the rock to transmit secret information, were British diplomats. FSB officials did not comment on the purpose of the alleged espionage, but were quick to point out that there was a link to non-governmental organizations (NGOs), including the Eurasia Foundation and the Moscow Helsinki Group. (11)

The British Foreign Office quickly refuted the spying claims and issued this statement: "We reject any allegations of improper conduct in our dealing with Russian NGOs. ... All our assistance is given openly and aims to support the development of a healthy civil society in Russia." (12)

Spokeswoman Lyudmila Alexeyeva, the head of the Moscow Helsinki Group in Moscow, confirmed to having received a grant that may have been signed by one of the accused British diplomats, Marc Doe. However, she questioned why the FSB was making an issue of the grant's signatory, "We did receive a grant from the British embassy two years ago...I do not remember who signed it off. It could have been [First Secretary] Marc Doe, given his position in the embassy. But does it really matter?" (13)

Clearly the fear of "color" revolutions is boiling over in Putin's Russia, and particularly its security organs. The paranoia over NGOs and the precise source of their funding reveals a strong sense of fear in the Kremlin.

The purported espionage allegations say more about Russian domestic politics than international relations. It is an embarrassing off-shoot of Russia's fear of foreign-funded revolution in Russia. If, indeed, the accusations had any genuine merit, it would seem likely that legal action and arrests would have been made. The fact that the supposed FSB officials took a piece of grainy black-and-white

surveillance footage to a Sunday night television program to make their claims speaks volumes as to the seriousness of the changes.

Source Notes:

- (1) "Russia says Ukraine lighthouse incident will harm bilateral relations, RIA Novosti, 13 Jan 06 via <http://en.rian.ru/russia/20060113/42999090.html>.
- (2) Ibid.
- (3) "Russo-Ukrainian Lighthouse Dispute 'Almost a Territorial Claim' – NTV," BBC Monitoring, 15, Jan 06 via Lexis-Nexis.
- (4) "Ukrainian Minister Says Lighthouse Dispute to Be Resolved Through Negotiation," BBC Monitoring, 16 Jan 06 via Lexis-Nexis.
- (5) "Yushchenko Insists Ukraine Owns Disputed Lighthouses, Senior Aide Says," Associated Press, 20 Jan 06 via Lexis-Nexis.
- (6) Ibid.
- (7) "Press Conference with Foreign Minister Sergei Lavrov," Official Kremlin News Broadcast, 17 Jan 06 via Lexis-Nexis.
- (8) "Beginning of Working Meeting With Director of the Federal Atomic Energy Agency Sergei Kiriyenko," President of Russia, 20 Jan 06 via http://president.kremlin.ru/eng/speeches/2006/01/20/1928_type82913_100398.shtml.
- (9) Ibid.
- (10) "Russian State TV Plays Up Hopes of Diplomatic Solution to Iran Crisis," BBC Monitoring, 18 Jan 06 via Lexis-Nexis.
- (11) "Echoes of Cold War: Russia Accuses Britain of Spying," New York Times. 23 Jan 06 via <http://www.nytimes.com/2006/01/23/international/europe/23cnd-russia.html?pagewanted=all>
- (12) "Britain denies Russian TV spy claims" UPI 23 Jan 06 via Lexis-Nexis
- (13) "Moscow group rebuts spy claims, admits U.K. official gave grant" RIA Novosti 23 Jan 06 via Lexis-Nexis

Russian Federation: Domestic Issues and Legislative Branch

By Robyn Angley

Religious issues

According to recent statistics, one third of Russians are atheists, Islam stands at around 20 million adherents (up 4 million in the last 15 years) and Buddhists constitute about 1.5 million. The biggest competition for converts is among the Orthodox, Catholic, and Protestant Christians. (1) Fifty percent of Russians consider themselves Orthodox (up from 16 percent in 1986), although only 1.5 to 2 percent take Communion and attend confession regularly, a number that has not shifted since perestroika. (2)

Russia formally acknowledges four “traditional” religions: Orthodox Christianity, Buddhism, Islam, and Judaism. Apart from these religions, the presence of other religious groups, including Protestants, greatly increased during the 1990s under the relatively relaxed laws governing religious activity. The presence of these groups introduced new, sometimes problematic, issues into religious interaction.

Funding from various Western religious organizations increased the sense of competition between denominations. Western organizations also gravitated toward younger leaders, many of whom were in their late teens and had little or no memory of the church’s experiences under Communism. The perception of Russia’s older generation that church leaders had been as compromised under Communism left an entire generation feeling that they had lost out in the past, and with funding directed to youth, they were being passed over in the present. (3)

The relationship between evangelicals and the Russian Orthodox Church was another contentious issue in the 1990s. The Russian Orthodox were dependent on Protestants to receive Bibles and other literature because satellite Russian Orthodox congregations lacked the resources to supply them.

Russian religious groups faced the problem of receiving Western funds while attempting to promote Russian goals. As a 1993 “Open Letter to the Missionary Coordinating Council to All Western Missionary Organizations” stated, “In Moscow alone, over one hundred Western organizations were registered. And each one wants to accomplish its program by using the existing church infrastructure, which is still so weak that it cannot resist this pressure, neither organizationally nor spiritually....Indigenous missionary organizations cannot compete with strong Western missions and the best individuals prefer to work for Western organizations and, naturally, for better payment....Finally, instead of [receiving] assistance and support from Western missionaries, local missions [find that they] have to defend their own vision of missionary service.” (4) This problem was not, and is not, unique to religious organizations which received Western funding; other NGOs often face the same issue.

The freedom of “non-traditional” religious groups may soon be put in check. Recently, the Justice Ministry has proposed new restrictions on religious groups with the intent of stemming “foreign religious expansion,” according to Vedemosti. (5) The proposals are designed to make the process of procuring a visa more difficult for missionaries as well as to ease the process for shutting down religious groups.

In the meantime, however, Protestant Christian groups and others exercise relative freedom. A young Protestant missionary living in Perm recently reported, “The local authorities are not fighting anything we do since we are an organization registered with the government. We are not harassed or impaired by the authorities in any way. Having said that, over all, Protestant groups are

looked down upon by the local authorities. Legally we have the right to be here, but that does not change their attitude. I know some churches are having a hard time right now. There is a church in Perm called New Testament. They are registered but they needed to buy a bigger building since they were getting too big. They made a bid for a large building and won the contract over a casino. It became big news in Perm. Even the governor got involved. The governor is very upset about this church buying property in the middle of the city. He even said he will give this building back to the people no matter what. If that happens, most likely it will become a casino.” (6)

Although the Russian Orthodox Church has stated that it has no intention of seeking to become the state church, (7) its involvement with authorities is growing. A new course offered by the Russian Academy of State Administration (RASA) is taking cooperation of church and state to a new level. The purpose of this 9-day class, which is offered to the leadership of the Russian Orthodox Church, is “to inform about the latest innovations in the sphere of church and state relations,” said RASA Pro-Rector Anatoli Tupinin. The course participants met with people such as Sergei Popov, head of the Duma’s committee on public associations and religious groups, Education and Science Minister Andrei Fursenko, and Culture and Media Minister Aleksandr Sokolov. (8)

The number of Russian adherents to Islam is growing. Among the most public conversions was the Russian Orthodox priest, Vyacheslav Polosin, whose decision to become a Muslim in the 1990s drew considerable attention. (9) The increase in numbers in the Muslim community has led to greater political organization. Muslim groups are beginning to organize in both the political and social spheres. The National Organization of Russian Muslims (NORM), for example, was formed in 2004 and, in a departure from previous Muslim organizations, has taken up issues not strictly pertaining to religion. (10)

Religion, as well as ethnicity, has become an increasingly important topic in Russia as issues such as xenophobia and ethnic tension are highlighted by events such as the attack on a Jewish synagogue earlier this month. In fact, one of the responsibilities being assumed by the newly convened Public Chamber is the issue of addressing xenophobia.

