Russian Federation: Executive Branch

By Susan Cavan

PRESIDENCY

Can't stand the rain?

President Yel'tsin's vacations are infamous. In the early years of his presidency, we wondered at the timing of his retreats, as in September 1991 when he squandered the momentum of his post-coup popularity with an extended respite from political engagement. In the later years of his first term and certainly the beginning of his second, the state of the president's mental and physical health dominated analyses of his vacations. The Kremlin staff frequently contributed to speculation through their own reticence and obfuscation. Certainly we recall the publication of a months-old photograph meant to portray the president's fitness during one "disappearance," or the remarkable transformation of a sore throat into "colossal fatigue," which finally developed into coronary disease requiring bypass surgery.

Nonetheless, the president and his staff may have outdone themselves this time. With rumors of an impending coup suffusing the political atmosphere, encouraged by Yel'tsin's own comments on the possibility, the president departed Moscow for Karelia (via St. Petersburg for an appearance at Tsar Nicholas' funeral service). Accompanying the president on this vacation were an unusual number of medical personnel and an "unprecedented" security detail. (Komsomol'skaya pravda, 21 Jul 98; FBIS-SOV-98-202)

Initially, this retreat followed previous patterns, with the president neither addressing reporters, nor venturing out for photo ops. The arrival of Prime Minister Sergei Kirienko certainly disrupted the tranquility however, as the
president appeared with Kirienko before the media to announce the signature of a number of decrees regarding personnel issues. Yel'tsin did not immediately make public the specifics of the decrees, preferring to leave the release of such information to his press service, but he did contribute the following comments on personnel policy:

"Sometimes, someone's dismissal is not easily understood by the press. (…) However, I am much more informed than you are, and I know who and how has been working [sic] day by day on each case, on any crime either solved or not, and believe me, I feel quite out of sorts knowing what I do." (ITAR-TASS, 25 Jul 98; NEXIS)

The press service later announced the dismissal of FSB Director Nikolai Kovalev (more under "FSB" heading). Yel'tsin's dismissal of the head of the Security Services was already stoking the flames of coup-mongering when Yel'tsin abruptly ended his Karelian vacation and returned to the capital. While presidential aides insisted that rainy weather had prompted the premature exit from Karelia, President Yel'tsin claimed that "urgent matters" involving the "complicated political and economic situation in the country" required his presence in Moscow. (ITAR-TASS, 0815 GMT, 29 Jul 98; FBIS-SOV-98-210)

Despite reports that the President would continue his vacation elsewhere, Yel'tsin is currently at Gorki-9, where he has held meetings with the Prime Minister, foreign loan negotiator Anatoli Chubais, and the new FSB Director Vladimir Putin.

GOVERNMENT
IMF slaps Russia's wrist
In what appeared to be a mild criticism of Russian efforts to begin implementation of negotiated reforms, the International Monetary Fund reduced the amount of the first installment of Russian bailout monies from $5.6 billion to $4.8 billion. Anatoli Chubais, who represented Russia in the IMF negotiations,
claimed that the temporary $800 million shortfall would not have a serious impact. (ITAR-TASS, 0038 GMT, 21 Jul 98; FBIS-SOV-98-202)

**Communist deputy joins cabinet**
Yuri Maslyukov, former chair of the Duma Economics Policies Committee, has been appointed Minister for Trade and Industry by presidential decree. (ITAR-TASS, 1305 GMT, 23 Jul 98; FBIS-SOV-98-204) Maslyukov has requested that the prime minister expand the responsibilities of the ministry to include oversight of the military-industrial sector and foreign economic relations. (Ekho Moskvy, 1800 GMT, 28 Jul 98; FBIS-SOV-98-209)

**Chernomyrdin on call**
A 14 July meeting between President Yel'tsin and former Prime Minister Viktor Chernomyrdin prompted speculation that Chernomyrdin may soon return to the government, perhaps as a liaison between tax collectors and the energy industry directors, with whom he has long had close ties. While there has been no word on an official role for Chernomyrdin, he did make an appearance at the first Gore-Kirienko Commission meeting. According to ITAR-TASS (1645 GMT, 24 Jul 98; FBIS-SOV-98-205), American VP Gore sought a private meeting with Chernomyrdin at the US embassy, but Kirienko suggested they include his predecessor at the commission's meeting in the Government House.

**Kirienko threatens miners**
Striking miners blocking the Trans-Siberian Railroad are clearly the subject of great concern within the Russian government. Sergei Kirienko has responded to the strikes by reminding the miners that the Security Council decided in May that blocking the railways is a punishable criminal offense. Claiming that the government was fulfilling its obligations to the miners according to the agreements negotiated in May, Kirienko suggested that the coal miners should not expect all their problems to be solved at once. (Interfax, 1404 GMT, 18 Jul 98; FBIS-SOV-98-199)
The workers' protests are also the focus of a significant portion of the coup scenario analyses. There is, however, little agreement as to who or what group may be inciting the strikers' demonstrations. Two recent articles from the Russian press suggest the diversity of opinion on the cause of the strikes:

From Moskovskiy komsomolets (16 Jul 98; FBIS-SOV-98-209): "The president's staff is now almost 100 percent certain that the miners' weeks-long picketing of the House of Government was financed with Berezovsky's money."

Literaturnaya gazeta (15 Jul 98, pp. 1-2; FBIS-SOV-98-209) has a radically different take: "Today, [Communist Deputy Viktor] Ilyukhin represents a link uniting the "people's" rebels with potential putschists from among the special services personnel."

The current pressing concern is less a matter of which flank may launch an attack, but rather that the political and economic climate is in enough turmoil to make an attack seem likely.

**FSB**

**Kovalev replaced with Putin**

President Yel'tsin's above-referenced remarks notwithstanding, the dismissal of Kovalev, and perhaps more importantly his replacement by Vladimir Putin, may have long been in the works. Kovalev, often associated with "Chernomyrdin's team," was first threatened with dismissal during the May 1997 reorganization of the Security Services and Putin was believed the likely successor then.

Putin, who was recently appointed to head up the president's Main Control Department and has close contacts within the president's staff, is also part of the St. Petersburg "clan" that followed Anatoli Chubais into Moscow federal government service. Putin's qualifications are more than political however, as he
has many years of KGB service (first directorate -- intelligence) on his resume as well. (NTV, 1500 GMT, 26 Jul 98; FBIS-SOV-98-207)

Kovalev's dismissal decree noted his transfer to other work, and Prime Minister Kirienko made an effort to dampen speculation that Kovalev's performance had incited the firing by adding his assurance that Kovalev "will continue to be used to the Motherland's benefit." (ITAR-TASS, 0816 GMT, 27 Jul 98; FBIS-SOV-98-208)

Despite the calming remarks, it still seems an odd presidential vacation that requires interruption for the sacking of the head of the Security Services and an unplanned and hurried return to the capital.

Russian Federation: Foreign Relations

By John McDonough and Ray Gaul

Russia denies supplying weapons to Afghan fighters...

The Russian foreign ministry on 28 July denied that Russia is supporting one of Afghanistan's warring parties.

The ministry's Information and Press Department stated that, "Russia strictly adheres to its position of noninterference in Afghanistan's internal affairs," in response to a New York Times article published the previous day. The New York Times asserted that Russia was supplying weapons, training and logistical support to the northern alliance group that is fighting against the Taliban for control of northern Afghanistan. The article claimed that Russia was assisting the rebel group led by Ahmad Shah Mas'ud, as well as Russian and Uzbeki assistance to the rebel group led by 'Abdol Rashid Dostum (both forces side with the northern alliance).
Although a high-ranking source in Moscow admitted that the anti-Taliban forces in northern Afghanistan are viewed sympathetically in Moscow, the Russian government claims non-intervention, on the premise that more weapons ultimately lead to more fighting which is strongly against Russian interests.
(Interfax, 1113 GMT, 28 Jul 98; FBIS-SOV-98-209)

...But opposes Afghan arms embargo
The Russian government opposes any arms embargo on Afghanistan, and has stated that any embargo would only be beneficial for one of the conflicting sides. A Ministry of Foreign Affairs press release on 28 July, the same day Russian denials of arms deliveries to the northern alliance were issued, stated that, "despite the attractiveness of the idea of an international embargo on such supplies proposed by a number of countries, the Russian Foreign Ministry believes that it could hardly be implemented given that efficient control over the Afghan- Pakistani border is impossible."

