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Russian Federation: Executive Branch

By Susan Cavan

PRESIDENCY

End of a mandate -- chronology and analysis

The current crisis in the Russian government has been evolving throughout the summer. As the Kirienko government struggled to stabilize the ruble, collect taxes, and resolve a series of payment crises, President Yel'tsin attempted to reassert his authority through a familiar routine of attack, withdrawal and compromise.

In June and early July, Yel'tsin insisted the Duma enact the government's economic stabilization package, which was required by the IMF for its multi-million dollar bailout. The president demonstrated his resolve for following this economic course by announcing his intention to use his power of decree to enact the program if the Duma failed to act. Tacit in this announcement was a threat to dissolve the Duma, should the legislators prove recalcitrant.

As parliamentarians debated the economic measures, coup rumors saturated the Russian media, fueled in part by Yel'tsin's own statements of preparedness to handle a coup attempt and by his actions, such as the promotion of senior security officials (Stepashin, Krapivin, and Kuznetsov).

By the middle of July, a scenario very much like what came to pass in August was likely discussed as Yel'tsin held meetings with former Prime Minister Viktor Chernomyrdin and senior faction representatives from the Duma. During the meeting with Duma members, Yel'tsin was claimed to have insisted that dissolution of the Duma or impeachment of the president were "inadmissible"

options. For his part, Chernomyrdin left the Kremlin meeting denying he would return to the government and calling for compromise among the factions.

A form of compromise was evident in the unheralded appointment of Communist deputy Yuri Maslyukov as Minister of Trade and Industry on 23 July. This may have been a goodwill gesture on the part of the executive, or perhaps it was believed the addition of Maslyukov would weaken the Duma Communists' opposition to the government's economic plan. The Communists' lukewarm reaction to the appointment, as well as subsequent events, suggest that this move was interpreted as a sign of weakness in the president.

President Yel'tsin, with little credible evidence of economic or political stabilization, left the capital for a previously scheduled vacation. His two interruptions of that vacation were disconcerting.

On 25 July, Prime Minister Kirienko met with Yel'tsin on vacation in Karelia, after which Yel'tsin told the media that personnel changes had been made. Subsequently, the replacement of FSB Chief Kovalev with a deputy chief of the president's staff, Vladimir Putin, was announced. Within days, Yel'tsin departed Karelia for his Gorki-9 residence, to resolve "urgent matters" regarding the political situation. Whether or not Kovalev's dismissal was politically motivated, Yel'tsin's actions left an unmistakable sense of unease.

The second interruption of Yel'tsin's vacation reads now like a desperate last-ditch effort to influence investor confidence in the ruble. On 14 August, Yel'tsin announced, certainly at the prompting of government advisers, that there would be no devaluation of the ruble. He would not cut short his vacation, he told reporters, because that would signal that "things are in a real mess." Instead, he wanted to send the message that "everything's going the way it ought to." (Interfax, 0716 GMT, 14 Aug 98; FBIS-SOV-98-226)

Within two days, Kirienko and Anatoli Chubais met with Yel'tsin to inform him that devaluation was inevitable. Chubais, who apparently mistakenly believed he had IMF support for devaluation, convinced Yel'tsin to support the measure. (See The Washington Post, 23 Aug 98, p. A21 for more on the Chubais-IMF negotiation.)

Presidential adviser Alexander Livshits, who was a vocal opponent of devaluation, was dismissed after the devaluation was announced in mid-August. The confusion and unrest surrounding the nosediving currency, however, suggested that Livshits would not be the only victim of devaluation.

On 17 August, Chernomyrdin interrupted his vacation and returned to Moscow. Within the next several days, Chernomyrdin held consultations with most of Russia's leading politicians (Moscow Mayor Luzhkov is a notable exception).

By the time President Yel'tsin "shocked the West" with his dismissal of the Kirienko government on 23 August, it seemed clear that Chernomyrdin believed he had worked out a deal with Duma representatives to ensure his own smooth return to power. The general details of the agreement, which was presented to President Yel'tsin for signature on 30 August, were likely negotiated by Chernomyrdin in his earlier meetings.

Whether Yel'tsin initiated Chernomyrdin's return, or whether he was presented with a fait accompli, has become largely irrelevant, as Chernomyrdin's resurrection itself has been postponed by Duma leaders. Sensing a dramatic shift in the balance of power between the executive and legislature, the Duma, led in this maneuver by Gennadi Zyuganov, is increasing its demands before approving Chernomyrdin's appointment.

Chernomyrdin certainly sees a double cross in this latest move. "We got all the consent," he is quoted as remarking, "and all of a sudden everything is destroyed." (New York Times, International Section, 1 Sep 98; nytimes.com)

Russian Federation: Foreign Relations

By John McDonough and Ray Gaul

Government change not to affect foreign policy?

Sources in the Russian foreign ministry told Interfax on 24 August that the most recent government reshuffle in Moscow will not lead to changes in Russia's foreign policy, reiterating that foreign policy is shaped by the president, a phrase often used by acting Foreign Minister Yevgeni Primakov. Primakov, who recently returned to Moscow from vacation, expressed optimism with regards to his position in the new government. He also stated that, although the current domestic problems will "doubtless weaken us," the active foreign policy agenda of the next few months should prove that "Russia is still perceived as a major player on the international arena." He highlighted the Russian-American summit, set for the beginning of September, and the recent visit of Bulgarian President Pyotr Stoyanov to Moscow as evidence of Russia's important role in the international community. Primakov went further to state that "Russia's foreign policy must be more active now that it is going through economic difficulties." (Interfax, 0709 GMT, 24 Aug 98; FBIS-SOV-98-236, and Interfax, 1009 GMT, 27 Aug 98; FBIS-SOV-98-239)

Weapons-for-diamonds deal announced

The director of the Russian defense ministry's Main Department for International Cooperation, Col. Gen. Leonid Ivashov, told Interfax on 20 August that an agreement was reached between Angola and Russia concerning the modernization of the Angolan armed forces. A Russian delegation to Luanda, headed by Defense Minister Igor Sergeev, reached preliminary agreement concerning a special five-year program. Work on the specifics of the agreement will begin in about a month, Ivashov said.

The Angolan armed forces, which were almost exclusively supplied by the Soviet Union during the Angolan civil war in the 1970s and '80s, are in a state of disrepair. Ivashov said that the mostly Soviet-produced arms need to be repaired or replaced; a proposed program envisages a detailed analysis of Angola's armaments, creation of Russian-Angolan joint ventures for repairs on military equipment, and replacement of outdated arms with modern Russian military equipment.

Ivashov at the same time pointed out that "the program will work only if the necessary financing is provided." He said that, taking into account the present economic situation in Russia, Angola can hardly count on obtaining a Russian loan or receiving Russian arms for free. The agenda for Russian-Angolan talks in Luanda included possible expansion of Russia's participation in the development of diamond fields in Angola and diamond sales and a proposal that a certain amount of Angolan oil be sold via Russian firms.

Ignoring the role that Soviet weapons and troops played during the Angolan Civil War and in an apparent attempt to separate "business" from foreign policy, Sergeev noted that the situation in Angola "may only be stabilized by peaceful means," and "(the) development of the armed forces should serve peace and stability in Angola rather than war." (Interfax, 1547 GMT, 20 Aug 98; FBIS-UMA-98-234)

Russia supports Belgrade's proposals, sends troops to Albania

Russia welcomed Belgrade's decision to restore dialogue with the recently established delegation of ethnic Albanian political parties in the Kosovo-Metohija province of the Yugoslav republic of Serbia as soon as possible. Foreign ministry spokesman Valeri Nesterushkin stated during a regular press briefing on 18 August that Moscow supports Belgrade's intention to renew political talks with ethnic Albanian representatives. Nesterushkin also said that Russia welcomed the establishment of a new ethnic Albanian negotiating team, named by ethnic

Albanian leader Ibrahim Rugova, but did not comment on the team's refusal to respond to the invitation. (Tanjung, 2011 GMT, 18 Aug 98; FBIS-SOV-98-230)

However, on the heels of these comments, in what initially appeared to be a departure from Moscow's previous statements concerning military exercises in Albania, Nesterushkin highlighted a Russian platoon's participation in a NATO-sponsored exercise in Albania. In an apparent attempt to diffuse any domestic opposition or perceptions from Belgrade as to Russian participation in the NATO-sponsored Cooperative Assembly exercise, Nesterushkin emphasized the humanitarian objective of the operation. He stated that "contrary to certain claims (it) has strictly humanitarian goals of giving help to the population, monitoring the border, patrolling the roads, and setting up roadblocks, with a stress being laid on teaching the Albanian Army how to act in such situations." He went further to say that "any attempts to link the exercise and our part in it with some kind of threat to the Federal Republic of Yugoslavia are groundless."(ITAR-TASS World Service, 1101 GMT, 20 Aug 98; FBIS-SOV-98-232)