Source Notes:

- (1) "Russian Orthodox Church losing flock to other faiths," 9 Sep 05; BBC Monitoring via ISI Emerging Markets.
- (2) "Does church threaten secular life in Russia?" 7 Jun 05, RIA Novosti via ISI Emerging Markets.
- (3) Walter Sawatsky, "After the Glasnost Revolution: Soviet Evangelicals and Western Missions," International Bulletin of Missionary Research, April 1992.
- (4) Otonas Balchunas (Shaulai, Lithuania), Semen Borodin (Krasnodar, Russia), Andrei Bondarenko (Elgava, Latvia), Anatoly Bogatov (Saransk, Moldova), Vassily Davidyuk (Kiev, Ukraine), Piotr Lunichkin (Vladikavkaz, Ossetia), Pavel Pogodin (Nalchik, Kavkaz), Franz Tissen (Saran, Kazakhstan), Henri Fot (Bishkek, Krgyzstan), and Victor Shiva (Almaty, Kazakstan), "Open Letter of the Missionary Coordinating Council to All Western Missionary Organizations Interested in Spreading the Gospel in the Former Soviet Union," 23 March 1993, Russian Ministries Files, Wheaton Illinois as cited in Peter Deyneka and Anita Deyneka, "Evangelical Foreign Missionaries in Russia," International Bulletin of Missionary Research, April 1998, p. 57.
- (5) "Russia seeks to bolster checks on religious groups," 14 Nov 05, Agence France-Presse via ISI Emerging Markets.
- (6) Jonathan Dulin, e-mail communication with author, 4 Dec 05.
- (7) "Alexy II refutes claims Russian church seeking state status," 28 Dec 05, ITAR-TASS via FBIS transcribed text via World News Connection (WNC).
- (8) "Clergy will be taught the basics of state administration," 18 Nov 05, Kommersant; What the Papers Say via ISI Emerging Markets.

(9) "Muslim Russia," 19 Aug 05, Versiya; WPS via ISI Emerging Markets.

(10) Ibid.

Russian Federation: Armed Forces

By Marcel LeBlanc and Jeffrey Butler

INTERNAL

RUSSIA AND UKRAINE

Radar disputes

Hiding in the shadow of the current skirmish between Russia and the Ukraine over gas prices is the contention over the use of early warning radar sites in the Ukraine. Russia has enjoyed exclusive use of data from Ukraine's radars in Sevastopol and Mukachevo since the fall of the Soviet Union. However, in December 2005, Ukrainian officials made overtures suggesting Russia needs to pay more for the radar data and that the radar sites might also be made available to support US missile defense efforts. (1) There is no official link between Ukraine's dissatisfaction with the radar arrangement and gas prices, but it does seem likely that Ukraine is using military security as leverage against Russia. This is especially true given the suspicious timing of several additional announcements such as a proposal from Ukrainian Defense Minister Anatoliy Hrytsenko to reinstitute the Missile Troops and rumors of a Ukrainian refusal extend the service life of the Russian SS-18 long range missiles. (2)

As highlighted in Deputy Prime Minister Sergei Ivanov's recent Wall Street Journal article, Russia's nuclear forces continue to be its first priority and primary military deterrent against large-scale military attack. (3) The purpose of Russia's network of indigenous and allied early warning systems is to detect a large scale attack with sufficient warning to protect Russia's nuclear retaliatory capability. These systems also have an important associate mission of space surveillance and tracking. Radars such as the ones located in Ukraine are critical due to their

capability for day/night and all-weather operation. In addition, the importance of the ground-based sensors is magnified in light of the reduced capability of Russia's space based early warning systems since the end of the Soviet.

The handling of the radar controversy presents an interesting dilemma for Russia. The radars at Sevastopol and Mukachevo are 1970's era Dnepr class radars and are formally the property of Ukraine. Furthermore, these large radars are situated to detect objects over Europe, the Mediterranean, the Middle East, and as far east as Iran. Presently, Russia does not have adequate backup coverage of this sector from any other sensor except the Pill Box anti-ballistic missile radar, which is primarily a tracking radar and not particularly suited to early warning and space surveillance. Hence, the loss of Ukraine radars would leave a sizeable hole in Russia's early warning fence. Colonel General Volter Kraskovsky, former commander of Russia's missile defense troops, asserts that "U.S. access to the Sevastopol and Mukachevo radars could significantly damage Russia's missile defenses in the direction of central and southern Europe, and towards the Mediterranean." (4) Furthermore, Maj-General Roman Popkovich (ex-chairman of the Duma Defense Committee) suggests, "Russia should take appropriate measures in response, up to and including providing protection by units from our armed forces for the stations that we built in Ukraine in the interests of our state and that are part of the missile defense of Russia and the CIS." (5)

While concern is voiced over the potential loss of access to the radars, there are dissenting voices and other options. Russia continues to describe the United States as the primary military threat for large scale attack against its territory; but realistically, the loss of access to Ukraine's radars does not substantially change Russia early warning against putative US attack. The Ukraine radars do not cover the most likely avenues of US ingress, and Russia has more than sufficient nuclear forces to maintain a highly credible second strike retaliatory force. A more pragmatic view was voiced by Ruslan Pukhov, Head of the Centre for

Analysis of Strategies and Technologies, who states: “the early-warning radars are only part of the former Soviet Union's defense system. The system's already full of holes. In particular, the Glonass satellite system for global positioning is not fully operational. There are lots of other things that are not fully functional, either...It's not good, of course, but it won't lead to tragedy.” (6)

An alternative for Russia is to accelerate plans to build replacement radars on its own turf. Russia has long realized the hazards of foreign dependence for early warning assets and has developed bilateral agreements for the near-term. For the future, Russia announced the development of a modular early warning radar in 2001 with the aim of building a system which can be constructed and operated less expensively than the aging, behemoth systems currently deployed. (7)

After Ukraine hinted at possible cooperation with the US, Russia responded by announcing that initial tests of the new modular radar have started. Also, more information was released on the new radar now known as the Voronezh-DM radar system developed by NIIDAR (Scientific Research Institute of Long-Range Radio Communication). (8) In addition, speculation was confirmed that the Voronezh is planned to replace the Daryal and Dnepr class radars including the Ukrainian radars. (9) Funding for construction of the first operational unit was specified by name in the state defense order announced by Mikhail Fradkov. (10) General Kraskovsky believes fielding the Voronezh radar is a viable alternative, “but this would take two or three years, and the costs could equal or exceed Moscow's additional revenues from charging Ukraine a higher price for natural gas.” (11) Thus, in a relatively short period of time, Russia could field a serviceable and much more reliable early warning radar on its own territory which could replace the information gleaned from the Ukrainian sites.

Another issue for Russia is how to prevent US access to the Ukrainian radar sites and foil any US encroachment into Ukraine for missile defense. US access to Ukraine's radar site would provide tremendous insight into the internal concept

of operations of the Russian early warning system. The early warning radars are so powerful that detecting their transmissions is unproblematic; however, there is much uncertainty over how the information gleaned from the radar sites is processed and fused with data and algorithms from other sources to inform the Russian leadership on topics to include early warning, intelligence collection, and satellite tracking. Russia's General Popkovich summarized this concept: "Our crews and Ukrainian crews service the radar and I think this is the same as handing over a whole series of secret documents to a country that, when all's said and done, is not our friend when it comes to military matters." (12)

A further Russian preoccupation concerns the putative deployment of new US missile defense assets in Ukraine. The US is interested in acquiring additional sites for sensors and missile launchers to monitor and defeat missile threats from the Middle East or Central Asia. As mentioned previously, Ukraine is well-positioned geographically to monitor activity in these areas. For Russia, the specter of US missiles and radar sites in the Ukraine seems nothing short of abhorrent, as reflected in the tone of Ivanov's recent policy article. (13) The presence of US personnel, sensors, and missiles in Ukraine would clearly generate Russian angst.

From Ukraine's perspective, the haggling over the radar sites presents opportunities as well as risks. If Ukraine continues its march toward increasing ties to the West, then cooperation on the radar sites is an attractive bargaining tool. Moreover, full access to the sites as well as allowing basing of US assets would likely engender strong US support. Conversely, Russia can apply significant political and economic pressure which could be more than Ukraine's weakening pro-West movement can handle. In terms of bilateral relations with Russia, Ukraine stands to get a little more money in the near term for the data from the early warning radars. Moreover, Russia will have to consider seriously the costs of being truly militarily independent of Ukraine. Replacing Ukraine's

radars and missile technology will be very costly perhaps even more than cost of gas these days.

Conclusion

Ukraine's desire to increase costs for Russian access to early warning data and possibly to cooperate with the West is a fascinating example of the "Great Game" politics and military positioning currently on display in Russia's near abroad. Russia can survive the loss of data from the early warning sites, although it would leave the country with a hole in its early warning fence until a new modular system is brought on line in a few years. The greater issue for Russia is preventing the West and especially the US from gaining a foothold in the Ukraine.