While reasserting Russia's "non-intervention" position in the war, the foreign ministry statement simultaneously implied that Afghanistan's neighboring countries are supplying arms to the warring factions in Afghanistan. The statement did not directly accuse any neighboring country of supplying weapons but stated that peace can only be achieved in Afghanistan when "the country's neighbors and countries interested in peace in Afghanistan prevent their territory from being used for arms supply." (Interfax, 1113 GMT, 28 Jul 98; FBIS-SOV-98-209)

Although Russia repeatedly asserts that peace in Afghanistan is in the best interest of Russia as well as all the states of the CIS, full Taliban control of the country could serve to destabilize further the situation in Tajikistan. Additionally, Taliban control of Afghanistan could ultimately result in a Turkmen-sponsored pipeline through Afghanistan that would avoid the Russian pipeline network.
Primakov identifies source of extremism in Kosovo

Using a meeting of the Association of South East Asian Nations (ASEAN) as a forum to discuss the Kosovo conflict, Foreign Minister Yevgeni Primakov reiterated his "three nos" as Russia's official policy in the troubled Serbian province. First, Russia opposes the status quo whereby Kosovo does not have considerable autonomy rights. Second, Russia is saying no to separatism. Third, Russia objects to the possible use of outside force on Yugoslav territory. Reinforcing his third no, Primakov was quoted as saying "such actions without a corresponding request from Yugoslavia would be unjustified and would create a serious precedent." He also stated that the threat of intervention has resulted in "extremism from the side of Kosovo Albanians," and places the main responsibility for peaceful negotiations to determine the fate of the Serbian province on the Kosovo Albanians. (Interfax, 1735 GMT, 28 Jul 98; FBIS-SOV-98-209, and Interfax, 0951 GMT, 24 Jul 98; FBIS-SOV-98-205)

Primakov's position is that Yugoslav President Slobodan Milosevic is keeping his promise to start talks with the Kosovo Albanians and that it is the ethnic Albanians who are preventing the talks from starting. With the recent advances of the Serbian forces against Albanian separatists in Kosovo, Milosevic does not appear ready to announce any cease-fire that might translate to the start of negotiations on the future of Kosovo.

A week earlier in Moscow, a foreign ministry spokesman stressed many of these same points as he announced that Moscow is not against political representation of the Kosovo Liberation Army (KLA) in any talks that may be held. Although this statement appeared to represent an easing of Russia's position concerning the status of the KLA, the Russian foreign ministry reiterated Moscow's opposition to any direct representation of the KLA, stressing that it must be a political party that represents the KLA interests. (Interfax, 1622 GMT, 21 Jul 98; FBIS-SOV-98-202)

Russia: SFOR detentions beyond mandate
Citing the recent mistaken detention of two Bosnian Serbs, Moscow denounced the Stabilization Forces (SFOR) policy of detaining and extraditing suspected war criminals. A Russian foreign ministry statement on 28 July reinforced Moscow's position that detention and extradition of suspected war criminals is "the exclusive prerogative of the Serb Republic, and Bosnia and Herzegovina." The spokesmen referred to the SFOR incident as a demonstration of the dangers associated with putting SFOR forces "in a dubious position," stressing that such operations are not implied in the SFOR mandate. The Russian contingent of SFOR does not engage in the detention of suspected war criminals to be extradited to the International Tribunal for former Yugoslavia. (Interfax, 1648 GMT, 28 Jul 98; FBIS-SOV-98-209)

**Russia welcomes Iran's adherence to non-proliferation regime...**
Russia and Iran confirmed their commitment to non-proliferation and disarmament and supported the idea of creating a nuclear-free zone in the Middle East, a Russian press release stated on 18 July. Russia and Iran urged all concerned countries to consider practical measures aimed at realizing the idea of a nuclear-free zone and called for a speedy accession to the Non-Proliferation Treaty (NPT) of all countries which have not joined it yet. As a warning to any attempt to interfere by force in the ongoing nuclear projects in Iran, both sides stressed that an attack or a threat of attack on "peaceful nuclear facilities" would pose a threat to nuclear security and could trigger a corresponding international response as provided for in the UN Charter. The official Russian press release following the high-level meetings on 15 and 16 July stated that Russia welcomed Iran's adherence to the non-proliferation regime and its lack of intention to get access to nuclear weapons. (ITAR-TASS, 1409 GMT, 18 Jul 98; FBIS-TAC-98-199)

**...While Russia acknowledges Iran's attempts to acquire technologies**
Shortly before his ouster, Russian Federal Security Service (FSB) Director Nikolai Kovalev disclosed that, over the past two years, the FSB uncovered
several attempts by Iranian elements to obtain missile and nuclear technology and substances from Russian sources. In a statement issued by the Russian Embassy in Tel Aviv, the FSB chief acknowledged that an Iranian embassy official and a member of the Iranian military delegation in Russia attempted to acquire materials that could be used to produce unconventional weapons. The statement was issued at the conclusion of Kovalev's official visit to Israel on 19 July. Kovalev cited other FSB successes in thwarting the spread of technology that could be used to produce weapons of mass destruction.

A statement summing up his visit issued through the Russian embassy in Tel Aviv notes that, per President Boris Yel'tsin's instructions, the FSB will make every possible effort to thwart resolutely any attempt to export substances and technologies for the production of weapons of mass destruction and launchers. Kovalev disclosed that an Iranian Embassy employee who tried to purchase documents dealing with missile engines from a Russian citizen was arrested in Moscow in November 1997 and that a member of the Iranian military delegation who tried to obtain documents dealing with aviation technology from a Russian citizen was deported from Moscow in June 1997. (Ma'ariv, 20 Jul 98; FBIS-TAC-98-201)

In search of new friends
Noting Latin America's fast development and active integration into the world community, Foreign Minister Yevgeni Primakov stated that the region is becoming very important to the world's developing mechanisms of multipolarity. While speaking at a foreign ministry meeting on Russia's policy in Latin America, Primakov set out a range of top priority practical tasks for future work in that region. A press release from the government's main information news agency stressed that the new approach was based on a detailed analysis of the current state of Russian-Latin American relations. Primakov stressed the role of political dialogue, above all at summit level, referring to the recent Russian-Argentinian
summit in Moscow. (ITAR-TASS World Service, 1634 GMT, 21 Jul 98; FBIS-SOV-98-203)

In pursuit of its multipolar world, the Russian foreign ministry has stepped up its efforts to forge strong ties with countries in Africa and Latin America. The ministry has actively pursued new contacts in these regions as well as strengthened ties with former Soviet allies such as Angola and Cuba.

Seleznev sees OSCE, not NATO, as key to European security

Nearly parroting the words of Foreign Minister Primakov, State Duma Chairman Gennadi Seleznev spoke out against any further NATO expansion east. Seleznev stated that further NATO expansion could result in "the artificial alienation of Russia from the fundamentals of the European security," negatively affecting the vital interests of all states on the continent. Addressing the plenary session of the Parliamentary Assembly of the Organization for Security and Cooperation in Europe (OSCE), Seleznev spoke out against any inclusion of the Baltic countries in a new round of NATO expansion. He called the creation of a system of security in Europe on the basis of the OSCE one of the most important directions of Russian foreign policy. (ITAR-TASS, 1052 GMT, 10 Jul 98; FBIS-UMA-98-191)

Primakov has long advocated the strengthening of the OSCE in favor of any further NATO expansion. The Seleznev statement concerning Baltic inclusion in NATO is the often-repeated Primakov line. Primakov has also repeatedly proposed that NATO fall under OSCE, which would reduce NATO to a security structure answerable to a higher international organization.

Some progress made during Kirienko's visit to Japan

Russia and Japan continue to move toward signing a peace treaty by 2000 along the guidelines established in a November 1997 meeting between Russian President Yel'tsin and Japanese Prime Minister Hashimoto. Although Hashimoto
resigned during a 14 July visit by newly appointed Russian Prime Minister Sergei Kirienko, a joint communique indicated that progress was indeed made on a number of issues. Kirienko's visit to Japan was the first made by a Russian prime minister.

As expected, the two countries agreed to cooperate further on establishing economic ties. Japan will continue to support Russia's progress toward integration with the world economic community, which includes further financial support in the economic crisis, support for accelerated membership in the World Trade Organization, and future trade relationships. Some of the more serious issues of contention, such as the Kurile island dispute, received little attention during Kirienko's brief two-day visit. Future meetings will continue as scheduled despite the interruption in Japanese leadership. Some of the more important future issues which will be ironed out in upcoming months will be the establishment of a joint Russian-Japanese investment organization and agreements on cooperation in space exploration.