Moscow warns of Afghan terrorism, opposes US missile strikes

Less than a week before US cruise missiles struck suspected terrorist targets in Afghanistan, Russian Deputy Foreign Minister Boris Pastukhov stated that Afghanistan "may turn into yet another seat of international terrorism." Although Pastukhov's comments were aimed at condemning alleged Pakistani aid to the Taliban in their war against the northern alliance, his comments also addressed the location of suspected terrorist camps in Afghanistan. During a press briefing on 13 August he stated that "one may suppose that the organizers of several terrorist acts staged worldwide in the past few days were sheltered in Kandahar, a city in southern Afghanistan, which has become the center of the Taliban movement." (Interfax, 0924 GMT, 13 Aug 98; FBIS-SOV-98-225)

Although many in Moscow were aware of the location of terrorist camps in Afghanistan and apparent Taliban support of terrorist activity, that knowledge had

little impact on the official Kremlin reaction to the US missile strike against the suspected terrorist targets. A foreign ministry response to the US strikes stated that the action "cannot but cause serious worries," and "does not bring the eradication of terrorism any closer, but may create a dangerous precedent of resolving international disputes in this way, thus undermining the legal framework of international relations." The foreign ministry statement also claimed that "in effect, while it does not address the essence of the problem, such action can trigger a chain reaction whose consequences cannot be predicted." (Interfax, 1058 GMT, 21 Aug 98; FBIS-SOV-98-233)

However there was some disagreement to the official line heard in Moscow. During a radio broadcast, former Russian Foreign Minister Andrei Kozyrev, now a deputy in the State Duma, said the action taken by the United States was appropriate. (Radiostantsiya Ekho Moskvyy, 21 Aug 98; FBIS-SOV-98-233)

Events slow momentum in Asian relations

The burgeoning financial crises in Japan and Russia forced government shake-ups in the months of July and August and may have delayed progress on resolution of outstanding issues and the strengthening of ties which had gained significant momentum in recent months. Additionally, flooding and internal disorder in China have derailed a scheduled visit by President Jiang Zemin. Russia's diplomatic row with South Korea over embassy expulsions due to espionage have further foiled Russia's efforts to develop better ties with the East.

Of late, Russia had truly made an about-face in its approach to issues concerning the Far East. Diplomacy between Moscow and the East began to occur on a more frequent basis and took on a more urgent tone. The long-standing conflict over the demarcation of the border between Russia and China was resolved this year and President Yel'tsin and Japanese Prime Minister Hashimoto appeared to have developed a relationship which would allow for resolution over the Kurile islands by the year 2000.

Although Japanese and Russian spokespersons have stated that the resignation of Prime Minister Hashimoto in early July and the sacking of Prime Minister Kirienko in August will not disrupt efforts to piece together an agreement over a so-called "peace treaty" absent from bilateral relations since World War II, the reality is that bilateral relations have sustained a severe setback. Most importantly, Hashimoto, for many, represented the driving force in Russo-Japanese reconciliation. Without his symbolic presence, the goal of achieving a finalized agreement by 2000 seems unlikely. While Hashimoto's private trip to Russia symbolizes Japan's continued desire to remain on pace, political realities may soon disrupt matters.

Moreover, while Jiang's decision to postpone his "meeting without jackets" trip to Russia may appear to have been motivated by domestic forces, clearly the recent turmoil in Russia's government played a role in China's decision. This delay poses an opportunity for China to get a firmer idea of how Russia's government will adjust in the wake of the financial turmoil and political instability and at the same time creates discontinuity in the diplomatic arena.

Last word on diplomatic row with Korea?

In July, a series of diplomatic expulsions occurred after Moscow's decision to eject a South Korean intelligence agent from its embassy. Since then, the South Korean foreign minister has been replaced and meetings have been postponed. The incident, while initially described as minor, snowballed to the point of permanently disrupting Russo-Korean rapprochement. The two sides had made steady progress on economic issues and had gained confidence in their ability to work constructively on disagreements. Now, however, miscommunication and hostile responses have marred that confidence. When Russian Foreign Minister Primakov refused to shake hands with his South Korean counterpart at an ASEAN forum in Manila, it became clear that the states could only remedy the situation through the effective combination of applying concerted effort and

allowing time to pass. With luck, South Korea's dismissal of late will be the final word on the problematic turn of events. Without a dialogue between Russia and South Korea, an overall peace settlement for the Korean peninsula becomes more unlikely. (Rossiyskaya gazeta, 18 Aug 98, p. 7; FBIS-SOV-98-232)

Russian Federation: Domestic Issues and Legislative Branch

By Michael Thurman

REGIONS

Jailed Nizhny Novgorod mayor registered for city election

Andrei Klimentev, currently in a labor penitentiary, has been registered as a candidate for mayor of Nizhny Novgorod for the upcoming 27 September elections. Klimentev won the mayoral election last March, but the results were invalidated by the Electoral Commission and he was jailed for a supposed misappropriation of funds from the Navashinsky shipyard.

When asked how the Election Commission could allow Klimentev's mayoral candidacy, Chairman Sergei Rodin said that, until the Supreme Court ruled on the case, Klimentev could not be barred from running for office. The Supreme Court is supposed to hear the case this Fall.

Most of the citizens of the city believe that Klimentev was jailed and his victory ruled invalid because of pressure from the Kremlin. It is certainly no secret that he has been on the losing side of a battle with ex-governor, and now ex-presidential aide, Boris Nemtsov. But with Nemtsov's dismissal, Klimentev's future mayoral prospects may have indeed brightened considerably -- barring an adverse ruling by the Supreme Court. (ITAR-TASS, 1313 GMT, 29 Jul 98; FBIS-SOV-98-210)

POLITICAL PARTIES

Communist Party factions emerging

Leaders of the Communist Party of the Russian Federation (CPRF) are finally admitting what has been apparent for months now. Factions are emerging within the party which may prove to be its undoing. Coming on the heels of the painful Kirenko nomination and the voting split into Seleznev and Zyuganov camps, the recent independent behavior of former Duma member Yuri Dmitrievich Maslyukov has shown the party's lack of internal order.

Maslyukov (CPRF) was asked by Kirenko to join the government, but the party said he was not allowed. Maslyukov ignored the commands of the party and joined the now defunct Kirienko government. The CPRF has yet to decide if it will expel Maslyukov.

The two camps emerging within the party are the "Gorbachevite conciliationists," and those aged largely between 50 and 60 who found themselves out of a job after August 1991. The latter refuse to cooperate with Yel'tsin under any circumstances. The "conciliationists" are the younger comrades who are more willing to accept the legitimacy of the Yel'tsin regime and hope to partake in the division of spoils.

An additional problem for the monolithic nature of the CPRF is that with the amorphous and highly changeable nature of Russian politics, party discipline is seen by many members to hinder not only their personal political fortunes, but those of the party as well. For this reason, Maslyukov was able to ignore the instructions of his party -- and not be immediately expelled. There is clearly a feeling within the CPRF that in order to effect change, the party may need to work with the government. What this means for the party is unclear, but if history is any guide, the party faithful and the party politiques will not be able to live

under the same roof for very long. (Sovetskaya Rossiya, 1 Aug 98, p. 2; FBIS-SOV-98-220)

FEDERATION COUNCIL

Duma impeachment commission invites Gorbachev to testify

The commission has asked former USSR president Mikhail Gorbachev to testify with regard to the particulars of the Belovezhye Agreements, which dissolved the Soviet Union. Also asked to testify were (former Ukrainian president) Leonid Kravchuk and (ex-president of Belarus) Stanislav Shushkevich.

One, if not the main, charge against Boris Yel'tsin has been the engineering of the Soviet Union's dissolution and the communists' wish to prove that Yel'tsin's participation in the breakup of the USSR was treasonous. It is unclear, of course, with what authority the current Duma, itself a creation of a constitution ratified subsequent to the constitution under which Yel'tsin was supposed to have committed his crime, can try its case. But given Yel'tsin's latest shenanigans, who knows? (ITAR-TASS, 1120 GMT, 17 Aug 98; FBIS-SOV-98-229)

Russian Federation: Armed Forces

By Michael Reardon

Defense Minister Igor Sergeev "informally" met with his German counterpart Volker Ruehe in the Black Sea resort of Sochi 20-21 July. The framework of the meeting was bilateral military cooperation, the defense ministry press service said. During the meeting, the two ministers were to discuss prospects for building a European military transport plane designed on the pattern of the Russian-Ukrainian AN-70, cooperation between the navies of both countries, problems experienced in running a MIG-29 plane and training military personnel at higher educational establishments in Russia and Germany. (ITAR-TASS, 1322 GMT, 17 Jul 98; FBIS-SOV-98-198) The two-day informal meeting ended with a news

conference at Sochi's Adler Airport on 21 July. In the opinion of the German minister, the meeting was fruitful and bilateral military cooperation is developing successfully. This includes the future cargo plane project on which experts of the two countries have been working. Their conclusions are expected by late September. The cooperation program for next year includes a joint paratrooper drill and a joint arrangement of the two navies in the Baltic Sea, the minister said. He noted this "no-tie" meeting would be followed by an invitation to Marshal Sergeev to visit Germany. (ITAR-TASS, 1802 GMT, 21 Jul 98; FBIS-SOV-98-202) If final design and performance of the transport aircraft prove far superior to existing, aging airframes in the European theater, follow-on production and sale could provide a long-term boost to Russia's crippled economy.