Source Notes:

(1) "Ukraine Will Reveal Russian Secrets To The United States," Kommersant, 9 Dec 05, WPS Defense and Security via ISI Emerging Markets.

(2) "Yushchenko Ready To Grab Missiles. The Question Is, Against Whom Will They Be Aimed and With What Will They Be Equipped" Nezavisimaya gazeta, 18 Jan 06 via Johnson's Russia List. "Ukraine Threatens Russia's Radar Security," Nezavisimaya gazeta, 12 Dec 05, WPS Defense and Security via ISI Emerging Markets.

(3) Sergei Ivanov, "Russia Must Be Strong," Wall Street Journal, 11 Jan 06 via <http://www.america-russia.net/eng> .

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(7) Pavel Podvig, "Plans For New Early Warning Radar," <http://russianforces.org/eng> .

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(10) "Mikhail Fradkov Distributed The State Defense Order," Kommersant, 1 Dec 05, WPS Defense and Security via ISI Emerging Markets.

(11) "Ukraine Threatens Russia's Radar Security," Nezavisimaya gazeta, 12 Dec 05, WPS Defense and Security via ISI Emerging Markets.

(12) "Russia: Experts View Ukrainian Threat To Give US Access To Missile Defense," Ekho Moskvyy radio (Moscow), 12 Dec 05; BBC Monitoring via ISI Emerging Markets.

(13) Sergei Ivanov, "Russia Must Be Strong," Wall Street Journal, 11 Jan 06 via <http://www.america-russia.net/eng> .

EXTERNAL

Lighthouse row follows gas war, highlighting tense relations between Ukraine and Russia

Over the past few weeks Russia and Ukraine have played a game of tit-for-tat with Ukrainian-based hydrographic and navigation facilities used by Russia's Black Sea Fleet. Although recent events involve merely a lighthouse near the Crimean city of Yalta and a navigation facility located on Ukraine's Azov Sea coast, the larger issue seems to be the status of Russia's Black Sea Fleet, which is home-ported in Ukraine's autonomous Crimea region. Moreover, though apparently unrelated to December's gas war, the incidents on the Black Sea and Azov Sea followed on the heels of the dispute between Russia and Ukraine over natural gas in which, it appears, Russia got the upper hand. In one respect, the natural gas and Black Sea Fleet disputes are centered on adherence to agreements previously reached by Russia and Ukraine; but, in another respect, the disputes differ because brinkmanship, a bit of chaos and the threat of armed conflict have often marked the running 14-year dispute over the status of Russia's Black Sea Fleet.

What just happened, exactly?

Both Russia and Ukraine seem to agree that their most recent spat began on 13 January 2006. On that day, an eight-man team from Ukraine's ministry of transportation reportedly prevented personnel from Russia's Black Sea Fleet from entering a lighthouse, designated Ya-13, near the city of Yalta. These actions by Ukraine government employees occurred conspicuously just nine days after Russia and Ukraine ostensibly negotiated an end to their dispute over natural gas supplies and a mere two days after Russian President Vladimir Putin met and praised Ukrainian President Viktor Yushchenko for the success of the aforementioned negotiations. (1) Regardless, on 15 January, amid debate about possession of the Yalta lighthouse and the Black Sea Fleet agreements that supposedly govern such issues, the conflict between Russia and Ukraine expanded north when Russia apparently dispatched 20 troops to guard the Mars-75 radio navigation facility near the Ukrainian town of Henichesk, on the Azov Sea. On the same day Russian troops deployed to the Mars-75 facility, Captain 1st Rank Igor Dygalo, aide to the commander-in-chief of the Russian navy, claimed that Russia's security guards at Mars-75 had prevented five unidentified persons from taking over the station. (2) Two days later, on 17 January, Ukraine demanded that the Russian dredging vessel Urengoi put "an immediate stop" to its work in the disputed waters of the Kerch strait, which separates the Azov Sea from the Black Sea. (3) Meanwhile, back in Henichesk, the Ukrainian Student Brotherhood, a Ukrainian nationalist student organization, maintained a picket at the Mars-75 facility where Russian forces reportedly had hung a banner claiming, "Territory of the Russian Federation." (4) Accompanying the events in Henichesk was the appearance of leaflets stating that Russia had "made the decision to bring a limited contingent of Russian troops and special units to Ukraine to establish control over gas pipelines considered vital to Russia." (5) The source of the leaflets remained unclear.

How did it all begin?

Theoretically, when then Russian Prime Minister Viktor Chernomyrdin and Ukrainian Prime Minister Pavlov Lazarenko signed the Black Sea Fleet Accords in 1997, Russia and Ukraine solved the vexing problem of what to do with Russia's Black Sea Fleet in the wake of the Soviet Union's breakup. In practice, the Accords seem to have raised as many issues as they solved. Although the agreement apportioned approximately 82% of the Black Sea Fleet to Russia and the remaining 18% to Ukraine, neither Russia nor Ukraine has completed a comprehensive inventory of the fleet. Further, even though the Accords stipulated that Russia would lease several bays in the port of Sevastopol for approximately USD \$100 million per year to house its Black Sea Fleet, both Ukraine and Russia have questioned these terms that are not set to expire until 2017. It also is notable that Russia's lease payments originally were intended to reduce some of the nearly \$3 billion Ukraine owed to the state-owned Russian gas supplier and prime player in December's gas war, RAO Gazprom. (6)

The Black Sea Fleet Accords affected not only the Black Sea Fleet, but Ukraine's autonomous region of Crimea as well. Specifically, Russia supposedly acknowledged Crimea's borders and agreed that the region was "legally and territorially a sovereign part of Ukraine." (7) Yet, in 2003, Ukraine and Russia embroiled themselves in a bitter three-month dispute over Crimea's eastern border, located across the narrow Kerch strait from Russia's Krasnodar Krai. Literally and figuratively at the center of the dispute was Tuzla, a tiny island situated in the middle of the strait that opens into the Azov Sea. Rich in fishing resources, including sturgeon, the source of caviar, and part of the only all-water path from the Black Sea to the oil-rich Caspian Sea, the Azov Sea is a more important body of water than its size suggests. So, in the fall of 2003, when Russia began to build an earthen dike from Krasnodar to Tuzla in an apparent land-grab, Ukraine deployed additional troops to Tuzla and protested vigorously that Russia's actions threatened the status of the island, the territory of Ukraine, and control of the Kerch strait. (8) In the end Russia stopped its move toward

Tuzla, but the two neighbors left unresolved the issue of demarcation in the Kerch strait.

Would Russia and Ukraine proceed to armed conflict over a lighthouse and a navigation facility?

Today, armed conflict over the latest incidents on the Black Sea and the Azov Sea seems unlikely. The dispute over Tuzla in 2003 was just one in a long series of tense standoffs between Russia and Ukraine over the region. Before 2003, rows similar to the one over Tuzla saw both Russia and Ukraine deploy troops either to protect or to seize military facilities in Crimea, and the disputes even witnessed the “defection” to Ukraine of a Russian navy frigate. (9)

However, despite having been authorized to use force to secure their respective country’s interests, neither Ukraine’s nor Russia’s armed forces fired a shot in any of these face-offs. In this light, it is not clear why Russia last week reportedly gave its service members “all the powers which are mentioned by the garrison’s guard regulations” in order to protect Russia’s interests in the facilities of the Black Sea Fleet. (10) Similarly, on 16 January Anatoly Kinah, secretary of Ukraine’s National Security and Defense Council, declared that Ukraine “...will step up the use of all methods available to protect its interests and ensure compliance with the [Black Sea Fleet Accords],” it wasn’t apparent whether he was making more of a diplomatic threat than a military one. (11)

Thus, although war over the Black Sea Fleet and control of the Azov Sea does not seem likely, destabilizing factors at play in these disputes prevent any foregone conclusions. While it seems clear that employees of Ukraine’s government first barred Russian service members from entering the Ya-13 lighthouse in Yalta, it is less clear whether official Kiev ordered its employees to act. In fact, Russian Foreign Minister Sergei Lavrov on 17 January declared, “the Ukrainian presidential administration told [Russia] that [Ukraine] had learnt about [the incident at Ya-13] from the papers.” (12) Furthermore, official Moscow has lamented that, with regard to the recent incidents in Crimea, “...it is difficult to

understand who speaks for Ukraine – the Ukrainian presidential administration, a certain youth organization called Brotherhood or the Ukrainian Foreign Ministry.” (13)

Reaching an agreement...