**Expulsion of diplomats-part II**
The recent row in Russian-South Korean relations over accusations of espionage demonstrates a lack of mutual maturity and understanding which divides the two. On 6 July, Russia indiscreetly expelled a South Korean diplomat on charges of spying. What remains unanswered is why Russia felt the need to act in such an abrupt manner without consultation beforehand. In any case, South Korea retaliated by expelling a Russian diplomat. Almost comically, both sides announced that the conflict was over even though no serious discussion had taken place. (Interfax, 1756 GMT, 21 Jul 98; FBIS-SOV-98-202) When the row first began, it seemed likely that it would simply remain a matter between intelligence agencies. However, lack of communication between the two sides pushed the matter to the highest levels and threatened all diplomatic relations.
South Korean officials were taken aback at the ASEAN regional forum in Manila when Russian Foreign Minister Yevgeni Primakov refused to shake hands with his counterpart Park Chung-Soo and only provided English language translators for the meeting. The two did get together for a protracted meeting but failed to put an end to the dispute. The dispute has resulted in a significant loss in South Korea's ability to conduct spying activities on North Korea as Russia insisted on the removal of five intelligence officers from the Moscow embassy. South Korea had kept eight intelligence officers in Moscow since 1990.

**Primakov, Kirienko visit China, prepare for September summit**
Primakov made an official visit to China on 22 July. His primary objective was to prepare for the informal "no-jackets" meeting between Russian President Boris Yel'tsin and Jiang Zemin in Moscow scheduled for September. Primakov met with Jiang Zemin, Premier of the State Council Zhu Rongji and Foreign Minister Tang Jiaxuan. A joint statement was issued on the India-Pakistan nuclear weapons escalation reflecting the desire on both sides to build consensus on security issues in Asia. (ITAR-TASS World Service, 0143 GMT, 24 Jul 98; FBIS-SOV-98-205) Earlier in the month, Prime Minister Kirienko paid a brief visit to China and met with Jiang Zemin and Zhu Rongji for similar purposes. (ITAR-TASS, 1355 GMT, 16 Jul 98; FBIS-SOV-98-197)

**Russian Federation: Domestic Issues and Legislative Branch**
By Michael Thurman

**FEDERAL ASSEMBLY**
**Duma focuses on procedure for transfer of presidential power**
With a 316 to 1 vote, the Duma passed a bill outlining the mechanism with which presidential power would be transferred due to resignation, inability to fulfill his
duties due to health, impeachment, or death. The bill allows either house of the Federal Assembly to request the Supreme Court to determine presidential competence. Under the bill, the court would appoint a medical commission nominated by the Russian Academy of Medical Sciences. Foreign specialists may act as consultants of the commission. The commission would have 14 days to report on its findings.

Once the findings are known, the Supreme Court would legally establish the president's inability to perform his duties and make this ruling public the next day. Upon the ruling, the Federation Council would decide whether the president should be removed and the prime minister made acting president. (Interfax, 0912 GMT, 3 Jul 98; FBIS-SOV-98-184)

However, several days after the Duma passage of the bill, the Federation Council rejected it by claiming that it violated Russia's Fundamental Law and Civil Code. The bill would have spelled out the presently vague procedure of impeachment and conviction, as well as the process of finding the president unfit to carry out his duties due to reasons of health. Presumably a new draft will be forthcoming shortly. (ITAR-TASS, 1526 GMT, 9 Jul 98; FBIS-SOV-98-190)

**Duma passes bill on small business tax**

Under the proposed law, small enterprises such as small retail outlets, restaurants, and gasoline stations must pay their federal income taxes in advance. The reason for the focus on small businesses is that they are known tax dodgers; their small size allows them to "escape into the shadows" and hide from federal tax agencies.

The interesting part of the bill concerns the mechanism for collecting the taxes. The bill envisages moving the responsibility for collecting the small business tax from the federal level to the regions, where each region will be required to pass the appropriate legislation. The reason for the shift, according to the bill's
proponents, is that the regions are closer and thus better positioned to know the affairs of small businesses. Under the law, 50 percent of the income tax collected will go to the federal budget and 50 percent will go to the regions.

By using the regions as federal tax collectors, the central government is admitting that it cannot collect the taxes owed to it. It is clear that even if the Federation Council agrees to the law, the relationship between the regions and the federal center created by the law will be a difficult one. (ITAR-TASS, 1200 GMT, 15 Jul 98; FBIS-SOV-98-196)

Duma commission discusses Yel'tsin impeachment
According to those who initiated the procedure, the first impeachable crime committed by the president was his participation in the Belovezhskaya Pushcha Agreement which dissolved the Soviet Union. Anatoli Lukyanov, a commission member and one of the leaders of the failed August 1991 coup, said the commission is ready to provide documents, one of which is the referendum supporting retention of the union, as proof of Yel'tsin's villainies.

Any attempt to remove a democratically elected head of state should be taken seriously, however, the Duma's present attempt should be understood as a face-saving move in light of its recent loss to Yel'tsin during the Kirienko appointment process. It does not seem likely that the process of impeachment will amount to much, especially when one of the principle presidential transgressions cited is an act that occurred outside of the present constitution under which the impeachment procedure is being conducted. (Radiostantsiya Ekho Moskvy, 0900 GMT, 20 Jul 98; FBIS-SOV-98-201)

REGIONS
Sobyanin describes provincial power brokers
In an interesting interview, Federation Council member Sergei Sobyanin explained who in fact holds power in the regions. Contrary to most accounts, the
president and the supposed economic "oligarchs" are not as powerful as are other institutions. For instance, 79 out of 89 regions receive subsidies from Moscow, and therefore the finance ministry is quite influential.

Other sources of regional influence are the "force structures" (the prosecutor's office, the interior ministry, the Federal Security Service, etc.) which, according to Sobyanin, are engaged in collecting bags of compromising materials on regional leaders. Most of the information remains within the "force structures" for their own use, however, some manages to end up on the Russian president's desk.

Sobyanin also warns against "super-regions" or inter-regional associations such as the Siberian Agreement, the Greater Volga, the Greater Urals, etc. The possibility exists that they may wish to secede given that their large size makes them economically, and perhaps militarily, viable.

Clearly the Russian bureaucracy is no Weberian ideal of modern, rationalized state administration, and this bodes ill for attempts to strengthen the Russian rule of law through legislation alone. Attention must also be paid to how the laws are enforced and interpreted. Instead of relying on the regions for tax collection, as the previous Digest entry discussed, perhaps the Federal Assembly and the executive branch of government should address the administration of laws, edicts, or regulations. (Argumenty i fakty, No. 30, Jul 98 (Signed to press 21 July 98), p. 4; FBIS-SOV-98-203)

Newly Independent States: CIS
By Ray Gaul

Abkhaz peacekeeping mandate renewal
On 31 July, the CIS mandate on maintaining peacekeepers in Abkhazia expires. As the deadline approaches, all sides have expressed their opinions on whether
to extend the mandate further. One of the more contentious issues concerns Russia's peacekeeping force, which Georgia claims favors the Abkhazian side. Evidently, a renewal remains contingent on successful negotiation to satisfy Georgia's desire to make the peacekeeping force more impartial. Several interesting proposals have emerged with this goal in mind. Suggestions that peacekeepers from NATO or from Black Sea countries take over the job of the current troops seem unrealistic. A more plausible solution to the standoff would be to increase non-Russian CIS peacekeeping troops.

In any case, the failure to reach an agreement on the issue at the Georgian-Abkhaz talks in Geneva represents a deterioration in relations. (See previous Digest.) Clashes in the Gali district in May contributed to the deterioration but newly appointed CIS Executive Secretary Boris Berezovsky managed to get both sides to agree on two draft agreements for a peace settlement. Now, any progress on these draft agreements will remain conditional on successful renewal of a peacekeeping operation of some form.