On a related note, Lieutenant General Yuri Klishin, deputy commander-in-chief of the Russian Air Force in charge of Air Force armament, said that the decision taken by Russia and Ukraine on beginning the production of the AN-70 military-transport plane does not depend on whether a consortium of West European countries joins the program. "We continued, are continuing, and shall continue to create the AN-70 plane by ourselves and shall bring the program to the end irrespective of whether or not it will be approved as an all-European program of the creation of an up-to-date transport plane," he said. Along with the continuation of military flight trials, preparations for starting mass production of AN-70 planes are going on in Kyiv and Samara. It has been decided to produce an experimental batch of ten AN-70 planes and 50 turbojet engines for them. The production of AN-70 planes will begin in 1999 in Kyiv and in 2000 in Samara. The two countries will produce the engines simultaneously in equal numbers. The demand for AN-70s in the CIS member states is estimated at 600 planes, of which 150 will be purchased by the Russian Air Force, Klishin said. Another 300 planes may be sold on the world market, including Middle East countries, he added. These aircraft will be used to replace aging military-transport aviation -- IL-76s, AN-12s and AN-124s. (ITAR-TASS, 0909 GMT, 7 Aug 98; FBIS-SOV-98-219)

And for a limited time, we'll throw in a carrier -- cheap!

Indian naval experts are thinking "thoroughly and in detail" about buying the Russian aircraft carrier Admiral Gorshkov, ITAR-TASS was told by a source close to the Indian defense ministry. "India is interested in buying the Russian aircraft carrier to meet its defense requirements but the issue has to be given thorough and unhurried consideration," the source said. First of all, the Indians have to calculate how much alteration the ship will need for it to become an integrated part of their country's defenses and also how it will be able to serve "defense and deterrence purposes" in the coming years. Second, there is the financial side of the equation. "India's experts are inclined to buy if Russia, in the spirit of friendship and strategic partnership, offers a good deal for the ship, which it does not really need any more," the source said. India plans to buy S-300 mobile air-defense systems, Su-30MK multi-role fighters, MIG-27 fighters, T-72 tanks, three frigates, and a submarine as part of a long-term military partnership agreement with Russia set to run until the year 2010. (ITAR-TASS World Service, 0622 GMT, 20 Jul 98; FBIS-SOV-98-201) Russian President Boris Yel'tsin's planned visit to India this December is expected to result in the signing of an agreement on bilateral defense cooperation and arms trade through to the year 2010, according to Indian Ambassador Ranendra Sena, who addressed a news conference in Moscow on 23 July. Russia is the only country with which India has such long-term cooperation in the military sphere and India is also Russia's longest-lasting partner in defense cooperation, he said. Russian-Indian defense cooperation is based not only on economic issues but also on converging views on security, stability, transparency and respect for reciprocal obligations, Sena said. (Interfax, 1150 GMT, 23 Jul 98; FBIS-SOV-98-204)

Broadening the horizons

The Novosibirsk aircraft production association, which used to build military aircraft, has carried out its first conversion order. It produced three AN-38 aircraft for local consumption (Vostok air company in Khabarovsk). The aircraft has a

high technological capability: 20,000 hours of flight time, 30,000 landings, and a service life of 15 years. Moreover, the aircraft can take off from an unsurfaced runway of just 300 meters. The Almazey Rossii-Sakha and Chukotavia air companies have ordered five aircraft each, and a pre-contract agreement for the sale of 45 aircraft has been concluded with India. The company hopes to obtain a special certificate that will allow it to gain access to markets in Angola, Vietnam, Bangladesh, and other countries. (ITAR-TASS World Service, 0654 GMT, 19 Jul 98; FBIS-SOV-98-200) With defense contracts bottomed out, aircraft and shipbuilding companies must continue to explore other production and sales opportunities to stay in business and for Russia to maintain its military-industrial base potential for future use.

The Russian government is also doing its part to help the defense industry. President Yel'tsin has signed a "number of important decrees," including an edict reducing gas and electricity tariffs for industrial enterprises and budget-dependent organizations by 50 percent. The president also signed a decree determining a "list of armaments for military and technical cooperation." According to then Prime Minister Sergei Kirienko, this decree is of great importance for the country's defense industry, allowing it to "earn money not only through the (state) order but also through sales of armaments." (ITAR-TASS, 1725 GMT, 25 Jul 98; FBIS-SOV-98-206)

If at first you don't succeed ... try to launch again

June wasn't a very successful month for launching satellites in Russia, but July proved much better. On 16 June, six Russian military satellites were improperly launched by the Strategic Missile Troops (SMT) into incorrect orbits from the Plisetsk cosmodrome in northwestern Russia. Possible causes for the error were failure of one stage of the Tsiklon-3 booster or fuel problems. (ITAR-TASS, 1010 GMT, 18 Jun 98; FBIS-SOV-98-169) Fortunately, the satellites could be reprogrammed while in space and have since been moved to correct orbits. (ITAR-TASS, 1343 GMT, 1 Jul 98; FBIS-SOV-98-182)

Six more satellites took four attempts and two-and-a-half weeks to achieve a successful launch from Baykonur launch center and reach their destinations. One Russian [Resur-0] satellite and five small foreign satellites were finally put in orbit with a Zenit-2 booster on 10 July following three false starts. The launch originally scheduled for 23 June, 24 June and 9 July, had to be delayed due first to malfunctions in the rocket, then to malfunctions in the automatic system controlling the launch. First-time customers of Russian launch service (Israel and Chile) and second-time users (Austria and Thailand) may look elsewhere if episodes like this continue. The Russian defense ministry satellite's reported function is environmental monitoring, weather tracking and natural resources. (ITAR-TASS, 0814 GMT, 8 Jul 98; FBIS-SOV-98-189, ITAR-TASS, 0740 GMT, 9 Jul 98; FBIS-SOV-98-190, and ITAR-TASS, 1050 GMT, 10 Jul 98; FBIS-SOV-98-191)

Strategic missile troops were successful in launching four other defense ministry satellites in June and July. On two consecutive days, 24 and 25 June, the SMT launched Kosmos series military satellites from the Plesetsk and Baykonur cosmodromes, respectively. Both satellites were carried into space with Soyuz-U boosters. (ITAR-TASS World Service, 1421 GMT, 25 Jun 98; FBIS-SOV-98-176) On 1 July, the SMT successfully launched another Kosmos series military satellite from Plesetsk but this time with a Molniya-M. (ITAR-TASS, 1343 GMT, 1 Jul 98; FBIS-SOV-98-182) Finally, proving that "one must quickly get back on the horse after falling off" to be successful, the SMT put a Kosmos series military satellite in the correct orbit on the first try from the Baykonur launch center with a Zenit-2 carrier rocket -- the same booster used in the "fourth time's a charm" launching on 10 July. (ITAR-TASS World Service, 0940 GMT, 28 Jul 98; FBIS-SOV-98-209)

Not to be outdone by the SMT, the crew of the Novomoskovsk, a nuclear missile-carrying submarine in Russia's Northern Fleet, successfully launched a German

scientific satellite (Tubsat-N) from an underwater position in the Barents Sea on 7 July. (ITAR-TASS World Service, 0557 GMT, 7 Jul 98; FBIS-SOV-98-188)

Errors, delays, and failures can and do happen in any space program. Look no further than explosions of the Challenger and recent military satellite launch for examples in the United States. Reasons for such problems can vary across the spectrum, from budget cutting, to technological shortcomings, to politics (i.e., rush to launch). Suffice it to say, that with the cost of booster rockets and satellites, mistakes can be very expensive. Also, maintaining the infrastructure needed to accomplish these launches is a constant drain on the defense budget in a time when every ruble counts. One possible way to reduce military costs is to "privatize" certain operations much like the US military is doing with housing for military members in some locations and utilities services. In these cases, the military pays for the service like those in the civil sector, rather than maintaining an organic capability. Conversely, allowing commercial activities to utilize military/government facilities on a cost-sharing basis (e.g., joint use of airfields, commercial satellite launches from Cape Canaveral, etc.) could defray some of the costs now borne by the Russian military. An example in Russia may be the Svobodny cosmodrome. Previously used to station an SMT division (1960-1994), it is now prepared to take on commercial launches into space. There were two successful launches in 1997 and more scheduled for 1998, but they have been pushed back due to foreign customer delays in satellite preparation. (ITAR-TASS, 2122 GMT, 7 Jul 98; FBIS-SOV-98-188) With money tight and an increasing need to at least replace existing arrays (see *Nezavisimoye voyennoye obozreniye*, 22-28 May 98, No. 19, p. 4; FBIS-SOV-98-188), the Russian defense ministry may want to consider more actively soliciting commercial launches to help pay their space launch infrastructure overhead.