Before their most recent flare-up on the Black Sea, the governments of Ukraine and Russia had already established committees to consider the issues at hand. Against the backdrop of Ukrainian parliamentary elections coming in March, these committees are scheduled to meet in February to attempt to reach agreements on the lease Russia’s Black Sea Fleet has with Ukraine and on Russia’s use of Ukrainian navigation facilities for the aforementioned fleet. The two governments also will attempt to reach consensus on the status of the Ukrainian-Russian border at the Kerch strait. (14) However, January’s cat-and-mouse game on the Black Sea and Azov Sea, uncertainties about official Ukraine, and the history of the long-running dispute in Crimea all suggest that negotiators are destined to emerge from February’s meetings without much to show for their efforts.

Source Notes:

(1) “Wrap: Putin, Yuschenko on bilateral relations,” RIA Novosti, 11 Jan 06 via ISI Emerging Markets.

(2) “Russian official says seizure of another Black Sea fleet facility prevented,” BBC Monitoring of ITAR-TASS, 15 Jan 06 via ISI Emerging Markets.

(3) “Ukraine says Russian dredge ship ‘violates sovereignty,’” Agence France-Presse, 17 Jan 06 via ISI Emerging Markets.

(4) “Ukraine Seeks Control of Russian Naval Facilities on its Soil,” Socor, Vladimir, 19 Jan 06, Eurasia Daily Monitor (EDM) Volume 3, Issue 13.

(5) “Leaflets Predicting Russian Invasion Appear in Ukraine,” JM, 19 Jan 06, RFE/RL Volume 10, Number 10, Part II.

- (6) "Ukraine, Russia and the Black Sea Fleet Accords," Felgenhauer, Tyler, February 1999, Woodrow Wilson School of Public and International Affairs.
- (7) Ibid.
- (8) "2003: The Year in Review, A tiny island in the news: the dispute over Tuzla," 11 Jan 04, The Ukrainian Weekly, Number 2, Vol. LXXII.
- (9) Tyler Felgenhauer, Ibid.
- (10) "Russian Defense Minister Offers Ukraine Negotiations Over Crimea Military Facilities," Mosnews.com, 17 Jan 06 via Johnson's Russia List (JRL) 2006-#15 (#28).
- (11) "Ukraine security supreme talking tough on lighthouse row with Russia," BBC Monitoring of TV 5 Kanal, Kiev, 16 Jan 06 via ISI Emerging Markets.
- (12) "Russian Foreign Minister urges Ukraine to explain lighthouse incident," Interfax-AVN, 17 Jan 06 via Lexis-Nexis.
- (13) Ibid.
- (14) Vladimir Socor, Ibid.

Newly Independent States: Caucasus

By Kate Martin

Nothing personal

Following the shock wave that swept through most of Europe when Russia temporarily halted gas supplies to Ukraine over the holidays, other regular customers of RF fuel are still reeling from sticker shock. Russia informed its clients of a substantial jump in prices to be charged, regardless of how fondly (or not) individual governments might be viewed by Moscow. As Gazprom officials explained, it's not personal, it's not politics: it's business, at \$110 per 1,000 cubic meters for gas deliveries, the amount it charges in European markets.

Of course, to the governments faced with increased costs and potential shortages as winter hits full force, it's anything but purely business. At a

December meeting of the Atlantic Council of the United States, Georgian Vice Premier Georgy Baramidze mentioned his country's strong support of new pipelines "from the Caspian region to Europe" to be built by Western energy companies. (1) Georgia actually has a bargaining chip, although Western officials advise against using it. Gazprom has proposed a 10-year extension of a transitional period before raising the gas price to \$110/1,000 cubic meters... if Georgia agrees to hand over some control over its pipeline. (2) US Deputy Assistant Secretary for European and Eurasian Affairs, Maathew Bryza, told Georgia that selling a trunk gas pipeline to Russia would increase Georgian dependence on Russian fuel deliveries, which is not recommended. (3) While Georgia mulls over the proposal, an earlier agreement contains the higher contract price.

Azerbaijan, too, is looking for solutions, after Gazprom announced it would use "European prices" in contracts on gas supplies to that Caucasian country. (4) Baku is in the best position of the Caucasian capitals, given Azerbaijan's primary reliance on its own oil and gas supplies and its "very successful" cooperative venture with British Petroleum to bring supplies to international markets. (5) However, President Ilkham Aliyev told the Azerbaijani Security Council that the country needed to strengthen its energy security, since it does still need imported gas, from Russia, and it faced an increase from \$61 dollars/1,000 cubic meters (per a 2004 agreement) to the \$110 rate Gazprom announced for everyone. (6) Whence would the extra supplies come? Central Asia. Indeed, a second pipeline to increase the amount of Kazakhstani and Turkmen oil through Azerbaijan and connect the terminals of Azartrans Ltd. and BP-Azerbaijan, was just completed. (7) Kazakhstan, moreover, agreed to join the Baku-Tbilisi-Ceyhan project, and is considering also building a pipeline to Baku, according to Kazakh Prime Minister Daniyal Akhmetov. (8)

However, while Azerbaijan and Georgia could have expected no kind treatment from the Russian company, Armenia did. And Yerevan is trying to bring politics

into pipelines. Foreign Minister Vartan Oskanyan reviewed Armenia's great relations with Russia, emphasizing in particular economic, as well as political and security, cooperation. Because of that cooperation, Oskanyan explained, he hoped that the two countries would "arrive at a mutually acceptable solution [regarding gas tariffs] which will not have a serious impact on the living standards of the Armenian population and the pace of the country's economic growth." (9) Russia currently supplies gas, as Armenia's only source of energy, at \$56/1,000 cubic meters, but Gazprom's profit loss has prompted renegotiating, at the higher \$110 rate.

Gazprom officials deny that control over gas supplies is politics by another means, citing the continuation of supplies during the democratic revolutions in both Ukraine and Georgia as proof "there is no tint in our attitudes – either orange or pink. ... What we value much higher is our reputation as an excellent supplier." (10) "This is not policy, but economics," Alexander Ryazanov, chairman of the board at Gazprom, explained when announcing the increase to all CIS countries. (11) Georgia's President Mikheil Saakashvili, for one, is not buying that argument; he urged ministers to search for alternative sources for energy because "Russia constantly uses blackmail, it constantly seeks to use energy as a means of pressure on Georgia." (12)

GEORGIA

No New Year's resolution in sight

The New Year did not bring any hint of resolution to the continuing, and apparently escalating, conflict between Georgia and its breakaway region South Ossetia. Georgia seems intent on its earlier-stated goal of unifying all of the country, and South Ossetia seems equally intent on the path that has, admittedly, worked quite well for it so far... de facto independence from Georgia, if not from the Russian Federation.

Indeed, Georgian officials spent much of the autumn months attempting to garner international support for President Mikheil Saakashvili's proposal to change the format of the negotiations around the South Ossetian conflict, culminating in a December appearance by Prime Minister Zurab Noghaideli and Foreign Minister Gela Bezhushvili before the Ministerial Council of the Organization for Security and Cooperation in Europe (OSCE) in Slovakia. (13)

The latter appearance had little effect, however: although the OSCE Foreign Minister's Council stated that Tbilisi's plan could be used to settle the conflict, Moscow immediately spun the announcement to say that Tbilisi's latest plan was too vague, and what everyone was supporting was the three-stage plan using the existing Joint Control Commission (JCC) that Saakashvili presented to the UN over a year ago. (14) The truth of the OSCE statement may matter little: the OSCE member states failed even to agree on a joint declaration noting Russia's refusal to remove troops from Georgia and Moldova despite years of promises. (15) [While the agreement on troop withdrawal agreed on in June 2005 is ready for signature in Tbilisi, it is "still going through the approvals process" in Moscow, according to Russia's Deputy Foreign Minister Grigory Karasin. (16)] Then again, such a declaration would be tacit admission on how ineffective censure from the OSCE can be.