**CIS cooperation supported in theory**

CIS leaders continue to emphasize the need for member countries to cooperate on a greater scale. However, the type and means of cooperation which these leaders envisage remains vague. Ivan Rybkin, the Russian president's special envoy to the CIS countries, quoted President Yel'tsin as saying, "Russia should be more active in its cooperation with the CIS countries in the context of both bilateral and multi-lateral relations." Comments such as these signal a growing belief in the ability of the CIS to perform an important role in relations between former Soviet republics but do little to indicate in what direction the CIS will evolve. (ITAR-TASS, 1913 GMT, 9 Jul 98; FBIS-SOV-98-190)

Nevertheless, it is evident that change will come. CIS states continue their attempts to establish a better-defined role for the interstate body. Vasil Shaladonaw, head of a working group on reforming CIS structure and deputy
minister of CIS affairs in the Belarusian government, said at a news briefing, "We are talking about distributing powers, adding extra powers, improving the very structure of the CIS bodies." The working group session concluded at the CIS Executive Secretariat in Minsk on 9 July. The next session, scheduled for the end of July, promised further changes. (Belapan, 1630 GMT, 9 Jul 98; FBIS-SOV-98-191)

Organized Crime
The war on organized crime continues to receive support at the multilateral level. An interstate forum was held in Moscow 6-9 July. The forum drew participants from CIS member states, the Baltic states, and police representatives from Western countries. The conference participants agreed to concentrate on the fulfillment of an interstate program of joint measures against organized crime, draft an interstate doctrine of anti-mafia measures, and form a unified data bank of organized crime departments of the CIS and the Baltics to watch transnational and international relations of criminal groups. The sides will inform each other of travels of criminal leaders. (ITAR-TASS, 1337 GMT, 21 Jul 98; FBIS-SOV-98-202)

Newly Independent States: Western Region
By Monica Florescu

UKRAINE
Debate over role Ukraine should take vis-a-vis NATO
On 7 July, a program for cooperation between Ukraine and NATO was drafted by Ukraine's State Commission for Cooperation with NATO, chaired by the National Security and Defense Council secretary, Volodymyr Horbulin. The proposed plan stated the necessity of Ukraine's integration into European and Euro-Atlantic organizations. (Interfax, 0834 GMT, 8 Jul 98; FBIS-SOV-98-189) However, the new deputy foreign minister, Oleksandr Chalyy (who was until recently
ambassador to Romania), disagrees: He declared that the first realistic step is "integration with near abroad countries such as Poland, Romania, Slovakia, and Hungary." (UT-1 Television Network, 1500 GMT, 7 Jul 98; FBIS-SOV-98-189)

On 9 July, Horbulin's proposal won out: Following a meeting with Horbulin, NATO Secretary-General Javier Solana and President Leonid Kuchma, the government decided to direct energy towards cooperation with NATO countries, especially in the military and technological/scientific areas. This new line of policy, the government hopes, will boost the economy from the expected increase in orders for Ukrainian defense enterprises. (Interfax, 1629 GMT, 9 Jul 98; FBIS-UMA-98-190)

**Chernobyl: Deadline for closure might be pushed back**
Due to lack of assets in the Chernobyl international fund, the European Bank for Reconstruction and Development (EBRD) suggested on 15 July that donations be sought from post-socialist states such as Russia, Poland, Hungary, the Czech Republic, and Slovakia so that the 2000 deadline for closing down the Chernobyl nuclear plant can be met. (Interfax, 1535 GMT, 15 Jul 98; FBIS-SOV-98-196) In addition, the government declared that automatic payment from wages to the Chernobyl fund will be reduced from 5 percent to 3 percent. The Chernobyl Fund tax of 5 percent already constitutes a reduction from the earlier 10 percent, changed on 1 July by a presidential decree. These drastic reductions are intended to help the financial sector of Ukraine's ailing economy. Meanwhile, the government plans to allocate 400 million Hyrvnas to the fund from budget revenue. (Infobank, 1549 GMT, 21 Jul 98; FBIS-SOV-98-202)

**Gore's visit helps rebuild confidence**
During US Vice President Albert Gore's visit from 22 July, prospects of cooperation were further expanded between Ukraine and the United States. The United States promised to invest more money and personnel training to help turn Chernobyl's ruined fourth unit into an ecologically safe system (SIP). (Interfax,
In addition, discussions were held regarding additional loans from the International Monetary Fund (IMF) and the World Bank Organization, which are both expected to assess Ukraine's need for financial assistance after the current IMF mission publishes its report this summer. Gore agreed with President Kuchma's plan for economic recovery via presidential edicts aimed at meeting the requirements put forth by the IMF so that Ukraine may become eligible for an Extended Fund Facility loan for a period of three years. (Interfax, 1519 GMT, 23 Jul 98; FBIS-SOV-98-204) The 20 presidential edicts have been criticized by the opposition parties in parliament, as well as by the Ukrainian Union of Industrialists and Entrepreneurs (USPP), who disliked the independent "powers" that the president had in the economic sector. (Kiyevskiyev novosti, 11 Jul 98, p. 8; FBIS-SOV-98-205)

BELARUS
Envoy crisis develops into a conflict between East and West
The continuing crisis in Belarus over the removal of all foreign envoys from the Drozdy compound in Minsk has taken on new proportions. After the European Union (EU) banned top Belarusian officials from obtaining visas to visit member countries on 10 July (AFP, North European Service, 1752 GMT, 10 Jul 98; FBIS-SOV-98-191), Belarus accused the West of being confrontational rather than conciliatory on the matter, and stated that it will not accept any dictates or ultimata from the West. The Belarusian first deputy foreign minister, Uladzimir Hyarasimovich, went as far as to threaten a possible retaliation against countries which refuse visas to Belarusian officials. (ITAR-TASS, 1539 GMT, 14 Jul 98; FBIS-SOV-98-195) Only the neighboring countries of Poland, Lithuania, and Latvia, all of which share a border with Belarus, asked the EU to reconsider its stance and show a willingness to open a dialogue with President Lukashenka. (Radio Riga Network, 1700 GMT, 13 Jul 98; FBIS-SOV-98-194) However, on 14 July, the European Union published a list of 130 officials who are not to be allowed to visit member countries. (Belapan, 1220 GMT, 14 Jul 98; FBIS-SOV-98-195) This action was followed by the US decision, on 15 July, to join the EU's
ban on entry visas for top Belarusian officials, except for appearances at the
United Nations. (Interfax, 1538 GMT, 15 Jul 98; FBIS-SOV-98-196) The US also
threatened to break off diplomatic relations with Belarus if US marines are not
allowed to guard the US diplomatic mission's Drozdy residence. (Interfax, 1519
GMT, 23 Jul 98; FBIS-SOV-98-204)

In response, the Belarusian foreign minister, Ivan Antanovich, accused the West
of having plotted the escalation of the crisis so as "to exert unprecedented
political pressure on Belarus," adding that Belarus' sovereignty was being
threatened. (BTK Television Network, 1600 GMT, 14 Jul 98; FBIS-SOV-98-196)
On 17 July, President Lukashenka stated that "the West is trying to achieve its
goal of having a presidential election held in Belarus in 1999 in violation of the
present-day constitution," thus suggesting that the West is simply plotting to
unseat him. (Interfax, 1407 GMT, 17 Jul 98; FBIS-SOV-98-198) The mayor of
Moscow, Yuri Luzhkov, is the only non-Belarusian official who has shown full
support for Lukashenka. He recognizes Belarus' sovereign right to act as it
wishes in order to protect the president's residence in Minsk. (Interfax, 1519
GMT, 23 Jul 98; FBIS-SOV-98-204)

**Radio Free Belarus station to broadcast in Poland**
Radio Free Belarus will begin broadcasting in the fall, financed by resources
provided by the US government and the European Union. However, the
Belarusian Ministry of Foreign Affairs states that Poland's decision to allow the
launch of Radio Free Belarus on its territory will not further the development of
traditionally good neighborly Belarusian-Polish relations, based on the principles
of mutual respect, independence, sovereignty, and noninterference in the affairs
of one another. (Radio Minsk Network, 1600 GMT, 14 Jul 98; FBIS-SOV-98-195)
In addition, Belarus Foreign Minister Ivan Antanovich declared the decision to
broadcast was a hostile action from Poland, because it will facilitate the
launching of "campaigns to discredit Belarus." (Interfax, 1413 GMT, 23 Jul 98;
FBIS-SOV-98-204)
MOLDOVA