Air Force reorganization almost complete ... or maybe not

Air Force CINC Col-Gen Anatoly Kornukov stated recently that the reorganization merging the Air Force and Air Defense into a single service is 95 percent

complete and will be finished by October 1998. He said the main command, which officially stood up on 1 March 1998, has been staffed fully and functionally and that new Air Force-Air Defense units have started to perform their missions. He also mentioned that funding, or lack thereof, is still causing some problems in material and housing of dismissed servicemen. There is also a shortage in transportation assets required to take away armaments from the former locations. (ITAR-TASS, 1708 GMT, 11 Aug 98; FBIS-SOV-98-223, and ITAR-TASS, 1130 GMT, 16 Aug 98; FBIS-SOV-98-228)

Of course, if Strategic Missile Troops CINC Col-Gen Yakovlev has his say, the Air Force will be reorganizing again soon. Yakovlev suggested recently that top generals are considering merging the missile troops and Air Force into a single service. He said that the already completed merging of the military aerospace forces and anti-missile defense forces into a unified service has boosted combat effectiveness 18-20 percent and reduced the percentage of the defense ministry budget required for these functions from 19.3 percent to 15.5 percent. In his opinion, the new service could be created by the year 2002. (ITAR-TASS, 1708 GMT, 1 Jul 98; FBIS-SOV-98-182) Col-Gen Kornukov, speaking in an interview on 22 Jun, responded to questions regarding a potential merger by saying, "This is up to the supreme command to decide (...) Perhaps there is some kind of expediency in this matter. The Defense Minister did say that, perhaps, we shall opt for a three-pronged system: ground, sea, and space and air." (NTV, 1540 GMT, 22 Jun 98; FBIS-SOV-98-173) It is an interesting concept and one that may deserve a bit more study some time in the future since there could be efficiencies gained through further consolidation. However, both organizations have recently undergone wholesale changes (for which the Air Force has yet to complete) and therefore, another major change in identity at this point may be premature and counterproductive.

Newly Independent States: CIS

By Ray Gaul

Collective defense or collective rhetoric?

In August, fighting within Afghanistan moved closer to the borders with Tajikistan and Uzbekistan. Leaders in these countries feared that Taliban forces could breach the frontiers or could drive large numbers of refugees into CIS territory. Tajik President Rakhmanov called on other CIS countries to convene a special meeting of CIS defense ministers to discuss possible responses in the event that this occurs. While the Taliban does not appear to pose any direct threat to the CIS governments or military forces in the region, the possibility that the conflict could spill into Central Asia does raise several important questions for CIS countries. Most importantly, Rakhmanov's plea for help under the terms of the CIS collective security agreement creates uncertainty as to what obligations come with CIS membership and what situations constitute a credible threat to overall CIS security.

Interestingly, responses to Rakhmanov's plea varied widely from country to country. Government sources in Russia pledged support, but comments made by Gennadi Zyuganov demonstrated a lack of unwavering commitment to collective security. Zyuganov stated, "The CIS was based on a single defense space, a single border, a single army, and a single security system. But they have failed to implement a single point of what they have signed! And now they have to convene urgently (on fortifying the Afghan border) -- but there is nobody to convene." (Radiostantsiya Ekho Moskv, 1017 GMT, 12 Aug 98; FBIS-SOV-98-226) Kazakh Defense Minister Altymbaev indicated that Kazakhstan was less than enthusiastic about its involvement in the region when he said that the Taliban had promised not to violate the CIS border "because they are not claiming anybody's territory." (Interfax, 1418 GMT, 21 Aug 98; FBIS-SOV-98-233)

Most telling was the response given by Belarus. President Lukashenka demonstrated that there are definite limits to the collective security agreement. His comments indicate what might have already appeared self-evident, namely that CIS governments would only become involved in situations that pose a direct threat to their own interests. Lukashenka stated that Belarus "will defend CIS interests in the west, from Kiev to Riga. But we won't be drawn into yet another peril, a frenzy over a Taliban invasion should not be built up." (Interfax, 1229 GMT, 21 Aug 98; FBIS- SOV-98-233) With comments such as these, cooperation and consensus between CIS states will continue to take backseat to unconstrained grandstanding and rhetoric.

Rumors of an informal meeting at Kuchma's birthday celebration

Leaders from all over the former Soviet Union gathered to toast Ukrainian President Kuchma at his 60th birthday celebration in Crimea this month. In attendance were CIS Executive Secretary Boris Berezovsky, Victor Chernomyrdin, Russian Commissioner for the CIS Rybkin, and Azerbaijan President Aliev. CIS leaders allegedly convened in somewhat secretive fashion during the large gathering, further demonstrating Ukraine's desire to lead a coalition of governments opposed to Russia's dominance over CIS bodies and decision making. During a radio address, Georgian President Shevardnadze emphasized Ukraine's important role for Georgia and his hopes for continued good relations. He further indicated that the private talks were successful in achieving multilateral progress on CIS issues. The Kyiv-Tblisi relationship serves as the center of an alternative coalition aimed at evenly distributing power among CIS organs. (Iprinda, 1030 GMT, 10 Aug 98; FBIS- SOV-98-222)

Berezovsky assesses CIS future after consultations

CIS Executive Secretary Boris Berezovsky began the summer with the goal of speaking to each CIS president in hopes of learning where they stood on individual issues and of gaining a perspective on the overall CIS attitude towards cooperation. Initially, Berezovsky practiced shuttle diplomacy and garnered

support in efforts to hammer out agreements on Abkhazia and Nagorno-Karabakh. He embarked on several trips to meet individually with CIS presidents and hear their concerns. Berezovsky also sought personal support from these leaders and worked to develop confidence in his ability to succeed in future endeavors. In doing so, he widened his political base to include a broader variety of well-wishers.

While at the United Nations in New York, Berezovsky summarized his views on the future of the CIS based on his initial observations. As indicated by his actions, he believes that conflict settlement will continue to be the most important priority for the CIS. Given this assessment, it is likely that the CIS will grow increasingly involved in brokering conflict resolutions rather than more purely economic endeavors. While such efforts can certainly produce economic gains, the CIS will most certainly cross the thin line between playing neutral broker and active participant in ironing out disagreements within the commonwealth.

Berezovsky's own words demonstrate his position most effectively. He states, "I am convinced that effective economic development is impossible when you have tensions generated by military conflicts or by the possibility of military clashes." (ITAR-TASS World Service, 0014 GMT, 30 Jul 98; FBIS-SOV-98-218) Even so, the secretary will surely face an uphill struggle in achieving success.

Newly Independent States: Western Region

By Monica Florescu

UKRAINE

IMF recommends \$2.2 billion loan for stabilization reform

Following a two-week visit of an International Monetary Fund (IMF) mission, a recommendation for a \$2.2 billion loan was made on 31 July. The loan will take the form of an Extended Finance Facility (EFF) over a period of three years, and

is meant to help support Ukraine's stabilization reform. In addition, the World Bank may provide Ukraine with funds for a second project aimed at financial sector reform, talks on which were suspended in mid-March 1998. The World Bank may also approve the second tranches of loans for restructuring the coal industry and the agricultural sector. In mid-June 1999 the cabinet and IMF experts are expected to work out a detailed plan on the "political foundation" for the second year of the IMF's EFF. (Interfax, 1159 GMT, 31 Jul 98; FBIS-SOV-98-219) The mission's recommendation would be submitted to the IMF board of directors for approval at a session expected to take place after 24 August. If approved by the board, about \$850 million from the \$2.2 billion loan may arrive in Ukraine this year with a prompt tranche of \$250 million. (ITAR-TASS, 1117 GMT, 31 Jul 98; FBIS-SOV-98-219)

New border controls introduced

As a result of an increase in the number of illegal migrants attempting to cross the Ukrainian border daily, Kyiv has decided to restrict the use of its territory and introduce a number of border controls. On 3 August, the Cabinet of Ministers identified the territory that is to be regulated (starting on 1 September), which includes some areas in the Crimean peninsula, in Kyiv and Odessa regions, in the city of Sevastopol and in 16 other regions. In addition, territorial sea waters, internal waters, a number of border rivers, lakes and islands are also control areas. A restricted access border zone will be established along the state land and water borders. (Interfax, 1215 GMT, 5 Aug 98; FBIS-SOV-98-217) The director of the Border Troops press service, Serhiy Zhurets, said that the policy is not directed at Ukrainian residents but only at foreigners who, according to the newly implemented controls, must have the necessary documents allowing them to stay within the borders of the above-mentioned regions. (Intelnews, 2356 GMT, 3 Aug 98; FBIS-SOV-98-220)