At this point, all that the parties can agree on is the fact that the situation in South Ossetia is degenerating. South Ossetian officials, citing a firefight on 2 December near Tskhinvali, accused Georgia of "actively using its peacekeepers to provoke military activity, stage special operations and acts of sabotage and terrorism on South Ossetia's territory." (17) Russia's Ambassador at Large, Valery Keniyakin, noted that in talks with Georgia's Conflicts Minister, Georgy Khaindrava, "we're now discussing specific problems, like the growing tensions in the zone of conflict in South Ossetia." (18) Russian and South Ossetian officials continue to insist on negotiations through the Joint Control Commission, a framework Georgia has now repeatedly rejected as ineffective. (19)

The parties' dedication to finding a resolution is suspect: South Ossetia has compiled a blacklist of persons who are banned from entering its controlled territory, including Georgia's Defense Minister Irakli Okruashvili, Military Police Chief Aleko Sukhitashvili, Interior Minister Vano Merabishvili, Peacekeeping Battalion Commander Paata Bedianashvili, and Presidential Representative Mikheil Kareli. (20) According to Mikhail Mindzayev, described as the de facto minister of internal affairs for South Ossetia, the five and 23 others face arrest if they enter South Ossetia-controlled territory, purportedly for "crimes against people" (although he failed to describe what exactly those crimes were). (21)

Saakashvili is focused on the unification of Georgia, and there are hints that South Ossetian concerns of increased military preparedness might not be far off the mark. Speaking on public television on New Year's Eve, he said that restoring Georgia's territorial integrity "requires patience and caution, persistence and courage at the proper decisive moment." (22) Although he added that he was "certain that we shall achieve this goal and restore the country's unity by peaceful means," that phrase "courage and the proper decisive moment" does not sound like something a person dedicated exclusively to non-military means would say. A South Ossetian representative to the JCC, meanwhile, issued a complaint that Georgia has been over-rotating troops, carrying out the change five times in a year rather than the agreed-upon twice-yearly schedule. (23) Signals clearly are mixed. Khaindrava called for another meeting of the JCC, although he mentioned the December JCC meeting did not yield "desired results." (24) Georgia apparently has opted to use the same "what, me?" ploys any sibling or parent would recognize: low-level annoyances that shake up the target yet allow for claims of innocence.

And yet, while the leaders of both Georgia and South Ossetia rattle sabers and lob threats, Georgia's relations with another breakaway region, Abkhazia, had appeared to be moving (albeit slowly) toward a more peaceful resolution; a

recent escalation of conflict, however, puts that process in danger. A working group of representatives from both governments had coordinated a series of draft documents that envisage security guarantees and rejection of the use of force, with United Nations Security Council oversight, if necessary. (25) And yet a firefight in the Zugdidi district of the conflict zone on 21 December, begun with a firing on a Georgian police post and ultimately including the use of small arms, mortar and grenade launchers, indicates that there is some distance to be traveled on the road to peace. (26) The Abkhaz Foreign Ministry, moreover, has appealed for international assistance in what it terms a “steadily worsening” situation in the Gali district – a situation Abkhazia blames on an increase in “Georgian guerilla unit White Legion.” (27) Still, dialogue between the two parties is continuing, including the stated willingness of Saakashvili to meet Abkhaz leader Sergey Bagapsh to discuss economic, humanitarian, security and trust-building measures, with no preconditions. (28)

Admitted assailant gets life imprisonment

Following a trial in which he refused to testify unless in the presence of international human rights representatives and later appeared in court with his mouth (self-) sutured shut, Vladimir Arutyunian was sentenced to life in prison for attempting on May 10, 2005 to kill US President George W. Bush and Georgian President Saakashvili (with a hand grenade that did not explode), and for actually killing (with a submachine gun) a police officer who had gone to his home to apprehend him. Reportedly Arutyunian had repeatedly admitted his guilt. (29)

NKAO

Not in our backyard?

There did appear to be some progress in another of the region’s ongoing breakaway conflicts, Nagorno-Karabakh. While Nagorno-Karabakh Autonomous Oblast (NKAO) officials, such as President Arkady Gukasyan, reiterated the “no retreat, no surrender” stand, their allies in Armenia were noticeably less adamant. Following a significant increase in its budget for 2006, the Azerbaijan

defense ministry announced that, should Armenia recognize NKAO independence, “military actions would be renewed.” (30) That may have helped Armenia to become the only party in the conflict recently to pull back on the warmongering rhetoric. “All the parties must be in a positive mood and move forward cautiously. We are well aware that Nagorno-Karabakh is a complicated problem which requires a compromise,” Foreign Minister Vardan Oskanian said earlier this month (31) He is not alone in pulling back. The Armenian communists, according to their colleagues in Azerbaijan, “recognize Nagorny Karabakh as part of Azerbaijan.” (32)

Armenia’s and Azerbaijan’s foreign ministers held a meeting last week in London. The talks were described as “not easy” by Azerbaijan, and “complicated and busy” by Armenia. (33) Further talks are expected to be held in Paris next month.

ARMENIA

Armenians decry what PACE does not

Amendments to the constitution are in place, despite widespread agreement, at least in Armenia, that the results of the referendum (supported by a purported 93.3 % of votes) were rigged. Several parliamentary representatives and groups within Armenia complained about the legitimacy of the vote since the polling on 27 November . (34) European Union observers warned shortly after the results were released that the “ballot stuffing and manipulation of the turnout figures” brought suspicion to “Armenia’s commitment to transparency and democracy.” (35) And finally the commission tasked with overseeing the legality of the referendum agreed: Commission coordinator Ruben Torosyan announced that, in addition to blatant violations of election law by President Robert Kocharyan (including voting openly, and giving an interview to journalists at a polling station), over a million votes were rigged. (36) Despite the astonishing results reported, the referendum had been positively assessed by the Armenian

Electoral Commission, the Parliamentary Assembly of the Council of Europe (PACE), and the Organization for Security and Cooperation in Europe. (37)

NORTH CAUCASUS

Beslan and beyond

When announcing the preliminary results of the parliamentary investigation into the Beslan catastrophe, Commission Chairman Aleksandr Torshin was quick to blame government organs, but not the agencies most watchers were expecting to be named, to wit, Russia's federal interior troops and special forces. While bemoaning a tendency he sees for others to forget that the terrorists who took the hostages ultimately were the ones responsible for the high number of deaths in September 2004, Torshin mentioned that two directives were sent from Moscow directing local agencies to take "stronger security precautions"; one, he implies, was ignored, while the other "never even reached the Pravoberezhnyy Rayon Internal Affairs Division. There is no trace of it, as if it had never been sent. As a result, both of the alternative security arrangements were not taken at the school," which was, in fact, under-guarded, by a lone unarmed policewoman, who was taken hostage at the school. (38) The announcement constituted a strange instance of underreporting: Torshin doesn't mention what evidence confirms that the second federal directive was made, since there was "no trace of it."

As hesitant as he is to blame the federal agency that keeps no trace of directives, he seems significantly less hesitant to blame a regional agency for not following a directive it never received. This casts some doubt as to the purity of the commission's motives. And yet, the final report is not completed. Torshin subsequently noted that the "issue of the role of federal executive bodies will be raised" in that final report, but even in that statement he rested on the alleged "negligent attitude" of the North Ossetian police. (39) Meanwhile, the trial of Nurpashi Kulayev, the sole remaining terrorist, continues in North Ossetia's Supreme Court.

Torshin expanded his comments to say that the situation in Dagestan and Chechnya is worsening, while the “shadow sector of the economy is absolutely flourishing” and attempts by the center to improve the situation by increasing the region’s budgets are “absolutely wrong.” Such evaluations give surprising credence to statements from Ramzan Kadyrov, acting prime minister of Chechnya, that the Chechen Republic is, relatively speaking, a haven. “Chechnya is already the safest region in the Russian Federation, and in two years it will become the most peaceful and prosperous place in the world,” Kadyrov said. (40) He made no mention of how many Russian troops were required to ensure that standing.