Transdniestr: Differences of opinions maintain conflict

A final settlement on the conflict between Moldova and the breakaway region of Transdniestr is no closer to being reached. On 13 July, Igor Smirnov, leader of Transdniestr, asked Russian President Boris Yeltsin to arrange consultations in Moscow in order to settle the Dniestr region conflict with the Moldovan government. (Infotag, 1745 GMT, 13 Jul 98; FBIS-SOV-98-194) Then, on 17 July, the secretary of state of Transdniestr, Valeriu Litkau, claimed that Moldova is not concerned with the peace process at the moment, and it currently "functions as an independent mechanism without Transdniestr." He therefore did not foresee any headway to be made at the meeting between the leaders of Moldova and Transdniestr from 21 July. (Interfax, 1503 GMT, 17 Jul 98; FBIS-SOV-98-198). As was expected, the meeting did not bring the two parties closer to a settlement of the conflict. The parties differed in their interpretation of the memorandum (signed in July of 1997) on normalizing relations between Moldova and Transdniestr by facilitating the coexistence of the Slavic minority with the Moldovan majority within a single state. In Smirnov's view, the implementation of these accords is impeded because Moldova's leaders have focused on resolving internal problems -- such as the recent elections and the current economic crisis -- and practically do not address the Transdniestr settlement. (ITAR-TASS, 1803 GMT, 21 Jul 98; FBIS-SOV-98-202)

Promising headway made towards cooperation with the EU

During its sitting held in Brussels on 15 July, the Coordinating Committee for Collaboration between the EU and Moldova adopted the Collaboration Program for the years 1998 and 1999. During the meeting, Vice Minister Ion Sturza proposed to start negotiations over the possible recognition of Moldova as an associated EU member. (Infotag, 1530 GMT, 15 Jul 98; FBIS-SOV-98-196) The accord establishes the juridical, political, and administrative framework of the Moldovan-European Union cooperation and "will encourage the foreign trade and
investments" in the Moldovan economy, said the minister. Efforts are already being made to match Moldovan legislation to that of EU countries, as the EU will set up an office to test Moldovan laws. (Basapress, 2100 GMT, 16 Jul 98; FBIS-SOV-98-198) The agreement constitutes an important starting point towards Moldova's recognition and further incorporation in Europe.

Newly Independent States: Central Asia
By Monika Shepherd

KAZAKHSTAN
Kazakhstan, China resolve all border disputes at five-nation summit
The five-nation summit on border security, attended by the foreign ministers of Kazakhstan, Russia, China, Kyrgyzstan, and Tajikistan, concluded on 3 July with the signing of an agreement to honor the two previous treaties on border security (signed in April 1996 and April 1997). The new document also included a few other provisions, such as a statement rejecting any type of "national splittism, ethnic exclusion and religious extremism," as well as a vow on the part of all five countries to battle terrorism, narcotics smuggling, organized crime and any other kind of criminal activity which might pose a threat to the countries' "national sovereignty, security and social order." (Xinhua, 1346 GMT, 03 Jul 98, FBIS-CHI-98-184)

Economic issues were also briefly addressed in a clause on the necessity of economic cooperation, particularly in the areas of pipeline construction for oil and natural gas, water supply, and transportation. However, the foreign ministers were unwilling to pledge their support for anything more substantive than feasibility studies on ways of supplying electricity to each other. (Xinhua, 1346 GMT, 3 Jul 98; FBIS-CHI-98-184)
On matters of international concern, the five signatories called for all nations which had not yet done so, to sign the Nuclear Non-proliferation Treaty and the Comprehensive Nuclear Test Ban Treaty, and they also called for a peace conference to be convened in Bishkek, in order to settle the civil war in Afghanistan. (Xinhua, 1346 GMT, 3 Jul 98; FBIS-CHI-98-184)

One of the most concrete results of the summit was a bilateral treaty between the Kazakh and Chinese governments that settled the two countries' differences over the remaining sections of their border which were still under contention. In accordance with this treaty, Kazakhstan will be ceded 1,000 square km, or 53 percent of the border area by the Baimurza passage (located in eastern Kazakhstan) and of the region near the Sary-Charda river (located in Almaty oblast'). Following the treaty's signing, President Nazarbaev informed journalists that, with this agreement, all of Kazakhstan's border disputes with China have been resolved. (Interfax, 0744 GMT, 4 Jul 98; FBIS-SOV-98-185)

**Kazakhstan, Russia sign agreements on Caspian, "eternal friendship"
**
On 6 July, Presidents Nazarbaev and Yel'tsin finally signed the long-awaited agreement on the delimitation of the Caspian Sea's resources, although it was the "Declaration of Eternal Friendship and Union Oriented toward the 21st Century" which was most loudly hailed by Tair Mansurov, Kazakh ambassador to Russia. The main points of the Caspian agreement are the division of the resources contained in the seabed by national sector, and the designation of the sea's surface as common property to be shared between all of the littoral states. (Interfax, 1626 GMT, 9 Jul 98; FBIS-SOV-98-190) This agreement has not been accepted by any of the other littoral states and therefore only affects the division of Kazakh and Russian resources. Thus far, the littoral states have not come to any agreement on how the Caspian's Sea's resources should be divided, nor have they yet officially determined the sea's status, although most of them seem to be treating it as a sea, and not as a lake.
The treaty on eternal friendship, which was also signed on 6 July, consists of a series of pledges for mutual cooperation in areas such as trade and investment, the formation of a common labor market based on labor migration and job creation, the establishment of conditions for free freight and passenger transport with a view toward the creation of a joint transport system, and the pursuit of common goals in their social policy, including "the phased equalization of pensions, allowances, and privileges for various categories of citizens." The treaty also contains a statement ensuring equal rights for each country's ethnic minorities, and then goes on to state explicitly that Russians living on Kazakh territory and Kazakhs living on Russian territory are considered "organic parts of the Russian and Kazakh societies." (Rossiyskaya gazeta (Ekonomicheskiy soyuz supplement), 18 Jul 98, p. 3; FBIS-SOV-98-208)."

Comment
The "eternal friendship" treaty's statement on the equality of each country's minorities, particularly vis-a-vis Russian and Kazakh minorities, is significant in light of the fact that one of the issues on which the Kazakh and Russian governments still disagree is the treatment of Russian minorities in Kazakhstan. Moscow firmly believes that Russians are widely discriminated against in such areas as language policy and state employment. Officials (unnamed) in the Russian foreign ministry contend that Russians continue to be forced out of Kazakhstan, due to government discrimination against them. According to Russian foreign ministry statistics, Kazakhs now hold 83 percent of all government posts (as opposed to 50 percent in 1985), while accounting for only 44 percent of the population (with Russians at 35 percent and Ukrainians at 4.9 percent). These statistics also state that only 10 percent of radio broadcasts in Kazakhstan are in Russian, and television programs in Russian receive less than 50 percent of total air time. President Nazarbaev directly refuted these charges, declaring that Kazakhstan is currently the only CIS state which grants its Russian residents the same rights as it does its native population. As an example, he cited Russian's co-equal status with Kazakh as a state language and the fact that
KYRGYZSTAN

Akaev's right to run for third term approved; parties oppose decision

In mid-July, following three days of deliberation, Kyrgyzstan's Constitutional Court announced its ruling on an appeal by a group of parliament representatives on whether President Akaev should be permitted to stand for a third term in office. Although the Kyrgyz constitution states that no one may be elected to the presidency for more than two terms, and President Akaev has been elected twice (in 1991 and in 1995), the first election in which he participated was held under the terms of the Soviet constitution, and therefore he is currently serving only his first term as president under the new constitution. (ITAR-TASS, 0631 GMT; 13 Jul 98, FBIS-SOV-98-194) This is the same reasoning which was used by Prime Minister Kubanychek Jumaliev in May, when he declared that President Akaev was free to run for a third term (see May/June Editorial Digest).

The leaders of ten opposition parties, including the Communist, People's Patriotic, Socialist, and Democratic parties, released a statement on 21 July in which they expressed their disapproval of the Constitutional Court's ruling, declaring that it had made an unlawful decision on an issue which was outside its jurisdiction. The opposition parties' statement also implied that the court's action was yet one more attempt to weaken the power of the legislature. (Interfax, 0648 GMT, 21 Jul 98; FBIS-SOV-98-202)

TAJIKISTAN

Sodirov supporters survive another clash with government troops

On 1 July, Tajik interior ministry troops launched an operation to destroy Rezvon Sodirov's remaining supporters, who have reportedly been harassing and intimidating residents in Dushanbe's eastern suburbs for a number of months. According to the Tajik government, Sodirov's former cohorts are responsible for
kidnappings in the area and the murder of law enforcement officers; unfortunately, no specific incidents were cited. The renegade group is now led by Saidmukhtor Yorov (Rezvon Sodirov was allegedly killed in a standoff with government troops last year, in or near the Romit Gorge) and, according to one interior ministry official, consists of 20-40 members. Interior ministry units succeeded in capturing 10-20 of Sodirov's men, but were forced to end the operation after 11 of their own troops were wounded. (ITAR-TASS, 2254 GMT, 1 Jul 98; FBIS-SOV-98-183, and ITAR-TASS World Service, 0557 GMT, 3 Jul 98; FBIS-SOV-98-184)

Comment
The fact that Rezvon Sodirov's gang has been engaging in various sorts of criminal activity so close to Dushanbe and for so long does not speak well for the Tajik government's ability to enforce its own laws and ensure the safety of its citizens. Sodirov’s men most likely could not have survived so long without the protection and perhaps even collusion of local law enforcement officials. The peace agreement between the United Tajik Opposition (UTO) and President Rahmonov's administration does not seem to have resulted in an improved atmosphere for cracking down on crime and corruption in Tajikistan. If anything, the situation with regard to organized crime (e.g., the narcotics and arms trade) seems to have become worse. The number of armed gangs appears to be on the rise, and it would not be surprising if the majority of local law enforcement officials was aiding and abetting these gangs.