Impact of Russian crisis on the economy, relations with Russia viewed

On 18 August, Prime Minister Valeriy Pustovoytenko met with top finance and economics ministers, along with the National Bank chairman, to discuss the impact of the Russian financial crisis on Ukraine. (Interfax, 0923 GMT, 18 Aug 98; FBIS-SOV-98-230) After the meeting, the chairman of the National Bank of Ukraine, Viktor Yushchenko, stated that the financial situations in Ukraine and Russia differ radically, and reassured the country that Russia's "withdrawal from the Ukrainian market will not cause any instability." The only worrisome consequence of the Russian financial crisis could be a decrease in revenues, as part of the Ukrainian assets have been frozen by Russian banks. (Interfax, 1024 GMT, 19 Aug 98; FBIS-SOV-98-231) Yushchenko said that the government and the National Bank have taken effective measures to "parry the financial situation in Russia." In addition, the government has been taking measures to review its export-import policies, and Prime Minister Valeriy Pustovoytenko ordered that the government "advance proposals to sustain the trade balance and optimize trade relations with Russia." (ITAR-TASS, 1748 GMT, 19 Aug 98; FBIS-SOV-98-231)

On 20 August, the economics ministry submitted to the government a package of adjustment and prevention measures in the wake of the Russian ruble devaluation. The package included the recommendation to limit ruble circulation, and switch payments for goods and services from rubles to hard currencies. More drastic steps, including limiting trade with Russia, are to be taken in the event the ruble continues to fall. (Interfax, 1114 GMT, 20 Aug 98; FBIS-SOV-98-232)

BELARUS

Attempts made to settle the scandal over foreign envoy residences

After talks were held between the foreign ministry and European Union representatives regarding the prolonged dispute over the eviction of foreign ambassadors from the Drozdy compound in early June, President Lukashenka offered a number of alternative options to the envoys. On 13 August, he visited several mansions in Minsk which he declared to be "as good as the ones in the

Drozdy complex" and offered them to the ambassadors who left. However, he asked them to search for residences on their own in case they found the buildings he offered to be unsatisfactory. Lukashenka said that envoys should pay as much as Belarusian officials pay for embassies in their countries. (Interfax, 1604 GMT, 13 Aug 98; FBIS-SOV-98-225) As of 15 August, Minsk was ready to offer over 20 mansions to ambassadors. In addition, on 20 August, Deputy Foreign Minister Mikaloy Buzo declared the possibility that the Drozdy estate could be divided in two parts: one containing the president's residences, and the other belonging to certain heads of diplomatic missions. (ITAR-TASS, 1024 GMT, 20 Aug 98; FBIS-SOV-98-232)

MOLDOVA

Discussion held on Gazprom debt

After a meeting between Moldovan officials, representatives from the Dniestr Republic, and members of the Board of Directors of the Russian Stock Society Gazprom held between 4 and 7 August in Chisinau, it was decided that Moldova will have to pay its current bill predominantly in cash. The debt to Gazprom now amounts to \$595 million, of which \$380 million is owed by the Dniestr region. This is more than Moldova owes to the International Monetary Fund and the World Bank combined. (ITAR-TASS, 1244 GMT, 7 Aug 98; FBIS-SOV-98-219) The debt has grown because Russia has been refusing to accept goods and agricultural products as payment. In 1997, Gazprom agreed to accept a \$140 million package of bonds over a period of 7 years as payment for Moldova's debt. During the talks, Moldovan officials offered another package of bonds worth \$90 million with an interest rate of 7.5 percent and proposed shares in a joint venture with Gazprom, which would allow the founders to pay their debts with property. (ITAR-TASS, 1635 GMT, 5 Aug 98; FBIS-SOV-98-217) The proposal was approved by Gazprom officials, and an agreement is expected to be signed in September. In the event that Moldova does not pay its current bill, Gazprom threatened to interrupt all gas supply to Moldova, after having already reduced it beginning on 1 July.

Exchange of territory agreement worked out with Ukraine

On 5 August an agreement on border demarcation between Moldova and Ukraine was drawn up between prime ministers Ion Ciubic and Valeriy Pustovoytenko. The most important acquirement for Moldova is a piece of land which borders the Danube River. A new terminal is planned for the area, and the agreement will allow Moldova easy access to the Black Sea via the river, bypassing Romania and Ukraine, for trade to and from Russia. In exchange, Moldova gave up a section of road near the village of Palanca, which will now complete the transportation route between the Ukrainian cities Odessa and Ismail that was interrupted by the border. (Intelnews, 0653 GMT, 6 Aug 98; FBIS-SOV-98-218) However, Moldovan Prime Minister Ciubuc was criticized by right-wing nationalists who accused him of ceding national territory to Ukraine. (Basapress, 1830 GMT, 7 Aug 98; FBIS-SOV-98-219) Over all, the agreement reached by the two premiers was reached without friction, as both sides proved willing to cooperate in settling the border dispute which has been going on since the creation of the two states.

Transport of nuclear waste debate splits alliance

The leading alliance in parliament was split on the issue of allowing the transportation of nuclear waste from Bulgaria through Moldova. On 31 July, the Democratic and Prosperous faction sided with the Communist Party in parliament's decision to approve the shipment, which had already been approved by Romania and Ukraine. The Democratic Convention and the Party of Democratic Forces argued against it, and sided with environmentalists who maintained that the shipment could endanger the population's health. (Basapress, 1700 GMT, 13 Aug 98; FBIS-SOV-98-225) In spite of the protests by environmentalists, who even threatened to block off railroads in order to stop the transport, on 12 August the government approved the shipment, in exchange of a payment of \$50,000 per year and \$5 million in case of an emergency. The

shipment will take seven hours by train to cross Moldova. (Basapress, 1845 GMT, 31 Jul 98; FBIS-SOV-98-219)

Newly Independent States: Transcaucasus

By Miriam Lansky and Zviad Gogiashvili

DAGESTAN

Deja vu in the North Caucasus -- a chronology

August 2: Russian troops guarding Dagestan's border battled Chechen border guards for four hours after the latter provoked a confrontation by trying to secure passage for an undocumented person. (NTV, 1200 GMT, 2 Aug 98; FBIS-SOV-98-217)

August 16: Three villages in the Buinak district proclaimed a separate "Islamic territory." As their first acts of independence, Karamakhi, Chabanmakhi, and Kadar established a checkpoint, flew a new flag, and shot up a local police post. (Interfax, 0945 GMT, 17 Aug 98; FBIS-SOV-98-229)

August 19: A joint session of the State Council and the government was held to consider the situation in the separatist villages.

August 20: Shamil Basaev, deputy defense minister of Chechnya, threatened to use his battalion against Makhachkala if force were employed against the Islamist villages. Russia's ethnic policy minister, Yevgeni Sapiro, said there must be a negotiated solution. "We can operate there only by invitation. And if God forbid, if we, as the federal center, try to impose our course, this will cause only harm. I assess the potential danger of the current situation in this case as just as great as Chechnya, absolutely the same, on the same scale." (Radiostansiya Ekho Moskvyy, 1500 GMT, 20 Aug 98; FBIS-SOV-98-232)

August 21: The leader of Dagestan's Muslims, Mufti Saidmuhammed-Khadzhi Abubakarov, was assassinated. President Boris Yel'tsin sent a telegram to State Council Chairman Magomedali Magomedov to express his condolences. (ITAR-TASS, 1912 GMT, 21 Aug 98; FBIS-SOV-98-233)

August 22: Dagestan's State Council, government, and Security Council met to discuss the assassination of the mufti. They called on the law enforcement agencies to solve the crime and fight against religious extremism. (ITAR-TASS, 1948 GMT, 22 Aug 98; FBIS-SOV-234)

August 23: The head of the Federal Security Service's public relations center told journalists in Moscow that the mufti was killed by religious activists and promised a full investigation, saying that the FSB is "functioning and actively working" in Dagestan. (NTV, 1500 GMT, 22 Aug 98; FBIS-SOV-234)

August 24: An MVD checkpoint in the Gerbeli district was attacked; the agents were tied up while masked intruders stole their weapons. (ITAR-TASS, 0402 GMT, 24 Aug 98; FBIS-SOV-98-236)

August 26: A rally in the town of Kizlyurt which called for the resignation of the government moved to Makhachkala. Magomedov interrupted his trip to Buinak district to return to the capital. He had been negotiating with the representatives of the three separatist villages. (Radiostansiya Ekho Moskv, 0800 GMT, 26 Aug 98; FBIS-SOV-98-238)

August 29: As a crowd of 3,000 gathered in a mosque, the Muslim Congress called on the government to resign due to its inability to cope with increased crime and religious extremism. Magomedov responded that the demands would be discussed by the parliament within a month and left open the possibility of holding a referendum on the proposal of holding direct popular elections for the republican chief executive. (Interfax, 1624 GMT, 29 Aug 98; FBIS-SOV-98-241)

GEORGIA

Another Russian provocation?