And, lest travel agents start booking vacation getaways to Grozny. Chechnya still faces a significant amount of conflict, albeit on a smaller scale than has been experienced in earlier years. According to a report by Lt. Gen. Oleg Kohtin, head of the Interior Ministry’s forces in Chechnya, approximately 750 persons form 70-75 illegal military groupings in the republic, primarily in the mountainous regions, and have a significant presence in the capital still. (41)

Source Notes:

- (1) ITAR-TASS, 7 Dec 05; FBIS Transcribed Text, via WNC
- (2) ITAR-TASS, 23 Dec 05; OSC Transcribed Text, via WNC
- (3) Interfax, 12 Jan 06; OSC Transcribed Text, via WNC
- (4) ITAR-TASS, 14 Dec 05; OSC Translated Text, via WNC
- (5) AzarTaz News Agency, 21 Dec 05; OSC Report, via WNC
- (6) ITAR-TASS, 2 Jan 06; OSC Transcribed Text, via WNC
- (7) Turan, 9 Jan 06; OSC Translated Text, via WNC
- (8) Interfax, 10 Jan 06; OSC Transcribed Text, via WNC
- (9) ITAR-TASS, 10 Jan 06; OSC Transcribed Text, via WNC
- (10) Interfax, 23 Dec 05; OSC Transcribed Text, via WNC

- (11) ITAR-TASS, 29 Nov 05; FBIS Transcribed Text, via WNC
- (12) Interfax, 19 Jan 06; OSC Transcribed Text, via WNC
- (13) Interfax, 3 Dec 05; FBIS Transcribed Text, via WNC
- (14) Interfax, 8 Dec 05; FBIS Transcribed Text, via WNC
- (15) AFP, 6 Dec 05; FBIS Transcribed Text, via WNC
- (16) RIA-Novosti, 3 Jan 06; OSC Transcribed Text, via WNC
- (17) Interfax, 8 Dec 05; FBIS Transcribed Text, via WNC
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Newly Independent States: Central Asia

By Fabian Adami

Kazakhstan Update: First the Stick, then the "Carrot."

Last month, the Republic of Kazakhstan held Presidential elections. Previous elections in Kazakhstan, notably the September 2004 Parliamentary vote, and the 1999 Presidential ballot were characterized by campaigns designed to undermine and harass President Nursultan Nazarbaev's opponents. The most notable victims of harassment or intimidation were Ghalymzhan Zhakiyanov (former Governor of Pavlodar Oblast) & founder of Democratic Choice for Kazakhstan), who was arrested and imprisoned in 2002 on corruption charges, and former Prime Minister Akezhan Kazhegeldin, who was forced to flee the country in 1999, and currently resides in exile in the United Kingdom.

The run-in to the 4 December election was up to a certain point no different than those in the past. President Nursultan Nazarbaev and his supporters mounted a series of operations designed to pressure and intimidate Zharmakhan Tuyakbai (former member of Otan and Speaker of the Majlis), the President's most serious opponent. Government tactics included the arrest of Tuyakbai's campaign manager, arson attacks on his campaign headquarters, the destruction of campaign materials in a "car accident," and verbal warnings from NSS (National Security Service) officers about "illegal campaigning" activities. (1) Nazarbaev's (or his supporters) activities differed in this election, in that they became more hard-line than they had been previously.

Early in November, Yelena Nikitna, a campaign official for Tuyakbai, reported that her daughter had been kidnapped. Oskanna Nikitna apparently disappeared after her mother had refused on several occasions during interviews with police officers, to pass on information regarding campaign planning and activities. (2) There have been no reports since the election indicating that Oksanna Nikitna is safe or has been reunited with her mother. Then, on the weekend of 13 November, Zamanbek Nurkadilov, until 2004 a former government minister and close Nazarbaev ally, was found dead at his Almaty home. Despite wounds indicating foul play (he had been shot twice in the chest and once in the head), Interior Ministry investigators ruled Nurkadilov's death a suicide, citing the apparent lack of signs of forced entry or struggle at his home. Serikali Musin, Nurkadilov's lawyer has disputed the ruling, claiming that a pillow found at the scene contained gunshot holes, indicating it had been used as a silencer. (3) Nurkadilov's assassination was likely carried out to prevent the release of documents in his possession, which he claimed proved "massive corruption" in the President's family. (4)

Nazarbaev's attacks were not limited to individual personalities. A central feature of the President's political efforts during the late summer and early fall of 2005 was the attempt to introduce legislation to control Non-Governmental Organizations (5), and to prevent them, in Nazarbaev's language, from fomenting a color or flower revolution, as they had done in "neighboring countries." (6) Fear of a Western-inspired or funded revolution was also the core reason for Nazarbaev's hardened stance vis-à-vis Tuyakbai: in an April 2005 interview with *Nezavisimaya gazeta*, the latter claimed that he had strong connections with "International Organizations" and the West. (7)

It was in this atmosphere that the country's electorate went to the polls on December 4. As was to be expected, Nazarbaev was reelected by a huge margin, obtaining 91% of the vote, as compared to Tuyakbai's 6.6%. The OSCE's Preliminary Report noted a number of serious violations, including

tampering with the results protocol, ballot stuffing, proxy voting, voter intimidation and harassment, and a lack of equal media time for candidates during the campaign. (8) The OSCE's Final Report will be issued in approximately one month.

On December 18, the movement For a Just Kazakhstan, which Tuyakbai heads, issued a statement condemning the election. Speaking to the press, Tuyakbai claimed that the poll results showed that Kazakhstan was "turning from an authoritarian regime into a totalitarian one." (9) Tuyakbai announced that a petition to overturn the result had been filed with the Supreme Court. A week later, that body rejected the opposition's petition citing an incomplete case. Delivering the Court's ruling, Judge Marziya Baltabai stated that For a Just Kazakhstan was in possession of voting results from only 1012 of Kazakhstan's 9,957 election districts. Baltabai stated that individual election district results were not within the Court's jurisdiction (10) —language which by omission leaves the door open for lawsuit challenging the overall, national outcome.

In the weeks after the election, but before his January 11 inauguration, Nazarbaev took actions which can only be interpreted as an attempt to temper Western criticism of the election, and to rebuild domestically his image as a moderate leader. On 23 December he announced the introduction of a large state run anti-corruption program, which will run for 5 years, and on which bi-annual reports will be published. (11) Secondly, Nazarbaev on 9 January signed into law a sweeping amnesty (announced on 16 December—Kazakhstan's Independence Day) for 14,000 prisoners—mostly females, minors and elderly convicts. (12)

But Nazarbaev's most important move came on, on 14 December, when a court in the northern Pavlodar Oblast announced that Ghalymzhan Zhakiyanov, imprisoned since 2002, would be granted early release. (13) Zhakiyanov's release was delayed until 14 January by a counter appeal from Kazakhstan's

Special Prosecutor for Penal Institutions, who argued that Zhakiyanov did not deserve early release due to his violation of prison rules. (14) Given Zhakiyanov's importance to the opposition, it seems safe to conclude that the Special Prosecutor's move was planned by the government, and was designed to provide the veneer of judicial impartiality and fairness to the case. Since his release, Zhakiyanov has openly stated that he will re-involve himself in the country's politics, insisting that he is "absolutely convinced that democratic reform" was "necessary for the development of our society." (15)

Mr. Zhakiyanov's release has been described as "the moment of truth" for Kazakhstan's opposition forces. (16) On 18 January, Soz, an opposition newspaper, published an interview with Yerlan Karin (a prominent Kazakh political scientist), and Presidential advisor Yermukhamet Yertsbayev. The most important point of the discussion, made by Yarin, was that Zhakiyanov's release meant that the opposition could no longer "blame the absence of bright figures" for its failures. (17) The central question, implied Yarin, was whether the opposition would now unite behind Zhakiyanov.

While this analysis is correct, it does not go far enough in addressing Nazarbaev's motives for ordering Zhakiyanov's release. Nazarbaev has historically (and successfully) used 'divide and rule' tactics in dealing with the opposition. Zhakiyanov's release as such should be viewed less as a 'conciliatory' move, and more as a calculated political one on Nazarbaev's part, designed to flood the opposition with too many "bright figures", again preventing the emergence of a single, unified viable candidate who can challenge his position. If the opposition's past history is any indication, this tactic will continue to provide Nazarbaev with the results he desires.

Uzbekistan Update: Bye-Bye "Western Alliances"...Almost.

In July 2005, President Islam Karimov demanded that the United States vacate the K2 airbase, used for operational purposes in Operation Enduring Freedom,

and the ongoing US-led Global War on Terrorism. (18) The Uzbek demand came as a response to—or as a not so subtle—rebuttle of Washington's criticism of the Karimov regime over the Andijan massacre last May, in which some 700 people were killed by Security Forces. (19) The US evacuation of K2 was completed on 22 November 2005.