President says murder of UNMOT personnel politically motivated
On 20 July, four UN Mission of Observers in Tajikistan (UNMOT) personnel were found shot to death in their car, which had been pushed over a cliff near the Labijar checkpoint (which is under the control of government troops) in the Garm district, approximately 200 km east of Dushanbe. (Interfax, 0855 GMT, 22 Jul 98; FBIS-SOV-98-203) Two of the UNMOT staff were military observers on their way to Tavildora district, to check on the local implementation of the peace
The UN reacted by recalling to Dushanbe all of its personnel who had been working outside the capital and will not allow them to return to their assigned areas until the murderers have been identified and taken into custody. (Interfax, 0851 GMT, 22 Jul 98; FBIS-SOV-98-203) The International Committee of the Red Cross (ICRC) delegation chief, Juan Bautista Baqueta, also decided to recall all ICRC staff stationed in Garm District. (ITAR-TASS World Service, 1137 GMT, 22 Jul 98; FBIS-SOV-98-203)

President Rahmonov immediately appointed a government commission consisting of UNMOT officials, National Reconciliation Commission (NRC) representatives, and government officials to investigate the murders, and also promised to increase security for international aid workers. (Interfax, 1450 GMT, 22 Jul 98; FBIS-SOV-98-203) Speaking to Tajikistan's Security Council on 22 July, President Rahmonov seemed to be laying the primary blame for the UNMOT staff members' deaths on the UTO (ITAR-TASS, 1342 GMT, 22 Jul 98; FBIS-SOV-98-203); however, at the same time he had First Deputy Defense Ministers Abdullo Habibov and Sodik Bobodzhanov removed from their posts and issued reprimands to Deputy Vice Premier Abdurahmon Azimov and Defense Minister Sherali Khairulloev for their inability to ensure the UNMOT personnel's safety. (ITAR-TASS World Service, 1051 GMT, 22 Jul 98; FBIS-SOV-98-203).

At a meeting on 22 July with Jan Kubis, the UN secretary-general's special envoy to Tajikistan, President Rahmonov interpreted the UNMOT members' murder as a move meant not only to undermine the inter-Tajik peace process, but also to damage his own credibility in the upcoming parliamentary and presidential elections. He also voiced the opinion that it was due to the UTO troops' agreement's military protocol; the other two persons in the car were an interpreter (a Tajik citizen) and the driver. Initially, the UNMOT personnel's deaths were reported by Tajik Vice-Premier Abdurahmon Azimov to be the result of a car accident. (ITAR-TASS, 1325 GMT, 21 Jul 98; FBIS-SOV-98-202)
reluctance to disarm and take the oath of allegiance (in compliance with the peace agreement's military protocol) that the situation in the Garm district remained so unstable as to allow this type of incident to occur. (ITAR-TASS, 1059 GMT, 22 Jul 98; FBIS-SOV-98-203)

NRC Chairman and UTO leader Said Abdullo Nuri also blamed the UNMOT members' murders on the slow implementation of the peace agreement's terms, in his discussion of the incident with Kubis on 24 July. Nuri told Mr. Kubis that he believes that the murder was an attempt to damage the inter-Tajik peace process, but even more specifically, to sully the reputation and authority of Mirzo Ziyoev, the UTO commander in charge of much of the Garm district, including that portion of the road where the UNMOT personnel were shot. Ziyoev has been recommended for the post of defense minister by the NRC. (Voice of the Islamic Republic of Iran, 1600 GMT, 25 Jul 98; FBIS-SOV-98-208)

Nuri assured Mr. Kubis that, henceforth, all international aid workers would be accompanied by UTO commanders, in order to prevent another incident of this sort from occurring. He also said that the UTO may have some idea of who was behind the fatal attack on the UNMOT personnel, but would wait until the murder investigation had been concluded before releasing the perpetrators' identities. (Voice of the Islamic Republic of Iran, 1600 GMT, 25 Jul 98; FBIS-SOV-98-208)

Comment
Mirzo Ziyoev's appointment to the post of defense minister is indeed now in doubt. President Rahmonov rejected his candidacy for this position on 30 July and, although he will meet with UTO leader Nuri again to reconsider Mirzo Ziyoev's appointment (RFE/RL Newsline, 31 Jul 98), there are no assurances that the president will change his mind.

Over 600 UTO troops refuse oath of allegiance in Karategin
On 26 July, more than 600 UTO troops, who have been permanently stationed at a base in Karategin (located east of Dushanbe), announced that they refused to take the oath of allegiance, which is the last step in the process of their reintegration into the Tajik armed forces. They cited the Tajik government’s failure to fulfill the terms of the peace agreement’s military protocol, as well as President Rahmonov’s accusation that the UTO is at least partially responsible for the murder of the four UNMOT members as the reasons for their refusal to take the oath. (Interfax, 1534 GMT, 24 Jul 98; FBIS-SOV-98-205)

TURKMENISTAN

Israeli investment in Turkmenistan tops $1 billion

Natan Sharansky, Israel's minister for trade and industry, met with President Saparmurat Niyazov in Ashgabat on 2 July in order to discuss the possibility of providing Israeli technological aid for Turkmen irrigation projects. Sharansky also offered Israel's help in transporting Turkmenistan's natural gas supplies to the world market. (Interfax, 1842 GMT, 2 Jul 98; FBIS-SOV-98-183)

A private Israeli investment firm, Merkhav, is already very much involved in developing Turkmen oil and natural gas resources. The firm's director, Yosef Maiman, joined Minister Sharansky and President Niyazov in their discussion. His company has managed to attract ten other foreign firms' investment in the projects controlled by Merkhav (e.g., the renovation of Turkmenistan's largest oil refinery in Turkmenbashi and the construction of a polypropylene factory in the same area). The total cost of the projects that Merkhav is currently involved in surpasses $1 billion. Mr. Maiman hopes to diversify his company's interests into Turkmenistan's cotton cultivation, as well as to join in the financing of the trans-Caspian oil pipeline project. (Interfax, 1842 GMT, 2 Jul 98, FBIS-SOV-98-183)

Iran's Ayatollah Khamene'i urges Turkmenistan to reject Israeli aid

President Niyazov traveled to Tehran on 6 July for a three-day visit with some of Iran's top officials. After meeting with President Khatami to discuss the Caspian
Sea's legal regime and ways of increasing his country's economic and industrial cooperation with Iran (IRNA, 1539 GMT, 6 Jul 98; FBIS-NES-98-187), President Niyazov attended a meeting with Ayatollah Khamene'i. The focus of this discussion was also the division of the Caspian Sea's resources. In regard to the development of the Caspian oil and gas resources, the ayatollah urged President Niyazov to refuse the Israeli government's offers of aid for the Caspian development projects. The ayatollah expressed the view that Israel's involvement in the Caspian Sea area would be detrimental for regional security, particularly for Iranian security. (IRIB Television First Program Network, 1630 GMT, 7 Jul 98; FBIS-NES-98-188)

Comment
The Ayatollah Khamene'i's comments to President Niyazov are doubtlessly linked to Minister Sharansky's recent visit to Turkmenistan, and the possibility that Israel might be granted a piece of the "Caspian pipeline pie." Perhaps Iran is beginning to fear that its leverage over issues involving the development of Caspian oil and natural gas is beginning to wane. The Russian government seems to have dropped out of its previous alliance with Iran over the issue of how the Caspian resources should be divided, and the move among most of the other littoral states seems to be toward the national sector division plan. Iran does exercise some clout over the Turkmen government because of its current investments in Turkmenistan, but by now the various Western companies involved in the Turkmen oil and gas industry exercise just as much influence over President Niyazov's administration, if not more. At this point it is doubtful that Iran will be able to exercise much control over Turkmenistan's foreign policy.