An extremely alarming incident in Georgia's Akhalkalaki region eclipsed Armenian Foreign Minister Vartan Oskanian's Tbilisi visit. On 12 August a Georgian artillery brigade was supposed to hold joint exercises with the Russian troops stationed in the Akhalkalaki region. Armed local Armenians, members of the Javakhk movement, confronted the Georgians, halted the soldiers' progress, and threatened forceful action. The Georgian commander turned back to the base rather than risk igniting another armed conflict.

The Armenian activists enjoy the support of the local Russian military base which employs 1,400 Armenian officers, warrant officers, and privates. Fearing that the Russian force would support the Armenian paramilitary formation, the Georgian side hesitated to provoke a confrontation.

Javakhk lobbies for the creation of an autonomous status for the districts in southern Georgia which have a largely Armenian population and border Armenia. On 22 August the leader of the movement, Ervan Sherinian, told Kavkasia-Press that the group will convene village gatherings throughout the region to adopt an appeal to the Georgian authorities in favor of autonomy status: "If our appeal is once again disregarded, we will take power into our hands." He also claimed, that "the last thing we mean by this is joining the Republic of Armenia." Presumably, Sherinian has in mind the sort of maneuver used by the Armenians of Nagorno-Karabakh, who claimed independence for the sake of appearances as they virtually united with Armenia.

While Javakhk claims that autonomy is needed to protect language and cultural rights, Armenians are already uninhibited in the exercise of those rights and their specific demands do not concern issues of cultural cohesion. Rather the complaints against Georgia -- its refusal to classify the Ottoman deportations and

massacres of Armenians in 1915 as "genocide" and the planned construction of a railroad to Turkey through the Akhalkalaki region -- belong to the sphere of Georgian foreign policy formulation which is unlikely to be affected by an autonomy. (Kavkasia-Press, 1440 GMT, 22 Aug 98; BBC Summary of World Broadcasts/nexis)

The governments of Georgia and Armenia tried to minimize the impact of the incident. On 18 August President Eduard Shevardnadze avoided immediate judgment by calling for the creation of a special investigative commission. On 21 August, Oskanian and his Georgian counterpart, Irakli Menagherishvili, signed a joint declaration which affirmed the principle of respecting each other's sovereignty, territorial integrity and the principle of inviolable borders. (Georgian Radio, 0800 GMT, 20 Aug 98; BBC Summary of World Broadcasts; NEXIS) On 26 August, Armenian President Robert Kocharian told reporters "There are forces that would like a problem to arise in relations between Armenia and Georgia." He suggested that Georgia needs to resolve the problems in the area and offered Armenian assistance. (Snark, 1515 GMT, 26 Aug 98; BBC Summary of World Broadcasts/ nexis)

Comment

Zviad Gogiashvili, a senior security expert of the Georgian parliament, wrote to the Editorial Digest correspondent about these events. His comments are reproduced below.

The organization Javakhk, members of which were allegedly participating in this provocation, has existed for several years (actually since Georgia declared its independence) and is supported financially and by other means from outside. According to a correspondent of the Georgia Newspaper, the commander of Georgian troops was informed several times on the way to Akhalkalaki by representatives of the above-mentioned organization that in case of further advance they would be provoked by Russian troops to armed conflict!

Consequently, a new "hot spot" could arise, an even more serious conflict between Georgians and Armenians (local and cross-border inhabitants) of Akhalkalaki region. The commander decided not to advance and to return to Akhaltsikhe.

This fact reflects subterranean processes going on in this region of Georgia, which borders Armenia and has a population which is more than 90 percent Armenian. Considering the reality that people living here have much closer contacts with cross-border Armenian regions and that they use the Russian ruble instead of the Georgian currency, it is not very difficult to imagine how little these people consider themselves to be "citizens of Georgia" and care about stability in Georgia. In addition, some "activists" of Javakhk are appealing to extend the borders of the "Great Armenia" to include "historically Armenian territories" (as they define Akhalkalaki region) within new borders. Of course, such declarations pursue the goal of provoking tension and possibly armed conflict. When such conflict originates, it's very difficult for international institutions and, especially, the general public to distinguish who's right and who's wrong, who's the offender and who's the victim (just like in the cases of Abkhazia and South Ossetia). Briefly, there are some groups and movements outside of Georgia which support and use "activists" of Javakhk and this organization becomes a tool for implementing their "friendly" intentions towards Georgia.

To be more specific, I would like to give you an example that reflects a general policy of some Armenian politicians and public activists. In July 1996 the National Council of Youth (NYC) Organizations of Georgia (at that time I was a member of the Presidium of the NYC) hosted a delegation of the NYC of Armenia. Our meeting was initiated by the Armenian side and, at their request, we met in Tbilisi. We weren't informed in advance in detail about issues on the agenda, just told that a meeting was "very important." At the meeting our Armenian colleagues proposed to hold a conference that late summer (just before a visit of the President Levon Ter-Petrosian to Georgia) on Armenian minority issues in

Akhalkalaki. This proposal was made in a manner as if our Armenian colleagues were inviting us to the Sevani Lake for a summer holiday, as if they were hosts and we were guests. And this delegation was representing the opinion of organized youth of Armenia.

I'd like to emphasize that some people in Armenia (regretfully, not only representatives of NGOs) hold such an attitude to the Akhalkalaki region that doesn't contribute positively to the solution of problems in this region. Moreover, it serves as an additional obstacle to a gradual settlement process.

Newly Independent States: Central Asia

By Monika Shepherd

KAZAKHSTAN

Government takes measures to protect economy against ruble collapse

On 18 August, Kazakhstan's Prime Minister Nurlan Balgymbaev informed two officials from a French bank, Pariba, that, although the Russian administration's decision to allow the ruble to drop to 9.5 against the dollar was very troubling, Kazakhstan's financial situation was much more stable than Russia's.

Kazakhstan possesses \$2 billion in gold and hard currency reserves, and must spend approximately \$50 million per month in order to service its foreign and domestic debts (Interfax, 1451 GMT, 18 Aug 98; FBIS-SOV-98-230), which accounts for 9 percent of the state budget, in contrast to Russia's foreign and domestic debt payments, which make up 35 percent of its budget. Furthermore, only about 7 percent of Kazakhstan's trade is now conducted in the Russian ruble, which should also protect the Kazakh economy from the ruble's recent drastic fall in value. (Interfax, 1025 GMT, 19 Aug 98, FBIS-SOV-98-231)

Nonetheless, the Kazakh government took steps to protect its domestic producers, by reducing energy and rail transport tariffs as well as other taxes. (Interfax, 1451 GMT, 18 Aug 98; FBIS-SOV-98-230)

At a press conference on 20 August, Kadyrzhan Damitov, the chairman of the republic's National Bank, reassured the public that the Russian rouble's devaluation will not result in a similar devaluation of Kazakhstan's tenge, although Russia's financial crisis would probably affect prices in its import and export trade with Kazakhstan, which might eventually affect Kazakhstan's overall foreign trade market. (Interfax, 0913 GMT, 20 Aug 98; FBIS-SOV-98-232)

TAJIKISTAN

Government denies fighting Taliban, transfers blame to Khudoiberdiev

The Tajik foreign ministry released a statement on 12 August denying Russian media reports that Tajik government troops were fighting against the Taliban under General 'Abdol Rashid Dostum in the northern alliance (the anti-Taliban alliance which General Mas'ud has also joined). The statement further declared that the Tajik government opposes any outside intervention in Afghanistan's affairs and advocates a peaceful end to the country's civil war. Information to the contrary, contained in the media reports, was disseminated by "certain forces to play the Tajik card" in the Afghan conflict. After denying that the Tajik government is playing a role in Afghanistan's civil war, the foreign ministry statement went on to suggest that Col. Mahmud Khudoiberdiev and his supporters might be in Afghanistan. (ITAR-TASS, 1315 GMT, 12 Aug 98; FBIS-SOV-98-224, and Interfax, 1717 GMT, 13 Aug 98; FBIS-SOV-98-225)

Comment

There is documented evidence in the news media that both the Russian and Tajik governments have been funneling aid to the anti-Taliban alliance (the northern alliance) since late 1996. Furthermore, the Russian border troops stationed on the Tajik-Afghan border have had an agreement with former President Rabbani (who is still recognized by many countries, including the Russian Federation, as the legitimate Afghan head of state) since early fall 1996 which allows them to travel 25 km into Afghanistan. This 25-kilometer area has

been termed a "security zone" and was originally established to permit Russian troops to pursue United Tajik Opposition (UTO) fighters across the Afghan border and to attack UTO camps in northern Afghanistan.