Days before the US withdrawal was completed, President Karimov traveled to Moscow, where he negotiated and signed a mutual defense alliance treaty with Russia. Explicitly linking US criticism over Andijan with the treaty, Karimov noted that "any hostile actions directed against Uzbekistan...will mean an assault on Russia." (20)

In the last 2 months, Uzbekistan has moved further into Russia's camp. First, on December 12, the Uzbek government refused to renew Radio Free Europe/Radio Liberty's accreditation. RFE/RL was the last Western news organization retaining offices in Tashkent. (21) Second, on December 30, President Karimov signed a resolution officially revoking Uzbek membership in the US-supported regional GUUAM alliance. (22) A foreign office spokesman stated that Uzbekistan had withdrawn because GUUAM had unfavorably "revised the regional security system." (23) Thirdly, ten days ago, on 12 January, the Uzbek courts suspended all activities of the US-sponsored Freedom House Organization, claiming that the organization lacked transparency. (24) The organization plans to appeal the decision, but should the office be forced to close, no pro-democracy or Human Rights organizations will be left in Uzbekistan.

In spite of the measures taken by the Uzbek government, all ties with "the West" have not been severed: In mid-December, President Islam Karimov met with Friedbert Pfluger, Parliamentary Secretary of State for the German Defense Ministry, and reached an agreement to allow the Bundeswehr continued use of the airbase at Termiz. According to the terms of the deal, the German

government will provide developmental assistance for the local town, and continue to upgrade facilities at the base itself. (25)

Tashkent's decision not to expel the Bundeswehr contingent along with other Western forces likely was made in response to Berlin's decision to grant a visa to then-Interior Minister Zakirjan Almatov, allowing him to travel to Hanover for cancer treatment, in spite of an EU-wide travel ban for senior Uzbek officials. (26) Almatov retired on grounds of ill health earlier this month, to be replaced by Bahodyr Matlyubov. (27) Given the fact that Interior Ministry Spetznaz units were involved in the Andijan massacre, Almatov bears considerable responsibility for events in that town.

Tashkent's moves as described above show that Uzbekistan is being selective about which ties to cut. Rather than severing all Western ties, Karimov is choosing to distance himself from organizations and alliances which he views as linked in any small way to the United States. Given Berlin's close relationship (at least during former Chancellor Schroeder's tenure) with Moscow, and German-US tensions over the Iraq war, it is not unexpected that Uzbek-German ties remain close.

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Newly Independent States: Western Region

By Tammy Lynch

UKRAINE

Gas and the Government: Gas agreements, constitutional reform, free speech and democracy intersect painfully.

In January, Ukraine's parliamentary election season began in an atmosphere largely foreign to Ukraine and other former Soviet republics – one of free speech, vigorous public debate and a generally free national press. The democratic atmosphere, which Ukraine's leaders have proudly supported, has been a challenge for them. Questions about the country's latest gas deal with Russia, combined with the introduction of perplexing constitutional reforms, have led to the virtual paralysis of the presidential administration and the parliament's dismissal of the cabinet.

The latter is being contested by the president as unconstitutional, but, regardless, it has effectively halted much of the government's work. Two months before the 26 March election, the potential orientation of the country's next parliament is unclear, political brinksmanship already is underway over who will assume the premier's chair following the poll, and the country faces questions that are likely to impact its development for years to come.

Gas agreement? What gas agreement?

The current crisis was created in the days following the announcement of a new gas agreement between Russia and Ukraine. On 4 January, when the agreement was signed, Ukraine declared it a success. "The people of Ukraine and Russia won," said Prime Minister Yekhanurov. (1) Later, President Yushchenko went further. He proclaimed the deal "a brilliant achievement" and suggested that "the political fight has been won." (2)

At the press conference announcing the deal, the head of Ukraine's Naftohaz gas concern, Oleksiy Ivchenko, provided limited information. "We shall be buying gas of different origins, both Russian and Central Asian, from the RosUkrEnergo company," he said. "The price of gas will be 95 US dollars per 1,000 cubic meters at the Russian-Ukrainian border." (3) Yushchenko later confirmed Ivchenko's statements. "Ukraine has gotten a price of 95 dollars. Look at the map of Europe. Who has this price? ... We have secured a stable gas balance for five years." (4)

But, even at the press conference it was clear that the agreement was far more complex than stated by Ivchenko – the only official Ukrainian representative at the negotiation. Russia's Gazprom head Aleksey Miller touted the fact that "a long term contract for supplying Russian gas has been agreed," and announced, "The initial price is 230 dollars for 1,000 cubic meters." This price for Russian gas, he later explained, would be paid to Gazprom by the intermediary RosUkrEnergo, which would then mix this gas with much cheaper Central Asian

gas and sell the mixture to Ukraine for an average price of 95 dollars. (5) Thus, instead of paying between \$50 and \$65 per cubic meter for Russian gas, and between \$44 and \$50 per cubic meter for Turkmen gas, as it did in 2005, Ukraine would pay \$95 for a mixture of these, plus possibly some additional supplies from Uzbekistan and Kazakhstan.

Soon it became clear, however, that the actual document differed in some ways from the information provided at the celebratory press conference. Most importantly, it provided only limited guarantees for Ukraine.

On 5 January, former Prime Minister and Orange Revolution leader Yulia Tymoshenko released a copy of the gas agreement at a press conference, and made it, as well as several other related documents, available on her political party's website. The press conference and contents of the agreement were discussed extensively on all major Ukrainian media, and Tymoshenko announced plans to contest the document in court, while calling for the dismissal of those who stood behind it.

Of particular interest was the lack of any set price – or even guaranteed gas volumes -- for Central Asian gas. “The sides shall sign appropriate agreements and contracts,” the document reads, “with the aim of forming, starting from 1 January 2006, an annual gas balance of the RosUkrEnergo company in the following volumes ...” No actual guarantee is given for any volumes listed.

The document sets a price, of sorts, for the Russian gas that will be sold by Gazprom to RosUkrEnergo for use in Ukraine. It states, “Up to 17 Billion cubic meters of Russian gas to be bought from ... Gazprom at a price to be set by a formula, proceeding from the basic gas price (PO = 230 dollars per 1,000 cubic meters).”

Later in the document, RosUkrEnergo pledges to sell to Ukraine “in 2006 – 34 billion cubic meters of gas to be sold at the price of 95 US dollars per 1,000 cubic meters which is in force in the first six months of 2006.” No mention is made of the second half of 2006. Additionally, while the document notes that RosUkrEnergo will sell gas to Ukraine at an unspecified price in 2007, the agreement makes no mention of the years 2008-2010, calling into question statements that it is a “five-year” agreement. (6)

At her press conference, Tymoshenko objected not only to the lack of guarantees of price and gas quantity to Ukraine, but also to the involvement of the gas intermediary company, RosUkrEnergo. During her tenure as premier, the company was investigated by Ukraine’s Secret Service for money laundering and ties to organized crime. Following her dismissal, the investigation apparently was shelved, although it is unclear if this was done for lack of evidence or for political expediency. Tymoshenko noted that Gazprom owns 50% of RosUkrEnergo, while the other 50% is owned by a subsidiary of Austria’s Raiffeisen Investment. Raiffeisen claims to merely manage the activities of the company on behalf of individuals who do not want their identities disclosed.

Tymoshenko has charged that these individuals are politically well-connected Ukrainians enriching themselves through RosUkrEnergo’s deals. “It is a front company, an artificially created company, so that gas coming to Ukraine comes through a filter that will catch a significant amount of money,” she told the New York Times. (7)

Speaking on “Freedom of Speech,” a live Ukrainian debate program, she further pointed out that the 4 January document commits Ukraine’s Naftohaz to create a corporation with RosUkrEnergo for distribution of gas internally to Ukrainian customers. This, she charged, placed the management of, and profits from, Ukraine’s gas transport and storage facilities in doubt. During the program, representatives of Yushchenko and Yekhanurov’s political party, Our Ukraine,

vigorously denied that the joint venture would lead to loss of control over any of Ukraine transport or storage facilities. (8) However, point 3 of the agreement does, in fact, announce the creation of a joint venture, “whose authorized capital shall be formed by contributing cash and bringing in other assets.”