Newly Independent States: Caucasus
By Miriam Lanskoy

Foreign minister's comments trigger criticism
Armenian Foreign Minister Vardan Oskanian's comments to journalists which revealed that Armenia intends to annex Nagorno-Karabakh formally at a later date sparked criticism from international and domestic critics. "Oskanyan says things which a diplomat who respects himself would not say" one newspaper commented. The account went on to list all the negative results of that statement: French President Chirac postponed his planned visit, the US Congress adopted the Silk Road bill that Armenians have been lobbying against, the OSCE and the Council of Europe condemned the statement, while some OSCE delegates talked of reviving the Lisbon declaration which explicitly upheld Azerbaijan's territorial integrity. (Golos Armeni, 11 Jul 98; FBIS-SOV-98-194)

Although it is probably far-fetched to attribute all of those adverse results to a single statement, Armenians are certainly hearing more forthright criticism of their government's policies than they have in the recent past. The French ambassador to Armenia, Michel Legras, told journalists:

"The position of France on this issue [Azerbaijan's and Turkey's blockade of Armenia] is not very different from the position of the international community. You are trying to consign to oblivion the fact that Nagorno-Karabakh, supported by Armenia, has occupied a sufficient percentage of Azerbaijani territory; you do not want to take into account the seriousness of the refugee problem in Azerbaijan, and you are making statements as well, confirming that you do not rule out the possibility of annexing Nagorno-Karabakh. If you think that these problems are less important than the blockade, you are wrong. To the international community, the blockade is the result, not the cause, of the conflict. Settle the conflict and the blockade will end. If you cannot understand the difference between the main and the secondary, you will not get very far. These are the priorities: liberation of the occupied territories; return of the refugees; determination of the status of Nagorno-Karabakh; establishment of peace and stability; creation of regional cooperation."
If only the OSCE Minsk group spoke with that kind of candor, clarity, and precision! Later in the interview, Ambassador Legras suggested that the Kocharian government will have to change its positions, "Otherwise Armenia may end up in international isolation."
(Snark, 0630 GMT, 2 Jul 98; FBIS-SOV-98-184)

AZERBAIJAN

Official airs complaints against oil companies

Ilham Aliev, son of President Geyder Aliev and vice president of SOCAR, Azerbaijan's state-owned oil company, told the Azerbaijani newspaper Zerkalo that he is "extremely unhappy" with the international oil company consortium, AIOC. The financing of the pipeline to Supsa on Georgia's Black Sea coast has turned into a very contentious issue which may end up in a court of arbitration. Aliev charges that the AIOC has squandered over $200 million on unnecessary studies, an expense which threatens to make the western route less profitable than the existing northern variant. If the sides don't settle the method of financing for the unforeseen $275 million before the construction is completed, SOCAR will bring the matter to court.

Aliev also expressed frustration with the slow pace and confused nature of the talks on the main export pipeline which are scheduled to decide the route of the pipeline before October: "It is hard to believe that the negotiations on determination of the route of transportation of the main oil will be completed by October. I personally am not clear on what goals they are pursuing." As Aliev explained, the AIOC responded to the slump in oil prices by abandoning the plan to build the main pipeline. Turkey was also alarmed by the AIOC's delay tactics and interpreted them as the result of concerns about cost. For that reason, Turkey made the western route more financially attractive. To this end, it was able to alter the proposed route, cutting $800 million from the original cost. The AIOC representatives, in Aliev's estimation, do not take Turkey's protestations against increased tanker traffic in the straits very seriously and count on US
pressure to make that option available. The AIOC's reluctance to construct the main pipeline to Ceyhan makes the proposed routes through Ukraine or Romania even more attractive. (Zerkalo, 20 Jun 98; FBIS-SOV-98-189, and Turan, 1140 GMT, 9 Jul 98; FBIS-SOV-98-190)

Nuclear smuggling discovered ... again
The staff of the Azerbaijani Ministry of National Security have averted an attempt to sell radioactive substances for a second time this year. Four persons were arrested in Baku in July for trying to sell a container with cesium-isotope for $1.4 million. This substance was probably obtained from the former Soviet and Russian military bases in Azerbaijan. The ministry is also looking for another 14 types of radioactive materials stolen from various chemical enterprises. According to Azerbaijani authorities, the intended buyer was certainly a state: "It is naive to think that some private trader would buy a container with cesium just so he could spend his leisure time testing it with a dosimeter and enjoying the crackling sound produced by the device." Most likely the intended buyer was Iran--something Iran naturally denies--as was the case in March when 22 tons of special alloyed steel were seized on the Iranian border. (Zerkalo, 4 Jul 98; FBIS-SOV-98-188)

GEORGIA
Others build where Russians plunder
On 27 June Georgian and Russian officials agreed on a timeline and procedure for the transfer of border protection to the Georgian authorities. On 16 July the process of handing over the sea border began; this should be completed before the end of the year. The rest of the border will be transferred by 10 July 1999. In this connection, President Shevardnadze praised the "correct position" of the new commander of Russian border guards, General Bordyuzha. (Radio Tbilisi Network, 0611 GMT, 13 Jul 98; FBIS-SOV-98-194)
Valeriy Chkheidze, the chief of the Georgian border guards, described the status of border demarcation to a Russian newspaper. Demarcation has been performed on much of the border with Russia, although some sections still require clarification. The same is true for the border with Azerbaijan. Due to some technical reasons, this work has not begun on the Armenian border. There are "no problems" with the border with Turkey.

Chkheidze described his preferred process of taking over border protection from the Russian guards. Georgian border guards would be sent to the border posts to work with and train under the Russians. "We are not breaking off relations, we are simply relieving the Russian border guards of an extra burden." Since most of the border area with Russia is in the mountains, historically the local population has been responsible for guarding those portions. The Georgian authorities are trying to revive that practice and three headquarters are already fully staffed in this manner. In the sea sections, the Georgians intend to adopt the American coast guard system.

Commenting on Russia's removal of border and naval equipment, Chkheidze said, "There is practically nothing now. Everything has been destroyed and plundered... This is strategic partnership in action." If the Georgian plan of sending their own border guards to man the posts during the transitional period is adopted, there might be some chance of preventing spiteful vandalism in the future. "This has been encountered repeatedly. Concrete has been poured down the sewers, for example. In order to part friends, both sides should behave with dignity." (Obshchaya gazeta, 25 Jun-1 Jul 98; FBIS-SOV-98-189)

Ukraine was the first to help Georgia by providing coast guard ships from its share of the Black Sea Fleet about a year ago; its naval officers are currently training Georgian coast guards. Other states have joined in that process. The United States allocated $18 million for the creation of the border infrastructure, delivered a patrol craft, and paid for the training of Georgian coast guard and
border troops. Germany has also provided a coast guard ship, while Turkey has promised to supply spare parts. (Monitor, 4 Aug 98) Currently the Georgian coast guard has one Tartura-class escort ship, seven patrol cutters, and six armored boats. (ITAR-TASS, 1823 GMT, 18 Jul 98; FBIS-SOV-98-109)

Newly Independent States: Baltic States

By Kate Martin

LATVIA

Moscow does not believe in ... embargoes?

Apparently the Russian parliament wasn't listening when Russian foreign ministry spokesman Vladimir Rakhmanin said at the beginning of July that his country did not believe in embargoes (see previous Digest): Both the Duma and Federation Council, in support of a statement initiated by Moscow Mayor Yuri Luzhkov, have called for Russia to use any available measures to retaliate against perceived violations of rights of ethnic Russians in Latvia. (Baltic News Service Daily Report, 1600 GMT, 9 Jul 98) According to the Federation Council, "the Russian Federation Government could look at the question of imposing an economic embargo on the Republic of Latvia." (Rossiyskaya gazeta, 21 Jul 98; FBIS-SOV-98-204) The Duma has been calling for economic sanctions against Latvia for years, in response to any number of slights ranging from alleged mistreatment of ethnic Russians (Interfax, 0959 GMT, 6 Mar 98; FBIS-SOV-98-065) to the "hostile rhetoric" of Saeima members who passed the declaration on Latvia's occupation. (Rossiyskaya gazeta, 11 Oct 96; FBIS-SOV-96-200)

Apparently, communication obstacles work both ways: On 7 July Rakhmanin called Latvian complaints about sanctions "completely ungrounded." (ITAR-TASS, 1222 GMT, 7 Jul 98; FBIS-SOV-98-188)
Luzhkov's statement cited the Latvian law which stipulates that, beginning on 1 August, aliens leaving Latvia while holding only passports from the (now nonexistent) USSR needed to obtain an entrance visa before they would be allowed to return. What he neglected to mention was the fact that holders of former Soviet passports have been granted several extensions for obtaining Latvian non-citizen passports. The usefulness of former USSR passports for travel between Latvia and Russia was to have expired on 31 December 1997 (Baltic News Service, 1700 GMT, 16 Dec 97), and then on 31 March 1998. (Baltic News Service, 1400 GMT, 5 Jan 98) By mid-March, however, only 15 percent of non-citizens had received the Latvian passports. (Baltic News Service, 1700 GMT, 18 Mar 98) The Saeima subsequently extended former USSR domestic passports until 31 July 1998, and former USSR foreign passports until 31 October 1998, a move that was dismissed as a half measure by approximately 2,000 aliens who attended a rally at the end of March to protest. (Interfax, 1623 GMT, 31 Mar 98; FBIS-SOV-98-090) The protesters sought an extension until the year 2000, and criticized as "cynical and insulting" PM Guntars Krasts' statement that indefinite extension of former Soviet passports would not encourage aliens to obtain new Latvian documents.