UN recalls all 'non-essential' staff

In a statement released to the press on 24 August, the UN special envoy to Tajikistan, Jan Kubis, announced his decision to evacuate from the country all "non-essential" UN Mission of Observers in Tajikistan (UNMOT) personnel, as well as those staff members of other UN agencies which have offices in Tajikistan. Kubis also decided to prohibit temporarily any UN-sponsored international delegations or personnel from entering Tajikistan, with the exception of security personnel or those who are relieving members of the "essential" staff as part of the normal staff rotation. The statement emphasized that this action was being taken only out of concern for the security of UN personnel in Tajikistan, and was not to be interpreted as a political maneuver. Nor does this action signify a UN decision to end its observer mission in Tajikistan, but should be considered simply as a precautionary measure. (Informatsionnoye Agentstvo Ekho Moskvyy, 1115 GMT, 24 Aug 98; FBIS-SOV-98-236)

UTO detains three suspects in murder of UNMOT members

Members of the UTO took three men into custody on 25 August who are suspected of having been involved in the murder of four UNMOT employees on 20 July. The three men were hiding in territory which is still under UTO control. Representatives of Tajikistan's National Reconciliation Commission (NRC) announced the men's arrest on 27 August, adding that they would be handed over to Tajikistan's interior ministry within one or two days. Neither the men's identity nor the details of their involvement in the murders were released. (Kyodo News Service, 1348 GMT, 27 Aug 98; FBIS-EAS-98-239)

At a press conference in Moscow on 17 August, Japanese Vice Foreign Minister Keizo Takemi stated that he had learned that four suspects in the UNMOT

members' deaths were hiding in one of Tajikistan's mountainous regions. Minister Takemi traveled to Tajikistan at the behest of his own government, in order to monitor the murder investigation's progress. He told journalists that he had managed to speak with both UTO chairman Said Abdullo Nuri and with Tajikistan's Deputy Chairman Abdurakhman Azimov, who is directing the investigation. It was Mr. Nuri who informed him of the suspects' whereabouts and Deputy Chairman Azimov told him that government authorities had identified the four suspects and that the investigation was in its final stages. (Kyodo News Service, 0857 GMT, 17 Aug 98; FBIS-EAS-98-230)

UTO troops' repatriation on hold due to delays in murder investigation

Approximately 200 UTO troops continue to wait in northern Afghanistan for their repatriation to Tajikistan. They are to reenter the country via the Nizhnyi Pyandzh checkpoint, which is under the jurisdiction of the Pyandzh border guard unit. Yusuf Khakimov, the press secretary for the NRC, informed Interfax on 25 August that the continued delays in the troops' return to Tajikistan are of considerable concern to the UTO leadership. The territory where the troops' camps are located has fallen under the Taliban's control, which could complicate the troops' return home. Khakimov reported that the main reason for the delay in the UTO units' repatriation is the UN special envoy's refusal to assist in the process until the suspects in the four UNMOT members' murder have been arrested and are in the custody of law enforcement officials in Dushanbe. Khakimov also announced that UTO chairman Said Abdullo Nuri had ordered the opposition units which had detained the suspects to transport them to the capital and hand them over to Tajik government authorities. (Interfax, 1018 GMT, 25 Aug 98; FBIS-SOV-98-237)

Mayor of Tursunzade killed; Khudoiberdiev's militia blamed

Five people died and four were injured on 27 August, when 15 masked men armed with automatic rifles and at least one submachine gun fired on Tursunzade's Mayor Nurullo Khairulloev and his bodyguards outside his offices in

the town hall at 6:25 a.m. The guards returned fire, upon which the attackers fled toward the Uzbek border in two cars, pursued by the mayor's protectors. The mayor's men managed to kill one assailant and wound three others during the pursuit, but all 14 managed to escape across the border to Uzbekistan and are believed to have sought refuge in the village of Toshtepa. The Uzbek interior ministry and border services are reported to have joined in the manhunt. (Interfax, 0752 GMT, 27 Aug 98; FBIS-TOT-98-239)

The attacker who was killed during the incident has been identified as a former driver for Colonel Mahmud Khudoiberdiev's brother (in August 1997 Col. Khudoiberdiev attacked Dushanbe, was routed and driven across the border into Uzbekistan with a group of his supporters; they are still at large today and their whereabouts remain undetermined). Based on this evidence, Tajik officials have concluded that it was Col. Khudoiberdiev's militia group which was responsible for organizing and carrying out the attack on Mayor Khairulloev, according to the presidential press secretary, Zafar Saidov. (Interfax, 1354 GMT, 27 Aug 98; FBIS-SOV-98-239) Saidov also stated that the Tajik government believes that the attack on the late mayor of Tursunzade (approximately 60 km west of Dushanbe) was carried out in order to disrupt the peace process by creating social and political instability in that region. About two weeks prior to the assault on Mayor Khairulloev, Qalandar Haidarov, the chief administrator of Shahrinaw District (sometimes transliterated as Shahr-i Nav, located 30 km west of Dushanbe) was attacked and killed. (Interfax, 1002 GMT, 27 Aug 98, FBIS-SOV-98-239) On 15 August, Haidarov's assailants approached his residence in two cars, disarmed his guards, and then drove him out into the street. Local police officers found him later, fatally shot. The attackers' identity was unknown and investigative officials concluded that Haidarov's murder was the result of gang warfare, not committed for political reasons. (ITAR-TASS, 1030 GMT, 16 Aug 98; FBIS-SOV-98-228)

Comment

As of yet, there seems to be little confirmed proof that it was indeed Col. Khudoiberdiev's militia group which was responsible for the assassination of either Mayor Khairulloev or Qalandar Haidarov -- the fact that the dead man once worked as a driver for Col. Khudoiberdiev's brother is circumstantial evidence at best. However, considering Khudoiberdiev's ties to Tursunzade (see Editorial Digest for January 1997), it is not an unlikely hypothesis that his men were involved in one or both incidents. The fact that they fled to Uzbekistan is at least as significant as the dead man's identity. If Khudoiberdiev's supporters were involved, it raises any number of questions about the motives behind the attacks. Khairulloev and Haidarov may have been killed simply to settle old scores, and/or because they were not complying with the demands of Col. Khudoiberdiev and the members of his group (it is possible that Khudoiberdiev has been relying to some extent on Tursunzade for financial and material support, during his now year-long exile in Uzbekistan). The murders may have also been a ploy to create a power vacuum in that region of Tajikistan, which could be filled by those who are still sympathetic toward Khudoiberdiev. In any case, if Col. Khudoiberdiev's militia was involved in either of these two attacks, it is a sign that he is still actively pursuing his goal of attaining political influence in Tajikistan. Disrupting Tajikistan's peace process is probably not one of his main aims; if he is able to gain a share in the country's power distribution without damaging the fragile peace that has been established, then he might well be satisfied.

TURKMENISTAN

Foreign ministry denies that Taliban attacked Turkmen consulate

Unidentified Turkmen sources reported on 10 August that during their attacks on Mazar-e Sharif, the Taliban had forced their way into the Turkmen consulate there, looked through documents, and interrogated members of the diplomatic staff and drove them out of the building. (Voice of the Islamic Republic of Iran, 0230 GMT, 11 Aug 98; FBIS-NES-98-223) The Turkmen foreign ministry immediately denied these reports and released a quote from Khadzhamurat Babaev, the Turkmen Consul-General in Mazar-e Sharif, stating that everything

was "business as usual" at the consulate and that diplomatic contacts had been set up with Taliban representatives. (Interfax, 1618 GMT, 11 Aug 98, FBIS-SOV-98-223)

Foreign minister defines position on Afghan conflict, CIS involvement

Turkmenistan's Foreign Minister Boris Shikhmuradov informed a press conference in Ashgabat on 14 August that his government maintained its previous position on the Afghan civil war: It is Afghanistan's internal affair and, although it has had a harmful effect not only on Afghanistan, but also on neighboring countries, Turkmenistan would only take action to resolve the conflict through a UN-sponsored initiative. Furthermore, the Turkmen government has no intention of joining CIS efforts to end the conflict and does not feel bound by any collective CIS responsibility to intervene in Afghanistan's civil war. The Turkmen government will continue to maintain its policy of "positive neutrality," as is set out in the Turkmen constitution. (Interfax, 1049 GMT, 14 Aug 98; FBIS-SOV-98-226)