Charles Tannock, a British Conservative member of the European Parliament, echoed the concerns about RosUkrEnergo, during a discussion of the gas deal by the European Commission’s delegation for Ukraine. He noted the “very opaque” nature of RosUkrEnergo, suggesting its ownership structure leaves it open to “allegations by minority shareholders in Gazprom and the Western political classes that there is a possibility of political corruption here as a result of this secret deal.” (9)

President Yushchenko has denied vigorously the charges about RosUkrEnergo, suggesting that he is prepared to investigate any corruption allegations. But he says that he has seen no evidence of wrongdoing.

However, during an interview with Great Britain’s Channel 4 news, the president was, according to reporter Jonathan Miller, “at a loss for words” when asked who profits from RosUkrEnergo’s business. After a long pause, Yushchenko answered, “I don’t know. They may be Ukrainians, but I really don’t know who these people are.” (10) In spite of this, according to Prime Minister Yekhanurov, Ukraine was forced to make the deal with RosUkrEnergo.

“It is not that we were not aware of what RosUkrEnergo is and so on,” he said during a television interview. “We have no alternative. The Russian side offered a company. We have no proof [of RosUkrEnergo’s alleged shady deals]. Neither our security agencies nor our commercial partners have any official proof of lack of transparency in the operation of that company.” Moreover, “The thing is that whole of the pipeline extending from the Turkmen-Uzbek border to the Russian-Ukrainian border at Novopskov is filled [with gas] by Gazprom’s contractor

RosUkrEnergo, and we were offered a choice: either this [work with RosUkrEnergo] or ship gas by train. So, we had no choice." (11)

And what of the price for gas? It appears that under the new agreement, Ukraine will have limited choice in this area also. When asked about the price Ukraine will pay for gas in the future, Ukrainian Economic Minister Arseniy Yatsenyuk said, "This is an extremely difficult question. The 95 dollar price depends on how the venture is to be created and what contracts it will sign thereafter." (12)

Further, Ukrainian Defense Minister Anatoliy Hrytsenko said last week that "most members of the government do not know what was actually signed in Moscow on 4 January." He suggested, "Information published in the press leaves a lot of unanswered questions. To what level will the private middleman raise the price in the second half of the year – to 130, 230, 330, 530 dollars? ... Who now will guarantee Ukraine a balance of gas for the whole year? Today I don't know the answer to these and many other questions." (13)

As a result of the level of criticism of the deal, and questions about Ivchenko's right to sign the document on Ukraine's behalf, officials have now publicly downgraded the document from a "long-term contract" to a "protocol of intent."

It appears that Ukrainian negotiators may have hoped to conclude supplementary intergovernmental agreements before specific information about the 4 January document was released. Given the ease with which documents were kept out of the public eye throughout President Leonid Kuchma's administration, this hope was not unfounded. However, despite questions about the current government's commitment to rooting out corruption entirely, Ukraine is no longer Kuchma-land. The press is no longer muzzled. The political opposition is no longer oppressed. Yulia Tymoshenko is no longer denied access to the airwaves.

It very well may be that the government's continuing negotiations with Russia will close the holes noted above. However, Tymoshenko is calling on Ukraine to reject all the terms in this deal, suggesting that the country should depend on an already existing agreement signed in 2004. What Russia's response to this suggestion would be, during one of the coldest winters in Ukraine in over 20 years, is unknown. But, no matter what the result of any new negotiations, the initial misdirection surrounding the "deal" provided effective fodder to the government's opponents, who, just two months before the parliamentary election, set their sights on the cabinet.

Government? What government?

On 10 January, after days of building questions, and increasing attacks from political parties vying for places in the election, parliament voted to dismiss the government of Prime Minister Yuriy Yekhanurov.

Support for the dismissal came from a disparate a group of parties. The Yulia Tymoshenko Bloc joined with Parliamentary Speaker Volodymyr Lytvyn's People's Party, the Communists, the former Kuchma-allied Ne Tak Bloc and Viktor Yanukovich's Party of Regions. Although a number of charges were leveled at the Prime Minister, the primary justification given was that the gas agreement with Russia violated Ukraine's national interests. The fact that the members of these parties largely see themselves as having been wronged in some way by the president and government probably also was not an insignificant point.

The vote came as something of a surprise even to many deputies, since no confidence votes are generally announced at least four days in advance, and constitutionally can only be held after a written request for a vote by one-third of the members of parliament. (14) Because these provisions were not met, President Yushchenko immediately called the vote "unconstitutional," "incomprehensible and illegitimate," and refused to recognize it. (15)

However, according to the official Decision of the Verkhovna Rada (parliament), the vote to dismiss the government was based upon a constitutional amendment that came into effect on 1 January, and that appears to give the parliament an extraordinary ability to dismiss the government with no cause. Article 85 of the amended constitution says:

“Powers of the Verkhovna Rada shall include:

(12) Appointing to office – upon the submission by the President of Ukraine – the Prime Minister of Ukraine, ...; appointing to office – upon the submission by the Prime Minister of Ukraine – other members of the Cabinet of Ministers of Ukraine, ...; dismissing from office the officials mentioned above; deciding on the resignation of the Prime Minister of Ukraine and of members of the Cabinet of Ministers of Ukraine.”

The Constitution gives no criteria on which the parliament should base a decision to “dismiss from office the officials mentioned above,” and no corresponding legislation or procedures appear to supplement this article. Furthermore, the article does not clearly state that a dismissal results in the resignation of the cabinet (as is specifically stated in the article outlining the criteria for a no confidence vote).

The questions surrounding the implementation of this constitutional article has led to paralysis in many areas of the government’s work. A curious additional vote by parliament to dismiss, once again, the Justice and Fuel and Energy Ministers – but this time individually – added further confusion, as did a vote demanding that the government reconsider the gas protocol. Finally, the fact that Ukraine’s constitution does not allow a new government to be formed until after the election underscores the uncertainty over this move in Ukraine.

Because of these constitutional questions, (Acting) Prime Minister Yekhanurov recently announced that plans to sign supplemental intergovernmental agreements with Russia are on hold, suggesting that Ukraine was “unable to prepare the documents.” (16) The Head of the Presidential Secretariat, Oleh Rybachuk, explained, “Lawyers are working to confirm the authority of each of the cabinet ministers in order to remove any doubt about their right to sign [international documents].” (17) Ukrainian media have reported also that plans to create the Naftohaz – RosUkrEnergo joint venture, for the moment, are stalled.

The Political Reverberations

While the primary effect of the parliament’s vote has been to undermine the government’s ability to work, the political effects are more difficult to assess. Most analysts suggest that voting on the same side as the stigmatized Viktor Yanukovich will weaken support for the Yulia Tymoshenko Bloc in the upcoming election. There was, indeed, a backlash against the move in certain areas of Ukraine. A poll conducted from 12-17 January by the Razumkov agency found that Yushchenko and Yekhanurov’s Our Ukraine had received a small bump in its support following the gas confrontation with Russia, from around 13% to 15%, while Tymoshenko’s poll numbers have remained even at around 12%. It is difficult to know, however, if those numbers will hold as questions about the gas agreement linger.

Additionally, talk of a public “coalition” between Tymoshenko and Yanukovich seems far-fetched, and Tymoshenko has begun attempting to dispel this idea by returning to her Bloc’s historical anti-corruption, oligarch-bashing roots.

On 20 January, the Bloc released transcripts of a Secret Service interrogation of Mykhailo Chechetov, the head of the State Property Fund under President Kuchma. The transcripts, which later were confirmed as authentic by Interior Minister Yuriy Lutsenko, are filled with accusations of wrong-doing in the privatization sphere not only by President Kuchma but also then-Prime Minister

Viktor Yanukovich. On the final day of the parliament's session, the Tymoshenko Bloc was joined by the Socialist Party and the Reforms and Order Party (both of which opposed the dismissal of the government) in calling on the president to take action regarding these accusations. The vote failed, after being opposed by both the current "opposition" and the majority of Our Ukraine.

For his part, Yushchenko this week reiterated his call for a public referendum – possibly as early as late April or May – on the changes to the constitution that allowed the parliament to vote to dismiss the government. (18)

It appears that, as Ukraine heads into the height of its parliamentary election campaign, the only aspects that are absolutely clear are that democracy and free speech are painfully but vigorously growing, political "coalitions" are fluid, personal grudges are rampant, and the constitutional crisis likely will not end with the campaign.

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