While the Russian government considers its parliament's demands to hit at Latvia's economy, it managed to demonstrate how high a priority it holds good-neighborly relations, not to mention basic decency: The Russian Embassy in Riga announced tougher visa requirements were to be instituted for Latvian citizens, with no lead time. Moreover, emergency visas will no longer by granted to Latvian citizens, according to the head of the Consular Section of the Russian Embassy. The shortest time for visa processing is five days. (Radio Tallinn Network, 1300 GMT, 17 Jul 98; FBIS-SOV-98-198)

OSCE, EC reassure Latvia, rebuke Russia about recommendations
Recent complaints by Russia that the Latvian citizenship law amendments passed in June did not meet international requirements earned an immediate
refutation by OSCE Commissioner for Nationalities Max van der Stoel. (see previous Digest) The European Union has also weighed in, urging the Latvian government to accelerate the integration of minorities into society and the promulgation of the amendments--in the face of stalling action by the nationalist For the Fatherland and Freedom/LNNK faction. However, European Commission representative Hans van der Broek recommended that, rather than criticizing the amendments (as only Russia had), the entire international community should welcome the steps Latvia had taken to meet OSCE recommendations, since such a response would only help the amendments be put into effect. (Interfax, 1143 GMT, 9 Jul 98; FBIS-SOV-98-190)

Moreover, Van der Broek said he doubted Russia's economic pressure would improve the situation of the ethnic Russian residents of Latvia. (Interfax, 1402 GMT, 10 Jul 98; FBIS-SOV-98-191) The EC, he said later, considers Russia's policy to be unproductive. (Radio Riga Network, 1200 GMT, 20 Jul 98; FBIS-SOV-98-201)

In discussions focusing on the amendments and the collection of signatures for a referendum, concern has been voiced that Latvia could face additional recommendations from the international community. In fact, PM Guntars Krasts warned of that very danger in remarks supporting the referendum. However, both Van der Stoel (Baltic News Service, 1300 GMT, 17 Jul 98) and Van der Broek have assured the government that no further recommendations were planned. (Radio Riga Network, 1200 GMT, 20 Jul 98; FBIS-SOV-98-201)

**Demographic danger disappearing**

Meanwhile, the possibility that the titular nationality will be overrun by other ethnic groups seems to be on the wane. The Central Statistics Department has reported an increase in ethnic Latvians, and a 1.5 percent decrease in ethnic Russians (with smaller decreases in the percentages of Belarusians, Ukrainians, Jews and Poles) in the last decade. In 1989, 52 percent of Latvian's residents
were ethnic Latvians, while in the beginning of 1997 the percentage had grown to 55.3 percent. (Baltic News Service, 1600 GMT, 9 Jul 98) The department reported that the country's population in 1997 approached 2.5 million persons, with 1,371,600 Latvians, 805,700 Russians, 98,800 Belarusians, 72,600 Ukrainians, 45,600 Poles, 31,800 Lithuanians, 10,300 Jews, 7,600 Gypsies, 2,700 Estonians, 1,800 Germans, and 22,400 from other nationalities.

Emigration certainly accounts for some of the demographic changes, especially from the Baltic states to Russia. According to Tatiana Regent, director of the Russian Federal Migration Board, between 1992 and 1997 Russia received 67,973 emigrants from Estonia, 108,276 from Latvia, and 52,183 from Lithuania. The peak period was in 1994, Regent said. Since then the numbers have been dropping. In 1997, 3,483 residents moved to Russia from Estonia, while the figures for emigrants from Latvia and Lithuania were 5,658 and 1,758, respectively, she said. (Baltic News Service, 1600 GMT, 23 Jul 98)

**Polish representatives seek better ethnic educational opportunities**

Russian-speaking residents of Latvia do not constitute the only minority clamoring for attention. Representatives of the country's Polish residents met with Poland's president, Aleksandr Kwasniewski, when he visited Riga University on 8 July. They were not protesting any citizenship issues, however: They sought more financial support from the state. Polish schools need financing, modern equipment and well-educated teachers, Kwasniewski was told. There are six Polish schools, with a total enrollment of 1200 children, in Latvia. (PAP, 1422 GMT, 8 Jul 98; FBIS-SOV-98-189) Kwasniewski reportedly took the matter up with Latvian government officials. (Polskie Radio First Program Network, 1400 GMT, 7 Jul 98; FBIS-SOV-98-188)

**ESTONIA**

**Russian town residents see greener grass across border**
Residents of the Russian town of Ivangoord have appealed to President Yel'tsin for the town's annexation to Estonia. According to Aleksandr Tsinev, a representative of the Leningrad Oblast governor, the initiative followed several expressions of no confidence in the mayor and town council by Ivangoord inhabitants. (Baltic News Service, 1300 GMT, 14 Jul 98).

At issue is the apparent mismanagement by municipal leaders, which has led to unemployment, lack of public transportation and television, the collapse of the municipal economy, and complete inactivity of the town government, Tsinev said. The final straw was a substantial reduction in the town's water supply. After months of warning that the town's debt for water and sewerage had remained unpaid, and ample time for the town government to make arrangements for payment, on 13 July Estonia AS Narva Vesi cut the water flow to 25 percent of normal. "I can't rule out we'll break our contract with Ivangoord altogether," said Narva Vesi's general director, Aksel Ers. The town's total debt, with fines for late payment, is approaching 10 million kroons (US$703,800). Money for the payment of the debt must be allocated from the budget of Russia's Leningrad region. Ivangoord and the Estonian town of Narva share water supply and sewage systems from Soviet times. (Baltic News Service, 1600 GMT, 13 Jul 98)

LITHUANIA

KGB employment law stalled over questions of constitutionality

Stating his belief that the law is "dubious from the point of view of the Constitution or international law," President Valdas Adamkus refused to sign into force a recently passed bill that would impose employment restrictions on former KGB officials. The legislation would bar former employees of the Soviet KGB from all state and a number of private structures, including banks and law firms, for 10 years. Adamkus suggests the parliament delay enacting the law, and instead seek a decision on the constitutionality of the bill from the Constitutional Court. (Baltic News Service, 1600 GMT, 10 Jul 98) The Center Union and Democratic
Labor Party (LDLP) voiced support of Adamkus' stand. (ELTA, 0756 GMT, 10 Jul 98; FBIS-SOV-98-191)

Parliament voted in favor of Adamkus' proposal to delay enactment of the law until 1 January 1999, but dismissed the idea of appealing to the Constitutional Court. Instead, the governing Conservatives plan to rework the wording of the bill to aim for a consensus and "to eliminate any doubts as to its constitutionality." (Baltic News Service 1600 GMT, 17 Jul 98) In the meantime, the LDLP has begun to collect signatures for such an appeal (29 MP signatures are required); however, only an appeal by parliament as a whole would delay enactment of the bill until the court issues its decision. (Baltic News Service, 1300 GMT, 20 Jul 98)

**Prosecutor: Third Unit did not carry out illegal surveillance**

The Prosecutor General's Office announced on 14 July that the Third Unit of the Interior Ministry's VIP Security Department did not carry out illegal surveillance operations against presidential candidates, state leaders or other officials. According to a spokesman, the office determined that the Third Unit had overstepped the powers of the VIP Security Department, but had not committed anything actionable. (Baltic News Service, 1000 GMT, 15 Jul 98)