President Niyazov receives Pakistani Minister Kanju

Pakistani Minister of State for Foreign Affairs Mohammed Siddifi Khan Kanju arrived in Ashgabat on 25 August after visiting the Uzbek and Tajik capitals, where he was shunned by those countries' presidents. (Interfax, 1714 GMT, 25 Aug 98 FBIS-SOV-98-237) President Niyazov was willing to meet with Minister Kanju, however, and received him the following day. The men's two main topics of discussion were the Afghan civil war and the Turkmen-Pakistan pipeline construction project. Both Minister Kanju and President Niyazov proclaimed their desire to see a permanent peace established in Afghanistan. Whether or not the Afghan conflict is resolved in the near future, Minister Kanju did not seem to think that this should hinder the pipeline's construction schedule. The pipeline is to run from Turkmenistan through territory which the Taliban have already controlled for some time, to Pakistan. A US company, Unocal, owns a 56-percent share in the construction project, and company spokesmen recently announced that Unocal

was temporarily withdrawing its support for the project, following the US missile attacks on the terrorist camp in Afghanistan. However, both the Pakistani and Turkmen governments intend to force Unocal to fulfill its obligations vis-a-vis the planned pipeline construction. The Taliban signed documents guaranteeing the security of the pipeline route and also the safety of the construction workers last June. Minister Kanju added that building the pipeline would also be economically beneficial for Afghanistan. (Interfax, 1348 GMT, 26 Aug 98; FBIS-SOV-98-238)

Comment

Although the Pakistani government continues to deny that it is supporting the Taliban with military and financial aid (there are even unconfirmed reports that Pakistani soldiers are fighting with the Taliban), the evidence is to the contrary. There are a number of theories on Pakistan's motives for aiding the Taliban, one of which states that both Pakistan and Turkmenistan believe that the Taliban forces are those most likely to be able to unite Afghanistan under a stable regime which will be friendly toward both the Pakistani and Turkmen governments. Such a regime would greatly benefit Pakistan and Turkmenistan economically by opening up transportation and trade routes across the region, including a safe export route for oil and natural gas. Should the Turkmen-Pakistan pipeline construction project ever be completed, other countries in the region would probably also be ready and willing to use it to export their own energy supplies, regardless of which faction was in control of Kabul.

Newly Independent States: Baltic States

By Kate Martin

All for one, this time

In direct contrast to their strategy regarding admission to the European Union, the three Baltic states have agreed to work out a common regional stance for the 1999 NATO summit. At a meeting at the end of July in the Lithuanian seaport

Klaipeda, Presidents Lennart Meri of Estonia, Guntis Ulmanis of Latvia, and Valdas Adamkus of Lithuania decided to develop a coordinated approach to members of NATO and the alliance's Partnership for Peace program. (Baltic News Service, 1500 GMT, 25 Jul 98) Estonia's invitation by the European Union last year to begin membership talks, and the exclusion of Latvia and Lithuania from that invitation, had put a definite crimp in relations somewhat between the three countries.

The danger lies not within the stars...

A poll taken in March by the Saar Poll market research company revealed that most Baltic residents see their security threatened more by domestic than by foreign action. More than 95 percent of respondents ruled out the possibility of foreign aggression, which is fortunate given that most doubted the ability of their country's defense forces to repel an invasion (Estonia: 76 percent; Latvia: 81 percent; Lithuania: 72 percent). The disbelief in external danger does not translate into feelings of security, however; the percentages of those persons polled who see the state threatened from within stood at 62 percent in Latvia, 45 percent in Lithuania, and 35 percent in Estonia. (Baltic News Service, 1600 GMT, 30 Jul 98) Given these attitudes, it may not be surprising to some that Lithuanian President Valdas Adamkus sees no problem with allowing troops from Russia and other CIS countries to participate in peacekeeping exercises in Lithuania. Currently, according to legislation passed (understandably) in 1992, there can be no Russian or CIS military bases or units on Lithuanian territory. (Baltic News Service, 1000 GMT, 28 Jul 98)

The media may have quite a lot to do with the belief that danger rests within the borders, by both reporting and perhaps inciting distrust (and, on occasion, acts against the state). A recent study of the post-Soviet press in Latvia found that the newspapers in effect encourage division of society by the topics they cover and the manner in which they do so. Scholars Ilza Shuman and Sergei Kruk reported that the differences between Russian- and Latvian-language newspapers has

become so great that a further division of the communities of readers has been created. Latvian- and Russian-language publications cover subjects of interest to their readership, often to the exclusion of other subjects, thereby increasing a sense of isolation in the communities they serve. (RFE/RL Newswire, 11 Aug 98)

While some media may be sparking tinders of dissension inadvertently, others are quite intentionally fanning flames. In a move designed to counteract the more belligerent media, the Lithuanian government has approved amendments to the law on mass media that would expand the functions of the Journalists' and Publishers' Ethics Commission, to analyze and offer conclusions on the instigation of military, ethnic, racial or religious discord in the mass media. Ethnic minorities reportedly have been complaining about media information and comments that are seen as instigating conflict. (Baltic News Service, 1300 GMT, 31 Jul 98)

Some organizations don't need any help from the media, however. The leader of the radical group Perkonkrusts was detained by Latvian security police at the end of July. According to the interior ministry, charges against 70-year-old Vilis Linins included intentional damage of property performed in a dangerous manner, and illegal possession and transportation of explosives. Linins, who was reportedly thrown out of the Aizsargi organization for his over-radical views, was described as the ideological leader of Perkonkrusts. According to testimony by previously detained members of the group, Linins had been trying to convince other Perkonkrusts members that the country's railways should be blown up to prevent the export of timber, considered to be "Latvian gold." (Baltic News Service, 1000 GMT, 29 Jul 98)

In Lithuania, the director of the Lithuanian State Security Department, Mecys Laurinkus, is concerned primarily with the activities of Russian intelligence. The Russian Foreign Intelligence Service (SVRR), Federal Security Service (FSB) and military intelligence (GRU) "are resuming their activities in the Baltic

countries, stepping up their operation and, clearly, using new techniques," Laurinkus said in an interview with the Respublika newspaper. (Interfax, 0737 GMT, 3 Aug 98; FBIS-SOV-98-219) Laurinkus also said the services are seeking recruits, and warned that the entourages of high-ranking officials were in danger of infiltration. (Baltic News Service, 1300 GMT, 3 Aug 98) It is unclear how reassured Laurinkus et al. were upon hearing from SVRR spokeswoman Tatiana Samolis that such claims of increased intelligence activity were "unfounded." (Interfax, 0825 GMT, 4 Aug 98; FBIS-SOV-98-220)

LATVIA

Government begins unilateral border demarcation

While many Baltic citizens view as unlikely an invasion from without, that perception hasn't stopped Latvia from beginning unilateral demarcation of its border with Russia. According to Foreign Minister Valdis Birkavs, the move follows a stalemate in talks with Russia on establishing and modernizing the border. (NTV, 0600 GMT, 31 Jul 98; FBIS-SOV-98-217) Birkavs sees the strengthening of the country's border as the last step on Latvia's path to the European Union, he said in a ceremony at the Rezekne border guard school. (Baltic News Service, 1300 GMT, 30 Jul 98) While Birkavs stated his belief that relations with Russia would improve once the border issue was settled, Russian foreign ministry spokesman Vladimir Rakhmanin gave quite different signals. The dialogue between the two countries on the situation will continue, Rakhmanin said, once Latvia ends its unilateral demarcation and settles problems of its Russian-speaking population in keeping with international norms (see previous Digest for a discussion on this mantra). (Baltic News Service, 1800 GMT, 3 Aug 98) Claiming that "the border is confidence," Birkavs rejected Russia's appeal to end the demarcation efforts. (Baltic News Service, 1800 GMT, 4 Aug 98) An interview with the director of Russia's Federal Border Service, Nikolai Bordyuzha, offered a glimpse into what may be prodding the Latvian side into action: Bordyuzha explained that the Russian guards are increasing their forces on the

Russian-Latvian border as part of the program to develop border facilities. (ITAR-TASS, 1555 GMT, 6 Aug 98; FBIS-SOV-98-218)

ESTONIA

Funds for waterworks project evaporate

Water problems continue to rain down upon the Russian town of Ivangorod, following a decision by its Estonian water supplier, AS Narva Vesi, to cut service by 75 percent on 13 July (see previous Digest). Baltic News Service (1800 GMT, 27 Jul 98) reported that the town could not pay its water debt because no money has been allocated for this purpose in the Leningrad Oblast budget. Moreover, although there are plans for the town to build its own waterworks, Ivangorod received less than 22 percent of the needed 9.2 million rubles for the project, according to presidential representative Vladimir Shemyakin.

The oblast government eventually managed to find some money to offset the debt, but it was a case of too little, too late. AS Narva Vesi financial director Teet Rist explained that, despite a bank transfer of 1.1 million kroons made on 30 July, the water supply would be restored to normal levels only after the entire debt was paid. Ivangorod Mayor Pavel Grigoriev said the Leningrad Oblast administration promised to discuss opportunities for further payment of the debt. (Baltic News Service, 1600 GMT, 30 Jul 98)

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